



**Lance Knobel, CEO, Cityside Journalism Initiative**  
Testimony to California's Senate Judiciary Committee  
Tuesday, December 5, 2023

Mr. Chairman, Vice Chair Wilk, Members of the Committee, good afternoon. My name is Lance Knobel and I am the CEO and Co-founder of Cityside Journalism Initiative. It is my pleasure to speak to the committee today about some of the issues facing local journalism.

Together with two other journalists, I founded the online-only Berkeleyside 14 years ago because we saw that most of what was happening in our city was not being covered. It was rare for a reporter to be at the City Council, even rarer for one to attend the school board, and planning disputes, community events, business openings and closings, town/gown tussles were occurring in a near news void.

Being digital from the start helped us in numerous ways. First, we don't bear the costs of paper, printing and distribution. Second, we can respond instantly to breaking news. It's unthinkable today that people would have to wait until morning or – for weekly newspapers – until that weekly publication to find out what's happening. We've also had the advantage of being digital news natives from the start; most legacy news organizations have had to manage enormous internal cultural change to adapt to a digital world. Almost all expect to abandon print in the not-too-distant future.

Three years ago, we built on our decade of experience with Berkeleyside and launched an even more ambitious news operation, Oaklandside. Since the closing of the Oakland Tribune in 2016, California's eighth largest city was woefully undercovered. Now, our newsroom of 12 editors and reporters is easily the largest in the city.

We cover the staples of daily journalism – City Hall, schools, arts, housing, local business – as well as deeper dives into issues like road safety, police reform, the achievement gap in schools, and more.

All our content is free to read. We believe that it's probably more important that someone who is housing insecure has access to policy debates in City Hall than a wealthy homeowner in the hills. Like your local public radio station, we don't make people pay for the news, but we allow them to pay for the news through donations to our nonprofit organization.

Between Oakland and Berkeley, nearly 8,000 of our readers do donate. We also cultivate major gifts, get foundation support, and get advertising and

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sponsorship from local and regional businesses. In a typical month, Berkeleyside is reaching over 300,000 users and Oaklandside, after only three years, is reaching 250,000 a month. Our newsletters go to over 50,000 readers daily. Our two sites publish nearly 1,500 news stories a year.

It's a model that is being widely imitated nationally, with recent launches like Signal Cleveland, Houston Landing, and Indiana Free Press.

More and more places are understanding how local journalism is a vital part of our civic and democratic infrastructure. Social science research has shown that in the absence of local journalism, voting rates decline, corruption goes up, bond rates go up, misinformation thrives.

We're determined to continue to play our part in building a healthy future for local news. So we're expanding. We recently announced our third newsroom, Richmondside.

Local, independent journalism that matters for our communities is at the heart of our mission. But if our work is to have any impact, we need residents of our cities to become readers. I think it's important for the Senators on this committee to understand how profoundly the tools we have to win new readers have changed in a handful of years.

When we launched Oaklandside in 2020, Facebook was a powerful platform for what we call discovery. Through both organic and paid posts on Facebook, we were able to reach many Oaklanders to tell them about, say, our coverage of City Council races or our detailed tracking of local COVID statistics.

That allowed us, with a modest budget, to build a strong audience for Oaklandside by the end of our first year. That audience helped our reporting have greater impact, certainly, but it also enabled us to get on a path to sustainability: those readers become small-dollar donors, a few become major supporters, local businesses want to advertise to reach our readers, and being able to demonstrate our healthy reach into our community convinces foundations that our work deserves backing.

As we're now planning the launch of Richmondside, I must tell you that Facebook doesn't figure in our plans at all. A change in the Facebook algorithm to de-emphasize news means that it no longer serves as a good platform for discovery for our work.

Other social networks, the former Twitter, Snap, TikTok, Threads, Instagram, have at times been good for engaging our audiences, but at best they generate a minor trickle of traffic to our sites.

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So what do we do? More than anything, the answer is search. On Oaklandside and Berkeleyside, one-third of our readers find us through search. If you search Oakland school board, or Berkeley City Council, or Berkeley mayor race, you're likely to end up on our news sites.

So far from finding the tech platforms a threat, we see them as essential to our existence.

We have also benefited directly from the support of the Google News Initiative, which – together with some national foundations – provided some of the launch funding for Oaklandside, and now is helping with Richmondside.

Total philanthropic funding for journalism in the country is around \$150 million a year, a sum I understand is about equal to the support for ballet companies nationally. A recent drive by some major foundations looks set to raise that funding to perhaps \$250 million a year. But recent research by media consultants Neal Zuckerman and Nathan Micon estimates the cost of sustaining local news is somewhere between \$750 million and \$1.75 billion annually. So we're a long way short of what's needed. We truly can't afford to lose the support of ventures like the Google News Initiative.

I know there's a lot of doom and gloom about local news – you've already heard plenty of statistics today – but based on our experience, I'm optimistic about the future if we can continue to rely on an open, free internet.

California is, I'm happy to report, a hot spot for our kind of innovation. There are enterprising nonprofit entrepreneurs in many parts of the state: about 60 nonprofit news organizations, employing over 700 journalists and other staff.

I'm heartened that our state legislature has recognized both the importance of local journalism and is exploring ways to help it. I hope your work helps you find ways to support the journalism that truly matters in California's communities.

Thank you for your leadership in tackling this key issue for our democratic society.