

A Tale of Two Cities: one with the tech jobs and the other with the tech housing.

Dear Editors of the *East Bay Times*,

I am a daily reader of the *East Bay Times*. After skimming the sports section, I always read the business section in its entirety (it is on the back pages of the sports section). Virtually each day there is at least one article, and often two articles, by your outstanding business reporter/analyst George Avalos*.

(*As an aside, George's productivity is remarkable. He covers all tech development as well as the economy in general. He is doing the work that two or three reporters used to do when newspapers had larger circulations and staffs.)

Almost daily Mr. Avalos presents reports on tech development in San Jose. For example, from yesterday's *East Bay Times* (01-11-2020):

- Bill.com leases north San Jose space as site of company's new headquarters
- Industrial developer eyes north San Jose Fry's Electronics site

Other recent reports by Mr. Avalos include:

- Historic downtown San Jose building scooped up by busy investment firm.
- Verizon breaks ground on huge tech hub in San Jose.

Although most of Mr. Avalos' reports are about San Jose, he also reports on tech development in surrounding cities in the South Bay. For example, from the *East Bay Times* of January 10, 2020:

- Airbnb signs big lease in Santa Clara, sets stage for major Silicon Valley job hub.

What stands out from Mr. Avalos' thorough and excellent reporting on tech development in the Bay Area is that it is occurring overwhelmingly in San Jose and the South Bay, but **not** in Oakland nor the East Bay. At the same time, however, Oakland has been on a building boom with at least a dozen new high-rise apartments/mixed use buildings having gone up in the last several years. I witness this personally because I work in downtown Oakland. At least a dozen former parking lots are now occupied by buildings. These new buildings look luxurious, suitable for tech workers.

Some data:

- From *San Francisco Chronicle* of August 15, 2019 by J.K. Dineen: Currently, 9,304 total units are under construction in Oakland. During 2019 it is expected that more than 6,800 of these units will come online, with many having already opened. By contrast, San Francisco — which has more than twice the population of Oakland — is expected to produce 4,700 new housing units in 2019, according to the city's respective planning departments
- From the *East Bay Business News* of April 10, 2019: Towers aren't the only change coming to Oakland's downtown. The city is also planning for a massive influx of people and businesses, including 49,431 new residents and 59,598 new employees before about 2040.

There is a salient imbalance between where the housing is going up and where the tech jobs are being created. Tech is going overwhelmingly to San Jose and the South Bay and bypassing Oakland and the East Bay. It is clearly becoming a Tale of Two Cities with respect to tech. I hope your excellent newspaper can find the resources to do a report/analysis on this emerging disparity.

Thank you,

William E. Jackman, PhD
Statistician/SAS & SQL Programmer

Oakland, California
January 12, 2020