

# SAN PABLO ECONOMIC DEVELOPMENT STRATEGY (PUBLIC REVIEW DRAFT)



CITY OF SAN PABLO, CA  
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THE NATELSON DALE GROUP, INC.

In association with Economic Growth Strategies, LLC

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# 1. INTRODUCTION

This document provides a strategic framework to guide the City of San Pablo's economic development policies and programs over the next 5 years. The San Pablo Economic Development Strategy (EDS) is based on a comprehensive research and stakeholder input process, and reflects consensus views on the most promising opportunities and the most pressing challenges facing San Pablo's economy. While the EDS places primary emphasis on actions and initiatives to be pursued by the City, it recognizes that a wide array of public- and private-sector entities have roles in influencing the economic vitality of San Pablo ("SP"). In this regard, some of the recommended actions will be carried out through partnerships with other entities. Even for those action items in which the City's role is essentially coordination, this function can take many forms and is often critical to solving problems that may not otherwise have a clear constituency or single responsible entity assigned to resolving them.

The recommended strategies recognize that San Pablo is largely built out and, at this stage of its evolution as a city, has limited land capacity for new development. As such, the industry attraction potentials and real estate demand projections indicated in the technical studies need to be interpreted with a degree of caution. While there is theoretically demand to support new development, actual development is likely to be more modest based on land constraints and other market trends (e.g., the global reduction in the brick-and-mortar footprint of retail facilities). In this regard, the EDS anticipates that the City's future economic development efforts will focus on "quality over quantity." This focus can include facilitating revitalization and/or reuse of older commercial properties; marketing to support high-value tenant recruitment for vacant commercial and industrial space; and encouraging intensification of industrial uses with tenant-types that have higher densities of high-paying jobs.

The limited supply of developable land by no means suggests that economic development is a less important City function than it was in years past. In fact, it is arguably a higher priority now. In the absence of proactive economic development programming, the potential for economic stagnation is a real concern (since there are fewer greenfield-based opportunities to create jobs, inject new private investment in the community, and increase the City's fiscal revenues). As such, it becomes vitally important to maximize the economic impact of San Pablo's remaining land resources and to aggressively promote opportunities for redevelopment and infill projects. The EDS action plan reflects this recommended strategic approach.

## OVERVIEW OF THE STRATEGIC PLANNING PROCESS

The recommended policies and program activities are based on an extensive planning process that included the following components:

- An analysis of San Pablo’s existing and projected demographic profile, providing an understanding of underlying trends that may affect economic growth potentials.
- Direct input from a cross section of the City’s economic development stakeholders via a series of workshop-style meetings.
- A review of the various public- and private-sector entities involved in different aspects of economic development (or related activities).
- An industry “cluster” analysis to identify the industry groups (clusters) that are the most important “engines” of the existing local and regional economies, as well as the industry groups that are likely to offer the most attractive growth potentials in the future.
- A real estate market analysis to identify potential future demand for commercial and industrial development in the City.

Where relevant, key findings of the background and technical studies are referenced in the EDS. The full market study document (including the demographic, real estate, and target industry analyses is provided as Appendix E of the EDS).

## PARTICIPATING STAKEHOLDERS

The City of San Pablo gratefully acknowledges the participation of the following individuals in the preparation of the EDS:

Allan Panganiban, *City of San Pablo*

Aurora Betancourt, *San Pablo Economic Development Corporation*

Brian Bubar, *City of San Pablo*

Brian Hickey, *City of San Pablo*

Brian Te, *Donut King*

Charles Ching, *City of San Pablo*

Elizabeth Lopez, *City of San Pablo*

Genoveva Calloway, *Former Mayor*

George Carter, *Contra Costa County Department of Conservation & Development*

Greg Dwyer, *City of San Pablo*

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James Kang, *Food Barn*

Joseph Wong, *McDonalds*

Josh Anijar, *Contra Costa County Labor Council*

Judy Chen, *West County Wastewater District*

Judy Zelaya, *Finas Pizza*

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Libby Tyler, *City of San Pablo*

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Mack Robinson, *San Pablo Rotary Club*

Marco Sandoval, *San Pablo Economic Development Corporation*

Maria Bagley, *West County Wastewater District*

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Matt Rodriguez, *City of San Pablo*

Mona Favorite-Hill, *East Bay Municipal Utility District*

Patricia Gross, *Mechanics Bank*

Raynato Castro, *R Castro DDS Inc.*

Sandra Castaneda, *City of San Pablo*

Sara Ortega, *Children Now*

Stephen Baiter, *East Bay Economic Development Alliance*

Xavier Abrams, *Mechanics Bank*

## 2. EXECUTIVE SUMMARY

### ACTION PLAN GOALS AND SCOPE

The EDS Action Plan is designed to achieve the following major goals:

- Expand economic opportunities for San Pablo’s resident workforce
- Revitalize and diversify San Pablo’s older commercial and industrial areas
- Promote expanded opportunities for home ownership
- Strengthen the City’s fiscal position

Whereas these goals largely revolve around attracting and retaining targeted business investment, the Action Plan recognizes that the strength of the local business/development environment will ultimately depend on San Pablo’s strategic attention to a range of “foundational” conditions such as:

- The City’s reputation for business/development friendliness
- Land, zoning and infrastructure capacity
- Entrepreneurial development resources
- Education/workforce development systems
- Placemaking initiatives (including promotion of housing development opportunities) that leverage San Pablo’s unique locational advantages and sense of community
- Overall image and quality of life



## OVERVIEW OF EDS INITIATIVES

The EDS Action Plan, detailed in Chapter 5 of the EDS, is organized around eight major focus areas:

Focus Areas	Roles in Securing EDS Goals and Objectives
1. Marketing/Image Enhancement	Changing/securing perceptions of outsiders; coordinating locals’ marketing messages
2. Expanded Development Capacity	Land use planning and supporting policies to maximize the physical capacity of potential development/redevelopment sites within San Pablo’s land-constrained environment
3. Community Safety, Improvement, and Amenities (City Investments and Private Sector Incentives)	Setting the stage for attracting outside investment; improving local quality-of-life
4. Leveraging Local Talent (Workforce and Entrepreneurial Development)	Helping residents align with existing and emerging employment/business opportunities – either as employees or startup business owners
5. Ongoing Community Engagement in Economic Development	Continuing to expand participation in implementing the EDS, building an ongoing “constituency” that supports a strong City economic development program
6. Health and Wellness Focus	Enhance local quality-of-life; targeted business development opportunity
7. Regional Collaboration (Partnerships)	Creatively explore advantages to resident workers of employment activity growth in neighboring communities; continue to monitor regional opportunities that fit local capacities and interests; enhance City-level solutions for major issues (e.g., homelessness) that require regional coordination
8. Fiscal/Financing Tools and Funding Opportunities	Secure external (grant) funding to support implementation of the EDS; help ensure ongoing fiscal soundness of City

## EDS IMPLEMENTATION: LEAD, SUPPORT AND COORDINATION ROLES

Implementation of the EDS will be carried out by multiple City departments and through partnerships with important non-City partners. Recommended lead, support and coordination roles for each of the eight major focus areas are shown on the matrix on the next page.

Organizations / Focus Areas

Marketing/Image Enhancement  
 Expanded Development Capacity  
 Community Safety, Improvement, and Amenities (City/Private)  
 Leveraging Local Talent (Workforce and Entrepreneurial Development)  
 Ongoing Community Engagement  
 Health and Wellness Focus  
 Regional Collaboration (Partnerships)  
 Fiscal/Financing Tools and Funding Opportunities

	1	2	3	4	5	6	7	8
<b>City of San Pablo</b>								
City Manager's Office	L	S	C	C	L	L	L	C
Community Development Department	S	L	S	S		S	S	S
Community Services Department	S		L			S	S	
Finance Department								L
Police Department	S		L	S	S	S		
Public Works Department		S	L			S	S	
<b>Contractors/Consultants</b>								
Economic Development Marketing Consultant	S							
<b>Partners</b>								
Bay Area Council			S				S	
Building Industry Assc. (BIA) Bay Area		S						
Contra Costa College				L				
Contra Costa County			S				S	
Contra Costa County Dev. and Housing Authority		S					S	
Contra Costa County Economic Development	S	S			S		S	S
East Bay Economic Development Alliance	S	S			S		S	
East Bay Small Business Development Center				L			S	
Local Banks				L				S
Renaissance Entrepreneur Center				L			S	
San Pablo Econ. Dev. Corp. (EDC)	S		S	L	S	S	S	S
West Contra Costa Unified School District				L			S	S
West County Health Center (San Pablo)							S	
Workforce Development Board of Contra Costa County (WDBCCC)				L			S	

**Role Legend**

Role	Role Code
Coordination	C
Lead	L
Support	S

## BUSINESS RETENTION/EXPANSION/ATTRACTION TARGETS

The EDS target industry analysis (detailed in Appendix E) identifies the industry clusters that are currently growing (or declining) at three levels of geography: San Pablo, the combined San Pablo/Richmond employment area, and the larger East Bay region. The regional scale of the analysis recognizes the reality that most San Pablo residents work at jobs outside the city and, as such, their career prospects are largely tied to the performance of the overall regional economy.

The target industry analysis identified a total of 13 industry clusters that are of potential interest to San Pablo as strategic targets. These targets are organized below in two categories:

- **San Pablo’s existing core strengths.** Strategic approach: retain and expand industry clusters identified as existing core strengths in San Pablo
- **Regional (East Bay) clusters.** Strategic approach: tap into dominant regional industry clusters that are not currently well represented in San Pablo (e.g., Information Technology and Analytical Instruments)

Priority Industry Cluster	Strategic Approach	
	Build on Existing Strength	Tap Into Regional Clusters
1. Retail/Restaurant Establishments (see Chapter 4 for details)	✓	
2. Community and Civic Organizations (includes care services for seniors)	✓	
3. Local Logistical Services (see Chapter 4 for details)	✓	
4. Motor Vehicle Products (e.g. auto parts) and Services	✓	
5. Education and Knowledge Creation (includes colleges and universities)		✓
6. Environmental Services		✓
7. Information Technology and Analytical Instruments		✓
8. Medical devices (manufacturing)		✓
9. Transportation and Logistics		✓
10. Water Transportation		✓
11. Automotive (manufacturing)		✓
12. Lighting and Electrical Equipment		✓
13. Food Processing and Manufacturing		✓

## HOUSING AS AN ECONOMIC DEVELOPMENT CATALYST

Within the context of San Pablo's limited supply of developable land, the EDS recognizes that residential development can be a highly effective catalyst for private sector investment in older commercial districts. In these settings, residential development – in addition to addressing the region's severe housing shortage – can be positioned as a bona fide economic development strategy for the following reasons:

- Housing (at higher densities) allows for more intensive use of land than typical commercial and industrial development; under current market conditions it often represents the most financially feasible land use from a developer's perspective. Promotion of higher-density housing development opportunities can therefore be an important tool for attracting reinvestment in underutilized commercial properties warranting intensification or redevelopment. Consistent with this focus, the State of California has been proactively and aggressively promoting more housing development through legislation (and now enforcement) using the Housing Element process and annual reports on Regional Housing Needs Allocation as tools.
- Housing development in (or adjacent to) commercial districts creates a "built-in" resident population that can enhance market support for retail/restaurant/service businesses. As such, housing may create viable opportunities for business development and job creation in its immediate vicinity (potentially including commercial space developed within the housing project itself, in a mixed-use configuration) provided there is adequate parking and good public transit service.
- Creating additional housing (and the associated 24/7 population) can also support community revitalization and public safety by increasing the presence of stakeholders with a vested interest in maintaining a healthy neighborhood environment.

## 3. SWOT ASSESSMENT

The technical studies and stakeholder input provided the basis for identification of important SWOT (strength-weakness-opportunity-threat) factors affecting San Pablo's economic development potentials. The most significant SWOT issues are on the table on the next two pages.

## SWOT SUMMARY FOR SAN PABLO ECONOMIC DEVELOPMENT STRATEGY

### Strengths

- Location is a “sweet spot” between major East Bay cities (San Pablo provides an urban/suburban mix and offers excellent proximity to major airports, logistics hubs, and world-renowned universities)
- Development density is seen as a “positive” (encourages new housing, walkability, neighborhood revitalization)
- City’s investments in infrastructure, public facilities and amenities have noticeably improved quality of life
- City parks are attractive and well utilized
- City’s increased investment in public safety (and the Police Department’s success in building strong relationships with the community) has had a very positive impact
- Diverse population (multi-lingual capacity) with a strong sense of inclusive community
- Trained, multi-lingual resident workforce is an asset to prospective employers; highly educated talent pool in larger region is also advantageous
- Contra Costa College is an important workforce development and community-building resource
- Elite high school offering Middle College and private Salesian High School
- Relatively affordable housing (compared to other East Bay communities)
- Other “luxuries” (such as dining out) are also more affordable here
- San Pablo Economic Development Corporation (EDC) is an important/unique resource for a community of this size
- Responsive local government that is visible (in a positive way) in the community
- Public transit has a good image
- Casino attracts many visitors to SP and is a major source of fiscal revenue for the City

### Weaknesses

- Small city with severely constrained supply of developable land
- Lack of placemaking features – no “destinations”
- City is visually unattractive from the freeway (homeless encampments, litter, etc.) and this reinforces San Pablo’s longstanding image problems (people think San Pablo is unclean, unsafe and poor)
- As a “bedroom community,” SP has limited employment opportunities (many residents need to commute to jobs in other cities)
- SP also lacks major shopping facilities (resulting in substantial “leakage” of resident retail spending to other cities)
- Older infrastructure can give the appearance of a City that lacks resources for economic progress
- Parking is inadequate in commercial districts (and in some cases located at a distance from shopping areas, making some customers feel that it is unsafe to shop or impossible to safely unload children/elderly at a reasonable distance from the business)
- Lack of identity for SP’s distinct districts/sub-areas (may cause some residents to avoid exploring businesses, events, etc. in neighborhoods other than their own)
- SP residents have the lowest educational attainment in the County
- The school district is challenged fiscally and operationally; poor State school scores/ratings, high teacher turnover, and safety issues are a detractor for households with children moving into the district; the district’s challenges encourage current residents able to do so to send their kids to out-of-district public schools or to private schools

## Opportunities

- Mixed-use development is gaining momentum in the local market (San Pablo and neighboring cities) and can encourage reinvestment in older commercial properties
- Careful planning of infill development (at appropriate density levels) can make neighborhoods more walkable
- Promote housing (or mixed-use) development opportunities proximate to Contra Costa College
- Attract additional retail/restaurant uses (leverage existing storefront vacancies to attract new tenant types that create a sense of place; maximize impact of SP's few freeway-visible commercial sites)
- Streamline City's approval/permitting process for new development and businesses
- Create ongoing mechanisms (e.g., surveys, regular community meetings, business ambassador program, etc.) to provide opportunities for residents/businesses to be engaged in the City's economic development efforts
- Expand partnership with Contra Costa College (bring them into the community more visibly)
- Given limited availability of developable land within SP, partner with neighboring cities on business attraction (to create well-paying jobs accessible to SP residents)
- Expand partnerships to improve assistance available homeless population (including mental health services)
- Leverage the success story of City's public safety investment (address the lingering perception that SP is a high crime area)
- Pursue federal and state funding opportunities (grants) relevant to SP's unique challenges and opportunities

## Threats

- Misinformation: San Pablo's image/reputation is still tied to conditions that existed decades ago (the image needs a systematic "overhaul" to reflect positive changes that have happened in recent years)
- Persistent problems associated with homelessness (and inadequate resources to address it)
- Potential proliferation of image-impacting business such as "smoke shops", pay-day lending, or cash-for-gold (SP currently has a cap on the number of these shops permitted, which stakeholders believe is a good policy)
- The presence of street vendors is unfair to brick-and-mortar businesses (especially restaurants)
- Highway 80 is a barrier that divides SP
- Continued (and expanding) competition from neighboring cities could make SP's efforts to attract new retail uses difficult
- Financial feasibility of redevelopment/infill projects can be challenging to developers
- CEQA process and other regulatory requirements (e.g., C.3 stormwater design compliance) can be a disincentive to development
- Rising construction costs impact the feasibility of both private development and City public works projects, and also impact housing affordability

## 4. HIGHLIGHTS OF BACKGROUND/TECHNICAL STUDIES

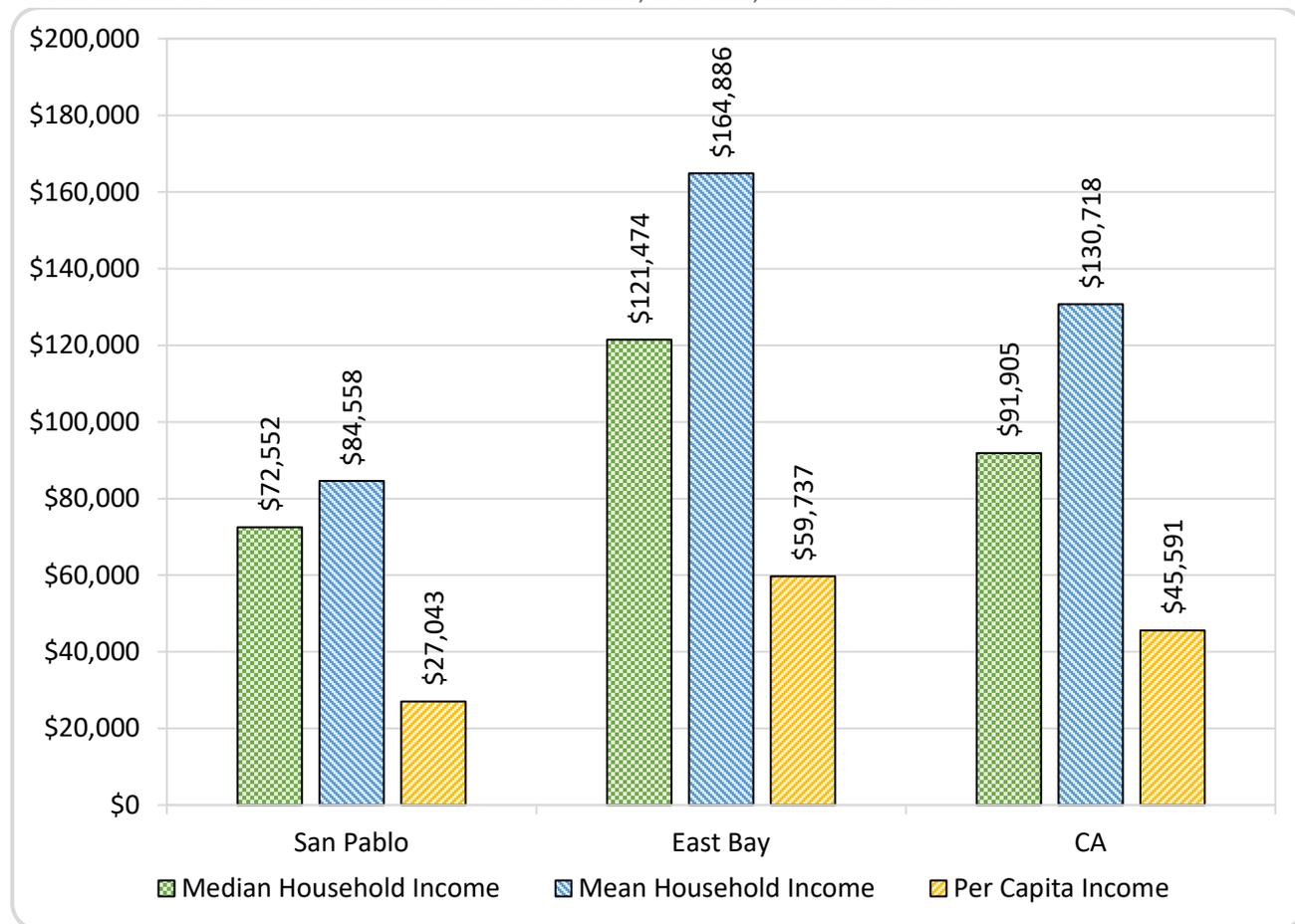
### DEMOGRAPHIC AND ECONOMIC OVERVIEW

#### Census-Based Demographic Profile

The following data were obtained from the U.S. Census Bureau, American Community Survey (ACS) 5-year estimates (2018-2022). Data are provided for primarily the City of San Pablo, East Bay region (Alameda and Contra Costa counties), and the State of California.

**Household and Per Capita Income Levels.** Figure 1 provides a summary of income and labor force-related data from the ACS. In terms of household income ranges, San Pablo's largest share of households (20.0%) by income category occurs in the \$50,000 to \$74,999 range. Median household income in San Pablo (\$72,552) is notably lower than both the state level (\$91,905) and the East Bay median (\$121,474). Similarly, San Pablo's average (as distinct from the median) household income level (\$84,558) is also notably lower than both the State (\$130,718) and East Bay (\$164,886).

FIGURE 1. CENSUS DATA ON INCOME LEVELS – SAN PABLO, EAST BAY, AND CALIFORNIA



Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimates; TNDG.

TABLE 1. CENSUS DATA ON EDUCATIONAL ATTAINMENT – SAN PABLO, EAST BAY, AND CALIFORNIA

Census Variable	San Pablo	East Bay	CA
<b>Education</b>			
Educational Attainment - Population 18 to 24 Years			
Less Than High School Graduate	14.8%	9.1%	9.7%
High School Graduate (Includes Equivalency)	41.1%	32.9%	33.1%
Some College or Associate's Degree	40.3%	42.2%	44.9%
Bachelor's Degree or Higher	3.8%	15.8%	12.2%
Educational Attainment - Population 25 Years and Over			
Less Than 9th Grade	16.6%	5.7%	8.7%
9th to 12th Grade, No Diploma	9.3%	4.9%	6.9%
High School Graduate (Includes Equivalency)	29.6%	16.8%	20.4%
Some College, No Degree	21.1%	17.2%	20.1%
Associate's Degree	7.6%	7.1%	8.0%
Bachelor's Degree	12.2%	28.1%	22.1%
Graduate or Professional Degree	3.5%	20.2%	13.8%

Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimates; TNDG.

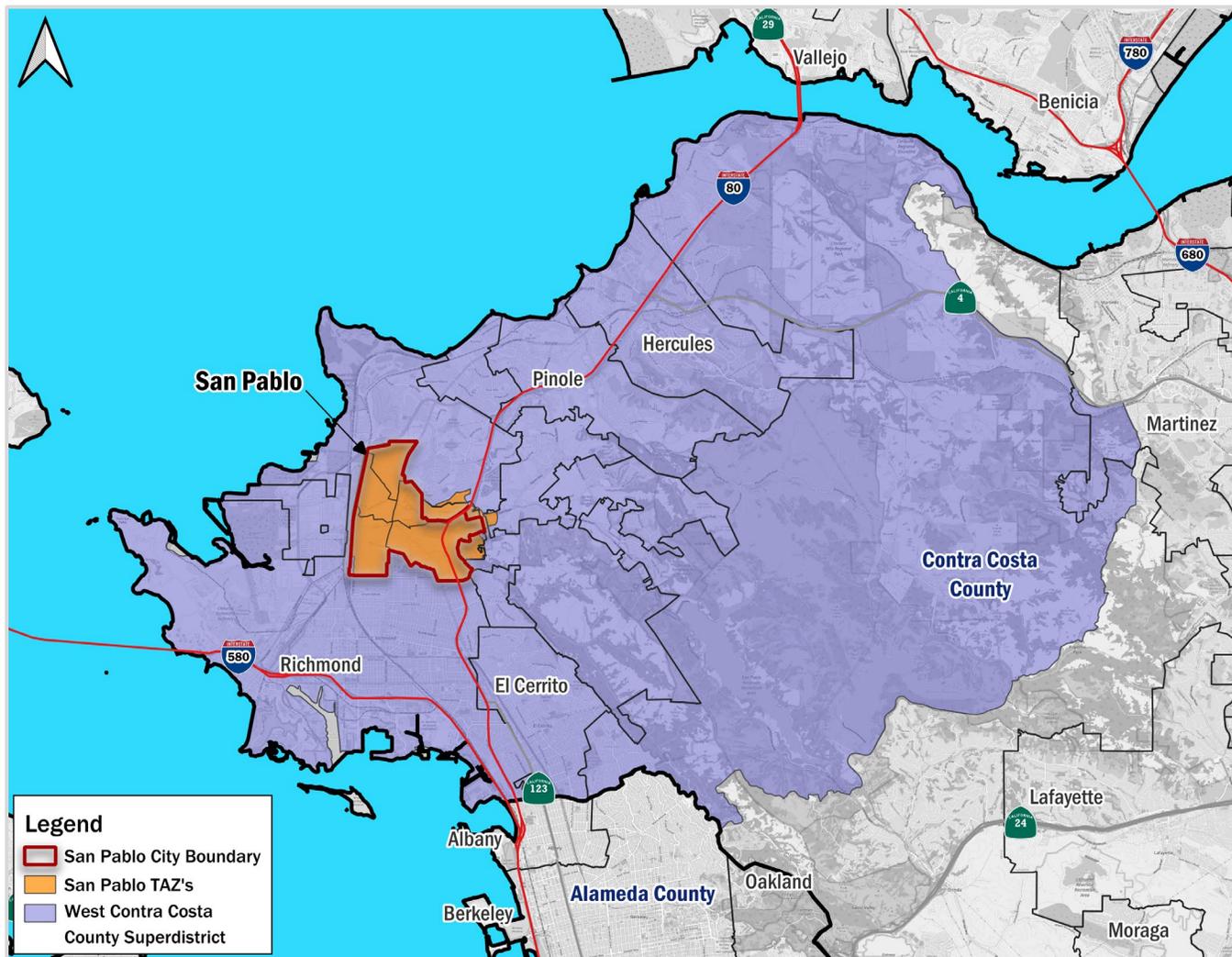
## Population and Employment Forecasts (ABAG)

In October 2021 the Association of Bay of Governments (ABAG) ABAG adopted Plan Bay Area 2050, which provides the latest official demographic forecasts for the region. The forecasts are not provided for individual jurisdictions, but are available at the county, subcounty (“superdistrict”) and Transportation Analysis Zone (TAZ) levels. Since city-level data are not available, the report summarizes ABAG data for the following geographies:

- “San Pablo area” TAZs (this is an aggregation of data for TAZs that are wholly or partly within the City of San Pablo)
- The West Contra Costa County superdistrict
- Contra Costa County
- The East Bay region (Contra Costa and Alameda counties combined)
- The overall Bay Area (all ABAG counties)

Figure 2 shows the San Pablo area TAZs and the West Contra Costa County superdistrict in comparison to the City of San Pablo boundaries.

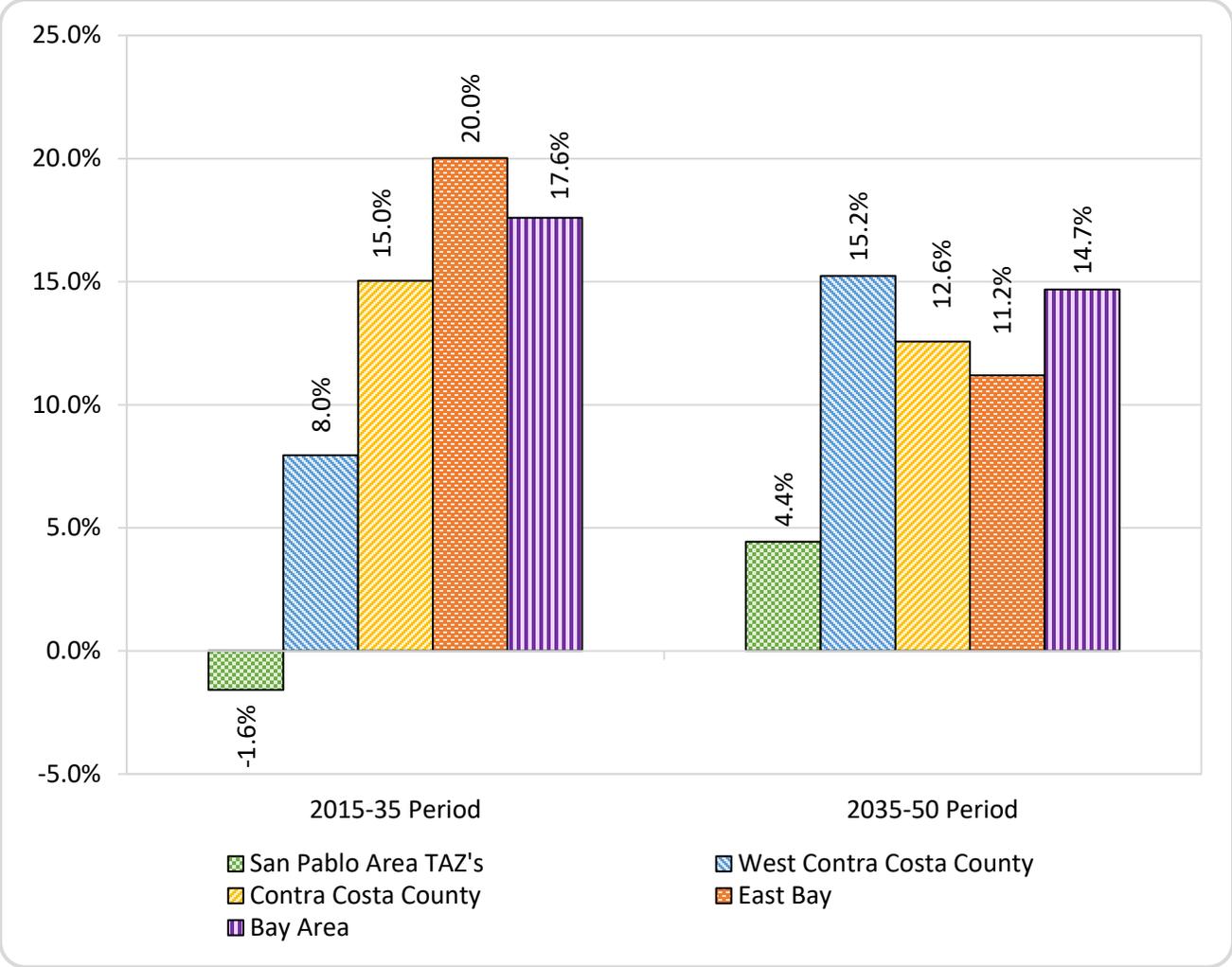
FIGURE 2. ABAG COMPARATIVE GEOGRAPHIC AREAS



Source: ABAG Plan Bay Area 2050; TNDG

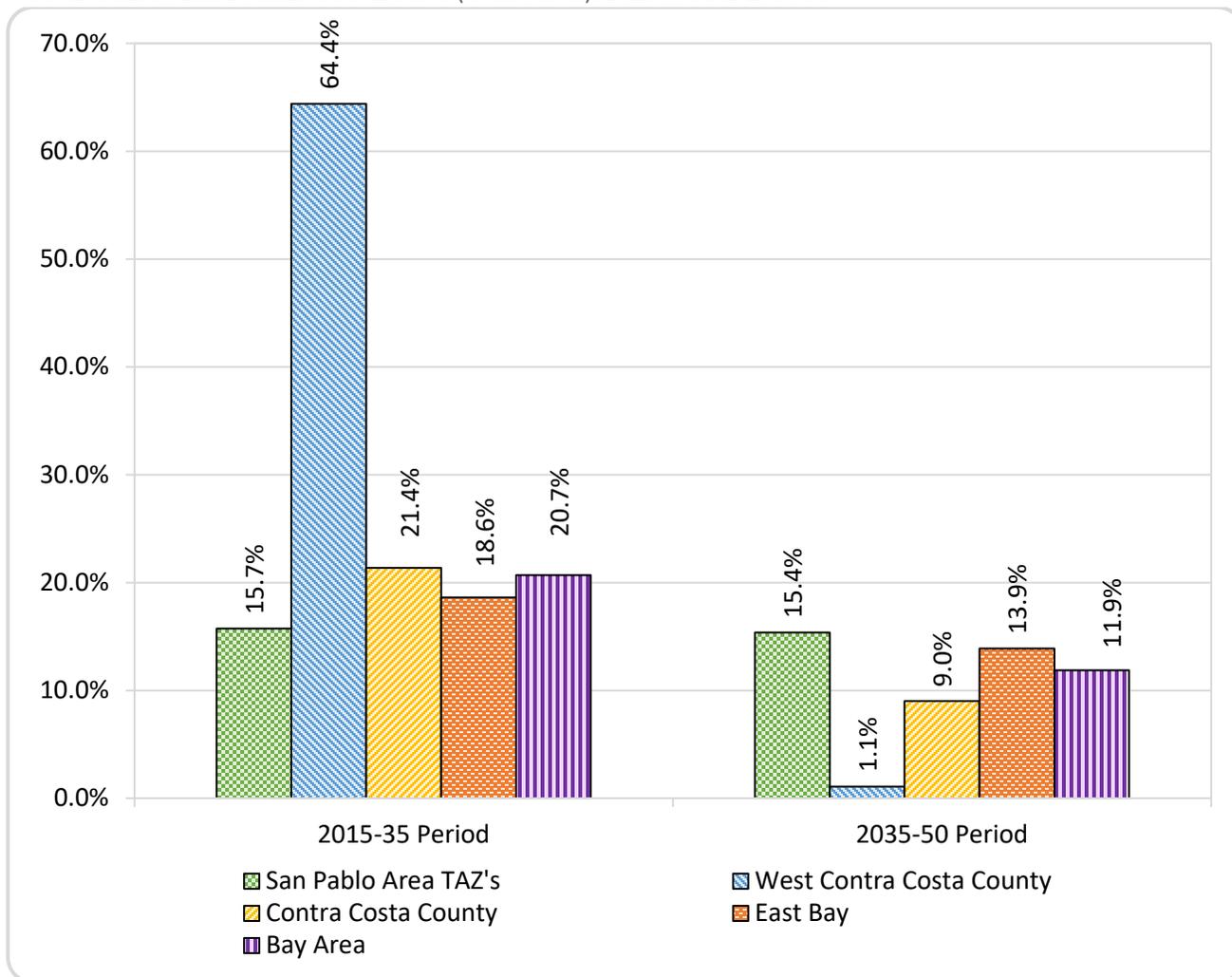
The figures below (Figure 3 and Figure 4) depict ABAG's growth rate projections for the 2015-2035 and 2035-2050 periods. Population in the San Pablo Area TAZs is projected to decrease slightly in population during the initial time period of 2015 to 2035, and increase slightly (4.4%) during the following fifteen years from 2035 to 2050. In contrast, employment in the San Pablo Area TAZs is slated to increase over the entire time period (8.0% between 2015 and 2035, and 15.2% between 2035 and 2050). Other geographic areas (with the exception of the West Contra Costa County superdistrict) are slated to experience greater population and employment growth during the initial period between 2015 to 2035, and a decreased growth rate from 2035 to 2050.

FIGURE 3. ABAG POPULATION FORECASTS (% GROWTH): 2015-35 AND 2035-50



Source: ABAG Plan Bay Area 2050; TNDG.

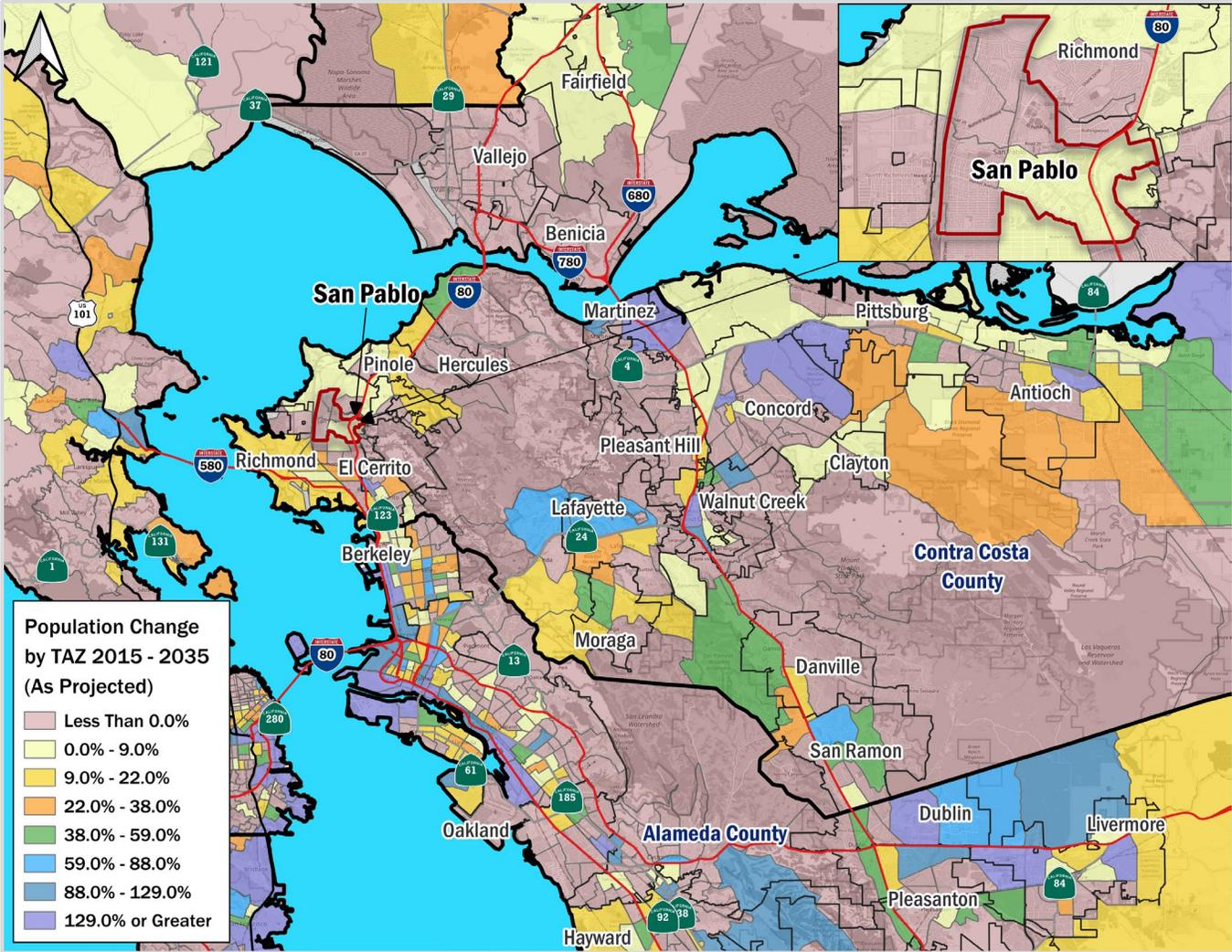
FIGURE 4. ABAG EMPLOYMENT FORECASTS (% GROWTH): 2015-35 AND 2035-50



Source: ABAG Plan Bay Area 2050; TNDG.

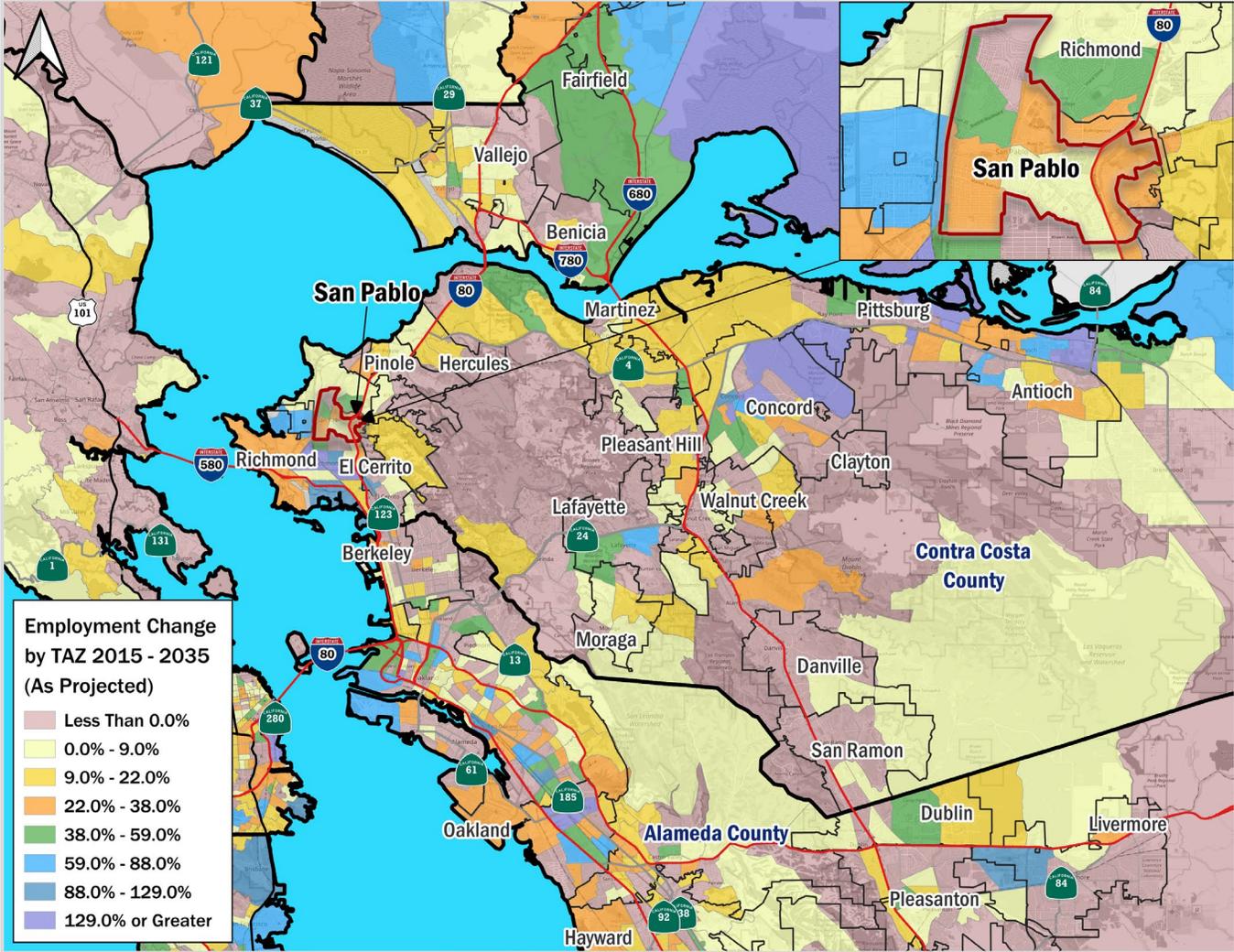
The maps shown in Figure 5 and Figure 6 on the following pages provide additional visual context by showing TAZ-level ABAG forecasts for population and employment change from 2015 to 2035 in the San Pablo area and other surrounding communities. Based on the forecasts that are shown for Figure 3, population in the San Pablo Area TAZs is slated to decrease slightly in population (-1.6%), while other areas nearby are projected to experience more notable population growth during the 2015 to 2035 time period. The forecasts that are shown on Figure 5 show that the jobs located within the San Pablo TAZs are slated to notably increase (15.7% over the 20-year period). This is also similar to nearby communities which are projected to experience more notable growth in jobs.

FIGURE 5. ABAG POPULATION CHANGE BY TAZ 2015-2035 (AS PROJECTED)



Source: ABAG Plan Bay Area 2050; TNDG

FIGURE 6. ABAG EMPLOYMENT CHANGE BY TAZ 2015-2035 (AS PROJECTED)

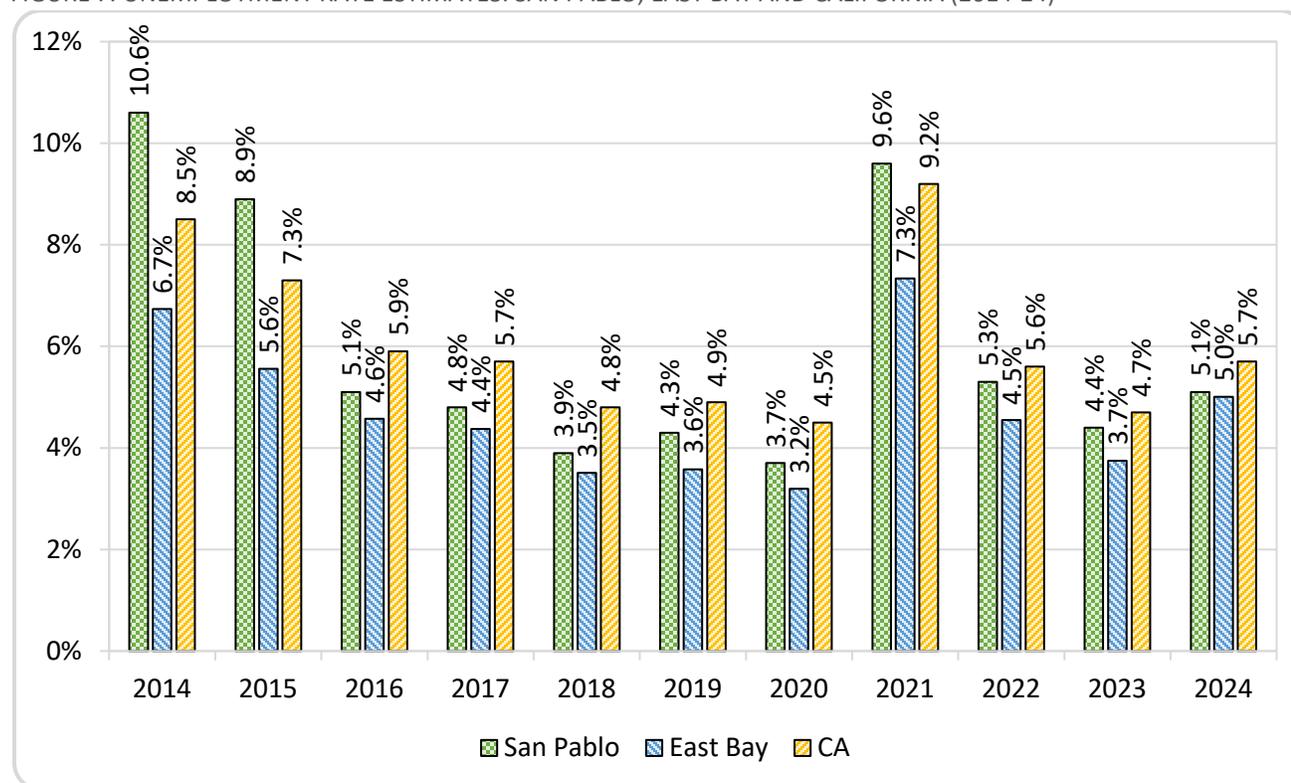


Source: ABAG Plan Bay Area 2050; TNDG

## Labor Force Data

Figure 7, below, provides annual average unemployment rate estimates for San Pablo, East Bay, and California for the 10-year period from 2014 to 2024. As shown in Figure below, during the later years of the recovery from the Great Recession (between 2014 and 2015), San Pablo's unemployment rates remained higher than those in the East Bay and in California. For 2016 through 2020, San Pablo's unemployment rates continued to improve, outperforming California, and remaining just slightly above the East Bay. Unemployment rates spiked again in 2021 in during COVID-19, but have since decreased to levels prior to the years leading up to the pandemic.

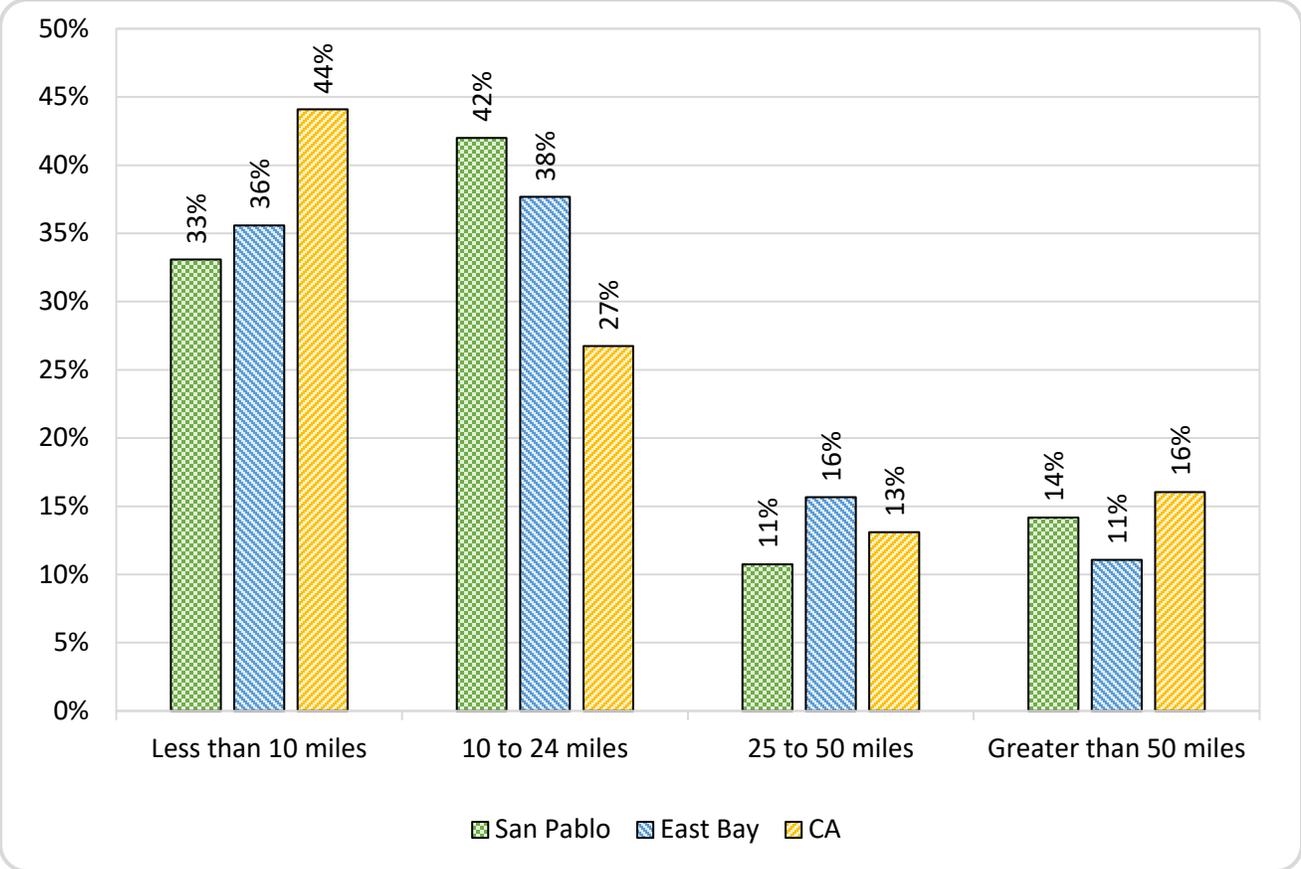
FIGURE 7. UNEMPLOYMENT RATE ESTIMATES: SAN PABLO, EAST BAY AND CALIFORNIA (2014-24)



Source: CA EDD, Local Area Unemployment Statistics (LAUS) program; TNDG.

Figure 8 provides travel distance ranges to work for the City's labor force relative to regional and state benchmarks. San Pablo's resident labor force tends to have intermediate-distance commutes relative to the overall labor force in the East Bay and in the State, suggesting that San Pablo is a good location for households seeking moderate commutes (compared to more suburban/exurban communities located further from major employment centers). For example, San Pablo has the largest share (42%) of residents that travel distances of 10 to 24 miles to work. In addition, the City has the smallest share (11%) of residents that have commute distances from 25 to 50 miles, and the second smallest share (14%) of residents that have the greatest commute distances that exceed 50 miles.

FIGURE 8. TRAVEL DISTANCES (MILE RANGES) TO WORK: SAN PABLO, EAST BAY, AND CALIFORNIA, 2021



Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics (LEHD) program. Accessed at <https://onthemap.ces.census.gov>.

## Industry Mix

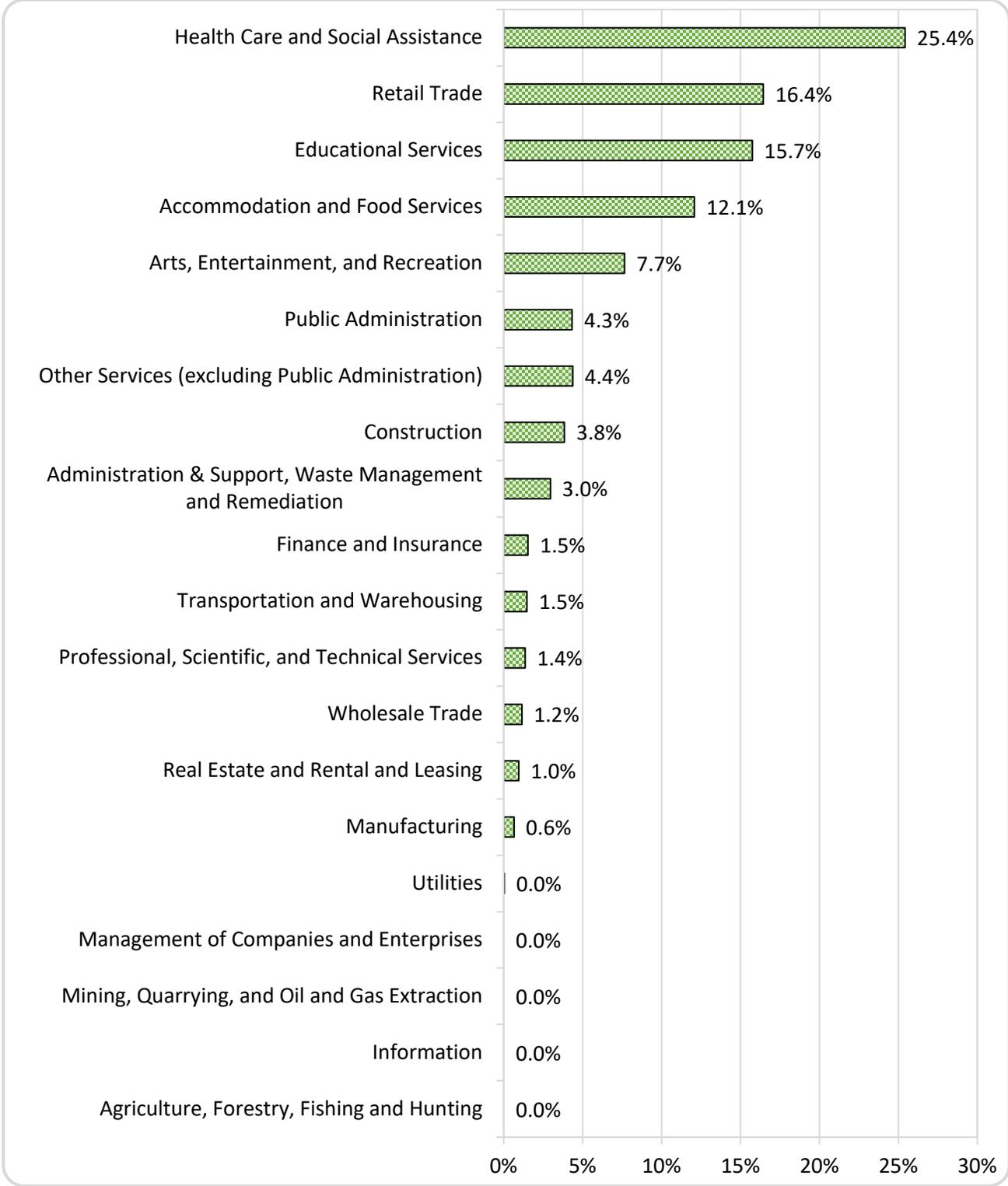
Along with the labor force measures presented in the previous section, the U.S. Census Bureau's LEHD<sup>1</sup> program also provides employment data at various levels of geography, including at the city level. Figure 9 provides the share of employment by industry for San Pablo-based jobs in 2021. The major industry groupings correspond to 2-digit NAICS<sup>2</sup> codes industries. In terms of concentration of industry employment, San Pablo is heavily represented in the Health Care and Social Assistance, Retail Trade, and Educational Services industries, which account for over one-half (57.6%) of total employment in the City. In addition, the top five industries account for more than three-fourths (77.3%) of total employment in the City.

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<sup>1</sup> The Longitudinal Employer-Household Dynamics (LEHD) program is part of the Center for Economic Studies at the U.S. Census Bureau. The LEHD program matches data on the locations where residents of a community work and the locations where workers in a community live, allowing for analysis of in-commute/out-commute patterns (see <https://lehd.ces.census.gov/>).

<sup>2</sup> NAICS = North American Industry Classification System. NAICS is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. The first two digits of a NAICS code designate a business's major economic sector; the third, fourth, fifth, and sixth digits designate increasingly detailed levels of specification of a business's industry type (see <https://www.census.gov/naics/>).

FIGURE 9. SHARE OF EMPLOYMENT BY INDUSTRY IN SAN PABLO, 2021



Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics (LEHD) program. Accessed at <https://onthemap.ces.census.gov>.

## Resident Workforce Compared to Jobs Based in City

As a small “bedroom” community with modest amounts of commercial/industrial development, it is recognized that many San Pablo residents commute to jobs located *outside* the City. As noted on Table 2 below, San Pablo’s resident workforce (i.e., San Pablo residents who are currently employed) currently totals approximately 12,000 workers. The number of jobs based in the City is estimated at about 5,700. Thus, San Pablo has a net “out-commute” of approximately 6,300 workers (12,000 minus 5,700). Table 2 also calculates the net number of out-commuters by major industry group.

TABLE

2

COMPARISON OF RESIDENT EMPLOYMENT BY INDUSTRY TO JOBS BASED IN SAN PABLO

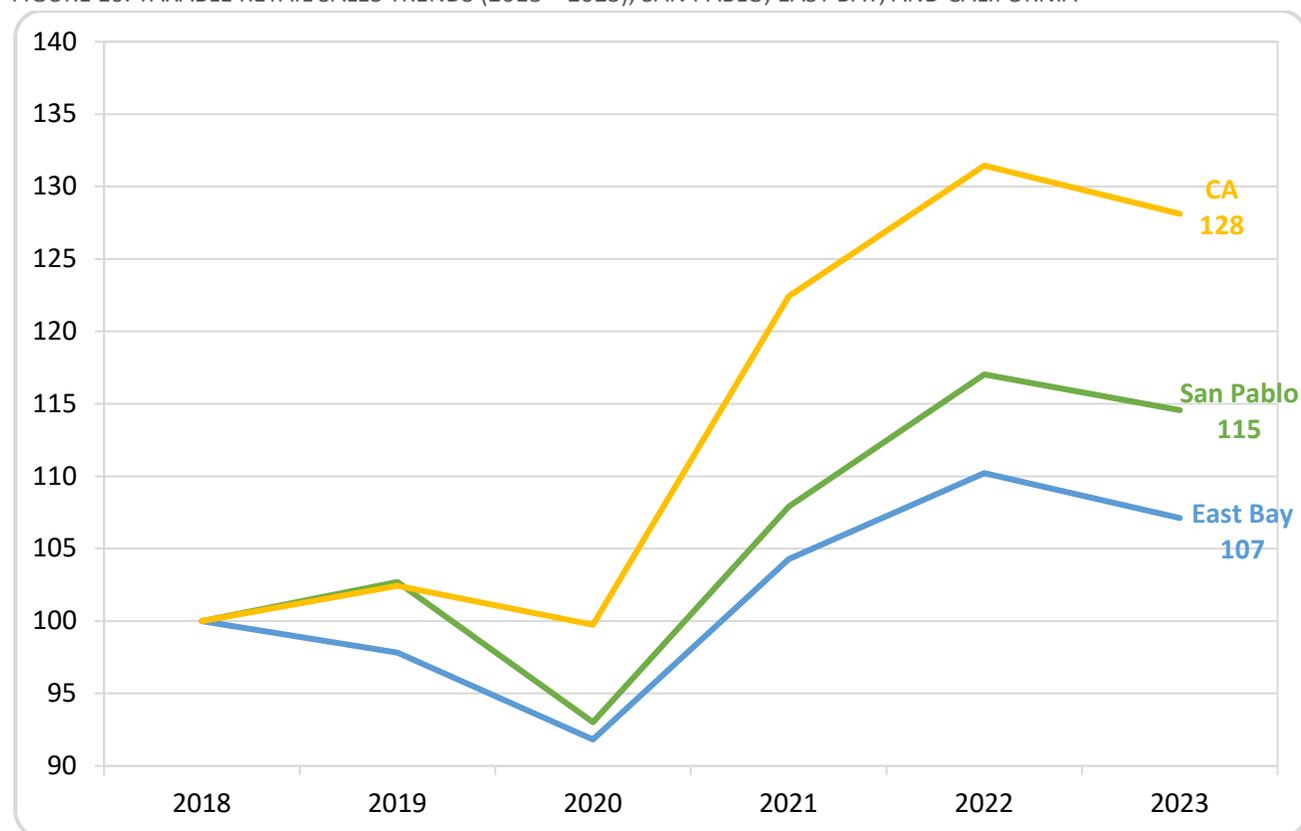
Major Industry Group	San Pablo Residents Employed in Industry	Jobs Based in San Pablo	Net Number of Out (In) Commuters
Agriculture, Forestry, Fishing and Hunting	70	0	70
Mining, Quarrying, and Oil and Gas Extraction	5	0	5
Utilities	54	2	52
Construction	924	211	713
Manufacturing	634	36	598
Wholesale Trade	403	66	337
Retail Trade	1,473	959	514
Transportation and Warehousing	658	82	576
Information	277	0	277
Finance and Insurance	296	83	213
Real Estate and Rental and Leasing	173	50	123
Professional, Scientific, and Technical Services	829	78	751
Management of Companies and Enterprises	204	0	204
Administration & Support, Waste Mgmt. and Remediation	874	175	699
Educational Services	834	890	(56)
Health Care and Social Assistance	2,151	1,532	619
Arts, Entertainment, and Recreation	223	392	(169)
Accommodation and Food Services	1,013	724	289
Other Services (excluding Public Administration)	476	236	240
Public Administration	499	233	266
<b>Total</b>	<b>12,070</b>	<b>5,749</b>	<b>6,321</b>

Source: U.S. Census Bureau (Census OnTheMap); TNDG.

## Taxable Sales Data

Figure 10 compares San Pablo’s taxable retail sales performance relative to the East Bay and California. The figure normalizes the base year sales data (2018 = 100) to provide relevant comparisons among the individual geographies for the 5-year period between 2018 and 2023. The 2023-year value of 115 for San Pablo implies that San Pablo’s taxable retail sales in 2023 were 115% of the 2018 level (i.e., sales increased by 15% between 2018 and 2023). Total taxable sales in the East Bay and State increased over the course of this time interval (by 7% and 28%, respectively).

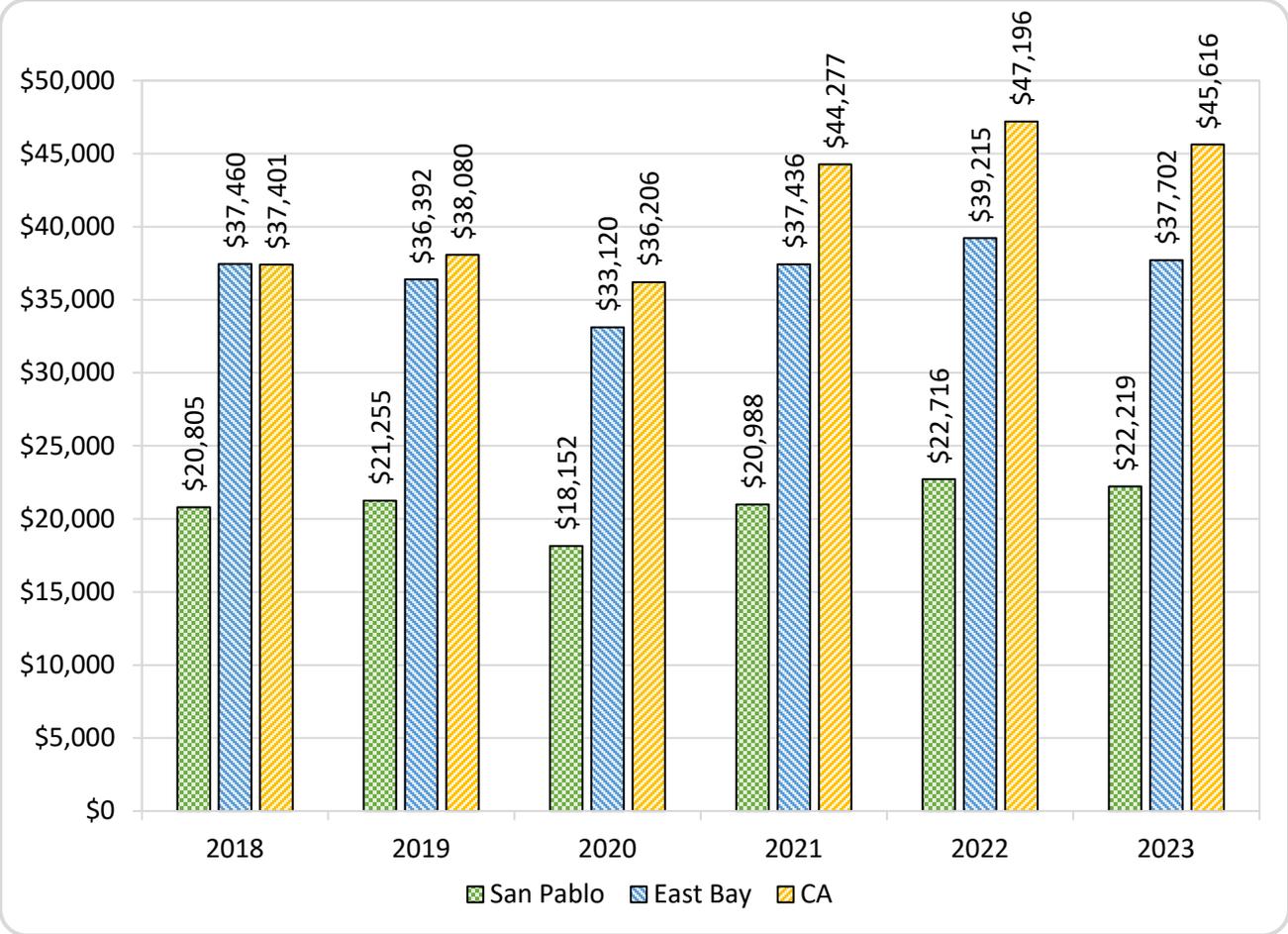
FIGURE 10. TAXABLE RETAIL SALES TRENDS (2018 – 2023), SAN PABLO, EAST BAY, AND CALIFORNIA



Source: CDFTA; TNDG

The data below, however, show that San Pablo underperforms the East Bay and the State on a taxable-sales-per-household basis. This metric provides a simple indicator of the degree to which San Pablo experiences “net leakage” of retail demand and also reflects the fact that San Pablo is a relatively poor community (as documented in the preceding tables depicting income levels) with far less disposable income available to support retail expenditures. Figure 11, on the following page, which shows taxable sales per household for all three geographies, indicates that at least one of the two benchmark regions in this measure exceed San Pablo from 70% to 108% over the course of this time interval.

FIGURE 11. TAXABLE RETAIL SALES/HOUSEHOLD (2018-2023), SAN PABLO, EAST BAY, AND CALIFORNIA



Source: CDFTA; CA DOF Table 1: E-5 City/County Population and Housing Estimates, 2018-2023; TNDG.

## TARGET INDUSTRY/CLUSTER ANALYSIS

This section provides a summary of industry growth/retraction trends in San Pablo, comparing the local economy's recent and longer-term performance to regional and national benchmarks. The study breaks down the local economy in terms of industry "clusters." Clusters are groups of inter-related industry sectors whose growth potentials within a region tend to be closely aligned. The tendency of individual industries to co-locate in clusters reflects linkages through supply-chain relationships, as well as commonalities in terms of workforce requirements and infrastructure needs.

The clusters analyzed in this study are based on definitions (i.e., industry groupings) from the U.S. Cluster Mapping Project (Cluster Mapping Project), an economic development initiative led by Harvard Business School's Institute for Strategy and Competitiveness.

In accordance with the North American Industry Classification System (NAICS), the U.S. economy includes a total of approximately 1,100 individual industry sectors. The U.S. Cluster Mapping Project assigns each of these sectors to unique clusters, which are based on linkages through supply-chain relationships, as well as commonalities in terms of workforce requirements and infrastructure needs. Nationally, the Cluster Mapping Project recognizes a total of 67 clusters, with 16 classified as "local" clusters and 51 classified as "traded" clusters.

Whereas local and traded clusters are both critically important components of a balanced economy, they have distinct roles and characteristics, and these distinctions can be helpful in terms of planning economic development programs. Some of these distinctions are summarized as follows:

- **Local clusters** typically form the core of a region's economy; they primarily provide goods and services for the local (resident) population. They tend to account for the majority of jobs in a region (in the case of San Pablo, local clusters represent about 82% of total jobs), and support a high quality of life by ensuring the availability of a diverse range of goods and services. In San Pablo, important local clusters include *Local Community and Civic Organizations* and *Local Logistical Services*. These clusters account for about one-third (33.7%) of San Pablo's total jobs.
- **Traded clusters** are "export-oriented" in the sense that they include industries that are engaged in producing goods and services for end customers outside the region. Traded clusters account for about 22% of the jobs in San Pablo, and are especially important from an economic development perspective given that they tend to have higher wages and higher "multiplier impacts" compared to local clusters. That is, they have a strong potential to inject new dollars into the local economy and thereby serve as "drivers" for broader economic growth. In San Pablo, important traded clusters include *Distribution and Electronic Commerce, Education and Knowledge Creation* and *Transportation and Logistics*. These three clusters account for about 64% of San Pablo's total jobs in traded clusters.

## Overview of Employment in San Pablo

Total current (2023) employment in the San Pablo area (“San Pablo”) is estimated at 12,867 jobs<sup>3</sup>. The local clusters currently represent a total of 10,585 jobs in San Pablo, while the traded clusters account for 2,813 jobs. Total cluster employment adds up to slightly more than total employment given that some industries are included in more than one cluster<sup>4</sup>.

## Existing Important Clusters in San Pablo and the Larger East Bay Region

Table 3 lists all traded clusters that had 20 or more jobs in San Pablo in 2023, and provides the following information about each listed cluster:

- Total number of jobs in San Pablo in 2023 (the latest full year for which data are available)
- Location quotient (compared to U.S. benchmark) in 2023. The location quotient (LQ) measures how concentrated/important an industry cluster is in a region compared to national benchmarks. An LQ value greater than 1.0 indicates that a cluster is more concentrated in the region than it is nationally. This is generally regarded as an indication that the region has a comparative advantage relative to a particular cluster, although (especially for local clusters) an LQ below 1.0 can indicate a potential growth opportunity.
- Average annual wage for jobs in San Pablo<sup>5</sup>
- Change in the number of jobs for the most recent 10-year period, 2013-2023

Table 4 provides the same data for local clusters that had more than 300 jobs in San Pablo in 2023. Tables 5 and 6 provide comparable data for the East Bay region (Contra Costa and Alameda Counties combined). For the East Bay summary tables, the jobs threshold is 2,000 for traded clusters and 20,000 for local clusters.

Tables 7 and 8 summarize cluster job growth/retraction performance in San Pablo, and the East Bay compared to national trends. This part of the study is based on a “shift-share” analysis for each cluster that estimates an “expected” job change based on national trends. If San Pablo (or the Bay Area) has higher job growth (or experiences less severe job losses) compared to the expected change, it indicates that the local area (San Pablo or the Bay Area) has performed better than national trends. Conversely, if San Pablo/Bay Area has less job growth (or experiences more severe job losses) compared to the expected change, it indicates that the specific region has performed worse than national trends.

<sup>3</sup> All employment data used in this analysis are from EMSI – a private data/modeling firm nationally regarded for its ability to provide detailed (6-digit NAICS code) industry employment estimates for small areas of geography (zip codes). For purposes of this analysis, the San Pablo area is defined by zip codes 94806

<sup>4</sup> EMSI has made some adjustments to the cluster definitions to account for changes in the NAICS industry structure between 2012, 2017, and 2022 NAICS industry definitions.

<sup>5</sup> Wage data are for jobs (not residents) based in the San Pablo area.

TABLE 3. SUMMARY CHARACTERISTICS AND TRENDS, SAN PABLO'S LARGEST TRADED CLUSTERS  
(LIST INCLUDES ALL CLUSTERS WITH MORE THAN 20 JOBS IN 2023)

Traded Cluster	Jobs	LQ	E Bay LQ*	Avg Ann Wage	10-Yr Job Change
Education and Knowledge Creation	790	1.53	1.40	\$87,775	(478)
Distribution and Electronic Commerce	678	0.98	0.80	88,216	270
Transportation and Logistics	323	1.81	0.55	101,531	172
Information Technology and Analytical Instruments	283	2.24	2.60	117,764	74
Business Services	269	0.31	1.13	107,553	21
Hospitality and Tourism	134	0.55	0.57	55,372	(77)
Water Transportation	57	2.31	1.65	213,628	46
Medical Devices	37	1.26	2.46	124,424	17
Oil and Gas Production and Transportation	37	0.86	0.78	176,127	(44)
Food Processing and Manufacturing	34	0.34	1.09	122,616	30
Environmental Services	32	2.92	1.21	137,807	25
Production Technology and Heavy Machinery	31	0.40	0.54	121,673	13
Financial Services	21	0.13	0.57	167,921	(51)

Note: LQ = Location Quotient; 10-year job change is from 2013 to 2023. \*County LQ provided for comparison purposes. “—” = insufficient data.

Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

TABLE 4. SUMMARY CHARACTERISTICS AND TRENDS, SAN PABLO'S LARGEST LOCAL CLUSTERS  
(LIST INCLUDES ALL CLUSTERS WITH MORE THAN 300 JOBS IN 2023)

Local Cluster	Jobs	LQ	County LQ*	Avg Ann Wage	10-Yr Job Change
Local Logistical Services	2,315	9.37	1.27	\$65,454	1,830
Local Community and Civic Organizations	2,016	4.48	1.71	32,050	156
Local Food & Beverage Processing & Distribution	1,107	2.05	1.10	60,301	(127)
Local Real Estate, Construction, and Development	918	0.90	1.14	97,648	524
Local Hospitality Establishments	861	0.83	0.99	37,176	(40)
Local Retailing of Clothing and General Merchandise	625	1.75	0.82	43,807	(408)
Local Motor Vehicle Products and Services	622	1.66	0.80	81,728	(187)
Local Commercial Services	475	0.62	0.93	64,425	140
Local Education and Training	366	0.54	0.92	87,231	(626)
Local Health Services	323	0.22	0.98	94,562	(252)
Local Personal Services (Non-Medical)	311	0.78	1.10	43,953	(63)

Note: LQ = Location Quotient; 10-year job change is from 2013 to 2023. \*County LQ provided for comparison purposes.

Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

TABLE 5. SUMMARY CHARACTERISTICS AND TRENDS, EAST BAY'S LARGEST TRADED CLUSTERS  
(LIST INCLUDES ALL CLUSTERS W/ MORE THAN 2,000 JOBS IN 2023)

Traded Cluster	Jobs	LQ	Avg Ann Wage	10-Yr Job Change
Business Services	97,433	1.13	\$177,954	650
Education and Knowledge Creation	72,609	1.40	132,052	8,779
Distribution and Electronic Commerce	55,558	0.80	99,621	1,881
Information Technology and Analytical Instruments	32,965	2.60	183,296	11,721
Automotive	27,855	3.42	128,564	24,176
Hospitality and Tourism	14,177	0.57	57,259	(1,473)
Marketing, Design, and Publishing	14,160	0.92	122,141	(530)
Food Processing and Manufacturing	10,828	1.09	86,996	2,411
Insurance Services	10,710	0.90	167,235	3,453
Transportation and Logistics	9,844	0.55	102,230	2,315
Financial Services	9,597	0.57	184,298	(3,874)
Performing Arts	7,972	1.37	43,519	2,012
Medical Devices	7,255	2.46	180,576	2,516
Construction Products and Services	4,674	0.62	146,227	968
Production Technology and Heavy Machinery	4,192	0.54	126,394	808
Communications Equipment and Services	4,172	1.01	171,572	(2,480)
Water Transportation	4,075	1.65	170,875	652
Oil and Gas Production and Transportation	3,380	0.78	265,257	(2,888)
Lighting and Electrical Equipment	3,172	1.19	159,106	1,272
Biopharmaceuticals	3,071	1.15	199,460	(1)
Video Production and Distribution	2,649	0.97	176,061	(290)
Metalworking Technology	2,598	0.74	101,811	669
Plastics	2,330	0.45	86,250	328
Printing Services	2,206	0.71	79,057	(789)

Note: LQ = Location Quotient; 10-year job change is from 2013 to 2023.

Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

TABLE 6. SUMMARY CHARACTERISTICS AND TRENDS, EAST BAY'S LARGEST LOCAL CLUSTERS  
(LIST INCLUDES ALL CLUSTERS WITH MORE THAN 20,000 JOBS IN 2023)

Local Cluster	Jobs	LQ	Avg Ann Wage	10-Yr Job Change
Local Health Services	143,055	0.98	\$122,182	18,899
Local Real Estate, Construction, and Development	117,942	1.14	103,660	20,631
Local Hospitality Establishments	103,086	0.99	35,925	13,098
Local Community and Civic Organizations	77,120	1.71	44,886	21,380
Local Commercial Services	72,225	0.93	83,675	5,735
Local Education and Training	62,995	0.92	97,741	2,575
Local Food and Beverage Processing and Distribution	59,914	1.10	65,704	4,569
Local Government Services	47,107	1.09	155,666	1,661
Local Personal Services (Non-Medical)	44,084	1.10	48,733	9,000
Local Logistical Services	31,614	1.27	72,769	11,728
Local Motor Vehicle Products and Services	30,271	0.80	85,714	2,117
Local Retailing of Clothing and General Merchandise	29,625	0.82	46,419	(4,532)
Local Household Goods and Services	23,231	1.03	64,980	(1,200)

Note: LQ = Location Quotient; 10-year job change is from 2013 to 2023.

Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

TABLE 7. JOB GROWTH/RETRACTION PERFORMANCE COMPARED TO NATIONAL TRENDS FOR LARGEST TRADED CLUSTERS, SAN PABLO AND EAST BAY

2013-23 Growth Performance Based on Shift Share Analysis		
Traded Cluster	San Pablo	East Bay
Automotive	+	+
Biopharmaceuticals	+	-
Business Services	-	-
Communications Equipment and Services	-	-
Construction Products and Services	+	+
Distribution and Electronic Commerce	+	-
Education and Knowledge Creation	-	+
Environmental Services	+	+
Financial Services	-	-
Food Processing and Manufacturing	+	+
Hospitality and Tourism	-	-
Information Technology and Analytical Instruments	+	+
Insurance Services	-	+
Lighting and Electrical Equipment	+	+
Marketing, Design, and Publishing	-	-
Medical Devices	+	+
Metalworking Technology	+	+
Oil and Gas Production and Transportation	-	-
Performing Arts	+	-
Plastics	+	+
Printing Services	-	-
Production Technology and Heavy Machinery	+	+
Transportation and Logistics	+	+
Video Production and Distribution	-	-
Water Transportation	+	+

Note: " + " = growth performance better than expected; " - " worse than expected.  
Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

TABLE 8. JOB GROWTH/RETRACTION PERFORMANCE COMPARED TO NATIONAL TRENDS FOR LARGEST LOCAL CLUSTERS, SAN PABLO AND EAST BAY

2013-23 Growth Performance Based on Shift Share Analysis		
Local Cluster	San Pablo	East Bay
Local Logistical Services	+	+
Local Community and Civic Organizations	-	+
Local Food and Beverage Processing and Distribution	-	-
Local Real Estate, Construction, and Development	+	-
Local Hospitality Establishments	-	-
Local Retailing of Clothing and General Merchandise	-	-
Local Motor Vehicle Products and Services	-	-
Local Commercial Services	+	-
Local Education and Training	-	+
Local Health Services	-	+
Local Personal Services (Non-Medical)	-	+
Local Government Services	-	+
Local Household Goods and Services	-	-

Note: "+" = growth performance better than expected; "-" = worse than expected.  
Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).

Table 9, on the following page, provides a list of candidate clusters for the City of San Pablo’s industry targeting program, (i.e., business retention, expansion, and attraction). The candidate clusters are based on two strategic approaches to industry targeting:

1. ***Build on San Pablo and the Richmond/San Pablo area’s existing core strengths.*** San Pablo’s and the Richmond/San Pablo area’s existing strengths were identified based on the employment-trend criteria (location quotient, total existing jobs, 10-year job change based on shift-share analysis) summarized in Tables 3 to 8<sup>6</sup>.
2. ***Tap into dominant regional clusters that have some presence in the local region and others that are not currently well represented in San Pablo.*** This strategic approach would seek to leverage San Pablo’s competitive strengths to capture increasing shares of projected employment growth in the surrounding East Bay region. This component of the City’s business attraction/marketing program would focus on San Pablo’s unique “selling points” relative to the larger regional economy (including the city’s strategic location near several East Bay area submarkets, along with a resident workforce that includes large numbers of commuters potentially eager to work closer to home). In developing the list of candidates for the second strategy, the consultant has focused on clusters meeting the following criteria:
  - a. Traded clusters (local clusters are addressed in the first strategic approach)
  - b. Clusters with a high specialization of employment in the Bay Area
  - c. Clusters primarily oriented towards private business investment (in contrast to clusters that are substantially composed of government/nonprofit employment – which are generally considered to have lower economic “spin-off” opportunities)

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<sup>6</sup> See Appendix E for detailed cluster data, including data for the Richmond-San Pablo area. The San Pablo-Richmond area includes the cities of San Pablo and Richmond, along with the immediate surrounding unincorporated communities of El Cerrito and El Sobrante. It includes the following zip codes: 94530, 94801-94808, and 94850.

TABLE 9. PRELIMINARY LIST OF POSSIBLE TARGET CLUSTERS FOR SAN PABLO

Strategic Approach	Local-Serving Clusters	"Traded" Clusters
1. Build on San Pablo's existing core strengths	<ul style="list-style-type: none"> <li>Local Community and Civic Organizations (includes services for the elderly and persons with disabilities)</li> <li>Local Food and Beverage Processing and Distribution</li> <li>Local Logistical Services</li> <li>Local Motor Vehicle Products and Services</li> <li>Local Retailing of Clothing and General Merchandise</li> </ul>	
2. Tap into dominant regional industry clusters with an existing presence in San Pablo and San Pablo Richmond Area		<ul style="list-style-type: none"> <li>Education and Knowledge Creation</li> <li>Environmental Services</li> <li>Information Technology and Analytical Instruments</li> <li>Medical Devices</li> <li>Transportation and Logistics</li> <li>Water Transportation</li> </ul>
3. Tap into dominant regional industry clusters that are not currently well represented in San Pablo		<ul style="list-style-type: none"> <li>Automotive</li> <li>Lighting and Electrical Equipment</li> <li>Food Processing and Manufacturing</li> </ul>

Source: The Natelson Dale Group, Inc. (TNDG).

Table 10, below, provides a narrative description of the candidate clusters. In addition, the table provides key component industries within each cluster based on employment totals for each industry in the relevant geographies.

TABLE 10. NARRATIVE DESCRIPTIONS AND KEY COMPONENT INDUSTRIES FOR PRELIMINARY LIST OF CANDIDATE CLUSTERS

Cluster	Narrative Description	Key Component Industries
<b>Group 1 – San Pablo's Existing Core Strengths</b>		
Local Community and Civic Organizations	Establishments in this cluster primarily consist of local social service organizations such as community food and housing services and advocacy organizations. This cluster also contains grantmaking foundations, business associations, and political and religious organizations.	<ul style="list-style-type: none"> <li>Services for the Elderly and Persons with Disabilities</li> <li>Religious Organizations</li> <li>Other Individual and Family Services</li> <li>Child and Youth Services*</li> <li>Civic and Social Organizations*</li> </ul>

Cluster	Narrative Description	Key Component Industries
Local Food and Beverage Processing and Distribution	This cluster contains firms that sell food and beverages at the wholesale and retail levels. Products sold include meat, seafood, fruit and vegetables, general groceries, tobacco, alcoholic beverages, and specialty foods. The cluster also includes related distribution methods such as vending and direct selling.	<ul style="list-style-type: none"> <li>• Supermarkets and Other Grocery (except Convenience) Stores</li> <li>• All Other General Merchandise Retailers</li> <li>• Pharmacies and Drug Retailers</li> <li>• Beer, Wine, and Liquor Retailers</li> </ul>
Local Logistical Services	This cluster primarily contains establishments that offer local passenger transportation and local transportation of freight and goods, including moving companies and couriers. This cluster also includes local storage facilities, truck and RV leasing, and passenger car rental services.	<ul style="list-style-type: none"> <li>• Couriers and Express Delivery Services</li> <li>• Local Messengers and Local Delivery</li> <li>• General Freight Trucking, Local</li> <li>• School and Employee Bus Transportation*</li> </ul>
Local Motor Vehicle Products and Services	Establishments in this cluster consist of local motor vehicle wholesalers and dealers, as well as auto repair services, gas stations, parking lots, car washes, and vehicle towing.	<ul style="list-style-type: none"> <li>• New Car Dealers</li> <li>• Motor Vehicle Towing</li> <li>• Automotive Parts and Accessories Retailers</li> <li>• Gasoline Stations with Convenience Stores</li> <li>• New Car Dealers*</li> <li>• General Automotive Repair*</li> <li>• Automotive Body, Paint, and Interior Repair and Maintenance*</li> </ul>
Local Retailing of Clothing and General Merchandise	This cluster consists of local retail stores, department stores, and warehouse clubs that sell apparel, jewelry, luggage, sewing supplies, and general merchandise.	<ul style="list-style-type: none"> <li>• Department Stores</li> <li>• Warehouse Clubs and Supercenters</li> <li>• All Other General Merchandise Retailers</li> <li>• Clothing and Clothing Accessories Retailers</li> </ul>

### Group 2 – Regional Clusters (with some existing presence in San Pablo)

Education and Knowledge Creation	This cluster contains all educational and training institutions, as well as related supporting establishments. It also includes research and development institutions in biotechnology, physical sciences, engineering, life sciences, and social sciences.	<ul style="list-style-type: none"> <li>• Colleges, Universities, and Professional Schools (Local Government)</li> <li>• Research and Development in Biotechnology (except Nanobiotechnology)</li> <li>• Colleges, Universities, and Professional Schools</li> <li>• Research and Development in the Physical, Engineering, and Life Sciences (except Nanotechnology and Biotechnology)*</li> <li>• Exam Preparation and Tutoring*</li> </ul>
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Cluster	Narrative Description	Key Component Industries
Environmental Services	This cluster contains establishments primarily engaged in collection, treatment, processing, and disposal of hazardous and non-hazardous waste.	<ul style="list-style-type: none"> <li>Hazardous Waste Treatment and Disposal</li> <li>All Other Miscellaneous Waste Management Services*</li> </ul>
Information Technology and Analytical	This cluster consists of information technology and analytical products such as computers, software, audio visual equipment, laboratory instruments, and medical apparatus. The cluster also includes the standard and precision electronics used by these products (for example, circuit boards and semiconductor devices).	<ul style="list-style-type: none"> <li>Instruments and Related Products Manufacturing for Measuring, Displaying, and Controlling Industrial Process Variables</li> <li>Commercial and Service Industry Machinery Manufacturing</li> <li>Analytical Laboratory Instrument Manufacturing</li> <li>Software Publishers*</li> </ul>
Medical Devices	Establishments in this cluster primarily manufacture surgical, medical, dental, optical, ophthalmic, and veterinary instruments and supplies.	<ul style="list-style-type: none"> <li>Commercial and Service Industry Machinery Manufacturing</li> <li>Surgical and Medical Instrument Manufacturing</li> </ul>
Transportation and Logistics	This cluster contains all air, rail, bus, and freight transportation services. It also includes related operation services and support activities such as inspections, maintenance, repairs, security, and loading/unloading.	<ul style="list-style-type: none"> <li>General Freight Trucking, Long-Distance, Truckload</li> <li>Freight Transportation Arrangement</li> <li>Other Support Activities for Road Transportation</li> <li>Rail transportation*</li> <li>Support Activities for Rail Transportation*</li> </ul>
Water Transportation	This cluster contains all establishments involved in transporting people and goods over water. The cluster includes boat building, transportation, operations, and other support services.	<ul style="list-style-type: none"> <li>Deep Sea Freight Transportation</li> <li>Navigational Services to Shipping</li> <li>Marine Cargo Handling*</li> </ul>
<b>Group 3 – Dominant East Bay Clusters (future targets for San Pablo)</b>		
Automotive	This cluster includes establishments along the value chain that are necessary for manufacturing cars, trucks, and other motorized land-based transportation equipment (other than motorcycles). This includes metal mills and foundries, manufacturers of metal automotive parts, and manufacturers of completed automobiles.	<ul style="list-style-type: none"> <li>Automobile and Light Duty Motor Vehicle Manufacturing</li> <li>Heavy Duty Truck Manufacturing</li> <li>Steel Investment Foundries</li> <li>Other Motor Vehicle Parts Manufacturing</li> <li>Motor Vehicle Electrical and Electronic Equipment Manufacturing</li> <li>Motor Vehicle Metal Stamping</li> </ul>
Lighting and Electrical Equipment	This cluster contains firms involved in the manufacture of electrical equipment and electronic components. The companies in this cluster manufacture wire for communications, wiring devices, fiber optic cables, switchboards, lighting fixtures, motors, transformers, and related products.	<ul style="list-style-type: none"> <li>Battery Manufacturing</li> <li>Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing</li> <li>Other Communication and Energy Wire Manufacturing</li> </ul>

Cluster	Narrative Description	Key Component Industries
		<ul style="list-style-type: none"> <li>• Switchgear and Switchboard Apparatus Manufacturing</li> <li>• Noncurrent-Carrying Wiring Device Manufacturing</li> </ul>
Food Processing and Manufacturing	<p>This cluster includes firms involved in the processing of raw food materials and the manufacturing of downstream food products for end users. This includes millers and refineries of rice, flour, corn, sugar, and oilseeds. These upstream products contribute in part to producing specialty foods, animal foods, baked goods, candies, teas, coffees, beers, wines, other beverages, meats, packaged fruits and vegetables, and processed dairy products.</p>	<ul style="list-style-type: none"> <li>• Soft Drink Manufacturing</li> <li>• Wineries</li> <li>• Chocolate and Confectionery Manufacturing from Cacao Beans</li> <li>• Breweries</li> <li>• Perishable Prepared Food Manufacturing</li> <li>• Tortilla Manufacturing</li> <li>• All Other Miscellaneous Food Manufacturing</li> <li>• Frozen Specialty Food Manufacturing</li> <li>• Cookie and Cracker Manufacturing</li> </ul>

Source: The Natelson Dale Group, Inc. (TNDG); Cluster Mapping Project.

Note: \* Indicates key component industry in the Richmond-San Pablo Area



SOURCE: "SAN PABLO LYTTON CASINO" BY LYTTON CASINO – LICENSED UNDER CC BY-SA 4.0 VIA FLICKR.COM – [HTTPS://FLIC.KR/P/UNM5UN](https://flic.kr/p/unm5un).

## MARKET DEMAND FOR COMMERCIAL/INDUSTRIAL LAND USES

As part of the EDS process, The Natelson Dale Group, Inc. (TNDG) completed a real estate market analysis to provide 10-year forecasts of demand for new retail, office, and industrial space in San Pablo. Table 9 below provides an abbreviated summary of the market analysis (which is more fully documented in a separate report). These projections are “unconstrained” in the sense that they have not been adjusted to reflect the limited supply of developable land in the City. Actual development is likely to be more modest based on land constraints.

TABLE 9. PRELIMINARY SUMMARY OF POTENTIAL DEVELOPMENT OPPORTUNITIES IN SAN PABLO

Land Use	Existing Inventory/ Vacancy Rate	Potential Future (10-year) Demand in San Pablo	Nature of Projected Development Opportunities
<b>Retail</b>	<p><b>San Pablo</b> 1,326,000 SF (2.0% vacant)</p> <p><b>Richmond/SP</b> 8,240,000 SF (13.9% vacant)</p>	133,000 SF – 258,000 SF	<ul style="list-style-type: none"> <li>Projected demand is premised on recapture of a portion of existing “leakage” of resident retail spending to neighboring cities.</li> <li>High retail vacancy rate in Richmond is largely in traditional mall space (Hilltop Mall); neighborhood centers (which are the predominant retail type in San Pablo) are performing better.</li> </ul>
<b>Office</b>	<p><b>San Pablo</b> 304,000 SF (3.2% vacant)</p> <p><b>Richmond/SP</b> 2,976,000 SF (4.7% vacant)</p>	Likely to be minimal	<ul style="list-style-type: none"> <li>In the larger East Bay region, office demand has been significantly impacted by the pandemic-related increase in remote work.</li> <li>CoStar projects <u>negative</u> net absorption of office space over the next 10 years for both the East Bay market and the Richmond/San Pablo submarket.</li> <li>San Pablo has never been a strong location for regional-scale office tenants (the limited supply of space consists mostly of old/ unattractive buildings); future opportunities are likely to be minimal and focused on local-servings uses (e.g., medical offices).</li> </ul>
<b>Industrial</b>	<p><b>San Pablo</b> 805,000 SF (0.0% vacant)</p> <p><b>Richmond/SP</b> 18,769,000 SF (5.7% vacant)</p>	125,000 SF – 250,000 SF	<ul style="list-style-type: none"> <li>Richmond/San Pablo submarket absorbed 1.7 million square feet of industrial space over the past 5 years (accounting for nearly half of absorption in East Bay).</li> <li>CoStar projects approximately 2.5 million square feet of net absorption over the next 10 years in Richmond/San Pablo submarket; this analysis assumes City of San Pablo could capture 5-10% of total).</li> </ul>

SF = square feet.

Source: The Natelson Dale Group, Inc. (TNDG); CoStar.

## 5. EDS ACTION PLAN

The EDS Action Plan is designed to achieve the following major goals:

- Through forums that ensure participation and buy-in from potential community “ambassadors,” change negative perceptions and secure positive perceptions of San Pablo on the part of outsiders (and any skeptical locals), while also coordinating locals’ marketing messages.
- Secure development/redevelopment of key opportunity sites in the City, considering this result as a major physical “endpoint” of strategic positioning in the EDS. The goal embodies the concept that such development constitutes a signature statement representing the highest practical levels of San Pablo’s commercial development potential.
- Foster community improvements that successfully set the stage for attracting outside investment, while also improving local quality of life.
- Help residents align their skills and ambitions with existing and emerging employment/business opportunities, across the entire socioeconomic spectrum.
- Continue to expand various forms of participation in implementing the EDS.
- Leverage health and wellness activities and projects to enhance local quality-of-life, while also encouraging a targeted office development opportunity for San Pablo.
- Creatively explore advantages to resident workers of supporting the growth of employment activity in neighboring communities, as part of the City’s ongoing monitoring of regional opportunities that fit capacities and interests of San Pablo’s residents and business community.
- Leverage the City’s fiscal assets and access to financial tools to directly support local revitalization targets and other opportunities, recognizing that such activities also help secure ongoing fiscal soundness of the City.

These goals, and the Action Plan in general, recognize overall guiding principles that San Pablo has limited capacity for new development based on its essentially built-out status. Given that, any development/redevelopment actions will ideally maximize their potential to positively impact San Pablo’s image, functionality, and fiscal health. This view embodies a potentially expanded economic development mission, which may come to include coordinating activities such as urban design and development. Regardless of ultimate mission scope, the EDS will emphasize “foundational” strategies having to do with targeted improvements, image enhancement, resident skills, quality-of-life, and the like.

At the same time, strategies supporting selected neighboring cities’ development plans are understood to also have the potential for positive payoffs to San Pablo’s residents, by expanding employment opportunities, for example.

## PRIORITIZATION OF CITY RESOURCES

The EDS is intended to provide a “roadmap” to guide activities and programs of the City’s Economic Development Department over approximately the next five years. As such, the Action Plan is intended to assist the City in aligning its program priorities to match the market opportunities and critical targeted objectives identified during this planning effort. Whereas the Action Plan covers an ambitious range of economic development activities, the overall program recommendations reflect the following assumptions:

- Some of the proposed strategies involve activities that the City is already undertaking to some extent or has at least anticipated, so they are not all new commitments;
- New activities/programs would be phased-in over several years; and
- Consistent with existing practices, some of the strategies would be carried out in collaboration with various non-City partner organizations (several of which will have participated in the development of this plan), some strategies will be led by other City departments.



Source: “Aerial view of Contra Costa College in September 2022” by Pi.1415926535 – Licensed under CC BY-SA 4.0 via Wikipedia.com – [https://commons.wikimedia.org/wiki/File:Aerial\\_view\\_of\\_Contra\\_Costa\\_College,\\_September\\_2022.jpg](https://commons.wikimedia.org/wiki/File:Aerial_view_of_Contra_Costa_College,_September_2022.jpg).

## EDS Strategies

The EDS Action Plan is organized around eight major focus areas, identified below and detailed on the following pages/tables.

Focus Areas	Roles in Securing EDS Goals and Objectives
1. Marketing/Image Enhancement	Changing/securing perceptions of outsiders; coordinating locals' marketing messages
2. Expanded Development Capacity	Land use planning and supporting policies to maximize the physical capacity of potential development/redevelopment sites within San Pablo's land-constrained environment
3. Community Safety, Improvement, and Amenities (City Investments and Private Sector Incentives)	Setting the stage for attracting outside investment; improving local quality-of-life
4. Leveraging Local Talent (Workforce and Entrepreneurial Development)	Helping residents align with existing and emerging employment/business opportunities – either as employees or startup business owners
5. Ongoing Community Engagement in Economic Development	Continuing to expand participation in implementing the EDS, building an ongoing "constituency" that supports a strong City economic development program
6. Health and Wellness Focus	Enhance local quality-of-life; targeted business development opportunity
7. Regional Collaboration (Partnerships)	Creatively explore advantages to resident workers of employment activity growth in neighboring communities; continue to monitor regional opportunities that fit local capacities and interests; enhance City-level solutions for major issues (e.g., homelessness) that require regional coordination
8. Fiscal/Financing Tools and Funding Opportunities	Secure external (grant) funding to support implementation of the EDS; help ensure ongoing fiscal soundness of City

## Action Steps and Implementation Timeframes

Each EDS Focus Area includes a list of specific Action Steps, which are intended to be implemented over the next 5 years. For each Focus Area, the list of recommended action items is organized in terms of three timeframes:

**Short-term actions: Years 1-2**

**Mid-term actions: Years 3-4**

**Long-term actions: Year 5 or later**



Source: "San Pablo Library" by City of San Pablo.

### FOCUS AREA 1: Marketing/Image Enhancement

#### Brief Description of Program

The City will launch an economic development marketing program supporting the following EDS priorities:

- Address negative (inaccurate) perceptions about San Pablo
- Increase awareness among residents and within business community of City programs and resources available to support community and economic development
- Implement business attraction campaign focused on the target industries/business types identified in the EDS
- Include specific focus on retail/restaurant tenant attraction, including destination businesses
- Promote special events to attract consumers/visitors from outside SP

- Produce map (and improve other wayfinding/advertising tools such as Soofa signs) to promote the unique identity of each of SP's distinct neighborhoods and business districts
- Invest in banner/public art program and integrate with the overall marketing effort

As part of the overall marketing program, the City will pursue specific messaging that highlights successful efforts to enhance public safety, embrace diversity, upgrade community facilities, and the like, demonstrating the City's commitment to taking proactive measures to support residents and businesses. Consistent with existing practices, the City should continue to develop marketing messages in both English and Spanish.

### **City's Positioning/Roles in Implementation**

The City will take a lead role in implementing the ED-specific marketing program. Initial program design (and some elements of implementation) would likely require support from a professional marketing agency. San Pablo will also leverage its City-level marketing investment through participation in regional marketing initiatives.

### **Action Steps**

#### *Short-term:*

- Expand webpage(s) for ED program reflecting marketing targets identified in EDS, key marketing messages (including unique aspects of SP), potential opportunity sites and range of potential uses/reuses (including residential where appropriate), development incentives, etc.
- Coordinate with partners to ensure that EDS marketing targets (and associated "selling points") are optimally positioned within regional marketing initiatives and messages (including partner websites, etc.).
- Generate specific marketing messages for retail/restaurant tenant recruitment efforts, with a focus on attracting businesses that have or can achieve "destination" status, reflect multi-cultural dining experiences, etc.
- Establish and implement business attraction campaign focused on the target industry/business types identified in this EDS, building from existing businesses and collaboration with regional partners who have dedicated resources for business attraction
- Convene "Summit Meeting" of local civic organizations, including business groups, to unveil the EDS, and identify its key marketing messages and strategic focus areas, along with specific opportunities for civic organizations and other community leaders to serve as "ambassadors" for San Pablo's economic development program
- Investigate options for professional marketing services to support design/implementation of new marketing program. This program could ultimately include the following components:

- i. Industry-specific marketing materials (target industry webpage, brochures, digital/print media).
- ii. Advertising in selected/targeted media (general and industry-specific).
- iii. Attendance at selected industry events (e.g., ICSC), or alternatively retain retail recruitment and representation firm.

*Mid-term:*

- g. Update citywide “wayfinding” system to make it easier to navigate to and within SP. This should include signposts providing directional guidance to amenities, sites and parking; ensure long-term City maintenance of wayfinding amenities to avoid dilapidation over time.
- h. Produce map coordinated with other wayfinding tools (see Action Item G above) by way of thematic colors, designs and other differentiation, which may be integrated into other urban design elements, to promote the unique identity of each of SP’s distinct neighborhoods and business districts.
- i. Host site visits by regional and state economic development groups (GoBiz, East Bay Alliance, Jobs First Coalition, Bay Area Forum), to use as an opportunity to showcase SP and position for investment.
- j. Implement targeted advertising campaigns (per preceding actions above)
- k. Establish and implement annual calendar for attendance at selected periodic industry events (per Step F above).
- l. Generate contact list for property owners/managers at potential opportunity sites, establish contact protocols similar to outreach activities applied in Business Retention/Expansion (BRE) economic development practices, and begin to implement.

*Long-term:*

- m. In conjunction with partners (potentially through an ad hoc taskforce), identify an organization to serve as special event sponsor where community groups can organize community events throughout the year, for example an “international festival” that draws on the community’s diversity.
- n. Investigate use of, and help implement as practical, public art (e.g., murals) and banner program that support the City’s overall marketing/branding efforts.

**Key Milestones: The Most Critical Short-term Actions**

- Finalize initial list of target industries/business types (based on recommendations in EDS).
- Complete updated/expanded webpages for City’s ED program.
- Research and prepare staff report on options for pursuing professional marketing services to develop and implement the EDS marketing program.

- Schedule initial meeting for Civic Organizations Summit and plan for follow-up engagement.

## **FOCUS AREA 2: Expanded Development Capacity**

### **Brief Description of Program**

Within San Pablo’s limited remaining land/development capacity (and opportunities for re-tenanting/repurposing existing underutilized buildings), City will focus its business development efforts on potential “signature” projects with image-enhancing characteristics and the likelihood of adding to the tax base. The strategy will address the following key action themes:

- Interface with commercial/industrial property owners and others in the development community to identify key “opportunity” sites for infill development or redevelopment (a preliminary list of candidate opportunity sites is provided in Appendix A of the EDS)
- Coordinate with major landowners to determine how best to facilitate new development opportunities on key sites
- Review City land use plans and zoning polices to recommend optimal alignment with anticipated market opportunities (including housing and mixed-use projects, where appropriate); the City’s ongoing General Plan Update should also be included in this alignment effort
- Prioritize City infrastructure investments (potentially including parking facilities) to facilitate development in targeted areas
- Continue to improve/streamline development approval process to expedite development of high-impact projects
- Adopt development incentives policy allowing for such tools as tax-sharing agreements and deferred/waived City fees for targeted development and businesses

### **City’s Positioning/Roles in Implementation**

The City, through the Community Development Department, will take a lead, in-house role in implementing these action items.

### **Action Steps**

#### *Short-term:*

- a. The City should identify potential “opportunity” sites for infill development or redevelopment (see Appendix A of the EDS for a preliminary list), including types of uses anticipated and encouraged (e.g., residential), and meet with property owners to assess interest in development opportunities. Plans for opportunity sites should be consistent with the City’s Housing Element and supported by the City’s ongoing process of updating the General Plan and making zoning amendments.

- b. Host a development opportunity meeting with potential commercial/industrial/residential developers to assess their development interests (type of project, time to market, etc.), particularly based on existing experience (e.g., Alvarado Gardens and 1982-1988 23<sup>rd</sup> Street projects). 1982-84 San Pablo projects).
- c. Complete review and adoption of the Rumrill Corridor Plan.
- d. Complete modifications to the 23rd Street Specific Plan and the San Pablo Avenue Specific Plan, to align policies with anticipated development that responds to market opportunities, including modification of permitted uses to ensure that sales tax generators, high-demand retail and new job opportunities are encouraged. Updates to the Specific Plans should ensure that development standards (i.e., densities, height limits, parking requirements, etc.) are in alignment with project types that are feasible in the current (and foreseeable) development market.
- e. Review City's Capital Improvement Program and prioritize projects that relate to targeted development areas (Specific Plan areas, etc.).
- f. Coordinate with outside agencies (i.e., utilities) to assess priorities relative to targeted development areas.

*Mid-term:*

- g. Design a demonstration project (presumably identified through the preceding processes, on a voluntary basis), for revitalization of an older shopping center. The project would include the application of available City incentives and assistance resources (some of which may be targeted to specific uses, such as residential) to the extent practical.
- h. Explore joint development or joint use opportunities with community college and other educational institutions in community, with projects like student housing (college), research & design "lab" space, innovation, or incubator space (significant opportunities for this type of development may existing in the vicinity of Castro and Moraga Roads).
- i. Investigate the practicality and feasibility of creating development incentives policies that would include such tools as tax-sharing agreements and deferred/waived development fees, and fast-track permitting targeting primarily high-impact projects.

*Long-term:*

- j. Consider establishment of San Pablo Dam Road Specific Plan (or the like) from I-80 to the City limit line, to promote revenue-producing or job-producing uses; this area could potentially be a strong location for new hotel and/or retail facilities. This plan should include a significant focus on street infrastructure improvements needed to accommodate future development.
- k. Adopt targeted development incentive policies as appropriate, based on preceding action.
- l. Begin implementation of shopping center revitalization demonstration project.

### **Key Milestones: The Most Critical Short-term Actions**

- Complete memorandum (prepared by City staff) outlining in-house plan for development community outreach (in coordination with Focus Area 1 related action).
- Complete staff-level review of existing SP's to ensure applicability and consistency with current market opportunities for redevelopment/intensification.

### **FOCUS AREA 3: Community Safety, Improvement, and Amenities**

#### **Brief Description of Program**

Through a combination of City investments and private sector incentives, the City will pursue a comprehensive improvement agenda addressing the following key action themes:

- Continue to prioritize investment in effective, community-based public safety
- Address issues of persons experiencing homelessness in a holistic way (especially in areas of San Pablo where homelessness is a direct obstacle to economic development progress)
- Address issues related to the cleanliness and visual appeal of the community (especially in high-visibility areas where illegal trash dumping is a direct obstacle to economic development and image-enhancement efforts)
- Invest in streetscape/gateway improvements in high-visibility areas critical to SP's economic development image (potentially in partnership with private community organizations)
- Provide assistance and other incentives to facilitate reinvestment in commercial/storefront properties

#### **City's Positioning/Roles in Implementation**

The City Manager's office will take the lead role in implementing this focus area, which will involve a number of other City departments.

#### **Action Steps**

##### *Short-term:*

- a. Continue investments in community-based public safety programs that have demonstrated their effectiveness, and include documentation of these successes in community marketing (coordinating with Focus Area 1).
- b. In coordination with Focus Area 7, Regional Collaboration, incorporate means to address persons experiencing homelessness within the action items of this focus area, recognizing the role of public safety policies, community cleanliness, and the role of urban/streetscape design and improvements. The EDS recognizes that homelessness is a complex issue that requires solutions outside the realm economic development and City

government; within the context of the EDS, the intent of this short-term action item is to focus on practical efforts to manage homelessness in high-visibility areas of San Pablo where homelessness is a direct obstacle to economic development. (As U.S. Supreme Court decisions related to homeless encampments are under consideration as this draft is being prepared, the City will want to stay current with these proceedings as a factor in its overall strategic approach, which may involve new/modified ordinances.)

- c. Incorporate practices related to community cleanliness and visual appeal into existing community operational plans and policies (including a concerted effort to reduce illegal trash dumping). Continue to strengthen City’s policies regulating vacant buildings and unkept properties. (Sample ordinance is provided in Appendix B; also note the City recently adopted the ICC Property Maintenance Code and is currently working on strengthening other codes.)

*Mid-term:*

- d. Consistent with the Community Health & Environmental Justice Chapter of the General Plan, create partnerships and strategies to increase tree canopy, greenspaces and other measures that improve character of investment areas and improve heat-island effects.

*Long-term:*

- e. Establish an incentive policy intended to “seed” reinvestment in commercial/storefront properties, which might include a grant/loan fund to support façade improvements, improvements to support outdoor dining, and the like. Determine criteria for targeting the areas to which such incentives would apply. (Note: Whereas this action item involves improvements to private properties, it is included in Focus Area 3 because it is recommended that the City establish funding sources, e.g., grant/loan programs, to incentivize these private building improvements. This program could ultimately be implemented by a partner such as the San Pablo EDC, with funding support from the City.)

**Key Milestones: The Most Critical Short-term Actions**

- Prepare inter-departmental operational plan (staff memorandum) outlining how persons experiencing homelessness are addressed within the action items of this focus area, and how those practices relate to other related policies and practices involving regional partners’ efforts in that regard (as noted above, this short-term action item is intended to focus on practical efforts to manage homelessness in high-visibility areas of San Pablo where homelessness is a direct obstacle to economic development).
- Prepare inter-departmental memorandum outlining framework by which practices related to community cleanliness and visual appeal will be explicitly identified and incorporated into other, existing community operational plans and policies. In the near

term, this effort short focus on practical actions to eliminate illegal trash dumping in high-visibility commercial areas of San Pablo.

## **FOCUS AREA 4: Leveraging Local Talent (Workforce and Entrepreneurial Development)**

### **Brief Description of Program**

This focus area combines both Workforce Development for San Pablo residents and resources for supporting San Pablo entrepreneurs, through the following key action themes:

- Collaborate with local/regional partners to grow employment opportunities in well-paying industries (either in San Pablo or in adjacent communities) that are a good fit for SP's resident workforce
- Partner with School District, Contra Costa College, Workforce Development Board and San Pablo EDC to maximize retention of graduates in the community through expanded employment opportunities
- Through partner resources, promote small business and entrepreneurial development opportunities in SP

### **City's Positioning/Roles in Implementation**

The City will mostly serve in a coordination/ clearinghouse capacity, drawing on the established programs of regional partners.

### **Action Steps**

#### *Short-term:*

- a. In coordination with Focus Area 7, Regional Collaboration, formalize the integration of San Pablo target industries with the target industries and other promotional messages put forth by regional partners.
- b. Conduct meetings with regional workforce and business development partners (listed in the matrix at the end of the EDS Action Plan) to unveil EDS target industry cluster program and identify targeted industries likely to offer notable entrepreneurial development opportunities, along with those that may require specialized job training.
- c. Continue City/school district collaboration, which include City investment in safety programs for SP schools.
- d. With partners such as Contra Costa College, explore opportunity for certificate programs that will enhance local residents' workforce skills to increase opportunity for new jobs created (either within or near SP) in target sectors.
- e. In conjunction with San Pablo EDC, organize a local annual "startup network" workshop, which would include presentations from partner organizations and also provide networking opportunities for prospective startups. (The EDC already hosts startup

events; the intent of this action item is to refocus future startup workshops around the market opportunities in the EDS).

*Mid-term:*

- f. Update webpage summarizing City’s entrepreneurial development opportunities/ resources, and workforce resources (in general but particularly applicable to supporting employers in their recruitment/training needs). At the simplest level, this would involve providing links to partner organizations (such as the San Pablo EDC) offering these types of programs.

*Long-term:*

- g. Ensure representation and participation (via EDC or others) in the Bay Area Jobs First Collaborative, and advance projects that meet criteria and use the advantage of San Pablo’s economic characteristics and location to support investment (workforce development, incubator space, etc.).

**Key Milestones: The Most Critical Short-term Actions**

- Include/update workforce and entrepreneurial development resources on economic development webpages (links to partner programs).
- Launch annual “San Pablo startup network” workshop (through EDC, based on existing EDC resources geared toward startups).

**FOCUS AREA 5: Ongoing Community Engagement in Economic Development**

**Brief Description of Program**

The City will formalize processes for civic and stakeholder engagement around the topic of economic development, recognizing the following key engagement techniques:

- Continue annual resident/community survey and include economic and workforce development topics
- Host quarterly community and economic development forums (in-person meetings similar to the stakeholder “Summit” meetings conducted for the EDS process)
- Actively engage official and de facto community leaders in economic development decisions and messaging
- Establish “business ambassador” program (whereby existing business leaders can support the City in encouraging new companies, which are complementary to existing businesses, to come to San Pablo)

### **City's Positioning/Roles in Implementation**

The City Manager's office will take a lead role in implementing this initiative. Key partners will be regularly informed of these activities and their results.

### **Action Steps**

#### *Short-term:*

- a. Continue resident/community surveys on a regular basis and specifically assess public interest in economic and workforce development topics, structuring topics and the wording of questions, etc. for a general audience; consider means of reaching residents/communities that are typically underrepresented these surveys (e.g., make paper survey forms available in different locations throughout San Pablo and have physical drop-box options for completed surveys).
- b. Host periodic community and economic development forums, in the form of public meetings used to report on progress, celebrate successes, and build community-level support for City's economic development programming.
- c. Engage the EDC to set up a system for actively engaging official and other community leaders in economic development decision-making, messaging, regional positioning, etc.; compile the engagement list with appropriate input.

#### *Mid-term:*

- d. Establish "business ambassador" program, consisting of a volunteer corps of existing business leaders who can provide testimonials, conduct outreach activities, etc. to encourage new businesses to come to SP from a personal, peer perspective.
- e. Consider forming business neighborhood groups to encourage more San Pablo businesses to engage in improving the overall business environment.

### **Key Milestones: The Most Critical Short-term Actions**

- As part of City's annual community survey, include specific question(s) about the types of new businesses that residents would like to see in San Pablo.
- Schedule inaugural meeting of community/economic development forum; based on results of initial meeting, evaluate desirability of having such meetings on a regular (e.g., quarterly) basis.

## FOCUS AREA 6: Health and Wellness

### **Brief Description of Program**

The City will integrate economic development programming with a broader focus on community health and wellness. This focus area could potentially include the following components:

- Attraction of businesses/services related to health, building on San Pablo's existing strength in residential care/senior facilities
- Land use planning that promotes walking, biking, tree canopies, trail system, etc.
- Establishing other relevant connections with the Community Health and Environmental Justice Element in the City's General Plan

### **City's Positioning/Roles in Implementation**

The City Manager's office will take a lead role in the business attraction component of this focus area, and be supported by the Community Development, Community Services and Public Works departments in the planning-related action items.

### **Action Steps**

#### *Short-term:*

- a. Integrate businesses/services related to health (e.g., medical facilities, health care service providers, fitness centers, healthy youth/family activities, day care, etc.) into the appropriate activities related to targeted industries in San Pablo.
- b. Establish San Pablo Health and Wellness Consortium (i.e., an informal advisory group composed of health care service providers, health related businesses, senior/assisted living residential facilities, and public and nonprofit organizations focused on community health). This consortium would have an initial objective of assessing opportunities relevant to economic development; a companion role would be to identify potential development connections including new medical facilities, out-patient services and other health care options.

#### *Mid-term:*

- c. Secure funding for active transportation projects (San Pablo Bicycle & Pedestrian Corridor Study) that encourage alternative transportation modes such as walking and biking, plus trail systems to support these activities, along with physical improvements such as tree canopies that make outdoor areas more attractive.
- d. The Consortium should apply for participation in the Blue Zones program (bluezones.com), which helps community residents live longer, and better by improving the environments in which people live, work, grow up, and grow old. Participating cities and counties have seen double-digit drops in obesity, smoking, and stress, along with

significant improvements in workplace productivity, healthcare costs, and civic engagement. (Blue Zone project examples from other cities/regions are provided in Appendix C.)

- e. Consider becoming an “Age Friendly Community) with AARP.

### **Key Milestones: The Most Critical Short-term Actions**

- Identify public and private sector entities to be invited to participate in the San Pablo Health and Wellness Consortium.
- Host inaugural meeting with Consortium to define opportunities to promote/strengthen existing health/wellness initiatives in a way the advances economic development.
- Arrange for and host site visit by Blue Zones team.

## **FOCUS AREA 7: Regional Collaboration**

### **Brief Description of Program**

In addition to ongoing attention to existing partnerships, some of which support other Focus Area actions, the City will establish or reinforce partnerships/consortia focused on the following topics:

- Being supportive of persons experiencing homelessness and related mental health issues (and identifying existing resources that can potentially be augmented to manage the impacts that homelessness has on the City’s economic development progress)
- Regional business attraction
- Education and workforce development
- Small business and entrepreneurial development

### **City’s Positioning/Roles in Implementation**

Whereas partner organizations are involved throughout the EDS focus areas, the intent of this collaborative focus is to emphasize the particular topics identified. In that regard, the City Manager’s office will play a lead role in defining and setting up these particular partnerships, and a largely coordinating role thereafter among the group of partners.

### **Action Steps**

#### *Short-term:*

- a. Strategies for supporting persons experiencing homelessness call for concerted regional efforts, involving the broadest spectrum of assistance resources that are currently available or can be made available through some organization or mechanism. This action item represents the importance of San Pablo explicitly claiming its role in marshaling and coordinating these resources (especially in commercial districts where

homelessness is a direct obstacle to economic development progress). (Note: the City has an existing contract with the County's CORE [Coordinated Outreach, Referral and Engagement] program, which is an appropriate launching point for this action item. CORE dispatches a team three days per week to provide resources to unhoused individuals in San Pablo; this service will soon be expanded to five days per week. Also relevant to this action item, the City is a member agency for the County's A3 crisis response program, which provides support services for individuals facing a behavioral health, mental health, or substance use crisis.)

- b. Working with regional partners in economic development, develop a San Pablo-specific workplan for addressing the City's target industries (suitable for the SP workforce) as a direct complement to the roles of partners active in regional business attraction. Given San Pablo's small land area, it is recognized that industry attraction efforts that the partners are pursuing in neighboring cities are potentially beneficial to San Pablo residents (i.e., they can readily commute to jobs created in neighboring cities).
- c. Continue to collaborate and work with regional partners on the implementation of the West County Action Plan (an initiative of the West Contra Costa County Transportation Advisory Committee<sup>7</sup>), which promotes connectivity, roadway safety and active transportation projects in and around San Pablo. Advocate for regional investment in pilot or demonstration projects in SP.
- d. Identify community leaders (elected officials, organizations, etc.) who serve in leadership capacities at regional forums and organizations, and encourage participation (representation) from San Pablo in these groups, to advance SP priorities at the regional level.

*Mid-term:*

- e. Through a series of working sessions with regional partners in 1) education and workforce development, and 2) small business and entrepreneurial development, develop the San Pablo workplan for addressing the City's role in these two related fields, so that they directly complement the roles, capabilities, outreach, and other functions of partners active in those areas.

**Key Milestones: The Most Critical Short-term Actions**

- Within the context of the City's continued emphasis on enhancing public safety, meet with representatives of Contra Costa County Health, Housing and Homeless Services to identify specific opportunities to strengthen existing City/County partnership and to

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<sup>7</sup> WCCTAC is one of four Regional Transportation Planning Committees in Contra Costa County. The Regional Transportation Planning Committees were created to manage the 1988 Measure C 1/2 cent transportation sales tax projects and programs, and its Extension, Measure J, approved by Contra Costa voters in 2004. In addition to managing revenues from Measures C and J, WCCTAC also administers the sub-regional transportation mitigation fee program (STMP), and participates in defining and implementing policies, programs and projects to improve local and regional transportation and air quality.

define specific measures to remove the impacts of homelessness from key commercial development areas in San Pablo.

- Meet with San Pablo EDC to refocus business attraction partnership based on the targets/priorities outlined in the EDS.

## **FOCUS AREA 8: Fiscal/Financing Tools and Funding Opportunities**

### **Brief Description of Program**

The City will systematically review and strengthen key systems, policies, and tools relating to funding fiscally advantageous projects and enhancing tax revenues, addressing at a minimum the following action themes:

- Pursue state and federal grant funding targeted to SP's unique needs (e.g., Environmental Protection Agency, U.S. Economic Development Administration, State housing funds, etc.)
- Target attraction of tax-generating land uses (e.g. retail, hotel, cannabis, data centers)
- Identify opportunities to support growth of casino business (to expand revenue base that flows to City)
- Investigate potentials for special district financing (e.g., Business Improvement District or Property Based Improvement District, Enhanced Infrastructure Financing District)

### **City's Positioning/Roles in Implementation**

The City will take a lead role in implementing this focus area, potentially through the Finance Department, with the City Manager's office taking a strong coordinating role.

### **Action Steps**

#### *Short-term:*

- a. Integrate businesses/services related to tax-generating land uses (e.g. retail, hotel, cannabis, and data centers) into the appropriate activities related to targeted industries in San Pablo. (Sample cannabis ordinance is provided in Appendix D.)
- b. Hire, or contract with, a professional grant writer; also look into the potential of using grant writers associated with umbrella development organizations.
- c. Prioritize grant-pursual opportunities based on a relationship to key development objectives and combinations of: effort required to secure, competitiveness (in general and San Pablo's competitive advantages for securing grants), potential payoff, leveraging potential, regional coordination in grant-funded projects, and other considerations.
- d. Pursue selected state and federal grant funding targeted to SP's unique needs. Grantors include the Environmental Protection Agency (e.g., Brownfield opportunities on Rumrill

Road and Giant Road/Palmer Avenue), U.S. Economic Development Administration, U.S. Department of Housing and Urban Development (HUD), U.S. Department of Transportation (DOT), and State housing funds, among others.

*Mid-term:*

- e. Coordinate with San Pablo Lytton Casino to identify opportunities to support growth of casino business, either directly or indirectly through complementary development, infrastructure improvements, events, etc., with the intent to expand the revenue base for both the casino and the City.
- f. Establish and publicize branded program(s) for streamlined business permitting and development entitlements.
- g. Investigate potentials for special district financing, e.g., Business Improvement Districts, Property Based Improvement Districts, and Enhanced Infrastructure Financing Districts, considering matters such as: 1) the level of effort and other practicalities of the City's involvement in establishing them, 2) costs and benefits to the affected business community, 3) relationship to the City's fiscal strategies and budget, and similar issues.

**Key Milestones: The Most Critical Short-term Actions**

- Evaluate and adopt cannabis ordinance(s) to allow for attraction of retail cannabis businesses.
- Select and retain professional grant writer.
- Submit initial round of grant applications.

## EDS IMPLEMENTATION: LEAD, SUPPORT AND COORDINATION ROLES

Implementation of the EDS will be carried out by multiple City departments and through partnerships with important non-City partners. Recommended lead, support and coordination roles for each of the eight major focus areas are shown on the matrix on the next page.

Organizations / Focus Areas

Marketing/Image Enhancement  
 Expanded Development Capacity  
 Community Safety, Improvement, and Amenities  
 (City/Private)  
 Leveraging Local Talent (Workforce and  
 Entrepreneurial Development)  
 Ongoing Community Engagement in Economic  
 Development  
 Health and Wellness Focus  
 Regional Collaboration (Partnerships)  
 Fiscal/Financing Tools and Funding Opportunities

1 2 3 4 5 6 7 8

**City of San Pablo**

City Manager's Office	L	S	C	C	L	L	L	C
Community Development Department	S	L	S	S		S	S	S
Community Services Department	S		L			S	S	
Finance Department								L
Police Department	S		L	S	S	S		
Public Works Department		S	L			S	S	

**Contractors/Consultants**

Economic Development Marketing Consultant	S							
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**Partners**

Bay Area Council			S				S	
Building Industry Assc. (BIA) Bay Area		S						
Contra Costa College				L				
Contra Costa County			S				S	
Contra Costa County Dev. and Housing Authority		S					S	
Contra Costa County Economic Development	S	S			S		S	S
East Bay Economic Development Alliance	S	S			S		S	
East Bay Small Business Development Center				L			S	
Local Banks				L				S
Renaissance Entrepreneur Center				L			S	
San Pablo Econ. Dev. Corp. (EDC)	S		S	L	S	S	S	S
West Contra Costa Unified School District				L		S	S	
West County Health Center (San Pablo)						S		
Workforce Development Board of Contra Costa County (WDBCCC)				L			S	

**Role Legend**

Role	Role Code
Coordination	C
Lead	L
Support	S

## Year 1 Staff Time and Other City Resources by Major Initiative / Action Step

TNDG recommends a City staffing commitment equivalent to 1.00 FTE for effective implementation of the EDS. The table below shows the estimated allocation of time for the recommended 1.0 FTE (approximately 2,000 hours) during Year 1 of the EDS implementation. The table also notes other major resources (in addition to ED staff time) that will be required to fully implement each action step.

Major Initiative	Essential Year 1 Action Steps	Annual Hours City Staff (1.0 FTE)	Other City Resources Needed
1. Marketing/Image Enhancement	<ul style="list-style-type: none"> <li>Finalize initial list of target industries/business types</li> <li>Complete updated/ expanded webpages for City's ED program</li> </ul>	320	Potential contract services with professional marketing agency
2. Expanded Development Capacity	<ul style="list-style-type: none"> <li>Memorandum outlining in-house plan for development community outreach.</li> <li>Staff-level review of existing SP's to ensure applicability and consistency with current market opportunities for redevelopment/intensification.</li> </ul>	320	Potential contract planning services for review of Specific Plans (current General Plan update processes will include amendments to San Pablo Avenue Specific Plan, creation of a new Rumrill Corridor Plan, and sunseting of the 23rd Street Specific Plan)
3. Community Safety, Improvement, and Amenities (City Investments and Private Sector Incentives)	<ul style="list-style-type: none"> <li>Inter-departmental operational plan outlining practical efforts to manage homelessness (encampments, etc.) in high-visibility areas of San Pablo.</li> <li>Inter-departmental memorandum focused on practical actions to eliminate illegal trash dumping in high-</li> </ul>	320	

Major Initiative	Essential Year 1 Action Steps	Annual Hours City Staff (1.0 FTE)	Other City Resources Needed
	visibility commercial areas of San Pablo.		
4. Leveraging Local Talent (Workforce and Entrepreneurial Development)	<ul style="list-style-type: none"> <li>• Include/update workforce and entrepreneurial development resources on economic development webpages (links to partner programs).</li> <li>• Launch annual “San Pablo startup network” workshop (through EDC, based on existing EDC resources geared toward startups).</li> </ul>	200	
5. Ongoing Community Engagement in Economic Development	<ul style="list-style-type: none"> <li>• As part of City’s annual community survey, include specific question(s) about the types of new businesses resident would like to see in San Pablo.</li> <li>• Schedule inaugural meeting of community/economic development forum; evaluate desirability of having such meetings on a regular (e.g., quarterly) basis.</li> </ul>	200	
6. Health and Wellness Focus	<ul style="list-style-type: none"> <li>• Identify public and private sector entities to be invited to participate in the San Pablo Health and Wellness Consortium.</li> <li>• Host inaugural meeting with Consortium to define opportunities to promote/ strengthen existing health/ wellness initiatives in a way that advances economic development.</li> <li>• Arrange for and host site visit by Blue Zones team.</li> </ul>	320	Potential expenses for Blue Zones team (if initial investigations suggest that this program is a good fit for San Pablo)

Major Initiative	Essential Year 1 Action Steps	Annual Hours City Staff (1.0 FTE)	Other City Resources Needed
7. Regional Collaboration (Partnerships)	<ul style="list-style-type: none"> <li>• Meet with representatives of Contra Costa County to identify specific opportunities to strengthen existing City/ County partnership on homelessness and to define specific measures to remove the impacts of homelessness from key commercial development areas in San Pablo.</li> <li>• Meet with San Pablo EDC to refocus business attraction partnership based on the targets/priorities outlined in the EDS.</li> </ul>	120	
8. Fiscal/Financing Tools and Funding Opportunities	<ul style="list-style-type: none"> <li>• Evaluate and adopt cannabis ordinance(s) to allow for attraction of retail cannabis businesses.</li> <li>• Select and retain professional grant writer.</li> <li>• Submit initial round of grant applications.</li> </ul>	200	Potential contract services for professional grant writer

**APPENDIX A: POTENTIAL OPPORTUNITY SITES**

To: Roger Dale  
The Natelson Dale Group, Inc.

From: Paul M. Saldana  
Economic Growth Strategies, LLC

**Subject: Potential Opportunity Sites**

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## **Reviewed Documents**

The following documents were reviewed in the context of identifying potential development sites:

- Industrial Market Insights and Sub Area Profiles (May, 2023), Strategic Economics for East Bay Economic Development Association.
- 23<sup>rd</sup> Street Specific Plan (October 2007), Design, Community & Environment for City of San Pablo
- San Pablo Avenue Specific Plan (September 2011), Dyett & Bhatia for City of San Pablo
- Zoning Map (2018), City of San Pablo
- San Pablo Housing Element Update 2023-31 (November 2023 Draft)
- Projects approved or underdeveloped from City of San Pablo Website (February 2024)

## **Methodology**

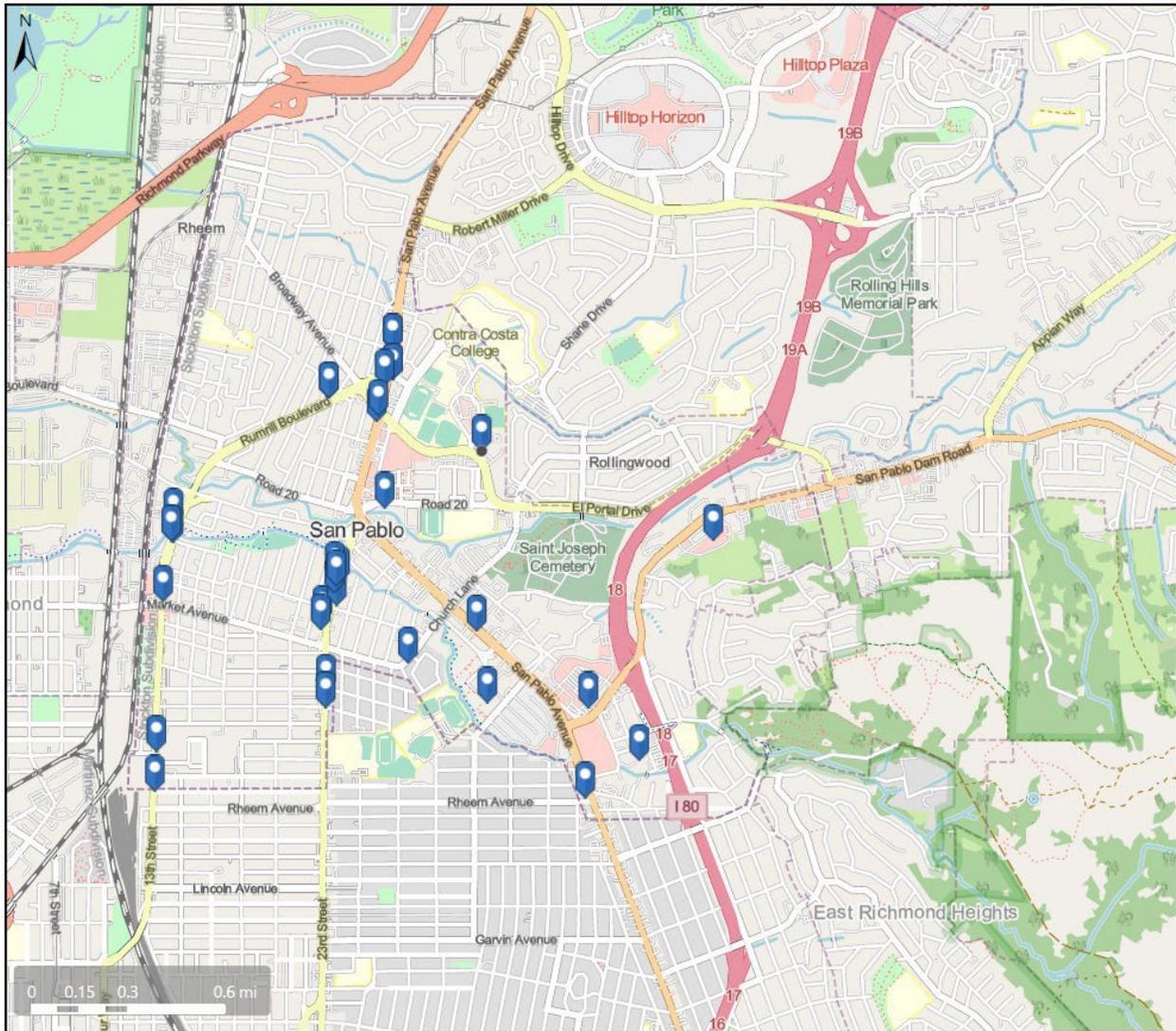
The base zoning map and maps for the specific plan areas were utilized to form the base area for review. Likewise, we included the focused areas that were identified by staff as well, which generally aligned with these maps as well.

We conducted a virtual site identification screening using Google Maps and focused on the eight (8) primary streets that carried the most economic development opportunity and fit applicable zoning criteria.

The primary target of the virtual site review was to identify properties that appear vacant (undeveloped or lack occupancy) and sites that appear to be underutilized. Given that this is based on 2022 Google Maps, some sites may have been redeveloped, occupied or are the sites of planned projects (City should confirm before final report).

We also pulled listings from online real estate sources to ascertain properties that are currently being marketed for sale or lease to include them as potential opportunity sites.

## Sites Summary



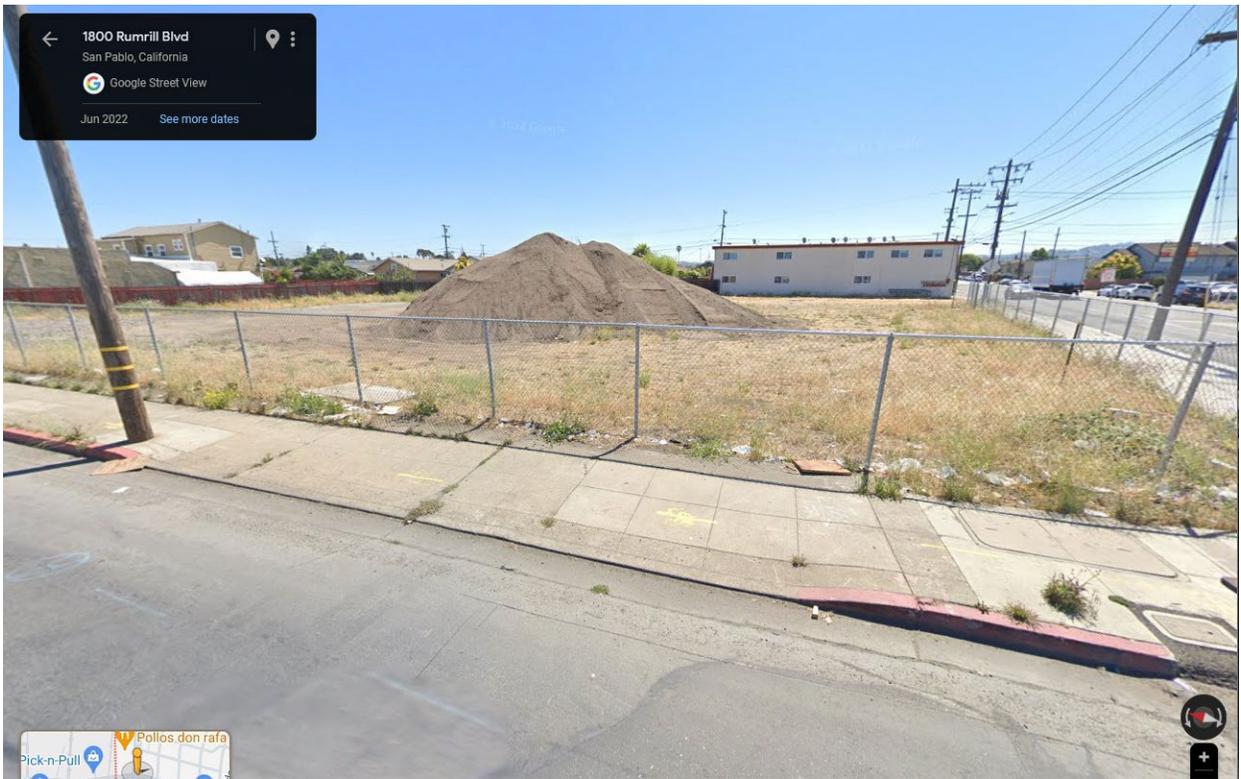
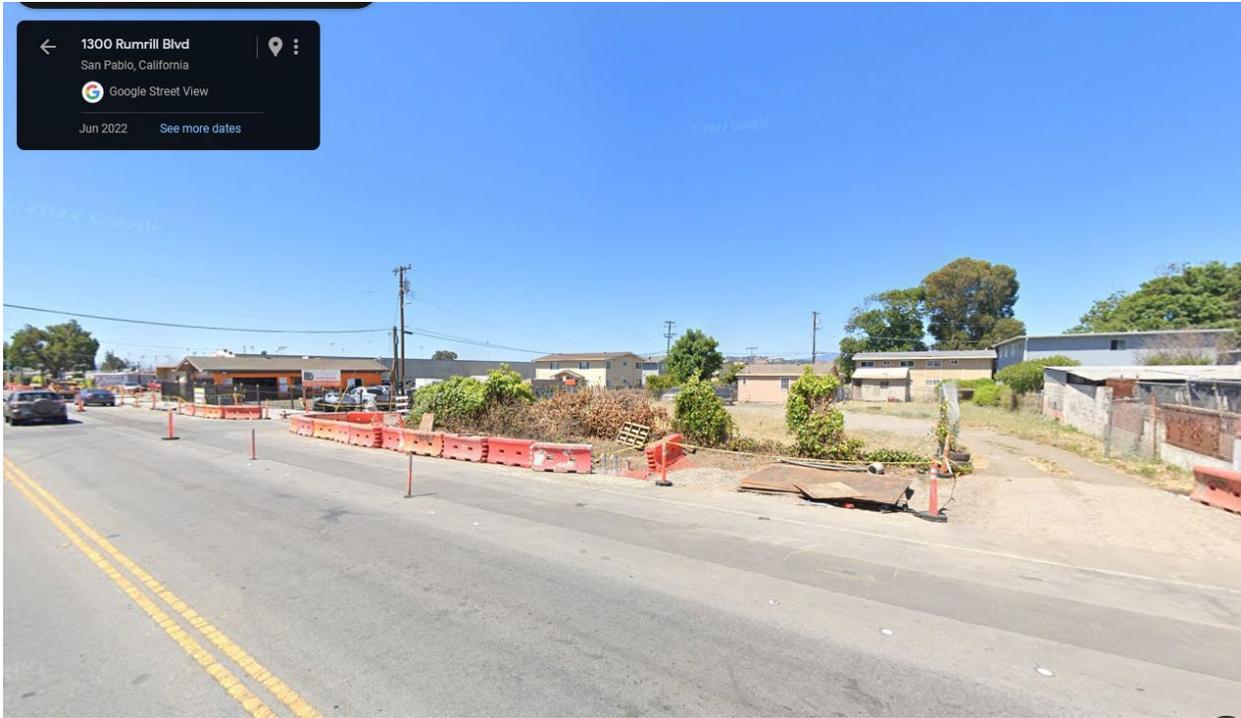
The sites generally fall along the major corridors identified in the kick off meeting and the review of documents. Initially, 32 sites were identified, with 23<sup>rd</sup> Street and Rumhill Blvd. showing the largest percentage of potential sites. Given the location of some sites along the City limit line, verification was done using County parcel map data when available. We have not removed any sites that active development is taking place so that we can appropriately catalogue progress the City has made in repurposing and redeveloping sites.

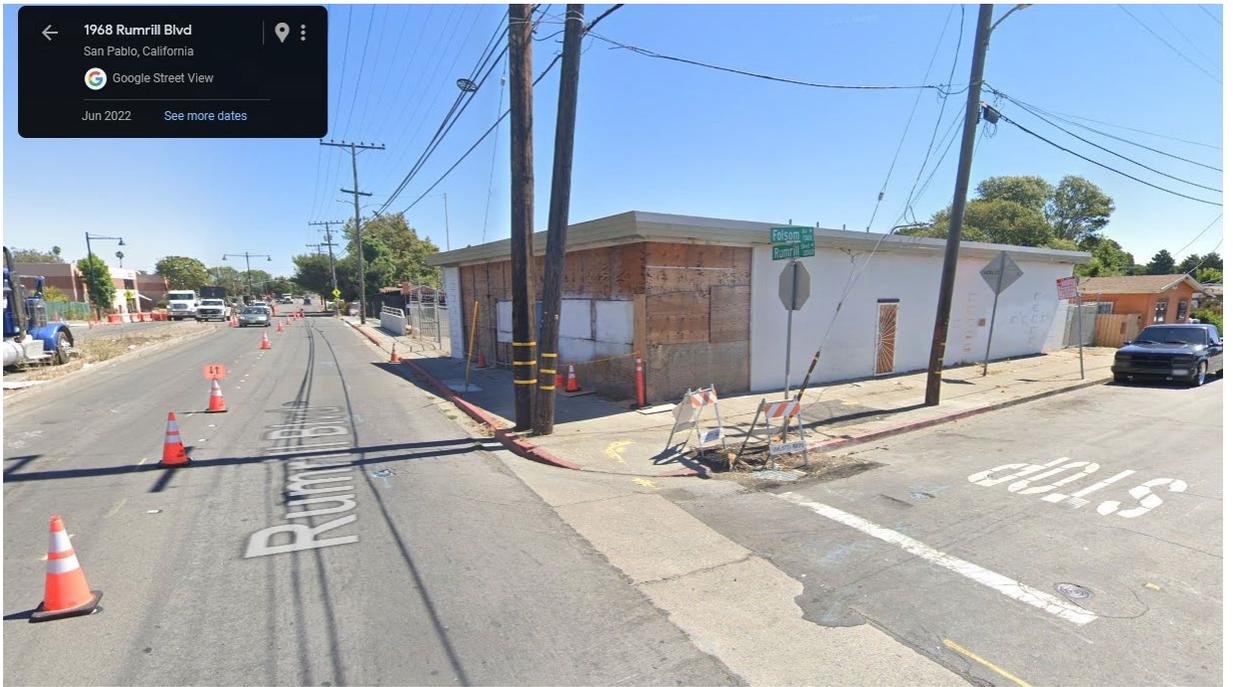
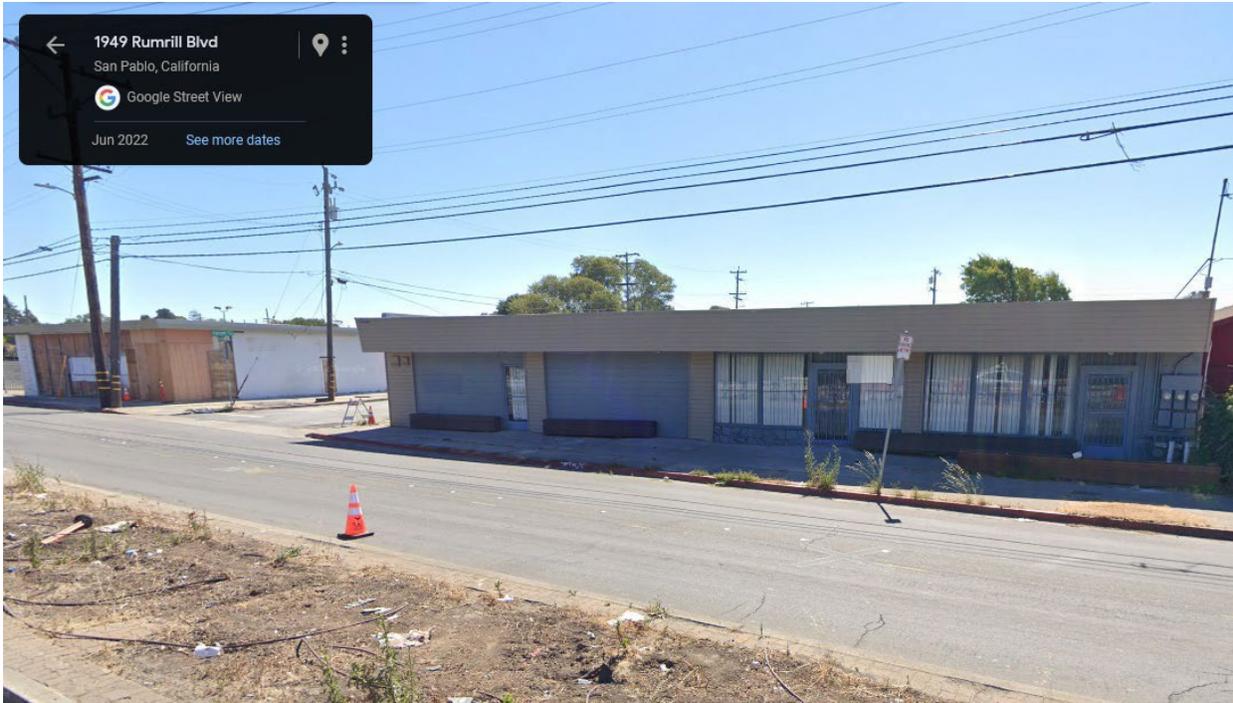
Screen shots of the sites identified are included. This is not an exhaustive list as the site visit is designed to focus the review on these sites and others identified in the site visit.

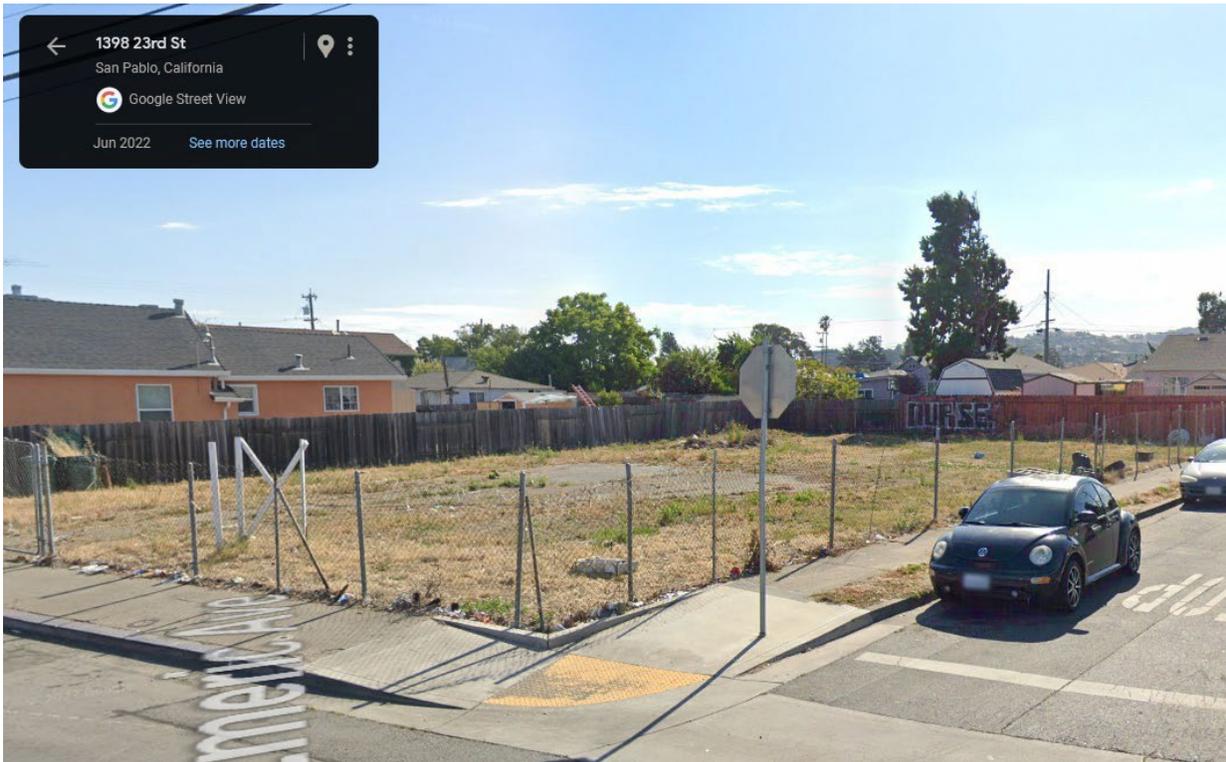




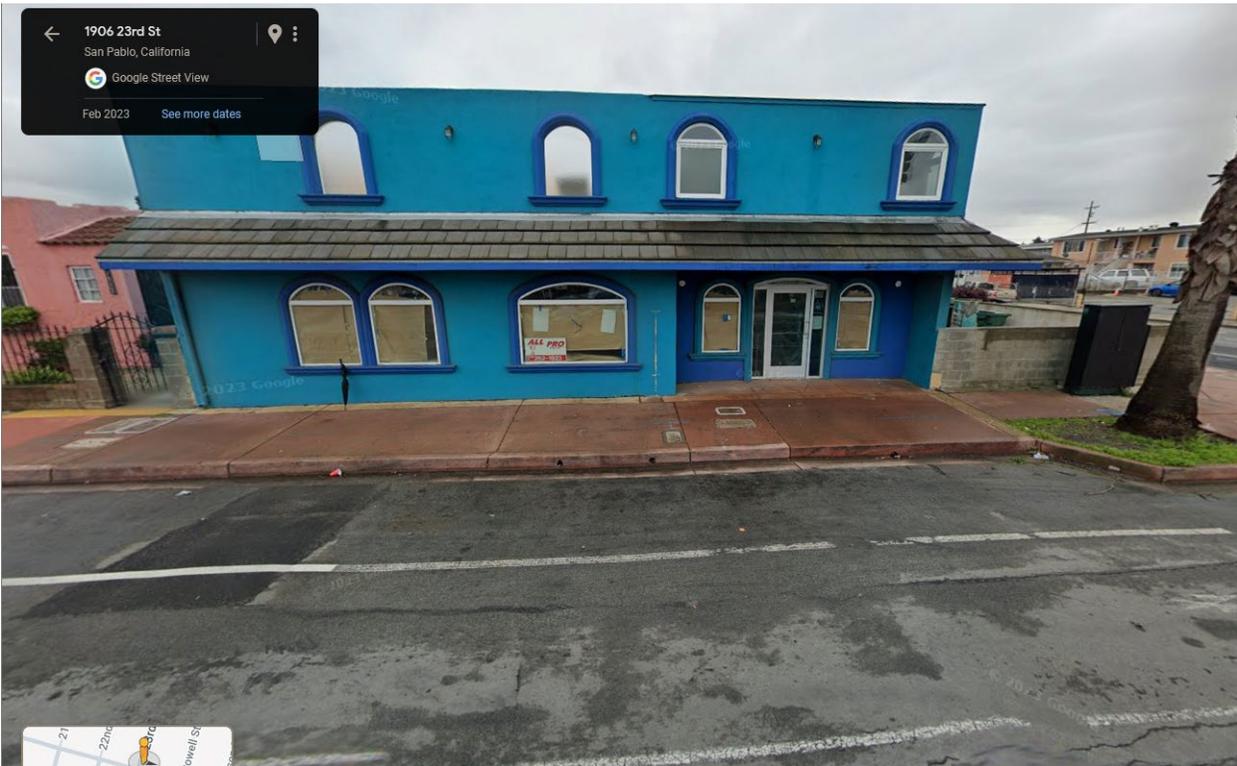
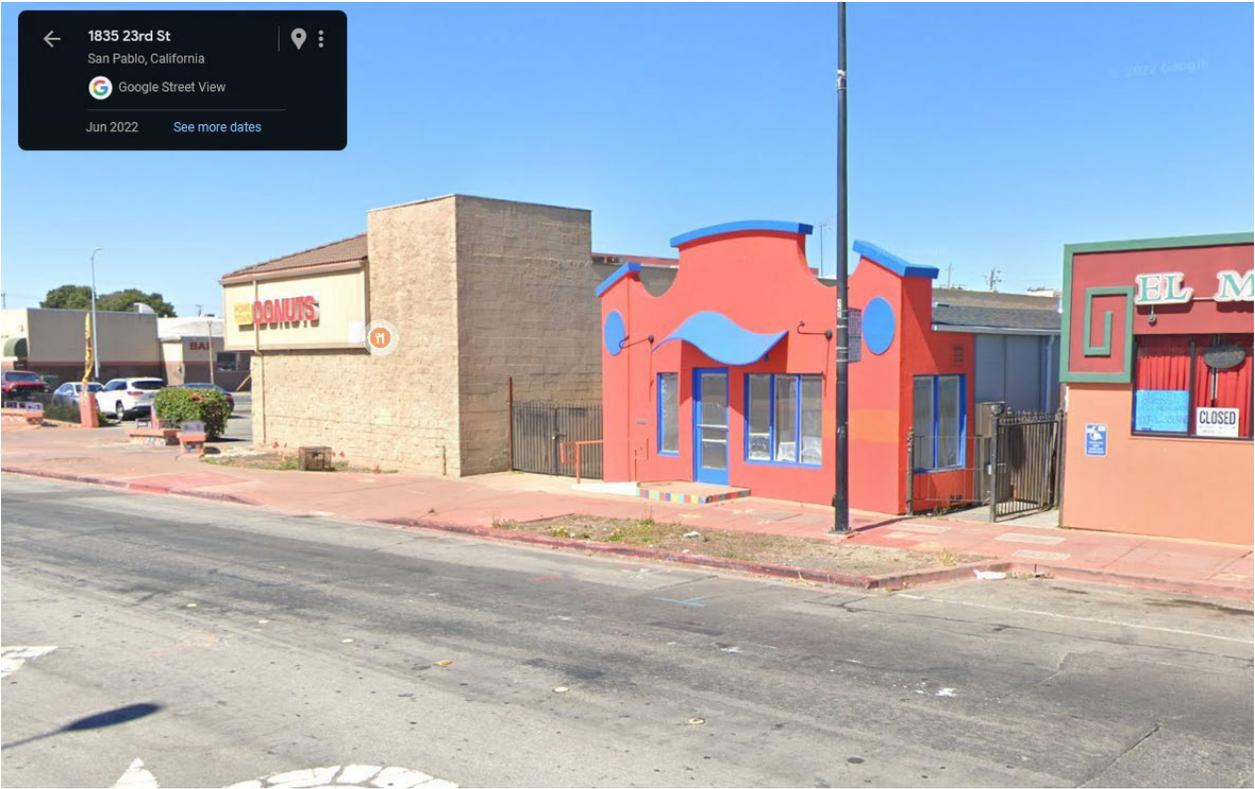


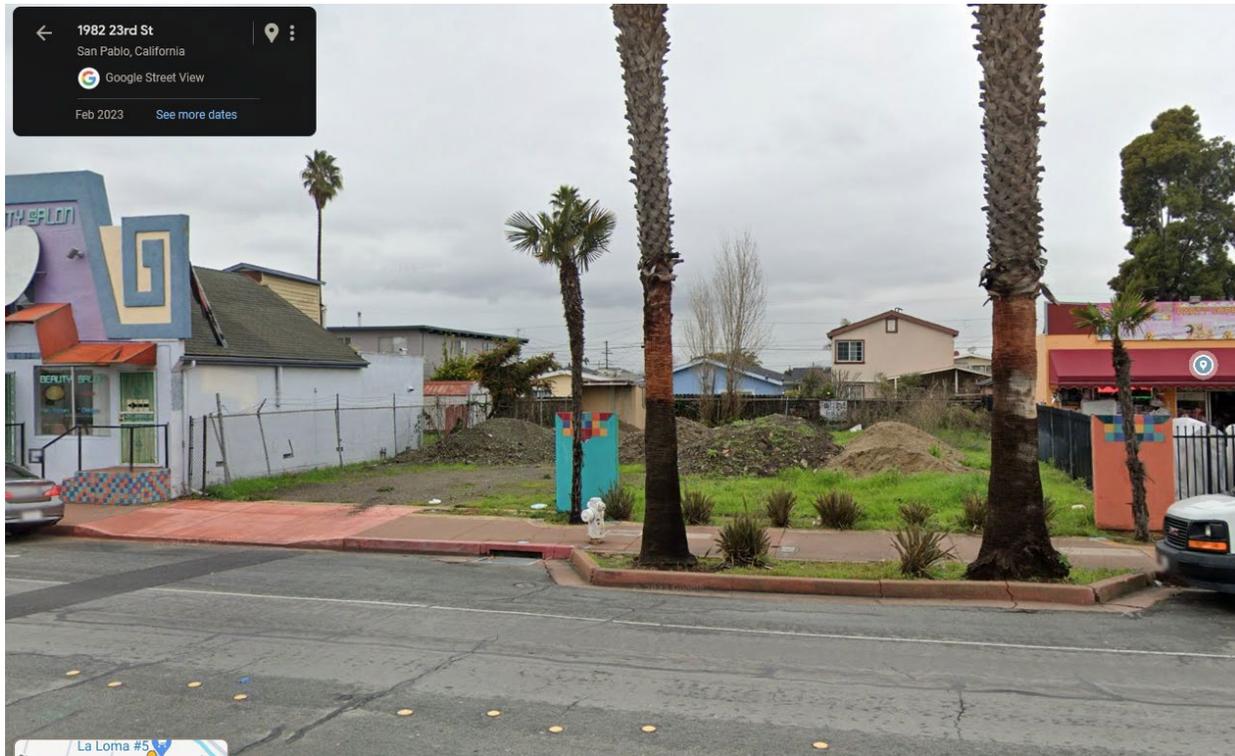














**APPENDIX B: SAMPLE ABANDONED AND VACANT PROPERTIES  
ORDINANCE**

## **Chapter ##.20 ABANDONED PROPERTIES**

### **##.20.010 Intent.**

It is the purpose and intent of the city council, through the adoption of this chapter, to enact an "abandoned and vacant property registration ordinance" as a mechanism to protect neighborhoods from becoming blighted through the lack of adequate maintenance and security of abandoned properties and properties that are vacant and to strengthen the ability of the local jurisdiction to control the public nuisances created by these properties. Nothing in this chapter shall be interpreted to allow or encourage circumvention of the foreclosure statutes of the state of California.

### **##.20.020 Definitions.**

For the purposes of this chapter, certain words and phrases are defined as follows:

"Abandoned" means a property that is vacant/abandoned for a period of at least thirty consecutive days, and is not currently being offered for sale, rent or lease by the owner/responsible party as evidenced by the absence of a sign posted on the subject property advertising the property for sale, rent, or lease with contact information and current phone number and/or the absence of an active listing in an approved electronic database accessible to the public. "Abandoned" also means properties where the current owner of record has provided notice to the beneficiary that they no longer have an interest in the property and/or will no longer be making the outstanding payments on the mortgage, or which also meet at least one of the following conditions:

1. Is open and unsecure;
2. Is damaged by fire, flood, weather, or vandalism to an extent which prohibits safe human occupancy, unless they have an active building permit for the repair or demolition;
3. Is occupied by squatters or person(s) who do not have a legal right to reside on the property and/or is the site of loitering or vagrancy;
4. Is under notice and order for being in violation of city ordinances;
5. Has been secured or boarded up for at least thirty days;
6. Has utilities disconnected or not in use;
7. Is under a condemnation notice or legal order to vacate;
8. Is structurally unsound; or
9. Is a potential hazard or danger to persons or properties.

Properties that may not be required to register with the city code compliance division are properties currently being offered for sale, rent, or lease as evidenced by a sign posted on the subject property advertising the property for sale, rent, or lease with contact information and current phone number and/or an active listing in an electronic database accessible to the public.

"Accessible" means a property or structure that unauthorized persons may gain access or entry to through a compromised/breached/unsecured gate, door, fence, wall, window, or other point of entry.

"Agreement" means any agreement or written instrument which provides that title to property shall be transferred or conveyed from one owner to another owner after the sale, trade, transfer, or exchange.

"Beneficiary" means a lender or other entity under a note secured by a deed of trust.

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"Buyer" means any person, co-partnership, association, corporation, or fiduciary that agrees to transfer anything of value in consideration for property described in an agreement of sale.

"Days" means consecutive calendar days.

"Deed in lieu of foreclosure" means a recorded document that transfers property from the trustor to the holder of a deed of trust upon consent of the beneficiary of the deed of trust.

"Deed of trust" means an instrument wherein legal title in real property is transferred to a trustee, which holds it as security for a loan (debt) between a borrower and lender. The borrower is referred to as the trustor, while the lender is referred to as the beneficiary of the deed of trust. This definition applies to any and all subsequent deeds of trust, i.e.; second deed of trust, third deed of trust, etc.

"Default" means the failure to fulfill a contractual, monetary, or other obligation.

"Distressed" means a property that is vacant/abandoned for a period of at least thirty days, that is under a current notice of trustee's sale or that has been the subject of a foreclosure sale by the trustee or has been conveyed to the beneficiary/trustee via a deed in lieu of foreclosure. A distressed property also means one that is under a foreclosure order or is advertised for sale by its mortgagee. It almost always refers to a property that is damaged or in poor physical condition due to the owner's precarious financial situation.

"Evidence of occupancy" means any condition visible from the exterior that on its own, or combined with other conditions present, would lead a reasonable person to believe that the property is legally occupied. Such conditions include, but are not limited to, secured/locked structures; active utility services; the absence of overgrown and/or dead vegetation; the absence of an accumulation of newspapers, circulars, flyers, and/or mail; the absence of an accumulation of trash, junk, and/or debris; the presence of window coverings such as curtains, blinds, and/or shutters; the presence of furnishings and/or personal items consistent with residential habitation; statements by neighbors, passersby, delivery agents, or government employees that the property is legally occupied; or actual contact with occupants.

"Evidence of vacancy" means any condition visible from the exterior that on its own, or combined with other conditions present would lead a reasonable person to believe that the property is not legally occupied. Such conditions include, but are not limited to, open and/or unsecured structures; overgrown and/or dead vegetation, dry brush, and/or weeds; accumulation of newspapers, circulars, flyers, and/or mail (except those by federal, state, or local law); past due utility notices and/or disconnected utilities; accumulation of trash, junk, and/or debris; discarded personal items including, but not limited to, furniture, clothing, large and small appliances; the absence of window coverings such as curtains, blinds and/or shutters; the condition of or absence of furnishings and/or personal items consistent with residential habitation; and statements by neighbors, passersby, previous owners or tenants, delivery agents, government employees, or others that the property is vacant.

"Foreclosure" means a specific legal process in which a lender attempts to recover the balance of a loan from a borrower who has stopped making payments to the lender by forcing the sale of the asset used as the collateral for the loan to satisfy the debt if the trustor (borrower) defaults.

"Inspection" means a physical investigation at a property to obtain evidence of occupancy or vacancy and/or to verify compliance with this chapter and any other applicable ordinances, codes or laws. Although interior inspections may be allowed, they are not required by this chapter.

"Neighborhood standard" means those conditions that are consistent on a simple majority of properties within a three hundred-foot radius of the subject property. A property that is the subject of a neighborhood standard comparison, or any other abandoned property within the three hundred-foot radius, shall not be counted toward the simple majority.

"Owner" means any person, co-partnership, association, corporation, or fiduciary having a legal or equitable title or any interest in any real property.

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"Property manager/real estate owned (REO) section/department" means the individual, entity, group, section, department, or the designee of a beneficiary that is responsible for inspecting, securing, and maintaining abandoned and REO property.

"Residential and commercial property" means any improved or unimproved real property, or portion thereof, situated in the city of **CITY NAME**, designed or permitted to be used for dwelling and/or business purposes, and shall include all buildings and structures located on such property. This includes any real property being offered for sale, trade, transfer, or exchange as residential, whether or not it is legally permitted and/or zoned for such use.

"Responsible party" means either: (1) the owner of a vacant/abandoned parcel of real property; or (2) the holder or owner of the mortgage, deed of trust, or similar instrument encumbering real property ("mortgagee") during any time when an owner of real property is in default under the terms of that mortgage, deed of trust, or similar instrument; or (3) both the owner and the mortgagee.

"Securing" means such measures as may be directed by the director of community development department or his/her designee so that the property is continuously maintained so as not to be accessible to unauthorized persons, including, but not limited to, the repairing of fences and walls, chaining/padlocking of gates, and the repair or boarding of doors, windows, and/or other openings. Boarding shall be completed to a minimum of the current department of housing and urban development (HUD) securing standards at the time the boarding is completed or required. Locking includes measures that require a key, keycard, special tools, or special knowledge to open or gain access. The boards shall be painted to color match the structure.

"Substitution of beneficiary of deed of trust" means an instrument that transfers the beneficial interest under a deed of trust from one beneficiary to another.

"Trustee" is the person, firm, entity, or corporation holding a deed of trust secured by the property.

"Trustor" is a borrower under a deed of trust, who deeds property to a trustee as security for the payment of a debt.

"Vacant" property means any property, including any buildings and/or structure thereon that is not legally occupied.

### **##.20.030 Responsible parties for compliance.**

- A. The responsible party, as defined in this chapter, shall comply with all provisions of this chapter, including, but not limited to, maintenance of real property for which they are responsible in accordance with the provisions of this chapter, and in accordance with all other applicable provisions of the local, state, and federal law.
- B. In all instances, the responsibility of a mortgagee to comply with this chapter shall be and remain in effect from the date that the mortgagee gives the owner notice of a default under the terms of the mortgage, or when the owner has provided notice to the mortgagee that they are releasing their interest in the property to the mortgagee, whichever first occurs, until such time as the subject property is sold or transferred to a new owner or until any foreclosure action is dismissed.

### **##.20.040 Recordation of transfer of loan/deed of trust/substitution of beneficiary of deed of trust.**

Within thirty days of the purchase and/or transfer of a loan/deed of trust secured by property, the new beneficiary/trustee shall record with the Kern County Recorder's Office or a database approved by the county such as mortgage electronic registration systems (MERS), a substitution of beneficiary of deed of trust, or similar document, that lists the name of the corporation, entity and/or individual, and the mailing address and contact telephone number of the new beneficiary/trustee responsible for receiving payments associated with the loan/deed of trust.

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**##.20.050 Registration and inspection of abandoned real property or real property at risk of abandonment.**

Any owner of property, responsible party, beneficiary, or their designee, of property located within the city who has abandoned that real property or who intends to abandon the real property shall register the property with the city within thirty calendar days of such action. Responsible party for such property shall also perform an inspection of the property that is the security for the deed of trust, upon default by the trustor, within thirty days of the property becoming vacant/abandoned. If the property is found to be vacant or shows evidence of vacancy, it is deemed abandoned and the responsible party/beneficiary shall, within thirty days of the inspection, register the property as provided below.

Registration may be accomplished by either of the following methods:

- A. By completing and returning to the community development department a city-provided registration form with required fee; or
- B. By registering with a city-approved database that contains the information set out below and which service the city may readily access at no cost.

Nothing in this section shall prohibit the use of both methods of registration.

From time to time, the city may approve an acceptable national database(s) which shall be identified in writing and which shall be posted on the community development department's website.

If the property is occupied but remains in default, it shall be inspected by the responsible party/beneficiary/owner, or their designee, monthly until: (1) the trustor or another party remedies the default; or (2) it is deemed abandoned. The responsible party/beneficiary/owner or their designee shall, within ten days of that inspection, register the property as described above.

The registration shall contain the name of the beneficiary/responsible party/owner, the direct street/office mailing address of the responsible party/beneficiary/owner (no P.O. boxes), a direct contact name and telephone number for the responsible party/beneficiary/owner in addition the name, address and telephone number of at least one of the following parties who is responsible for inspecting, securing and maintaining the property; the property management company, field service provider, and the property preservation or real estate owned (REO) section/department.

In the case of hard copy registration under subsection A of this section, an initial registration fee shall accompany the registration form. The registration shall be maintained with current information for as long as the registered property remains subject to this chapter. Any changes to the information required on the registration shall be reported to the director of community development department or his/her designee in writing within ten days of the change. The city is not responsible to verify the accuracy of the information provided.

This section shall also apply to property that has been the subject of a foreclosure where the title was transferred to the beneficiary of a deed of trust involved in the foreclosure and any property transferred under a deed in lieu of foreclosure.

Property subject to this chapter shall remain under the registration requirement, security, and maintenance standards of this section as long as the property remains abandoned.

It is the obligation of the responsible party/beneficiary/owner to inform the city of any pending action or changes of status in such actions, such as a bankruptcy, other court or administrative action that would prohibit the responsible party/beneficiary/owner from taking any of the actions required by this chapter.

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### **##.20.060 Registration fees.**

The annual fee for registering an abandoned residential property shall be five hundred dollars. Registration fees will not be prorated. Renewal is due every twelve months, on the original registration date.

### **##.20.070 Maintenance requirements.**

The exterior of the property shall be, in comparison to the neighborhood standard, kept free of weeds, dry brush, dead vegetation, trash, junk, debris, building materials, any accumulation of newspapers, circulars, flyers, notices, except those required by federal, state, or local law, discarded personal items including, but not limited to, furniture, clothing, large and small appliances, printed material, or any other items that give the appearance that the property is abandoned.

The property shall be maintained free of graffiti, tagging, or similar markings by removal or painting over with an exterior grade paint that matches the color of the exterior of the structure.

Insofar as there is existing or previously existing landscaping, all visible front, side, and rear yard landscaping shall be maintained to the neighborhood standard at the time registration was required. If no landscaping previously existed at the property in front, side, and rear yards, installation is not required under this chapter.

Maintenance shall include, but not be limited to, items such as the following: Watering, cutting and mowing of landscaping, removal of yard waste and debris, exterior painting, glass replacement repairs to a building or other structure, or other acts reasonably necessary to maintain acceptable cosmetic appearance of the property, including any building or structure on the property, and to maintain the structural integrity of any building or structure on the property.

Landscape includes, but is not limited to, grass, ground covers, bushes, shrubs, hedges, trees or similar plantings, decorative rock or bark, or artificial turf/sod designed specifically for residential installation.

Pools and spas shall be maintained so the water remains free and clear of pollutants and debris or drained and kept dry. In either case properties with pools and/or spas must comply with the minimum-security fencing requirements of the state of California.

Adherence to this section does not relieve the beneficiary/responsible party/owner of any obligations set forth in any liability or compliance with any other rules and regulations which may apply to the property.

### **##.20.080 Security requirements.**

The beneficiary/responsible party/owner shall secure and maintain properties subject to this chapter so as not to be accessible to unauthorized persons.

Secure manner includes, but is not limited to, the closing and locking of windows, doors (walk-through, sliding, and garage), gates, and any other openings of such size that may allow access to enclosed areas of the property or to buildings and structures on the property. Walls and fences surrounding the property or any portion of the property shall be maintained in good repair. Broken windows or other openings shall be secured by reglazing or boarding to prevent unlawful entry. Locking includes measures that require a key, keycard, special tools, or special knowledge to open or gain access.

The beneficiary/responsible party/owner or their designee shall perform at least monthly inspections to verify that the requirements of this chapter are being met.

If the beneficiary/responsible party/owner does not have property preservation or real estate owned section/department or performs the service themselves, a field service provider or property manager shall be

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contracted to perform the inspection to verify that the requirements of this chapter, and any other applicable laws, are being met.

The property shall be posted with name and twenty-four-hour toll-free contact phone number of the beneficiary/responsible party/owner or property preservation, real estate owned section/department, field service provider, or property manager. The posting shall be no less than eight and one-half inches by eleven inches and shall contain, along with the name and twenty-four-hour toll free contact number, the words "THIS PROPERTY MANAGED BY" and "TO REPORT PROBLEMS OR CONCERNS CALL" or similar wording. The posting shall be placed on the front of the property so that it is visible from the street, or secured to the exterior of the building/structure facing the street to the front of the property so it is visible from the street; if no such area exists, it shall be posted in a location that is visible from the street to the front of the property but not readily accessible to vandals. Exterior posting must be constructed of and printed with, or contained in, weather-resistant materials.

The property preservation/real estate owned section/department, field service provider, property manager, or their designee shall inspect the property on a monthly basis, to determine if the property is in compliance with the requirements of this chapter and any needed repairs shall promptly be made within seven days.

### **##.20.090 Additional authority.**

In addition to the enforcement remedies established in **Titles 8, 10 and 17** of the city of **CITY NAME** Municipal Code, the city manager, or his/her designee, shall have the authority to require the beneficiary/responsible party/owner of any property affected by this section to implement additional maintenance and/or security measures including, but not limited to, securing any/all doors, windows, or other openings, increasing on-site inspection frequency, employment of an on-site security guard, or other measures as may be reasonably required to arrest the decline of the property.

### **##.20.100 Enforcement.**

The city manager or his/her designated representative, are directed and empowered to investigate and enforce the provisions of this chapter. They are authorized to inspect any property where a violation of this chapter is alleged to exist. They may take code enforcement actions in accordance with Titles 8, 10, 17 and other appropriate chapters of the city's municipal code or other laws and regulations as necessary to protect the public health and safety.

### **##.20.110 Appeals.**

Any person aggrieved by any of the requirements of this chapter may appeal insofar as such appeal is allowed under Section 8.20.100.

### **##.20.120 Enforcement, violations and penalties.**

- A. Misdemeanor. Any person, firm, corporation, owner of the land, or possessor who violates or who causes, permits, or allows a violation of any provision of this title is guilty of a misdemeanor and is subject to penalties and procedures as described in **Section \_\_\_\_\_** of the municipal code, and upon conviction thereof, shall be punished by a fine of not more than one thousand dollars or by imprisonment in the city jail for not exceeding six months, or by both such fine and imprisonment. Each day the violation of this title continues shall be considered a separate offense.
- B. Administrative Penalties. In addition to the other provisions contained in this chapter, property owners of any property in violation of the provisions of this title are subject to the regulations pertaining to the imposition and collection of administrative penalties as provided for in Title 18 of the municipal code.

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- C. **Abatement Proceeding.** Any property, building, or structure maintained contrary to the provisions of this chapter is declared to be unlawful and a public nuisance, and the city manager or his/her designated representative shall commence action or proceedings for the abatement and removal and/or enjoinder thereof in the manner provided by this municipal code or may take such other steps such as apply to such court or courts as may have jurisdiction to grant relief as will abate the public nuisance by boarding up unsecure property, cleaning of property, or demolition of the structure, as necessary.
- D. **Recovery of Costs.** This section establishes procedures for the recovery of costs incurred by the city in the enforcement process and/or for the abatement of conditions defined as a violation by this chapter.
1. **Definition of Costs.** For the purpose of this chapter, costs shall mean all costs incurred by the city, including, but not limited to, administrative costs, staff time expended and reasonably related to the violation enforcement and/or abatement cases, attorney's fees, investigation, site inspection and monitoring, reports, telephone contacts, correspondence, photography labs, consultants, and meetings with affected parties.
  2. **Cost Accounting and Recovery Required.** The enforcement personnel shall maintain records of all costs incurred by responsible city departments associated with the enforcement process pursuant to this chapter and shall recover the costs from the property owner as provided by this section. Staff time shall be calculated at an hourly rate as established and revised from time to time by the department.
  3. **Notice of Cost Recovery Requirements.** The enforcement personnel shall include in the notice of violation a statement of the intent of the city to charge the property owner for all costs associated with enforcement, and of the owner's right to a hearing if he or she objects to such charges. The notice shall state that the property owner will receive, at the conclusion of the enforcement case, a summary of costs associated with the processing of the enforcement case. The notice shall state that the property owner will have the right to object to the charges by filing a request for hearing with the city council within thirty days of service of the summary of charges, pursuant to subsection D of this section.
  4. **Summary of Costs.** At the conclusion of the enforcement case, the enforcement personnel shall send a summary of costs associated with enforcement to the property owner by certified mail. The summary shall include a notice which states that if the owner objects to the charges, a request for hearing must be filed as provided by subsection (D)(5) of this section, and that if no such hearing is requested, the owner's right to object will be waived, and he or she will be fully liable for the charges, to be recovered as a special assessment against the property to be collected at the same time and manner as the property taxes, or through a civil action in the name of the city, in any court of competent jurisdiction within the city.
  5. **Hearing on Objection to Charges.** Any property owner who receives a summary of costs pursuant to subsection (D)(4) of this section shall have the right to a hearing before the city council on his or her objections to the proposed costs, as follows:
    - a. **Request for Hearing.** A request for hearing shall be filed with the community development department within thirty days of the service by mail of the summary of costs, in the form of a letter setting forth the nature of the property owner's objections to the costs.
    - b. **Scheduling of Hearing.** Not less than ten days of the filing of the request for hearing, and on thirty days written notice to the owner, the city council shall hold a hearing on the owner's objections and determine the validity thereof.
    - c. **Decision by the City Council.** In determining the validity of the costs, the city council shall consider whether total costs are reasonable in the circumstances of the case. Factors to be considered include, but are not limited to, whether the present owner created the violation, whether there is a present ability to correct the violation, whether the owner moved promptly

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to correct the violation, the degree of cooperation provided by the owner, and whether reasonable minds can differ as to whether a violation exists. The decision of the city council shall be final.

6. Collection of Charges. In the event that no request for hearing is filed pursuant to subsection (D)(5) of this section or after a hearing, the city council affirms the validity of the costs, the property owner shall be liable to the city in the amount stated in the summary or any lesser amount as determined by the building official. The city shall be reimbursed for all of the costs within forty-five days from the date of decision pursuant to subsection (D)(5) or, if no appeal is filed, within thirty days from the mailing of the summary of costs pursuant to subsection (D)(4). Payment may be received at the community development department. Delinquent fees shall be subject to a penalty of twenty-five percent of the total summary of costs. If payment is not received, such costs may be collected as a special assessment against the property and collected at the same time and manner as the property taxes or may be recovered in a civil action in the name of the city in any court of competent jurisdiction within the city.

### **##.20.130 Severability.**

Should any provision, section, paragraph, sentence, or word of this chapter be determined or declared invalid by any final action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences, or words of this chapter shall remain in full force and effect.

**APPENDIX C: BLUE ZONES PROGRAM (BACKGROUND AND EXAMPLE)**

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## Blue Zones Project Background

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Blue Zones Project® is a community-by-community well-being improvement initiative designed to help people lead longer, better lives by making healthy choices easier. The initiative promotes simple permanent or semi-permanent improvements to community, organization and home environments that support healthy lifestyle behaviors and habits based on blue zones regions.

Blue Zones Project is based on research by Dan Buettner, a National Geographic Fellow and New York Times best-selling author who identified five extraordinary populations of the world—or blue zones areas—with the highest concentration of people living to 100 years or older. They include the longevity hotspots of Loma Linda, California; Nicoya, Costa Rica; Sardinia, Italy; Ikaria, Greece; and Okinawa, Japan.

Blue Zones Project incorporates Buettner's findings and works with cities, organizations and individuals to implement policies and programs that move a community toward better health and well-being. The first test city, Albert Lea, Minnesota was once well below both the national and Minnesota standard for health indicators, ranking 68th out of 87 Minnesota counties. But Albert Lea was able to turn around both its flailing economy and the poor health of its residents and earn a spot on Realtor.com's list for the Top 10 Affordable Small Towns Where You'd Actually Want to Live. By the end of the pilot project, adopting the Blue Zones® model made significant differences in Albert Lea such as a 90% increase in community satisfaction, 40% drop in city worker healthcare costs, 25% increase in property values, 40% increase in biking and walking, 3 additional quality years added to the participants' life expectancy and movement up from #68 to #34 in Minnesota County Health Rankings.

Today, Blue Zones Project partners with communities to develop public-private partnerships and create sustainable improvements to environment, policy, and social networks. More than 70 communities across North America have joined Blue Zones Project, impacting more than 4.5 million individuals. The movement includes Albert Lea, Minnesota; Brevard, North Carolina; Corry, Pennsylvania; Grand Forks, North Dakota; Fort Worth, Texas; and communities in California, Hawaii, Illinois, Oklahoma, Oregon, Southwest Florida, Washington, and Wisconsin. As Blue Zones Project positively impacts local and regional health trends through its innovative approach to improve population health, more communities with leaders committed to well-being transformation are coming forward requesting to be part of this growing movement.

When applying to become part of Blue Zones Project, community leaders and residents identify local strengths and opportunities, and outline community efforts that might support the initiative. Once a city is selected, a local team is hired to work with local Steering and Leadership Committees within the community to develop and adopt a custom Blue Zones Project Blueprint, which is a detailed master implementation plan for the Project, with goals, strategies, and metrics to guide the community transformation over the coming years.

Aligned and guided by the Blueprint, Blue Zones Project then delivers best practices and strategies for making healthy choices easier through sustainable change in worksites, schools, faith-based organizations, restaurants, grocery stores and community policy. Blue Zones Project gives people choices on how to make small, simple changes to their daily routines to adopt healthier choices where they live, work, and play. Buettner identified these best practices as the Power 9® principles—nine habits of the world's longest living people. From moving naturally to waking up each day with purpose, the Power 9 support well-being and longevity.

Once a city meets its predetermined goals measured through a combination of the Community Well-Being Index and community-reported metrics, it is certified as a Blue Zones Community®. Communities celebrate this milestone promoting their community as a place that values the health and well-being of its residents - adding fuel to economic development by attracting grants and driving business growth in their area. For more information on Blue Zones Project and how it is inspiring better well-being in communities across the nation, visit [bluezonesproject.com](https://bluezonesproject.com).

## VALUE SUMMARY

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In 2009, research in the Journal of American Medicine indicated that less than 8 percent of the U.S. population adhere to five core healthy habits—not smoking, eating healthfully, maintaining regular physical activity, avoiding increased use of alcohol, and maintaining a healthy weight—down from 15 percent only 20 years previous. Today, indicators point to that number being halved again—meaning, less than 4 percent of the U.S. population today achieves consistency in adhering to healthy habits. Lifestyle risks and the burden of chronic disease continue to increase dramatically, causing unsustainable growth in medical costs, lost productivity, and even regional economic decline.

It is well established that the underlying causes of these trends are our environments—the people, places, and policies we are exposed to every day. These factors influence how we make thousands of decisions every day—many unconsciously—that form our habits. Therein lies the unique opportunity to do something different in order to impact an entire community: change the environments where people spend time.

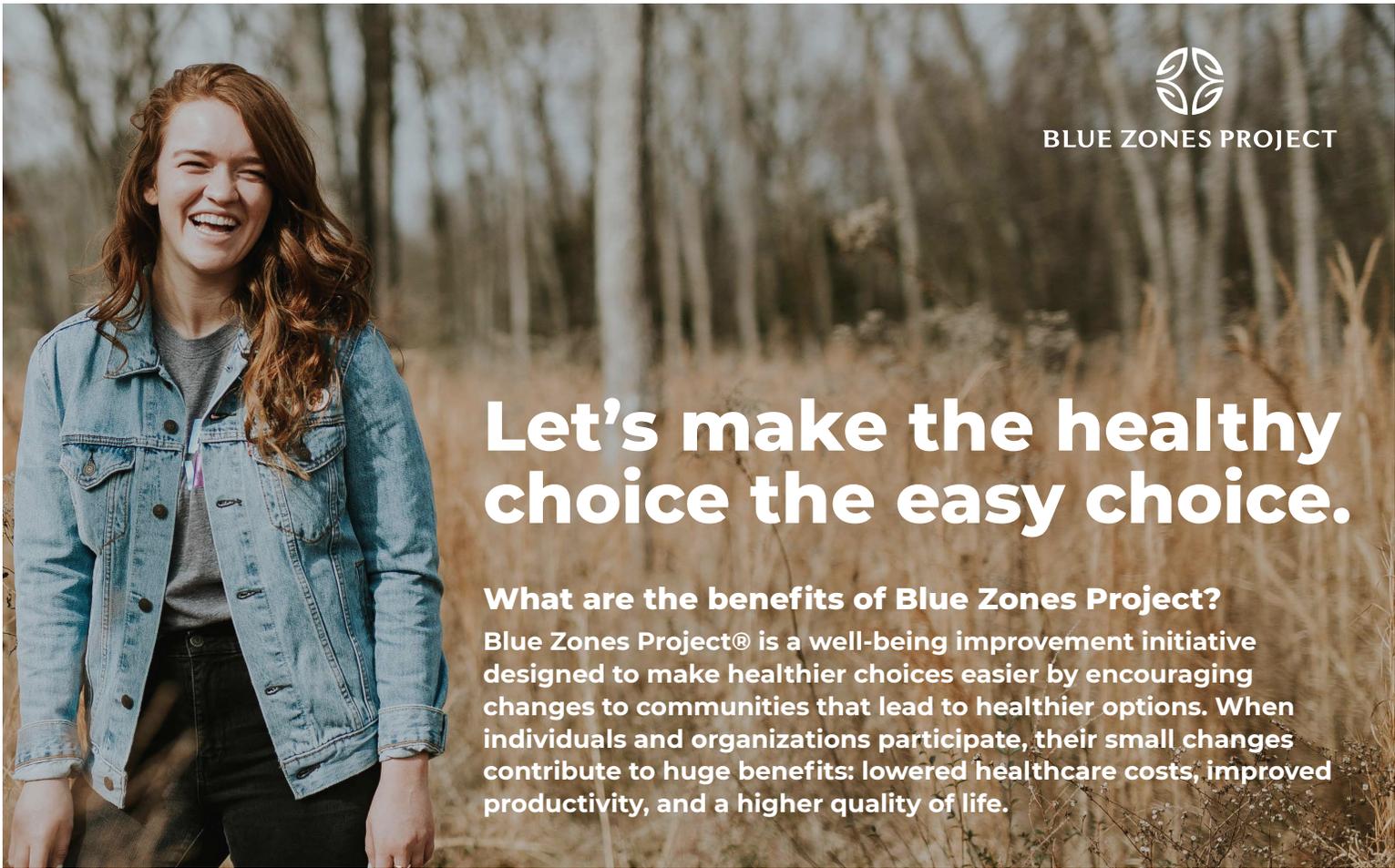
Blue Zones Project® is a proven approach based on that premise. Nearly 15 years of research has shown that by applying the cultural and environmental practices of the world's longest-lived people, we can quickly and dramatically change a community's future course to one of improved health and economic vitality. By adopting certain systemic changes, whole communities have been able to re-engineer environments and culture to make the healthy choice the easy choice.

We know that sustainably increasing a population's well-being just one point (on one-hundred-point scale) from its current baseline leads to a 1% decrease in total healthcare costs, 2% reduction in hospital admissions, and 0.6% reduction in lost workforce productivity.

For Health Systems, Insurers, Community Hospitals, Health Districts and Foundations, implementing Blue Zones Project creates medical-cost savings, improved productivity, regional economic impact, media value, and related follow-on community grants.



BLUE ZONES PROJECT



# Let's make the healthy choice the easy choice.

## What are the benefits of Blue Zones Project?

Blue Zones Project® is a well-being improvement initiative designed to make healthier choices easier by encouraging changes to communities that lead to healthier options. When individuals and organizations participate, their small changes contribute to huge benefits: lowered healthcare costs, improved productivity, and a higher quality of life.

## A community-wide approach



SCHOOLS

By encouraging better eating habits, implementing tobacco-free policies, and increasing physical activity, we create healthy habits for life.



GROCERY STORES

By providing easier access to healthful and tasty foods, we better educate families on improving nutrition.



RESTAURANTS

Adding healthier foods improves customer satisfaction and increases traffic.



COMMUNITY POLICY

Adding or improving sidewalks, community gardens, farmers markets, and other infrastructure enhances our ability to move naturally, connect socially, and access healthy food.



WORKSITES

Creating worksites where employees feel better and are more connected to their colleagues creates a more productive and engaged workforce with lower healthcare costs.



INDIVIDUALS

Small changes to our daily routines, like moving naturally more often and finding purpose in our lives, make it easier to live happier and healthier lives.



# What is Blue Zones Project?

What began as a *New York Times* best-seller by *National Geographic* Fellow Dan Buettner has evolved into a global movement that's inspiring people to live longer, more active lives. Blue Zones Project offers a unique opportunity for individuals, organizations, and communities to make permanent changes to the environments where they live, work, and play, which makes healthy choices easier.

## POWER 9<sup>®</sup>

LIVE A LONGER, HEALTHIER LIFE BY APPLYING THESE PRINCIPLES  
INSPIRED BY THE PEOPLE WHO HAVE LIVED THE LONGEST.



**Move Naturally:** Find ways to move more. You'll burn calories without thinking about it.



**Friends@5:** Brighten your life with more happiness by sharing your day with other people.



**Purpose:** Wake up with purpose each day and add up to seven years to your life.



**Belong:** Belong to a faith-based community and attend services regularly to add up to 14 years to your life.



**Downshift:** Reverse disease by finding a stress-relieving strategy that works for you.



**Positive Pack:** Surround yourself with people who support positive behaviors — and who support you.



**80% Rule:** Eat mindfully and stop when 80 percent full.



**Loved Ones First:** Invest time with family to add up to six years to your life.



**Plant Slant:** Put more fruits and vegetables on your plate.

## Find out more!

@ [bzpyubasutter@sharecare.com](mailto:bzpyubasutter@sharecare.com)



POWERED  
BY:



## **APPENDIX D: SAMPLE CANNABIS ORDINANCE/DEVELOPMENT AGREEMENT**

## **Title ## COMMERCIAL CANNABIS REGULATIONS**

### **Chapter ##.04 COMMERCIAL CANNABIS ACTIVITY**

#### **##.04.010 Purpose and intent.**

- A. It is the purpose and intent of this chapter to adopt local prohibitions and regulations applicable to commercial cannabis activity as may be permitted by the Medicinal and Adult-Use Cannabis Regulation and Safety Act and other applicable state law, as amended, pertaining to regulation of commercial cannabis and the use of land, in order to protect the city's neighborhoods, residents, and businesses from negative impacts. It is a further purpose and intent of this chapter to regulate the cultivation, manufacturing and testing of cannabis and cannabis products in a manner which is responsible and which protects the health, safety, and welfare of the residents of the city, and to enforce rules and regulations consistent with applicable state law including, but not limited to, the Medicinal and Adult-Use Cannabis Regulation and Safety Act, the Adult Use of Marijuana Act, the Compassionate Use Act of ##96, and the Medical Marijuana Program Act. In furtherance of these objectives, this chapter imposes an annual regulatory permit requirement, employee work permit requirements, and operating requirements applicable to persons who seek to own, operate, or engage in commercial cannabis businesses within the city as authorized under this chapter or the **CITY NAME** Municipal Code. Nothing in this chapter is intended to authorize any activity which is in violation of state or federal law. The provisions of this chapter are in addition to the business license requirements applicable to business conducted in the city, and to all other applicable requirements of the **CITY NAME** Municipal Code.
- B. Pursuant to Section 7 of Article XI of the California Constitution, the city is authorized to adopt ordinances that establish standards, requirements, and regulations for local licenses and permits for commercial cannabis activity. Any standards, requirements, and regulations regarding commercial cannabis activity, including health and safety, testing, laboratory operations and safety, security, and worker protections established by the state, or any of its agencies, departments, or divisions, shall be the minimum standards applicable in the city, and the provisions of this chapter shall apply in addition thereto.

#### **##.04.020 Definitions.**

When used in this chapter, the following terms shall have the meanings ascribed to them in this section. Any reference to California statutes includes any regulations promulgated thereunder and is deemed to include any successor or amended version of the referenced statute or regulatory provision.

- A. "Building official" means the building official for the city or his/her designee.
- B. "Cannabis" means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from marijuana. "Cannabis" does not include the mature stalks of the plant, fiber produced from the

stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. "Cannabis" also does not include the weight of any other ingredient combined with cannabis to prepare topical or oral administrations, food, drink, or other product. For the purpose of this chapter, "cannabis" does not mean industrial hemp as that term is defined by Section 11018.5 of the California Health and Safety Code.

- C. "Cannabis concentrate" means manufactured cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product's potency. Resin from granular trichomes from a cannabis plant is a concentrate for purposes of this chapter. A cannabis concentrate is not considered food, as defined by Section 109935 of the Health and Safety Code, or a drug, as defined by Section 109925 of the Health and Safety Code.
- D. "Cannabis products" means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.
- E. "Chief of police" means the chief of police for the CITY NAME Police Department or his/her designee.
- F. "City manager" means the city manager for the city or his/her designee.
- G. "Commercial cannabis activity" or "commercial cannabis business" includes cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale (including retail and wholesale) of cannabis or cannabis products conducted or engaged in by any person, except cultivation and possession of cannabis for personal use as governed by CITY NAME Municipal Code  and/or as preempted by state law.
- H. "Commercial cannabis permit" means a permit issued by the city pursuant to this chapter to a commercial cannabis business.
- I. "Cultivation" means any activity involving the propagation, planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.
- J. "Cultivation site" means a facility where cannabis is propagated, planted, grown, harvested, dried, cured, graded, or trimmed, or where all or any combination of those activities occur.
- K. "Day care center" means, as the term is understood in Business and Professions Code Section 26001(o), as may be amended, any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, and school age childcare centers.
- L. "Delivery" means the commercial transfer of cannabis or cannabis products to a customer at the customer's home or other location remote from the premises of the commercial cannabis business making the delivery and includes the use by a retailer of any technology platform. "Delivery" does not mean or include storefront sales.
- M. "Distribution" means the procurement, sale and transport of cannabis and cannabis products between licensees.

- N. "Distributor" means a licensee engaged in distribution.
- O. "Edible cannabis product" means a cannabis product that is intended to be used, in whole or in part, for human consumption. An edible cannabis product is not considered food as defined by Section 109935 of the California Health and Safety Code or a drug as defined by Section 109925 of the California Health and Safety Code.
- P. "Employee". See (AF) Responsible Person.
- Q. "Fire chief" means the fire chief for the city as designated by the Kern County Fire Department, or his or her designee.
- R. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996.
- S. "Labeling" means any label or other written, printed, or graphic matter upon a cannabis product, upon its container or wrapper, or that accompanies any cannabis product.
- T. "License" or "state license" means a license issued by the State of California, or one of its departments or divisions, pursuant to Division 10 of the California Business and Professions Code. "Licensee" means a person holding a State License.
- U. "Live plants" means living cannabis flowers and plants, including seeds, sprouts, immature plants (including unrooted clones), and vegetative stage plants.
- V. "Manufacture" means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.
- W. "Manufacturer" means a licensee that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or relabels its container; "manufacturer" includes the activity of manufacturing.
- X. "Manufacturer 1" means a licensee that manufactures cannabis products using nonvolatile solvents, or no solvents.
- Y. "Manufacturer 2" means a licensee that manufactures cannabis products using volatile solvents.
- Z. "Microbusiness" means a license that does at least three of the following activities at one location: Cultivation — up to ten thousand total square feet; manufacturing — use of non-volatile solvents, mechanical extraction or infusion; distribution or distribution transport only, retail — storefront or non-storefront.
- AA. "Nursery" means a licensee that produces only cannabis clones, immature cannabis plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.
- AB. "Owner" means any person who has an ownership interest in a commercial cannabis business.
- AC. "Package" means any container or receptacle used for holding cannabis or cannabis products.
- AD. "Person" means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, nonprofit

organization, or any other group or combination acting as a unit and includes the plural as well as the singular.

- AE. "Premises" means the designated structure or structures and the surrounding land that is owned, leased or otherwise held under the control of a commercial cannabis permit applicant or permittee where commercial cannabis activity will be or is conducted. This definition does not alter the meaning of the term "premises" as utilized by the state of California for commercial cannabis licensing.
- AF. "Responsible person" means any person who is responsible for, or who will oversee or participate in, the direction, control, management, or supervision of a commercial cannabis business.
- AG. "Retailer" means a person who engages in the retail sale of cannabis or cannabis products to customers.
- AH. "Sell," "sale" and "to sell" include any transaction whereby, for any consideration, title to cannabis or cannabis products is transferred from one person to another, and includes the delivery of cannabis or cannabis products pursuant to an order placed for the purchase of the same and soliciting and receiving an order for the same, but does not include the return of cannabis or cannabis products by a licensee to the licensee from whom the cannabis or cannabis product was purchased.
- AI. "School" means, as the term is understood in Business and Professions Code Section 26054(b), as may be amended, a place of instruction in kindergarten or any grades 1 through 12.
- AJ. "State" means the state of California and all of its departments, divisions and agencies, including but not limited to the Bureau of Cannabis Control, the Department of Public Health, and the Department of Food and Agriculture.
- AK. "Stacking" means cultivating cannabis plants on platforms or tables and stacking them in multiple layers on top of each other.
- AL. "Storefront sales" means the retail sale of cannabis or cannabis products directly to customers from a storefront, dispensary, or other permanent building or structure, or in any manner that does not constitute delivery. "Storefront sales" does not include delivery.
- AM. "Testing Laboratory" means a laboratory, facility or entity that offers or performs tests of cannabis or cannabis products and that is both: (1) accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity; and (2) a state licensee.
- AN. "Topical cannabis" means a cannabis product intended for external application. A topical cannabis product is not considered a drug as defined by Section 109925 of the California Health and Safety Code.
- AO. "Volatile solvent" means a solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures.
- AP. "Youth center" means, as the term is understood in Business and Professions Code Section 26001(av), as may be amended, any public or private facility that is primarily used to host recreational or social activities for minors, including but not limited to

private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

**##.04.030 Applicability to personal cannabis activity.**

This chapter applies only to commercial cannabis activities. Except as otherwise provided by this chapter, cultivation of cannabis for personal use is governed by Section ##.04.030 of the **CITY NAME** Municipal Code, as may be amended from time to time, and consumption of cannabis is governed by Section ##.04.370 of the **CITY NAME** Municipal Code, as may be amended from time to time.

**##.04.040 Permitted types of commercial cannabis businesses.**

- A. Commercial cannabis operations within the city, which comprise the activities of indoor cultivation, mixed-light cultivation, nursery cultivation, retailer, manufacturer, testing laboratory, distributor, and microbusiness are allowed subject to issuance and maintenance of the permits and entitlements set forth in Section ##.04.060, continuing compliance with this chapter and all other applicable city and state laws and regulations, and issuance and maintenance of a valid and current state license of a classification listed below, as provided for in Business and Professions Code Section 26050 and applicable state regulations:
1. Type 1A = Cultivation; Specialty Indoor; Small.
  2. Type 2A = Cultivation; Indoor; Small.
  3. Type 3A = Cultivation; Indoor; Medium.
  4. Upon authorization by the state of California, Type 5A = Cultivation; Indoor; Large.
  5. Type 6 = Manufacturer 1.
  6. Type 7 = Manufacturer 2.
  7. Type N = Manufacturer (i.e. no extractions, pursuant to 17 CCR § 40118, as may be amended).
  8. Type P = Manufacturer (i.e. packaging and labeling only, pursuant to 17 CCR § 40118, as may be amended).
  9. As authorized by California Code of Regulations, Type 9 = Non-Storefront Retailer (i.e. retail sales by delivery only, pursuant to 16 CCR § 5414, as may be amended).
  10. Type 10 = Retailer (subject to Section 8.29.050, i.e. delivery only).
  11. Type 10 = Storefront Retail. A storefront retailer has a physical location where cannabis goods are sold. Storefront retailers can also deliver cannabis goods.
  12. Type 11 = Distributor.
  13. Type 12 = Microbusiness (subject to Sections 8.29.05.04(c) and 8.29.050).
  14. Type 13 = Distributor (i.e. transport only, pursuant to 16 CCR § 5315, as may be amended).
- B. Any commercial cannabis activity not expressly authorized by this chapter is prohibited.

- C. The number of commercial cannabis permits authorizing the operation of a microbusiness requiring a Type-12 state license that may be active or valid in the city at any given time shall not exceed **NUMBER** permits, or a lower number as may be established by the city council.
- D. The number of commercial cannabis permits authorizing the operation of a retail business requiring a Type-10 State License that may be active or valid in the City at any given time shall not exceed the following:
  - (i) one permit for population up to 30,000;
  - (ii) two permits for population between 30,001 and 45,000;
  - (iii) one additional permit for every additional 15,000 in population, or fraction thereof.
- E. The number of commercial cannabis permits authorizing the operation of distribution requiring Type 11 and 13 state licenses that may be active or valid in the city at any given time shall not exceed **NUMBER** permits, or a lower number as may be established by the city council.
- F. The number of commercial cannabis permits authorizing the operation of cultivation requiring Type 1A, 2A, 3A, and 5A state licenses that may be active or valid in the city at any given time shall not exceed **NUMBER** permits, or a lower number as may be established by the city council.
- G. The number of commercial cannabis permits authorizing the operation of manufacturing requiring Type 6, 7, N, and P state licenses that may be active or valid in the city at any given time shall not exceed **NUMBER** permits, or a lower number as may be established by the city council.

**##.04.050 Prohibited types of commercial cannabis businesses.**

- A. Commercial cannabis businesses within the city which involve the activities of **CITY MAY SPECIFY WHAT IS NOT ALLOWED** are prohibited in the city. This prohibition includes, but is not limited to, commercial cannabis activities licensed by the state license classifications listed below, as provided for in Business and Professions Section 26050 and applicable State regulations:
  1. Type 1 = Cultivation; Specialty Outdoor; Small;
  2. Type 1B = Cultivation; Specialty Mixed-Light; Small;
  3. Type 1C = Cultivation; Specialty Cottage; Small;
  4. Type 2 = Cultivation; Outdoor; Small.
  5. Type 2B = Cultivation; Mixed-Light; Small;
  6. Type 3 = Cultivation; Outdoor; Medium.
  7. Type 3B = Cultivation; Mixed-Light; Medium;
  8. Type 4 = Cultivation; Nursery;
  9. Type 5 = Cultivation; Outdoor; Large.
  10. Upon authorization by the state of California, Type 5B = Cultivation; Mixed-Light; Large;
  11. Type 8 = Testing Laboratory.

- B. Except as otherwise expressly provided in this chapter, the prohibition of subsection A includes any similar commercial cannabis activities authorized under new or revised state licenses, or any other state authorization, for any type, category, or classification of commercial cannabis activities which involve the above-referenced or similar activities or operations.
- C. Consistent with Business and Professions Code Section 26080, nothing in this chapter shall be interpreted to prohibit the use of the public roads of the city by a state licensee in the course of making cannabis deliveries to and from areas outside of the city.

**##.04.060 Required licenses and permits.**

- A. It shall be unlawful to own, establish, operate, use, or allow the establishment or activity of a commercial cannabis business, or to participate in a commercial cannabis business as an employee, contractor, agent, volunteer, or in any manner or capacity, other than as provided in this chapter and pursuant to the following:
  - 1. A valid and current commercial cannabis permit(s) issued by the city pursuant to this chapter; and
  - 2. The equivalent state license(s) for such commercial cannabis business issued pursuant Division 10 of the Business and Professions Code, as may be amended; and
  - 3. Employee badge pursuant to Section ##.04.090; and
  - 4. A valid city business license.
- B. The city manager is hereby authorized to issue commercial cannabis permits on behalf of the city. The city manager, or designee, in his or her sole discretion, may issue a commercial cannabis permit only upon confirming that the applicant to whom the permit is to be issued has satisfied all of the requirements of this chapter and the other applicable provisions of the CITY NAME Municipal Code, as may be amended from time to time, any regulations promulgated pursuant to this chapter, and any law or regulation enacted by the state of California or any department of the state governing commercial cannabis activities.
- C. Commercial cannabis permits shall be governed by the following requirements and limitations:
  - 1. Commercial cannabis permits may only permit the types of cannabis activity expressly authorized by this chapter.
  - 2. No commercial cannabis permit shall authorize public access to any commercial cannabis business. Only persons involved in the bona fide business activities of a commercial cannabis business shall be authorized to access the premises of a commercial cannabis business.
  - 3. Commercial cannabis businesses shall not employ or grant access to any individual who is under twenty-one years of age.
  - 4. Each commercial cannabis permit issued pursuant to this chapter shall expire twelve months after the date of its issuance and must thereupon be renewed. Continued operation of a commercial cannabis business after expiration of a commercial cannabis permit shall be unlawful and a violation of this chapter.

5. Prior to issuance of any commercial cannabis permit, each proposed commercial cannabis business shall be subject to the mandatory inspections provided by Section ##.04.150 and shall obtain all required permits or approvals which are otherwise required for the premises by applicable law, including, but not limited to, building permits, California Fire Code approvals, and planning-level permit(s) required by Title 17 Zoning of the CITY NAME Municipal Code. City manager may issue a conditional commercial cannabis permit where the business is actively implementing conditions, obtaining clearances and licenses from local agencies and the state of California. Temporary certificate of occupancy may be issued by the building official where such occupancy is near completion of required improvements and where the building official and fire agency finds that no health and safety factors exist.
  6. Consistent with Business and Professions Code Section 26053, a commercial cannabis business conducting multiple commercial cannabis activities shall obtain a commercial cannabis permit authorizing each type and location of commercial cannabis activity prior to engaging in that activity. A commercial cannabis business licensed by the state to conduct multiple commercial cannabis activities shall not receive a commercial cannabis permit authorizing any commercial cannabis activity within the city that is not expressly authorized by this chapter. An applicant may be issued a commercial cannabis permit authorizing multiple different types of commercial cannabis activities as defined by applicable state license classifications, consistent with the requirements of Business and Professions Code Section 26053 and/or a Type 12 "microbusiness" state license.
  7. Revocation, termination, denial, non-issuance or suspension of a state license shall immediately and automatically terminate the commercial cannabis permit, and all commercial cannabis activity shall immediately cease. Upon reinstatement or receipt of a new state license, the commercial cannabis activity may file for a new permit from the city. While a new application for a commercial cannabis permit is pending, the applicant shall not engage in any commercial cannabis activity. Violations of this section shall be grounds for denial of an application for a commercial cannabis permit and for the enforcement, penalties and cost recovery prescribed within Section ##.04.107 and any other applicable provisions of the CITY NAME Municipal Code.
  8. The issuance of a commercial cannabis permit shall constitute a revocable privilege and shall not create or establish any vested rights for the development or use of any property.
  9. A county health department permit shall be required of any cannabis business who produces or sales edible cannabis products.
  10. A commercial cannabis business is not required to acquire a city conditional use permit to operate under this chapter.
- D. Renewals of commercial cannabis permits shall be governed by the following requirements and limitations:
1. Applications for renewal of commercial cannabis permits shall be filed with the city manager at least sixty calendar days prior to the expiration date of the permit and shall be subject to all requirements applicable to an application for initial issuance of a commercial cannabis permit.
  2. An application for renewal of a commercial cannabis permit shall be denied if any of the following exists:

- a. The application is filed less than sixty calendar days before expiration of the commercial cannabis permit. Notwithstanding the foregoing, the city manager, in his discretion, may accept an application filed between thirty and sixty days before expiration based upon a showing of good cause by the applicant for the late filing.
  - b. The commercial cannabis permit, or any of the other entitlements required for the commercial cannabis [business] to operate in compliance with this chapter, is suspended or revoked at the time the application for renewal is submitted or is suspended or revoked while the application for renewal is pending.
  - c. The commercial cannabis business or activity has not been in regular and continuous operation during the four months prior to the submission of the application for renewal.
  - d. The commercial cannabis business is in noncompliance with any provision of this chapter, any regulation promulgated pursuant hereto, any other provision of the **CITY NAME** Municipal Code applicable to the commercial cannabis business, or any condition of approval of the commercial cannabis permit or any other entitlement issued by the city to the commercial cannabis business.
  - e. The applicant for renewal of the commercial cannabis permit has failed to obtain or renew any required state license or is in violation of any applicable provision of state law or any applicable state regulation.
  - f. The applicant for renewal has failed to pay in full all fees, administrative fines, penalties and/or charges imposed by the city relating to the commercial cannabis business, unless assessment of the fees, administrative fines, penalties and/or charges are being appealed.
3. If a renewal application is denied, the applicant may file an appeal. The appeal must be in writing, must identify the grounds for reversing the denial, and must be submitted to the city clerk within ten days from the date of the denial. The appeal shall be conducted pursuant to Section **##.04.##0(J)**. In the alternative, the applicant may file a wholly new application for a commercial cannabis permit pursuant to this chapter. Upon expiration of the commercial cannabis permit and regardless of a pending appeal or new application for a commercial cannabis permit, all of the applicant's commercial cannabis activity shall immediately cease. Violations of this section shall subject the violator to denial of the appeal or new application for a commercial cannabis permit and/or the enforcement, penalties and cost recovery mechanisms prescribed within this chapter and/or the **CITY NAME** Municipal Code.
  4. Any unpaid fees, administrative fines, penalties and/or costs imposed by the city relating to the commercial cannabis business shall be added to the fee for renewal of the commercial cannabis permit, unless assessment of the fees, administrative fines, penalties and/or costs are being appealed.
  5. A commercial cannabis permit shall not be renewed until the city receives payment in full of the fee for the commercial cannabis permit renewal application. Said fee shall be governed by and subject to the provisions of Section **##.04.##0(B)**, unless otherwise provided by resolution of the city council.

- E. Failure of a commercial cannabis business to obtain and maintain a valid city business license, and to remain in compliance with all applicable provisions and requirements of that license, shall constitute grounds for denial of an application for renewal of a commercial cannabis permit, suspension, or revocation of a current commercial cannabis permit.

**##.04.070 Existing commercial cannabis businesses.**

Commercial cannabis businesses in existence in the city as of the date of adoption of this chapter may continue to operate under the approved and issued commercial cannabis permit and associated entitlements, site development plan, development agreement, or may, upon its annual renewal, utilize this chapter for permitting and compliance with the requirements of this chapter. An unpermitted commercial cannabis business that can demonstrate to the city manager's satisfaction that it is diligently applying to obtain the required permits and licenses, and that it is in good standing and otherwise in compliance with all applicable local and state laws and regulations, may, at the discretion of the city manager, be temporarily permitted to continue its operations while its applications for the required permits and licenses are pending.

**##.04.080 Security measures.**

- A. A permitted commercial cannabis business, regardless of building type utilized, shall implement sufficient security measures to both deter and prevent unauthorized entrance into areas containing cannabis or cannabis products and theft of cannabis or cannabis products at the premises. These security measures shall include, but shall not be limited to, all of the following, in addition to any other security measures deemed necessary by the city manager or required pursuant to any regulations as may be promulgated by the city manager in furtherance of the purposes of this chapter:
  - 1. Preventing persons from remaining on the premises of the commercial cannabis business if they are not engaging in bona fide business activity of the commercial cannabis business.
  - 2. Establishing limited access areas accessible only to authorized commercial cannabis business personnel.
  - 3. Ensuring that live growing plants which are being cultivated are kept in a secured cultivation site, and that all cannabis and cannabis products are stored in a secured and locked room, safe, or vault at all times. All cannabis and cannabis products, including live plants which are being cultivated, shall be kept in a manner as to prevent diversion, theft, and loss.
  - 4. Installing twenty-four hour security surveillance cameras with night vision capability and of at least 1080p HD-quality to monitor all entrances and exits to and from the premises and to monitor all interior spaces, excluding all restroom and changing room facilities, within the commercial cannabis business. The security surveillance system shall be compatible with software and hardware utilized by the **CITY NAME** Police Department and as approved by the chief of police or designee. The security surveillance system shall be capable of providing the **CITY NAME** Police Department with remote real-time/live access to the video footage during emergency situations, including but not limited to armed robbery, active shooter, hostage, and exposure to hazardous or volatile substances. Video recordings shall be maintained for a minimum of forty-five days. Upon

request by the chief of police, video recordings will be provided to the [CITY NAME] Police Department within twenty-four hours. If the commercial cannabis business refuses to provide the chief of police access to the real-time/live video feed or the requested video recordings, the city attorney shall be authorized to seek reimbursement of all costs, including but not limited to court costs, attorney's fees, filing fees, administrative time and fees and employee time, incurred by the city while seeking a warrant and/or judicial intervention granting the requested access. The requirements of this section shall be in addition to any other applicable provision of the [CITY NAME] Municipal Code.

5. Sensors shall be installed to detect entry and exit from all secure areas.
6. Panic buttons shall be installed in all commercial cannabis businesses. The panic alarms will ring to the police department or a private security firm, as determined by the city manager.
7. A professionally installed, maintained, and monitored alarm system shall be maintained in an operable condition at all times.
8. Any bars installed on the windows or the doors of the commercial cannabis business shall be installed only on the interior of the building and shall be installed in compliance with all applicable requirements of the [CITY NAME] Municipal Code, California Building Code and California Fire Code.
9. Each commercial cannabis business shall have the capability to remain secure and operational during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage. All doors need to be compliant with fire code for emergency exiting in case of fire and fire personnel entering the building in case of an emergency. All cannabis businesses shall have a generator sufficient to run all security systems and minimal security lighting.
10. All security personnel to be hired or used by each commercial cannabis business shall be licensed by and in good standing with the State Bureau of Security and Investigative Services and shall obtain employee badges pursuant to Section ##.04.090. At least one such security guard shall be on the premises of each commercial cannabis business during all operating hours. The city manager may increase the number of security guards required to be on the premises of any commercial cannabis business as a condition of approval of any commercial cannabis permit application, if he or she deems such additional security guards necessary to adequately protect the premises based on the size or other characteristics of the commercial cannabis business or its premises.
11. Fencing shall be installed along the perimeter of the project site. Fencing location, design, and materials shall be approved by the city manager or designee. Fencing shall be a minimum of ten feet zero inches with angled or electrified top. The fire department has a special permit for electrified fences. Materials shall be limited to wrought iron fencing, masonry, a combination of the two, or alternatives subject to approval by the city manager or their designee. All fencing shall have angled wrought iron topping or must be electrified. Electronic entry gates for automobiles and pedestrians shall be designed as noted above and the city manager or designee shall have final approval. Fencing must be in place to the satisfaction of the city manager or their designee as well as the building

department prior to being eligible for a certificate of occupancy or a temporary certificate of occupancy.

a. Exception:

i. All fencing requirements will be addressed via CUP in all C-2 zones and will not be subject to Section ##.04.080(A)(11).

12. Any portion of the fencing that is electrified shall comply with all state, federal and local laws, including, but not limited to, California Civil Code Section 835 and any amendments thereto.
  13. Developer must submit a detailed fencing plan to the city engineer or their designee for approval. Plans may be included within a larger civil design plan required for overall site development approval. At a minimum, the plans must show the layout of all proposed exterior fences with locations of gates for pedestrians and vehicles. Plans must also include typical sections, typical elevations, and details regarding hardware, materials, color, textures, and any additional information requested by the city engineer upon review of a fencing plan. The use of existing fences must also be shown on the plans, detailed appropriately, and shall be subject to approval on a case-by-case basis by the city engineer. City engineer review shall be independent of any necessary review by the building department which the developer must submit plans to for a separate permit following city engineer approval.
  14. The use of razor wire, barbed wire, or similar materials is strictly prohibited. In cases of masonry walls, all public facing sides must be covered in an approved anti-graffiti material or must have climbing vines attached to the walls which must be maintained over time to the satisfaction of the city manager. In cases of wrought iron fences, the developer may install an opaque cover to prevent the public from seeing into the site. In these cases, such a cover must also have an approved anti-graffiti coating. Any graffiti must be immediately removed by the developer within seventy-two hours when notified by the city manager or their designee regardless of when the graffiti first appeared. Similarly, any damage to the perimeter fencing must be immediately repaired within seventy-two hours when notified by the city manager or their designee regardless of when the damage first appeared.
  15. Approved colors and textures for public facing portions of fences are as follows unless otherwise approved by the city manager or their designee:
    - Masonry: Smooth faced with pilasters every twenty feet; split faced;
    - Wrought iron and opaque coverings: Black or green; opaque covering to be metallic or durable plastic capable of withstanding substantial winds and must be UV and rust resistant.
- B. Each commercial cannabis business shall provide the city manager with the identity and contact information for a liaison who shall be reasonably available to meet and discuss compliance with the requirements of the CITY NAME Municipal Code, state law and/or any other laws and regulations applicable to the commercial cannabis business. The liaison from each cannabis business shall have a standing meeting with the city manager every ninety days.

- C. As part of the application and permitting process, each commercial cannabis business shall provide the city manager with a detailed transportation plan describing the procedures for safely and securely transporting cannabis, cannabis products and/or currency.
- D. A commercial cannabis business shall notify the chief of police within twenty-four hours after discovering any of the following:
  - 1. Significant discrepancies identified in inventory. The level of significance may be determined by regulations promulgated by the city manager.
  - 2. Diversion, theft, loss or any criminal activity involving the commercial cannabis business, an employee or any agent of the commercial cannabis business.
  - 3. The loss or unauthorized alteration of records referring or related to cannabis, cannabis products, employees or agents of the commercial cannabis business.
  - 4. Any other breach of security.
- E. A commercial cannabis business shall notify the chief of police immediately after discovering any diversion, theft, loss or any criminal activity involving the commercial cannabis business, an employee or any agent of the commercial cannabis business.

**##.04.090 Employee badge requirement.**

Every employee or independent contractor working at or for a commercial cannabis business or involved in security, delivery or distribution, or other services for a commercial cannabis business shall obtain an employee badge pursuant to Title 4 Cal. Code Regulations Section 15043 or as may be amended (§ 15043, Licensee Employee Badge Requirement). All agents, officers, or other persons acting for or employed by a licensee conducting retail sales or participating in a temporary cannabis event shall display a laminated or plastic-coated identification badge always issued by the licensee while engaging in commercial cannabis activity. The identification badge shall, at a minimum, include the licensee's "doing business as" name and license number, the employee's first name, an employee number exclusively assigned to that employee for identification purposes, and a color photograph of the employee that clearly shows the full front of the employee's face and that is at least one inch in width and one and one-half inches in height).

Persons who are listed as commercial cannabis permit holders or owners thereof, who are subject to criminal history records checks pursuant to Section ##.04.230(K), shall be required to obtain an employee badge if such person also serves as an employee or contractor for the permit holder's commercial cannabis business.

**##.04.100 Right to occupy and to use property.**

As a condition precedent to the city's issuance of a commercial cannabis permit pursuant to this chapter, any person intending to open and to operate a commercial cannabis business shall provide sufficient evidence of the legal right to occupy and to use the proposed location. In the event the proposed location is leased from another person, the applicant for a permit under this chapter shall provide a signed and notarized statement from the owner of the property to demonstrate the property owner has acknowledged and has consented to the operation of a commercial cannabis business on the property.

**##.04.110 Location of commercial cannabis business—Proximity to sensitive uses.**

- A. Commercial cannabis activity shall be authorized within the following zoning districts of the city: M-1 limited manufacturing, M-2 light manufacturing, M-3 general manufacturing, zoning districts. Commercial cannabis activity is prohibited in all other zoning districts of the city, excepting therefrom, commercial cannabis activity authorized within C-2 commercial zone districts with an approved development agreement only.
- B. Notwithstanding subsection A of this section, no commercial cannabis business shall be located within six hundred feet from any school, day care center, youth center, public park, or public library ("sensitive uses"). Location distance separating sensitive uses, as described above, shall be measured from the exterior of the structure(s). Applicant shall prepare locational map verifying locational distance and shall certify that the structure locations meet the six hundred feet separation.
- C. No commercial cannabis business may operate within any residential zoning district or area of the city.
- D. A commercial cannabis business generally may not operate adjacent to, across a street or alley from, or within two hundred feet of, any residential zoning district or area of the city. Location distance and/or separating commercial cannabis business, as described above, shall be measured from the exterior of the structure(s). Applicant shall prepare locational map verifying locational distance and shall certify that the structure locations meet the two hundred feet separation. However, if an existing building or facility in a city zoning district enumerated in subsection A is located adjacent to or across a street or alley from a residential zoning district or area of the city, a commercial cannabis business may be permitted to operate in such location if, in the opinion of city manager, the operation of a commercial cannabis business in such location would not tend to cause a public nuisance, nor a situation which may result in repeated police department responses or a negative impact on the adjacent residential units or dwellings. Any subsequent expansion of a commercial cannabis business permitted to operate in such a location, which expansion requires a new or amended commercial cannabis permit, shall also be subject to a determination by the city manager that the expansion would not tend to cause a public nuisance or a situation which may result in repeated police department responses or a negative impact on the adjacent residential units or dwellings.
- E. Commercial cannabis businesses shall be required to comply with all zoning, land use, and development regulations applicable to the underlying zoning district in which they are permitted to establish and operate as set forth in Title 17 of the CITY NAME Municipal Code.
- F. Any commercial cannabis business which has been determined by the city manager to be an existing commercial cannabis business on the effective date of this chapter shall be exempt from compliance with the limitations prescribed in this section, unless such location is otherwise determined to constitute a public nuisance or otherwise a disturbance to the adjacent or neighboring uses as determined by the provisions of this chapter.

**##.04.120 Alcohol and tobacco restrictions.**

- A. In accordance with Business and Professions Code Section 26054, as may be amended, no commercial cannabis business shall cause or allow the sale (whether retail or wholesale) of alcoholic beverages or tobacco products on its premises.
- B. No commercial cannabis business shall cause or allow alcoholic beverages to be dispensed or consumed on its premises.
- C. No commercial cannabis business shall operate in a location that requires persons to pass through a business that sells alcohol or tobacco to access the premises of the commercial cannabis business, or that requires persons to pass through the premises of the commercial cannabis business to access a business that sells tobacco or alcohol.
- D. No commercial cannabis business shall operate in a location that is adjacent to a business that sells alcoholic beverages at retail. Applicant shall certify that the commercial cannabis business/structure(s) is not adjacent to a business that sells alcoholic beverages at retail.

**##.04.130 Concurrent regulation with state.**

It is the stated intent of this chapter to regulate commercial cannabis activity in the city concurrently and consistently with state law. Except where an express provision of this chapter applies to create an obligation that is more stringent than the minimum standards established by state law, this chapter shall be construed in accordance with that intent.

**##.04.140 Compliance with laws.**

- A. It shall be the responsibility of the commercial cannabis permit holder, including its owners and operators, to ensure that the permitted commercial cannabis business is, at all times, operating in compliance with all applicable state and local laws and regulations, as amended, and any conditions of approval of a state license or city-issued commercial cannabis permit or other entitlement.
- B. Nothing in this chapter shall be construed as an authorization of any action or conduct in violation of state law or local law with respect to the operation of a commercial cannabis business.
- C. Nothing in this chapter shall be construed as an authorization by the city, its elected or appointed officials, employees, agents, representatives and/or consultants, collectively or individually, of any conduct in violation of federal law.

**##.04.150 Inspections and enforcement.**

- A. No commercial cannabis business shall commence operation, and no commercial cannabis permit application shall be approved for any commercial cannabis business, unless and until:
  - 1. The city manager, or designee, and police chief, or designee, have inspected the premises of the commercial cannabis business and reviewed all written procedures, standards and protocols developed by such business pursuant to this chapter, and have confirmed in writing that the business is in compliance with all applicable requirements of this chapter and other applicable provisions of the CITY NAME Municipal Code, any

- applicable local regulations, and any applicable state laws, administration or enforcement of which is within their jurisdiction; and
2. The fire chief and building official have inspected the premises of the commercial cannabis business and reviewed all written procedures, standards and protocols developed by such business pursuant to this chapter and have confirmed in writing that the premises are in compliance with the California Building Standards Code and the State Fire Marshal regulations, as adopted by the city, and all other applicable building and fire safety-related requirements, administration or enforcement of which is within their jurisdiction.
- B. In addition to the initial permit inspections pursuant to subsection A and after permitted commercial cannabis business activities have commenced, the city manager, the building official, the police chief, and the fire chief are authorized to conduct reasonable unannounced and suspicionless inspections of the interior and exterior premises of any commercial cannabis businesses at any time during regular business hours (generally eight a.m. and seven p.m., Monday through Sunday), for the purpose of ensuring compliance with this chapter and applicable state law as specified in subsection A.
    1. If any member of the police department observes any activity that they believe may be suspicious, the police chief may order an immediate inspection of the grounds or building of a cannabis business. Members of the staff or night security team shall give immediate access to police personnel at any hour of the day or night.
  - C. Each commercial cannabis business shall be subject to two mandatory inspections conducted pursuant to subsection B per calendar year. Notwithstanding the foregoing, further inspections may be conducted at any time in response to complaints received by the city relating to violations on the premises of a commercial cannabis business.
  - D. During all inspections conducted pursuant to this section, the inspecting officials are authorized to photograph and otherwise document the conditions on the premises, and to take such other measures as are reasonably necessary to ascertain whether the business is in compliance with this chapter, subject to adherence to all HIPAA rights and all other applicable privacy rights unrelated to the purpose and intent of the inspection. Samples of cannabis and cannabis products may be temporarily taken from the commercial cannabis business and retained for the minimum time and to the minimum extent necessary to ascertain compliance with this chapter, provided that any such samples shall be logged, recorded, and maintained in accordance with the CITY NAME Police Department standards for evidence.
  - E. For all inspections required by this section (not including complaint-based inspections), inspection fees sufficient to cover the costs of such inspections shall be paid by each commercial cannabis business as part of such business' commercial cannabis permit application fees or annual permit fees.
  - F. Failure or refusal of a commercial cannabis business, or any owner, manager, employee or agent thereof, to grant access to the premises of the commercial cannabis business to facilitate any inspection pursuant to this section shall constitute a violation of this chapter and shall constitute grounds for the city to obtain an inspection warrant to inspect the commercial cannabis business in accordance with state law.
  - G. All inspections shall be subject to adherence to applicable HIPAA rights and other applicable privacy rights unrelated to the purpose and intent of the inspections.

- H. The requirements and remedies set forth in this section shall be in addition to all other applicable provisions of the **CITY NAME** Municipal Code.

**##.04.160 Fees and Charges.**

- A. No person may commence or continue any commercial cannabis activity in the city without timely paying in full all fees, costs, penalties and charges required in connection with the establishment or operation of a commercial cannabis activity. Fees and charges associated with the establishment or operation of a commercial cannabis activity shall be set by resolution or ordinance of the city council.
- B. All commercial cannabis businesses operating pursuant to this chapter shall pay any and all applicable sales, use, business or other taxes, and all license, registration, or other fees required pursuant to federal, state, and local law.
- C. Commercial cannabis tax revenues and rates are established for commercial cannabis businesses in accordance with **REFERENCE FINANCE SECTION IF APPLICABLE**.
  - 1. Pursuant to Section ##.04.280(A), the city has limited the total square footage of commercial cannabis to **NUMBER** square feet,
  - 2. Pursuant to Section ##.04.280(C), the city has limited the Type 12 Microbusiness to a total of **NUMBER** business within the current city limits.
  - 3. Due to the limitation of square footage for commercial cannabis business, the applicant of and any assignee shall pay, upon approval of each commercial cannabis permit, a minimum sum of twenty-five thousand dollars per quarter, regardless of operational status. The payment shall be paid within ten days of the approval/conditional approval of a commercial cannabis permit.
    - a. Should the commercial cannabis business be operational, the minimum quarterly payment shall be credited toward that business's following quarter's tax liability.
    - b. Should the permit holder fail to begin operations within two years of the first permit's issuance, payment of the quarterly twenty-five thousand dollars minimum required payment shall not be refunded. The quarterly payment is required due to the limited square footage for commercial cannabis and is established as a deterrent against non-operational permit holders. The non-operation of permitted commercial cannabis establishments is determined to be detrimental to the health and welfare of the city.

**##.04.170 Violations and enforcement.**

- A. It is unlawful for any person to violate any provision of this chapter.
- B. Each and every violation of this chapter constitutes a misdemeanor punishable in accordance with Chapter 1.20.010 of the **CITY NAME** Municipal Code.
- C. Each and every violation of this chapter constitutes a public nuisance which may be abated by the city pursuant to the **CITY NAME** Municipal Code.
- D. Violations of this chapter may be redressed by any and all applicable civil remedies available to the city, including but not limited to civil actions for injunctive relief.

- E. Violations of this chapter are subject to all applicable administrative remedies under the **CITY NAME** Municipal Code, including but not limited to issuance of administrative citations. Notwithstanding the foregoing, the administrative citation penalty for all violations of this chapter, within a rolling twelve-month period, shall be as follows: One thousand dollars per violation.
- F. Any person that violates any provision of this chapter shall be guilty of a separate offense for each and every day during any portion of which the violation exists, and shall be penalized pursuant to this chapter and the applicable provisions of the **CITY NAME** Municipal Code.
- G. The remedies set forth in this section are cumulative of each other and of any other legal remedies available at law.
- H. The city manager may suspend or revoke a commercial cannabis permit when the permit holder or anyone acting on its behalf has committed any of the following acts or maintained any of the following conditions:
  - 1. Any action or condition which would constitute grounds for denial of a commercial cannabis permit.
  - 2. Any violation of this chapter, the **CITY NAME** Municipal Code, any applicable state law governing the commercial cannabis business or activity, or any applicable condition of approval of the commercial cannabis permit or any other entitlement pertaining to the operation of the commercial cannabis business.
- I. Prior to suspending or revoking a commercial cannabis permit, the city manager shall conduct a hearing. Written notice of the hearing shall be provided to the permit holder at least five calendar days prior to the hearing. The notice shall contain the basis for suspending or revoking the commercial cannabis permit. Notice may be provided by either personal service, U.S. mail and/or posting or depositing the notice at the commercial cannabis business. After the hearing, the city manager shall provide notice of the decision whether to suspend or revoke the commercial cannabis permit in the same manner applicable to the notice of hearing. The decision of the city manager shall be final, subject to judicial review pursuant to Code of Civil Procedure Sections 1094.5 and 1094.6 within ninety calendar days of the date of the decision. The commercial cannabis permit holder has no right to an administrative appeal of the decision.
- J. The city manager may immediately suspend a commercial cannabis permit without notice or hearing, subject to a subsequent hearing prior to reinstatement or revocation pursuant to subsection I, under the following circumstances:
  - 1. The commercial cannabis permit holder is convicted of a public offense in any court for the violation of any law which would be grounds for denial of a commercial cannabis permit.
  - 2. The city manager, chief of police, fire chief or any other authorized public safety or building official determines that immediate suspension is necessary to protect the public health, safety and welfare of the community. The city manager shall provide notice of the grounds for immediate suspension of the commercial cannabis permit, and the suspension shall only be for as long as reasonably necessary to address the grounds which led to the suspension.

#### **##.04.180 Limitations on city's liability.**

To the fullest extent permitted by law, the city shall not assume any liability whatsoever with respect to having issued a commercial cannabis permit or otherwise approving the operation of any commercial cannabis business pursuant to this chapter. As a condition of approval of any commercial cannabis permit issued pursuant to this chapter, the person to which a commercial cannabis permit is issued shall be required to meet all of the following conditions:

- A. Execute an agreement indemnifying, defending (at its sole cost and expense), and holding the city and its officers, employees, representatives, and agents harmless from any and all claims, losses, damages, injuries or liabilities associated with permitting or approving the operation of a commercial cannabis activity or the operation thereof or associated with the commercial cannabis business or its members' violation of any federal, state or local laws.
- B. Maintain insurance at coverages, limits, and with conditions thereon determined necessary by the city manager, in consultation with the city attorney. Commercial general liability insurance shall be maintained at all times with coverage limits that meet or exceed one million dollars per occurrence and in the aggregate. In the alternative to maintaining commercial general liability insurance, a commercial cannabis permit holder may post a bond, in a form subject to approval by the city attorney, with the city in the minimum amount of one million dollars. The city manager may, in his or her sole discretion, increase the minimum bond amount required by a commercial cannabis permit holder.
- C. Reimburse the city for any and all costs and expenses, including attorneys' fees and costs and court costs, that the city may be required to pay as a result of any legal challenge related to the city's approval of a commercial cannabis permit pursuant to this chapter or the city's approval of the operation of a commercial cannabis activity. The city may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve the obligations imposed under this section.

The city may revoke a commercial cannabis permit for failure to maintain the required insurance or bond. The city may provide a commercial cannabis permit holder with written notice of its intent to revoke the commercial cannabis permit and for failure to maintain the required insurance or bond. Within seven calendar days from the date upon the notice of intent to terminate, a commercial cannabis permit holder shall tender to the city proof that it has obtained the required insurance or posted the required bond. If a commercial cannabis permit holder fails to timely provide proof of the required insurance or bond to the city, the commercial cannabis permit shall be revoked, and the commercial cannabis permit holder shall immediately cease all commercial cannabis business activities. Failure to immediately cease all commercial cannabis business activities shall subject the commercial cannabis permit holder to the penalties, enforcement and cost recovery provisions established within the **CITY NAME** Municipal Code and any other legal remedies available to the city.

#### **##.04.##0 Commercial cannabis permit application procedures and requirements.**

- A. In addition to the authority granted pursuant to the express provisions of this section and chapter, to the extent consistent with this chapter and other applicable law, the city council

may by resolution adopt such fees, and the city manager may adopt such forms and procedures, as are necessary to implement this chapter with respect to the review, processing, evaluation, selection, investigation, approval, denial, renewal, suspension, and revocation of commercial cannabis permits and related appeals.

- B. The owner of a proposed commercial cannabis operation shall file an application with the city manager upon a form provided by the city and shall pay an application filing fee as established by resolution of the city council, as may be amended from time to time. The fee may be established as a trust deposit for actual costs. The fee, or the initial trust deposit, shall be in an amount the city manager estimates will cover the costs of reviewing and processing the application. If a trust deposit-based fee is established, it shall be used and drawn upon as a retainer to cover the actual costs incurred by the city. If the initial amount of the trust deposit is not sufficient, the applicant shall provide additional amounts as necessary within thirty days of a request from the city. If the applicant fails to do so, application review and processing shall cease and shall not continue until such additional amounts are paid.
- C. Each commercial cannabis permit application shall contain, at minimum, the following:
  - 1. The printed full name, signature, date of birth, social security number, a color photocopy of the California Driver's License or equivalent form of identification approved by the city manager, and current address and telephone number of all owners of and responsible persons for the commercial cannabis business that is the subject of the application.
  - 2. Signed consent of each owner and responsible person, who is identified pursuant to subsection (C)(1) and who is not required to obtain an employee badge pursuant to Section ##.04.090, to a fingerprint-based state and federal criminal history records check conducted by the city or an agency authorized or requested to do so by the city, including but not limited to fingerprint analysis conducted utilizing the California Department of Justice Live Scan system or any other system deemed necessary or appropriate in the discretion of the city manager.
  - 3. The address of the commercial cannabis business to which correspondence from the city is to be sent, if other than the permitted premises.
  - 4. The names and addresses of all businesses operated by, and the employment of, the applicant and its owners for the five years immediately preceding the date of the application.
  - 5. Any litigation in which the applicant(s) has been involved within the five years immediately preceding the date of the application and a statement of whether any business currently operated by the applicant(s) or operated by the applicant(s) within the five years immediately preceding the date of the application has been investigated or the permit or license authorizing the operation of such business has been revoked or suspended within the five years immediately preceding the date of the application.
  - 6. The address of any commercial cannabis business currently being operated by the applicant or any of its owners, or which has been previously operated by any of them.
  - 7. The existing and/or anticipated supply sources and product supply chain for all cannabis and cannabis products entering and leaving the commercial cannabis business, including the site(s) where cultivation occurs, where the cannabis or cannabis products are processed or manufactured, where any required testing of cannabis or cannabis

- products occurs, and distribution information. Packaging and labelling information and criteria, demonstrating compliance with Section ##.04.230(W), shall also be included.
8. Odor control devices and techniques demonstrating compliance with Section ##.04.230(I), sufficient to prevent odors from cannabis from being detectable off of the premises.
  9. Procedures for safety and adequately identifying, storing, managing, and disposing of all litter, waste, hazardous materials, contaminants, or adulterated, deteriorated or excess cannabis or cannabis products or byproducts of the commercial cannabis business, and demonstrating compliance with Section ##.04.230(T).
  10. Information reflecting adequate capitalization of the commercial cannabis business.
  11. Procedures for inventory control to prevent diversion of cannabis and cannabis product, employee screening, storage of cannabis and cannabis product, personnel policies, and record-keeping procedures.
  12. A detail of the operating procedures to be utilized at the facility, including a description of how chemicals and fertilizers will be stored, handled, used and disposed of, manufacturing methods, the transportation process, inventory procedures, and quality control procedures.
  13. A site plan and floor plan of the premises of the commercial cannabis business denoting the property lines and the layout of all structures and areas of the commercial cannabis business including storage, cultivation, manufacturing, testing, distributing, reception or waiting areas, and all ancillary support spaces, and the relationship of the facility to adjacent properties and land uses, indicating compliance with the California Building Standards Code and Title 17 of the CITY NAME Municipal Code.
  14. A plan for the proposed signage at the site, including size, height, colors and design of all signage, demonstrating compliance with Section ##.04.230(G). A city sign permit issued pursuant to applicable provisions of the CITY NAME Municipal Code shall be required.
  15. A security plan satisfactorily addressing all required security measures identified in Section ##.04.080 and lighting as required by Section ##.04.230 (X).
  16. Standard operating procedures detailing how operations will comply with state and local regulations, how safety and quality of products will be ensured, record-keeping procedures for financing, testing, and adverse event recording, and product recall procedures.
  17. Proposed days and hours of operation.
  18. Recycling and waste disposal procedures reflecting, to the extent practicable, efficiency and conservation of materials and resources used in the commercial cannabis business.
- ##. Youth access restriction procedures demonstrating compliance with Section ##.04.230(H).
20. A transportation plan providing procedures for safely and securely transporting all cannabis, cannabis products and currency to and from the premises.
  21. A detailed description of energy and water usage plan enumerating best practices and leading industry practices in efficient utilization of both resources.

22. Evidence of compliance with all applicable insurance-related requirements of this chapter and state law, including but not limited to Section ##.04.180. Endorsements reflecting the city's status as an additional insured on all required policies shall also be included.
  23. A copy of the valid and current city business license held by the applicant.
  24. A copy of the valid and current seller's permit issued by the California Department of Tax and Fee Administration (formerly the Board of Equalization) to the applicant, or confirmation from said agency that a seller's permit is not required. If a seller's permit is required but the applicant has not yet received it, an attestation that the applicant is currently applying for a seller's permit shall suffice, provided that a copy of the permit shall be provided to the city immediately upon being obtained by the applicant, and the applicant shall not commence activities for which a seller's permit is required until it is obtained.
  25. Identification of any and all other licenses and permits currently or formerly held by the applicant, and any other applications pending review for the applicant, relating to commercial cannabis activities, from any licensing or permitting authority, and specific identification of any licenses or permits denied to, suspended for, or revoked from the applicant.
  26. Signed acknowledgment of the requirements of this chapter, including biannual inspections as established within Section ##.04.150.
  27. Signed authorization for the city manager to seek verification of the information contained in the application.
  28. A signed statement by the applicant that he or she certifies under penalty of perjury that all the information contained in the application is true and correct.
  29. Any other information deemed necessary by the city manager.
- D. A commercial cannabis permit application may be denied based upon any of the following grounds:
1. The applicant has been issued a state or local permit or license to conduct commercial cannabis activities (in California or another state) and the permit or license has been suspended or revoked, or the applicant has otherwise been sanctioned or subjected to administrative disciplinary action relating to the permit or license by any licensing or permitting authority, or the applicant has been involved in a cannabis business that was ordered closed by a civil injunction or other court order based on a violation of law.
  2. The applicant, or any owner or responsible person of the commercial cannabis business that is the subject of the application, has been convicted of a serious or violent offense as listed within California Penal Code Sections 667.5 and 1##2.7(c), or the applicant has been convicted of any other offense listed within Business and Professions Code Section 26057.
  3. The applicant, or any owner or responsible person of the commercial cannabis business that is the subject of the application, has been convicted of a misdemeanor involving theft, dishonesty, fraud, narcotics sales or narcotic trafficking within the five years preceding the date of the application.

4. The applicant, or any owner or responsible person of the commercial cannabis business that is the subject of the application, has been convicted of a felony involving the illegal use, possession, transportation, distribution or similar activities related to controlled substances, as defined within the Federal Controlled Substance Act, unless the applicant received a Certificate of Rehabilitation as defined in that Act, within the ten years preceding the date of the application.
5. The applicant, or any owner or responsible person of the commercial cannabis business that is the subject of the application, has engaged in misconduct related to the ownership, qualifications, functions or duties of their position with the commercial cannabis business.
6. The applicant, or any owner or responsible person of the commercial cannabis business that is the subject of the application, has engaged in unlawful, fraudulent, unfair, or deceptive business practices as defined by the CITY NAME Municipal Code and/or state or federal law.
7. The applicant, or any owner or responsible person of the commercial cannabis business that is the subject of the application, is under the age of twenty-one.
8. The applicant has violated or failed to comply with any of the requirements of this chapter or other applicable state or local laws or regulations, or any condition of any entitlement issued to the commercial cannabis business, as determined by the city manager.

A conviction within the meaning of this chapter means a plea or verdict of guilty or a conviction following a plea of nolo contendere.

This section shall not constitute an exhaustive list of grounds for denial of a commercial cannabis application. The city manager may promulgate regulations identifying additional grounds for denial.

- E. The city manager shall review each application to determine whether it contains all of the required information. If the application does not contain all of the required information, it shall be returned to the applicant for completion. The city manager shall endeavor to conclude his or her review within ninety days of the filing of the application. If additional time is necessary, the city manager will advise the applicant of an estimated review time.
- F. In reviewing an application for a commercial cannabis permit, the city manager may request whatever additional information is deemed necessary to determine whether the application meets the requirements of this chapter or other applicable local laws or regulations.
- G. The city manager shall have the authority to either approve or deny the application for a commercial cannabis permit. The city manager shall approve the application if and only if it meets all applicable requirements of this chapter. Notwithstanding any other provision of this chapter, the city manager, when approving a commercial cannabis permit, may place any additional limitations and conditions on the operation of a commercial cannabis business as he or she deems necessary, consistent with this chapter and any regulations promulgated pursuant hereto.
- H. Payment of an annual commercial cannabis permit fee, in an amount set by resolution of the city council sufficient to cover the city's annual costs of administering the mandatory regulatory functions of this chapter in regard to the permitted commercial cannabis business,

including but not limited to inspections, audits and investigations, shall be required before issuance or renewal of any commercial cannabis permit pursuant to this chapter. The fee may be established as a trust deposit for actual costs. The fee, or initial trust deposit, shall be in an amount the city manager estimates will cover the city's annual costs as described in this paragraph. If a trust deposit-based fee is established, the trust deposit shall be used and drawn upon as a retainer to cover the actual costs incurred by the city. If the initial amount is not sufficient, the applicant shall provide additional amounts as necessary upon request from the city. Failure to pay such additional amounts within thirty days of a request by the city shall constitute a violation of this chapter and grounds for denial, non-renewal or revocation of the subject commercial cannabis permit.

- I. When an application is denied, the city manager shall provide a statement of decision giving the reasons for the denial and the findings upon which the decision is based. Notice of the denial may be provided by either personal service or U.S. mail. Notice is presumed to be served upon the applicant once deposited into the U.S. mail. Any person denied a commercial cannabis permit shall have the right to appeal such denial in accordance with this section.
- J. Any appeal of a denial of an application shall be filed and conducted as prescribed in this subsection.
  1. Within ten calendar days from the date of the denial of an application, the aggrieved party may appeal such action by filing with the city clerk a written appeal setting forth the grounds for reversing the denial. The time requirement for filing an appeal shall be deemed jurisdictional and may not be waived. Appeals not timely filed or not setting forth the basis for the appeal are defective and shall be dismissed.
  2. Upon receipt of such written appeal, the city clerk shall set the matter for a hearing before the city manager. The hearing shall be conducted pursuant to the following procedures:
    - a. All hearings shall be recorded. Any party may, at their sole expense, have the hearing transcribed by a certified shorthand reporter.
    - b. Hearings need not be conducted according to the technical rules of evidence.
    - c. Any relevant evidence shall be admitted, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions in courts of competent jurisdiction in this state.
    - d. Oral evidence shall be taken only on oath or affirmation. The city manager shall have the power to administer oaths.
    - e. Irrelevant and unduly repetitious evidence shall be excluded.
    - f. Each party shall have the right to: Call and examine witnesses on any matter relevant to the issues of the hearing; introduce documentary and physical evidence; cross-examine opposing witnesses on any matter relevant to the issues of the hearing, subject to the control of the city manager, including the imposition of reasonable alternatives to cross-examination; impeach any witness regardless of which party first called the witness to testify; rebut the evidence; and be represented by anyone who is lawfully permitted to do so.
    - g. The city manager may take official notice, either during the hearing or after submission of the matter for decision, of any fact which may be judicially noticed by

the courts of this state or of official records, regulations, rules, and decisions of state and local agencies, boards and departments and of city ordinances. In addition, the city manager may take official notice of matters in its own files and of prior proceedings under this chapter involving the same issues. If applicable, the city manager may also take official notice of any generally accepted technical or scientific matter within their expertise. The parties present at the hearing shall be informed of the matters to be noticed, and those matters should be noted in the record, referred to therein, or appended thereto. Any such party shall be given a reasonable opportunity on request to refute the officially noticed matters by evidence or by written or oral presentation of authority.

- h. The city manager may provide for reasonable continuances of the hearing, on his/her own initiative or at the request of a party, as necessary to properly conduct the appeal.

The hearing shall be set for hearing in a reasonable time after the date of filing the appeal with the city clerk, but in no event later than ninety days from the date of such filing. At least ten days prior to the date of the hearing on the appeal, the city shall notify the appellant of the time and the place of the hearing. Notice may be provided by either personal service or U.S. mail. Notice is presumed to be served upon deposit into the U.S. mail.

- 3. At the conclusion of the hearing, the city manager shall deliberate and reach a decision within fifteen calendar days. The decision and the reason(s) for the decision shall be reduced to writing. The city manager may affirm, reverse, or modify the denial issued pursuant to this code as the facts and law warrant, subject to the following limitations:
  - a. The city manager shall not have authority to waive any requirements of the CITY NAME Municipal Code or other applicable law.
  - b. Nothing in these procedures shall be deemed to authorize the city manager to deviate from unambiguous provisions of the governing code or statute, or well-established interpretations of the same, based upon expert opinions or other reliable evidence.

A copy of the decision shall be sent by mail or otherwise to the appellant. Where known, a copy may also be provided by email.

- 4. The decision of the city manager shall be subject to a further administrative appeal to the planning commission, which shall be conducted in accordance with the procedures and requirements applicable to the appeal to the city manager pursuant to this subsection. The decision of the planning commission shall be subject to further administrative appeal to the city council, which shall be conducted in accordance with the procedures and requirements applicable to the appeal to the city manager pursuant to this subsection.
- 5. The decision of the city council on the appeal shall constitute a final administrative decision. The appellant may thereafter file a petition for writ of mandate in superior court pursuant to Code of Civil Procedure Section 1094.5 and 1094.6 within ninety calendar days of the date of the decision.

#### **##.04.200 Development agreement.**

A qualified applicant, pursuant to subsection B of this section, may apply to enter into a development agreement with the city pertaining to a commercial cannabis operation. The provisions of this section shall apply to such applications.

##### **A. Content and Procedures.**

1. Development agreements entered into pursuant to this chapter shall set forth the terms and conditions under which the commercial cannabis business will operate that are in addition to the requirements of this chapter, including, but not limited to, public outreach and education, community benefit, community service, payment of fees and other charges as mutually agreed, and such other terms and conditions that will protect and promote the public health, safety, and welfare of the city.
2. The procedures for commercial cannabis development agreements shall comply with Resolution 2021-0043 and Article 2.5 of Chapter 4 of Division 1 of Title 7 of the California Government Code. To the extent there is a conflict between this chapter and Resolution 2021-0043 with respect to a development agreement for a commercial cannabis business, this chapter shall govern.

##### **B. Qualified Applicant. Development agreements are for substantial development projects, often requiring an investment in infrastructure and/or improvements, payment of development impact fees, and contribution of non-restricted funds that benefit the community. Such agreements are special contracts to be negotiated with property owners or those with an interest in the land. A qualified applicant is a person who meets all of the following criteria, with satisfaction of each criterion to be determined in the sole discretion of the city manager:**

1. The applicant has a pending or approved application for a commercial cannabis permit on file with the city pertaining to the real property that will be subject to the development agreement.
2. The applicant holds a legal or equitable interest in the real property that will be the site of the commercial cannabis business. If the applicant does not own the property, the applicant must have a legal right to purchase or develop the property and/or notarized written consent from the owner of the property to operate a commercial cannabis business on the property and to enter into a development agreement with the city pertaining to the property.

##### **C. Filing Requirements.**

1. Only a qualified applicant may file an application to enter into a development agreement. An applicant shall provide, to the satisfaction of the city manager, written proof of meeting the criteria in subsection B above, as well as proof of the authority of any agent or representative to act for the applicant.
2. The city manager shall prescribe the form for each application, notice and documents provided for or required under this section for the preparation and implementation of development agreements. The applicant shall complete and submit such an application form to the city manager, along with a deposit for the estimated direct and indirect costs of processing the development agreement. Each

applicant pursuant to this section shall be required to pay a development agreement application fee, in an amount established by resolution of the city council, sufficient to cover the city's costs of review and processing of the development agreement application pursuant to this section. The fee may be established as a trust deposit for actual costs. The fee, or the initial trust deposit, shall be in an amount the city manager estimates will cover the costs of reviewing and processing the application. If a trust deposit-based fee is established, the trust deposit shall be used and drawn upon as a retainer to cover the actual costs incurred by the city. If the initial trust deposit is not sufficient, the applicant shall provide additional amounts as necessary within thirty days upon of a request from the city. If the applicant fails to do so, the application review and processing shall cease and shall not continue until such additional amounts are paid.

3. The city manager shall require an applicant to submit such information and supporting data as the city manager considers necessary to process the application, including but not limited to a community benefit assessment to evaluate the benefits the development agreement will provide to the community.

D. Processing Requirements.

1. The city manager shall endorse on the application the date it is received. An application or related document shall not be complete until an estimated deposit for the cost of processing has been paid to the city. The city manager shall review the application and determine any additional requirements necessary to complete processing of the application. If within thirty days of receiving the application the city manager finds that all required information has not been submitted or the application is otherwise incomplete or inaccurate, the processing of the application and the running of any limits shall be suspended upon written notice to the applicant and a new thirty day period shall commence once the required material is received by the city manager.
2. If the city manager finds that the application is complete, it shall be accepted for filing and the applicant so notified. After receiving the required information and determining that the application is complete, the city manager shall prepare a staff report and recommendation to the planning commission and city council stating whether or not the agreement as proposed or in an amended form would be consistent with policies of the city, this chapter and any applicable general or specific plan. The city attorney shall review the proposed development agreement as to legal form.
3. Notice of a hearing regarding the development agreement shall be given by the city manager and shall comply with the requirements of Section 65867 of the California Government Code, as may be amended, as well as in the manner set forth in this code.
4. The planning commission shall review the proposed development agreement and provide a recommendation to the city council to approve, approve with modifications or deny the proposed development agreement. If the planning commission fails to take action within sixty days of opening the hearing on the matter, such failure shall be deemed to have made a recommendation of denial to the city council unless the applicant has requested an extension of time, either in

writing or on the record, which has been approved by the planning commission prior to the running of the sixtieth day.

5. The proposed development agreement shall be set for hearing and consideration before the city council within sixty days of the recommendation of the planning commission, unless the applicant agrees in writing to an extension of time with the city manager prior to the matter being heard by the city council.
  6. Within ten calendar days after the city enters into any development agreement pursuant to this section, the city clerk shall have the agreement recorded with the county recorder. If the parties to the agreement or their successors in interest amend or cancel the agreement as provided in Section 65868 of the California Government Code, or if the city terminates or modifies the agreement as provided in Section 65865.1 of the California Government Code for failure of the applicant to comply in good faith with the terms or conditions of the agreement, the city clerk shall have notice of such action recorded with the county recorder.
- E. Findings and Development Agreement Conditions. After the city council completes the public hearing, the city council may not approve the development agreement unless it finds that the provisions of the agreement:
1. Are consistent with the goals, objectives, and policies of the general plan and any applicable specific plan;
  2. Are compatible with the uses authorized in and the regulations prescribed by this chapter, zoning district in which the activity is located, and area in which the real property is located;
  3. Will not be detrimental to the health, safety, environmental quality, and general welfare of the community;
  4. Will provide for or result in contributions, services or facilities that benefit the community, which may include, but are not limited to, public facilities, improvements, and services, parks, recreation and open space improvements, public art, youth sports programs, other public youth benefit programs, substance abuse awareness and recovery programs, and other public service programs;
  5. Will not adversely affect the orderly development of property or the preservation of property values;
  6. Provides for payment by the applicant of all costs associated with preparing and entering into the agreement; and
  7. Provides for a reasonable penalty for any violation of the development agreement.
- F. Effectiveness of a development agreement pursuant to this section shall be contingent upon issuance of a commercial cannabis permit and all other entitlements necessary to operate a commercial cannabis business on the subject property.
- G. Modifications and Extensions.
1. The provisions of Section 65868 of the California Government Code shall apply for all modifications, with the exception of minor modifications, extensions or other amendments of the terms of a development agreement subject to this chapter.

2. Either party may propose an amendment or termination of an approved development agreement subject to the following:
  - a. The procedure for amending or terminating the development agreement is the same as the procedure for entering into an agreement in the first instance.
  - b. The development agreement may be amended or cancelled only by the mutual consent of the parties, as provided in Section 65868 of the California Government Code.
3. Nothing herein shall limit the city's ability to terminate or modify the agreement consistent with Section 65865.1 or 65865.3 of the California Government Code, or as may be amended.
4. Minor modifications to a development agreement may be authorized by the city manager, upon consultation with the city attorney.
5. The development agreement may necessitate further planning and development of the project and may demonstrate that refinements and changes are appropriate with respect to the details and performance in implementing the project under a development agreement. The development agreement may permit a certain degree of flexibility with respect to the details of the development of the project and with respect to those items covered in general terms under a development agreement. A minor changes (as hereinafter defined) when found to be necessary or appropriate, a written request shall be submitted to the city manager, unless otherwise required by federal, state or local ordinance and/or regulation, effectuate such changes or adjustments through administrative amendments executed by the city manager or designee. Upon approval of a minor modification, it shall be attached as addenda and become a part of the development agreement. Minor modifications shall be recorded with the development agreement.
6. The term "minor changes" or "minor modifications" collectively means:
  - a. Minor deviations to the project approvals that are permitted under the existing city requirements and are reasonably approved by the city manager;
  - b. A reduction in the parking ratio requirements for the project under consistent with the CITY NAME Municipal Code, provided that: (i) the reduction does not exceed ten percent of the code requirement, and (ii) the reduction is approved by the city manager, which approval shall not be unreasonably withheld or denied; or
  - c. Such other changes, modifications or adjustments to the project approvals, which the city manager determines are consistent with the overall intent of the project approvals and which do not materially alter the overall nature, scope, or design of the project, and which are consistent with the requirements of Chapter ##.04 of the CITY NAME Municipal Code and any commercial cannabis activity regulations or policies established by the city manager.
7. Assumption Agreement(s)—No Modification. An assumption agreement shall be subject to the terms of an approved development agreement. An assumption agreement shall not limit, restrict, modify, alter, amend or otherwise change in any manner the rights and obligations of an assignor or assignee under the DA, and in

the event of any conflict between the terms and provisions of an assumption agreement and the terms and provisions of the DA, the terms and provisions of the DA shall control.

8. In effecting any minor changes, the city shall cooperate with the developer, provided that the permitted uses are not modified from those in the project approvals and any changes are in accordance with the existing city requirements. Minor changes shall not be deemed to be an amendment to a development agreement under California Government Code Section 65868 but are ministerial clarifications and adjustments, and unless otherwise required by law, no such administrative amendments shall require prior notice or hearing by the city council. Any amendment or change requiring an environmental impact report, or a supplement thereto, pursuant to CEQA shall not be considered a minor change, but shall be considered a substantive amendment which shall be reviewed and approved by the city council as determined by the applicable provisions of the **CITY NAME** Municipal Code relating to the hearing and approval procedures for the specific project approval.

#### **##.04.210 Records and reporting.**

- A. Commercial cannabis operations shall maintain on the permitted premises the following records either in paper or electronic form:
  1. The full name, address, and telephone numbers of the owner and lessee of the property.
  2. The name, date of birth, address, and telephone number of each employee and independent contractor of the commercial cannabis operation; the date each was hired or retained; and the nature of each person's participation in the commercial cannabis business.
  3. Copies of all required state licenses.
  4. An inventory record documenting the dates and amounts of cannabis and cannabis products received at the site, the daily amounts of cannabis and cannabis products on the site, and the daily amounts of cannabis and cannabis products leaving the site for any reason, including but not limited to cannabis that is sold, delivered, or distributed.
  5. A written accounting of all expenditures, costs, revenues and profits of the commercial cannabis operation, including but not limited to cash and in-kind transactions.
  6. A copy of all insurance policies related to the operation of the commercial cannabis operation.
  7. A copy of the commercial cannabis operation's most recent year's financial statement and tax return.
  8. Proof of a valid and current permit issued by the city in accordance with this chapter, and the equivalent state of California license to operate the commercial cannabis business. Every commercial cannabis business shall display at all times during business hours the city permit issued pursuant to the provisions of this chapter, and the equivalent state license, in a conspicuous place so that it may be readily seen by all persons entering the location of the commercial cannabis operation.

- B. Subject to HIPAA rights and regulations unrelated to the purpose and intent of the inspection, each commercial cannabis business shall allow city officials, upon request, to inspect all books, accounts, records, information and data required to be maintained by the cannabis business pursuant to this chapter or otherwise relevant to its permitted activities for the purpose of facilitating any inspection, audit or investigation deemed necessary by the city. Such records shall be produced within twenty-four hours after receipt of the city's request.
- C. By December 1 of each year, each commercial cannabis business shall file with the city manager a complete audited report detailing its financial operations for the previous fiscal year, including its gross revenues, net profits, and total expenditures, which report shall be certified by an independent certified public accountant in accordance with generally accepted auditing and accounting principles. The report shall also include a discussion, analysis, and verification of each of the records required to be maintained pursuant to this chapter. The information contained in the report shall be made available to the city in standard electronic format which shall be compatible with Microsoft Office programs and software and which can easily be imported into either Excel, Access or any other contemporary software designated by the city manager, and shall be subject to audit by the city.
- D. All records required by this chapter shall be maintained by commercial cannabis businesses for a period of not less than seven years, and commercial cannabis businesses shall maintain accurate records of all commercial cannabis activities. All such records shall be made available for immediate inspection by the city upon request consistent with California Business and Professions Code Section 26160.

**##.04.220 Prohibition on transfer of commercial cannabis permits.**

- A. No commercial cannabis business shall operate under a commercial cannabis permit issued pursuant to this chapter at any place or location other than that identified in the commercial cannabis permit.
- B. Any permit issued pursuant to this chapter shall be null and void upon sale or transfer of ownership of the commercial cannabis business.
- C. Any attempt to transfer or any transfer of a commercial cannabis permit issued pursuant to this chapter shall be void and the commercial cannabis permit shall be deemed immediately revoked and no longer of any force or effect.
- D. Notwithstanding A or B above, the city manager may conditionally approve a commercial cannabis business permit transfer subject to the proposed transferee submittal of all required application materials (new commercial cannabis permit), pays all applicable fees and charges, and independently meets the requirements of this chapter. Prior to approval or conditional approval of a transfer, the existing commercial cannabis permit must have met all the applicable requirements. Before being eligible for a commercial cannabis business permit transfer, the commercial cannabis business must first have been operating the cannabis business for twelve months in the city and has followed all state and local cannabis regulations.

#### **##.04.230 General operating requirements for commercial cannabis businesses.**

In addition to those operating requirements specifically set forth elsewhere in this chapter and except as may otherwise be expressly set forth in this chapter, the following operating requirements shall apply to all commercial cannabis businesses operating in the city:

- A. Hours of Operation. Normal business hours for commercial cannabis businesses are eight a.m. and seven p.m., Monday through Sunday. Subject to the night-time operating restrictions applicable to retail storefront sales and deliveries set forth in Section ##.04.270, commercial cannabis businesses may operate outside normal business hours, provided that any business activity conducted outside of normal business hours shall be sensitive to surrounding land uses and occupants and shall not result in excessive light, noise or other impacts that could cause a nuisance to members of the surrounding community.
- B. Restriction on Consumption. Cannabis shall not be consumed on the premises of any commercial cannabis businesses, except that medicinal cannabis may be consumed within a clinic, health care facility, residential care facility, or residential hospice licensed pursuant to applicable provisions of the California Health and Safety Code, as stated in Section ##.04.060 of the CITY NAME Municipal Code.
- C. No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the public right-of-way or other public area or any adjacent property. No outdoor storage of cannabis or cannabis products is permitted at any time.
- D. Reporting and Tracking of Product and of Gross Sales. Each commercial cannabis business shall have in place a point-of-sale tracking system to track and to report on all aspects of the commercial cannabis business including, but not limited to, such matters as tracking of cannabis and cannabis products, inventory data, and gross sales (by weight and by sale price) and shall ensure that such information is compatible with the city's recordkeeping systems. The system must have the capability to produce historical transactional data for review by the city. All information provided to the city pursuant to this subsection shall be confidential and shall not be disclosed, except as may otherwise be required under law.
- E. All cannabis and cannabis products sold, cultivated, manufactured, delivered, distributed or tested shall be cultivated, manufactured, delivered, distributed or tested by state licensees that maintain operations in full conformance with the state and local laws and regulations.
- F. Emergency Contact. Each commercial cannabis business shall provide the city manager with the name and telephone number (office and mobile) of an on-site employee or owner to whom emergency notice can be provided on a twenty-four hour per day, seven-day per week basis.
- G. Signage and Notices.
  1. In addition to the requirements otherwise set forth in this section, business identification signage for a commercial cannabis business shall conform to the signage requirements of the CITY NAME Municipal Code, including, but not limited to, issuance of a city of CITY NAME sign permit.

2. Business identification signage shall be limited to that needed for identification only and shall not contain any logos or information that identifies, advertises, or lists the services or the products offered. No commercial cannabis business shall advertise by having a person holding a sign and advertising the business to passersby, whether such person is on the premises of the commercial cannabis business or elsewhere including, but not limited to, the public right-of-way.
  3. No signs placed on the premises of a commercial cannabis business shall obstruct any entrance or exit to the building or any window.
  4. Each entrance to a commercial cannabis business shall be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited.
  5. Signage shall not be directly illuminated, internally or externally. No banners, flags or other prohibited signs may be used at any time.
- H. Minors. Persons under the age of twenty-one years shall not be allowed on the premises of a commercial cannabis business. It is unlawful and a violation of this chapter for any person to employ any person at a commercial cannabis business who is not at least twenty-one years of age. The entrance to the commercial cannabis business shall be clearly and legibly posted with a notice that no person under the age of twenty-one years of age is permitted to enter upon the premises of the commercial cannabis business.
- I. Odor Control. Odor control devices and techniques shall be incorporated in all commercial cannabis businesses to ensure that odors from cannabis are not detectable off-site. Commercial cannabis businesses shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the commercial cannabis business that is distinctive to its operation is not detected off the premises, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the public, or within any other unit located inside the same building as the commercial cannabis business. As such, commercial cannabis businesses must install and maintain the following equipment or any other equipment which the city manager determines has the same or better effectiveness:
1. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally;
  2. An air system that creates negative air pressure between the commercial cannabis business's interior and exterior so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.
- J. Display of Commercial Cannabis Permit, State License and City Business License. The original copy of the commercial cannabis permit issued by the city pursuant to this chapter, the required state license, and the business license issued by the city pursuant to the CITY NAME Municipal Code shall be posted inside the commercial cannabis business in a location readily visible to the public.
- K. Criminal History Records Check.

1. Every owner of each commercial cannabis business must submit to annual fingerprint-based state and federal criminal history records checks, conducted by the city or another agency authorized or requested to do so by the city, as an application requirement in connection with each application for issuance or renewal of a commercial cannabis permit for the commercial cannabis business.
  2. The criminal history records check may be conducted utilizing the California Department of Justice Live Scan system or any other system deemed necessary or appropriate in the discretion of the city manager. The city manager is authorized to request subsequent notification service, if Live Scan is used, or an equivalent service if another system is used, sufficient to obtain ongoing notifications of criminal offenses committed by owners of commercial cannabis businesses. In the event the city manager does so, and such subsequent notification or equivalent service reveals a conviction or other conduct, such a conviction or other conduct shall constitute grounds for immediate suspension or revocation of the subject commercial cannabis permit.
  3. Owners and responsible persons shall be disqualified from involvement with a commercial cannabis business where the results of a criminal history records check would constitute grounds for denial.
  4. A fee for the city's costs of conducting the criminal history records check, as established by resolution of the city council, shall be paid at the time the application for a commercial cannabis permit is submitted. The fee may be established as a trust deposit for actual costs. The fee, or the initial trust deposit, shall be in an amount the city manager estimates will cover the costs of conducting the criminal history records check, including city review and processing services and any third-party fees. If a trust deposit-based fee is established, it shall be used and drawn upon as a retainer to cover the actual costs of such investigation. If the initial trust deposit is not sufficient, the applicant shall provide additional amounts as necessary within thirty days of a request from the city. If the applicant fails to do so, the investigation shall cease and shall not continue until such additional amounts are paid.
  5. In the alternative to subsection (K)(4) above, the commercial cannabis business or the subject owner, may provide the city manager with a completed criminal history records check performed by a third-party vendor, as deemed necessary or appropriate in the discretion of the city manager. If this alternative is used, the fee established pursuant to subsection (K)(4) above shall not apply, except as may be necessary for the city to confirm the validity and the results of the records check used.
- L. Upon completion of the investigation or in the event the applicant withdraws its application, any unused amount of any trust deposit made pursuant to this chapter will be refunded to the applicant within thirty days of request by the applicant.
  - M. Loitering. The owner and/or operator of a commercial cannabis business shall prohibit loitering on the premises of the commercial cannabis business.
  - N. Permits and Other Approvals. Prior to the establishment or operation of any commercial cannabis business, the person intending to establish a commercial cannabis business must first obtain all applicable planning, zoning, building, and other applicable permits

from the relevant governmental agency which may be applicable to the zoning district in which such commercial cannabis business intends to establish and to operate.

- O. Greenhouses. Greenhouses may be utilized only for commercial cannabis cultivation businesses, including nurseries. Greenhouses used for cannabis cultivation shall be fully enclosed permanent structures with solid walls that are clad in an opaque material with climate control, such as heating and ventilation capabilities and supplemental artificial lighting, and that use a combination of natural and supplemental artificial lighting. The cultivation activities conducted within a greenhouse shall not be visible from any public right-of-way or adjacent private property. All greenhouses shall comply with the requirements of this chapter and the CITY NAME Municipal Code, including the adopted requirements of the California Building Code, the California Fire Code and any other code adopted or incorporated by reference within the CITY NAME Municipal Code, as amended. Greenhouse must have a minimum of two thousand square feet.
- P. No commercial cannabis business may store food grade alcohol or any other volatile chemical, solvent or substance in an amount which exceeds the maximum authorized amount determined by the fire chief. Subject to the foregoing, use of food grade alcohol solely for the purposes of cleaning machinery and dissolving wax, unless otherwise prohibited by the state, is allowed.
- Q. Commercial cannabis businesses shall comply with all pesticide use requirements of local, state and federal law.
- R. All weighing devices used by commercial cannabis businesses shall be maintained in compliance with local, state or federal law and applicable regulations regarding device registration with the agricultural commissioner.
- S. Commercial cannabis businesses shall comply with all applicable provisions of the California Building Standards Code, as adopted or incorporated into the CITY NAME Municipal Code.
- T. Commercial cannabis businesses shall comply with all local, state and federal laws and regulations and best practices applicable to storage and disposal of chemicals, solid waste, contaminants, hazardous materials, adulterated, deteriorated or excess cannabis and cannabis products, and all byproducts of the commercial cannabis business.
- U. In no case shall any commercial cannabis business utilize any volatile solvents or other flammable, explosive or toxic substances to process or manufacture cannabis products in the city, except as expressly authorized pursuant to both a Type 7 state license and a city-issued commercial cannabis permit.
- V. All food products, food storage facilities, food-related utensils, equipment and materials shall be approved, used, managed and handled in accordance to the provisions of the California Retail Food Code, California Health and Safety Code Sections 113700 through 114437. All food products shall be protected from contamination at all times, and all food handlers must be clean, in good health and free from communicable diseases.
- W. All cannabis and cannabis products, prior to leaving any licensed premises for transfer to any retailer, shall be properly labeled and placed in resealable, tamper-evident, child-resistant packaging, shall include a unique identifier for the purposes of identifying and tracking cannabis and cannabis products, and shall otherwise comply with applicable

state laws, including Business and Professions Code Section 26120, and applicable state regulations, all as may be amended from time to time.

- X. The premises of all commercial cannabis businesses shall have sufficient lighting such that all areas subject to monitoring by the security surveillance camera system shall be always visible to all cameras of the system.

**##.04.240 Operating requirements for cultivation businesses and nurseries.**

- A. Outdoor commercial cultivation and outdoor nursery activity is prohibited.
- B. If a commercial cannabis business includes nursery activities, only one nursery may be located on the premises of the commercial cannabis business, and the nursery activity must be permitted pursuant to this chapter and state law.
- C. Cannabis cultivation and nursery activity shall be conducted in accordance with state and local laws related to land conversion, grading, electricity, water usage, water quality, woodland and riparian habitat protection, agricultural discharges, and similar matters.
- D. Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through erosion, leakage or inadvertent damage from pests, rodents or other wildlife.
- E. In no case shall any hazardous, flammable or explosive substances be used to process or manufacture cannabis products onsite, except as otherwise stated in this chapter pertaining to food grade alcohol.
- F. The cultivation of cannabis and any nursery activity shall at all times be operated in such a way as to ensure the health, safety, and welfare of the public, the employees working at the commercial cannabis business, visitors to the area, neighboring properties, and the end users of the cannabis being cultivated, to protect the environment from harm to streams, fish, and wildlife; to ensure the security of the cannabis being cultivated; and to safeguard against the diversion of cannabis.
- G. Stacking shall be allowed in a given structure only to the point that measuring the total canopy of each level of stacking is cumulatively no greater than the maximum canopy size allowed under state laws or regulations applicable to the state cultivation license held by the commercial cannabis business.
- H. All applicants for a commercial cannabis permit for cultivation or nursery activity shall submit the following, which shall be subject to approval by the city manager prior to issuance of a commercial cannabis permit to the applicant, in addition to the information otherwise required for a commercial cannabis permit application:
  - 1. An operations plan that meets or exceeds minimum legal standards for water usage, conservation and use; drainage, runoff, and erosion control; watershed and habitat protection; and proper storage of fertilizers, pesticides, and other regulated products to be used on the parcel, proper disposal of waste materials, and a description of the nursery or cultivation activities and schedule of activities during each month of growing and harvesting, or explanation of growth cycles and anticipated harvesting schedules for all-season harvesting.
  - 2. A description of a legal water source, irrigation plan, and projected water use.

3. Identification of the source of electrical power and plan for compliance with applicable building codes and related codes.
4. Plan for addressing odor and other public nuisances which may result from the nursery or cultivation site.

**##.04.250 Cannabis manufacturing business operating requirements.**

- A. Manufacturer 1 (Type 6) permittees shall utilize only manufacturing processes that are either solventless or that employ only nonflammable, nontoxic solvents that are generally recognized as safe pursuant to the federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 301 et seq.).
- B. Manufacturer 2 (Type 7) permittees shall utilize only manufacturing processes that use solvents exclusively within a closed-loop system that meets all of the following requirements:
  1. The system uses only solvents that are generally recognized as safe pursuant to the federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 301 et seq.).
  2. The system is designed to recapture and contain solvents during the manufacturing process, and otherwise prevent the off-gassing of solvents into the ambient atmosphere to mitigate the risks of ignition and explosion during the manufacturing process.
  3. A licensed engineer certifies that the system is commercially manufactured, safe for its intended use, and built to codes of recognized and generally accepted good engineering practices, including, but not limited to, the American Society of Mechanical Engineers (ASME), the American National Standards Institute (ANSI), Underwriters Laboratories (UL), the American Society for Testing and Materials (ASTM), or OSHA Nationally Recognized Testing Laboratories (NRTLs).
  4. The system has a certification document that contains the signature and stamp of a professional engineer and the serial number of the extraction unit being certified.
- C. No compressed gases used in the manufacturing process shall be stored on the premises of any manufacturer in excess of the amount authorized by the fire chief.
- D. No manufacturer may engage in the retail sale, by delivery or otherwise, of any manufactured cannabis products, including edible cannabis products, on a retail basis in the city.
- E. All cannabis products shall be properly packaged and labeled in accordance with Business and Professions Code Section 26120 and applicable state regulations before leaving the commercial cannabis manufacturing business. All edible cannabis products must be in an opaque (non-see-through) package.
- F. Manufacturers shall comply with all applicable federal, state and local laws and regulations relating to manufacturing safety procedures.

**##.04.260 Reserved.**

**##.04.270 Cannabis retail/delivery businesses operating requirements.**

- A. Retail sales of cannabis and cannabis products in the city shall be conducted by storefront or delivery pursuant to the provisions of this chapter.

- B. No commercial cannabis retailer offering storefront purchase shall be located within three hundred feet from another commercial cannabis storefront retailer. The distance specified in this section shall be the horizontal distance measured in a straight line from the property line of one commercial cannabis storefront retailer to the closest property line of the lot on which another commercial cannabis business is located without regard to intervening structures.
- C. A storefront retailer shall operate in compliance with state and local laws and regulations, including but not limited to state laws, at all times. Such laws and regulations shall include, but are not limited to:
1. A storefront retailer shall sell no more than 28.5 grams of nonconcentrated cannabis in a single day to a single customer.
  2. A storefront retailer shall sell no more than eight grams of cannabis concentrate, including cannabis concentrate contained in cannabis products, in a single day to a single customer.
  3. A storefront retailer shall sell no more than six immature cannabis plants in a single day to a single customer.
  4. A storefront retailer shall not sell edible cannabis products containing more than ten milligrams of THC per serving.
  5. A storefront retailer shall not sell edible cannabis products containing more than one hundred milligrams of THC per package.
  6. A storefront retailer shall not sell cannabis products that are in the shape of a human being, either realistic or caricature, animal, insect, or fruit.
  7. A storefront retailer shall not sell cannabis-infused beverages or powder, gel, or other concentrate with instruction for the preparation of cannabis-infused beverages.
  8. A storefront retailer shall not provide free cannabis or cannabis products to any person.
  9. A storefront retailer shall notify customers of the following verbally (or by written agreement) and by posting of a notice or notices in a minimum of twenty-four-point font conspicuously within the storefront retailer premises:
    - a. "The sale or diversion of cannabis or cannabis products without a license issued by the city of CITY NAME is a violation of state law and the CITY NAME Municipal Code.
    - b. "Secondary sale, barter, or distribution of cannabis or cannabis products purchased from [Insert Name of Licensee] is a crime and can lead to arrest.
    - c. "Patrons must immediately leave the premises and not consume cannabis or cannabis products until at home or in an equivalent private location. Staff shall monitor the location and vicinity to ensure compliance.
    - d. "Commercial cannabis businesses shall post viewable, written warnings that the use of cannabis or cannabis products may impair a person's ability to drive a motor vehicle or operate heavy machinery.
    - e. "CALIFORNIA PROP. 65 WARNING: Smoking of cannabis and cannabis-derived products will expose you and those in your immediate vicinity to cannabis smoke. Cannabis smoke is known by the State of California to cause cancer."

10. All restroom facilities on the premises shall remain locked and under the control of management.
- D. Adult use retailers/delivery shall verify the age of all customers to ensure persons under the age of twenty-one are not permitted on the premises. Entrances into the retailer shall be locked at all times with entry strictly controlled. A "buzz-in" electronic/mechanical entry system shall be utilized to limit access to and entry to the retailer to separate it from the reception/lobby area.
  - E. All commercial cannabis businesses conducting deliveries shall have permitted premises in the city from which all deliveries to addresses in the city or outside of the city shall be conducted.
  - F. The premises of all commercial cannabis businesses that are permitted to conduct deliveries but not permitted for retail storefront sales shall be closed to the general public at all times and shall be accessible only to employees and persons with a bona fide business or regulatory purpose for accessing the premises.
  - G. In accordance with Business and Professions Code Section 26070.1, cannabis or cannabis products purchased by a customer shall not leave the permitted premises of a retailer unless they are placed in an opaque package.
  - H. Retailers shall not accept, possess, or sell cannabis or cannabis products that are not packaged and labeled as they will be sold at final sale and in accordance with Business and Professions Code Section 26120, as may be amended. Retailers shall not package or label cannabis or cannabis products.
  - I. No employee or other person acting on behalf of a commercial cannabis operation permitted to conduct deliveries may possess or deliver more than three thousand dollars worth of cannabis or cannabis products at any given time.
  - J. No delivery shall be made to any person other than the person who requested the delivery, except when the person requesting the delivery is a qualified patient and the person receiving the delivery is his or her primary caregiver, or vice versa.
  - K. Any person who is present on the permitted premises of a commercial cannabis business permitted to conduct deliveries who is not an employee, officer, agent, or representative of the retailer must sign in and wear a "visitor" identification badge at all times while on the premises.
  - L. Proof of the required state license and commercial cannabis permit, and a copy of all requests/orders for deliveries being conducted, shall be carried at all times in all vehicles being used to make deliveries, and shall be immediately available upon request from law enforcement officers.
  - M. Deliveries shall not be conducted between the hours of eleven p.m. and seven a.m.

**##.04.280 Total area devoted to commercial cannabis businesses.**

- A. No more than two hundred acres or eight million, seven hundred and twelve thousand square feet of area shall be permitted for use by commercial cannabis businesses in the city. Notwithstanding the foregoing, land annexed into the city after the date of enactment of this chapter shall not be subject to, nor shall be counted toward, this restriction.

- B. The square footage of premises of each permitted commercial cannabis business shall be a minimum of two thousand square feet in area. A coexisting, commercial cannabis business, subtenant, may be located, with the city manager or designee's approval or conditional approval, in a building area of less than two thousand square feet where the commercial cannabis business is in conjunction with another approved commercial cannabis activity permitted in a building larger than two thousand square feet.
- C. Accessory structures in support of commercial cannabis businesses may, at the city manager's or designee approval or conditional approval, be authorized. The ratio of 1:1 square footage (accessory structure vs commercial cannabis business) shall not exceed twenty-five thousand square feet. (Example: Commercial cannabis business with twenty-five thousand square feet may be authorized to have up to twenty-five thousand square feet of accessory structures.) All accessory structures shall be affixed to concrete foundations and must conform to the California Building Code (CBC), California Electrical Code (CEC) and American Mechanical Code (AMC). Accessory structures shall meet the requirements of Section ##.04.080, Security measures, and must have exterior lights around all four sides or appropriate detached lighting as approved by the city. Accessory structure(s) may be less than the minimum square footage as established in ##.04.280(B). Accessory structures shall be screened from public view. Design of screening shall be at the discretion of the city manager or designee. Accessory structures square footage shall be included as established by Section ##.04.280, Total area devoted to commercial cannabis businesses. Temporary buildings for a non-storefront delivery license may be permitted by the city manager or his designee. However, reasonable progress must be made on a permanent structure, or the license may be revoked. The permanent fencing requirements required by this chapter, for the site, shall apply to these temporary buildings.

**##.04.290 Periodic review by the city council.**

Upon request of the city manager, the city attorney and the chief of police shall report to the city council with findings on the operation of any commercial cannabis business permitted pursuant to this chapter and a recommendation as to whether the business should be permitted to continue operating for the remaining period of its commercial cannabis permit (in addition to whatever other recommendations may be made) and whether the city should renew the permit upon application for renewal. Any termination or revocation of a permit based on such findings shall be in accordance with the provisions of this chapter.

**##.04.300 Promulgation of regulations and standards.**

The city manager, in his or her discretion, is authorized to promulgate reasonable regulations as he or she deems necessary to implement procedures or requirements in furtherance of the purposes of this chapter. Regulations promulgated by the city manager shall have the same force and effect of law and shall become effective upon the date of approval and execution of such regulations by the city manager.

**##.04.310 Community relations.**

- A. Each commercial cannabis business shall provide the city manager with the name, telephone number, and email address of a community relations contact to whom notice of problems associated with the commercial cannabis business can be provided.

- B. The owner, manager, and community relations representative of a commercial cannabis permit holder operating in the city shall, upon request of the city manager, meet to discuss costs, benefits, and other community issues resulting from implementation or application of this chapter.

**##.04.320 Unpaid fees deemed debt to city.**

The amount of any unpaid fee, cost or charge imposed pursuant to this chapter shall be deemed a civil debt to the city that is recoverable in any court of competent jurisdiction.

**##.04.330 Permit holder responsible for violations.**

Commercial cannabis permit holders shall be responsible for all violations of state or local laws or regulations, whether or not committed by the permit holder or any employee or agent of the permit holder, which occur in or on the premises of the commercial cannabis business, whether or not said violations occur within the permit holder's presence.

**##.04.340 Effect on other ordinances.**

Except as designated in this chapter, the provisions of this chapter shall control for regulation of commercial cannabis businesses as defined herein if other provisions of the code conflict therewith. This chapter shall not, however, relieve any person of his or her duty to comply with such laws if additional obligations, duties, or prohibitions are imposed thereby.

**##.04.350 Unlawful businesses prohibited.**

In no event shall any business license be granted for any use or activity that is illegal or unlawful under federal, state or city laws or regulations. No business license issued hereunder shall be construed as authorizing the conduct of or continuance of any illegal or unlawful business, or the furnishing, sale or provisioning of any service, good or product that is illegal under this code, the laws of the state of California, or the laws of the United States of America. Notwithstanding the foregoing, a business license may be granted for businesses permitted under this chapter, provided the applicant has complied with all provisions of this code and state law.

**##.04.360 City manager designee.**

The city manager may designate a staff member to be the city manager's designee and act on some or all [of] the city manager decisions of this chapter.

**##.04.370 Consumption of marijuana or marijuana products.**

- A. No person shall smoke, ingest, or otherwise consume marijuana or marijuana products, whether recreational or medical, within the city limits of the city of CITY NAME, unless such smoking, ingesting or consumption occurs entirely within a private residence. "Within a private residence" shall mean inside habitable areas and shall not include garages, whether attached or detached, and other accessory buildings unless those buildings are at all times fully enclosed during the consumption.

- B. Medical marijuana may also be consumed within a clinic, health care facility, residential care facility, or residential hospice licensed pursuant to applicable provisions of the California Health and Safety Code.
- C. All consumption shall be done in a manner so as to not cause a nuisance to nearby residents with noxious odors or other adverse health and safety impacts.

**APPENDIX E: EDS MARKET STUDY**

# MARKET STUDY FOR SAN PABLO ECONOMIC DEVELOPMENT STRATEGY



Prepared for:

**City of San Pablo, California**

**April 30, 2024**

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**PREPARED BY:**

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# 1. Introduction

This report summarizes findings and recommendations of a market study completed by The Natelson Dale Group, Inc. (TNDG) for the City of San Pablo’s Economic Development Strategy. As described below, the study includes a demand analysis for commercial and industrial real estate, as well as a review of the major employment sectors (“industry clusters”) that are likely to grow in San Pablo and the surrounding region in the coming years.

## **Commercial/Industrial Real Estate Market Analysis**

The real estate demand study considers the following land use categories:

- Retail (including restaurants and local commercial services typically located in retail centers and downtown areas);
- Office; and
- Industrial.

For the evaluated land uses, the report provides both an evaluation of the future development opportunities that may exist and general strategic recommendations based on the study findings. The strategic recommendations (i.e., specific steps the City can take to attract targeted development types) will be more fully developed in the forthcoming Economic Development Strategy.

Given that this analysis is being completed as part of a strategic “visioning” and planning process, the study methodology is somewhat different from the approach the consultant would take when analyzing the near-term feasibility of a specific development project. Whereas the success of an individual development project is largely dependent on market conditions as they exist at the time the project is developed, a strategic planning process is explicitly about changing existing conditions such that future market performance will surpass “baseline” trends. Thus, within the context of a planning process, it is appropriate to consider relatively aggressive (but still reasonable) assumptions. In this regard, the numbers provided in this report should be interpreted as “potentials” (i.e., what could happen based on proactive implementation of the Economic Development Strategy) rather than definitive “forecasts” (i.e., what is expected to happen based primarily on market considerations).

## **Industry Cluster Analysis**

In addition to evaluating potential commercial/industrial real estate demand, the study also provides a review of the major industry sectors that will potentially grow in the coming years (both within San Pablo and the surrounding region), and which are therefore important from the standpoint of creating employment opportunities for San Pablo residents. For purposes of this strategic planning effort, the region’s economy has been evaluated in terms of industry “clusters” – groups of closely related industry sectors which tend to concentrate in a region based on the region’s competitive advantages in the national and global economies. Specifically, this report identifies the industry clusters that are currently growing (or declining) at three levels of geography: San Pablo, the combined San Pablo/Richmond employment area, and the larger East Bay region. The regional scale of the analysis recognizes the reality that most San Pablo residents work at jobs *outside* the city and, as such, their career prospects are largely tied to the performance of the overall regional economic. To the extent opportunities exist

for San Pablo to attract new jobs within the city itself, these opportunities are also likely be related to economic trends in the larger region.

### **Realistic economic development in a small, built-out city**

The EDSP recognizes that San Pablo is largely built out and, at this stage of its evolution as a city, has limited land capacity for new development. As such, the industry growth potentials and real estate demand projections indicated in this report need to be interpreted with a degree of caution. While there is theoretically demand to support new development, actual development is likely to be more modest based on land constraints and other market trends that will be more fully described in the forthcoming Economic Development Strategy (EDS). In this regard, the EDS anticipates that the City's future economic development efforts will focus on "quality over quantity." This focus can include facilitating revitalization and/or reuse of older commercial properties; marketing to support high-value tenant recruitment for vacant (or underutilized) commercial and industrial space; and encouraging intensification of commercial/industrial uses with tenant-types that have higher densities of high-paying jobs.

The limited supply of developable land by no means suggests that economic development is a less important City function than it was in years past. In fact, it is arguably a higher priority now. In the absence of proactive economic development programming, the potential for economic stagnation is a real concern (since there are virtually no remaining "greenfield" development opportunities to create jobs, inject new private investment in the community, and increase the City's fiscal revenues). As such, it becomes vitally important to maximize the economic impact of San Pablo's land resources by strategically promoting opportunities for redevelopment and infill projects.

## 2. Executive Summary

**Commercial/Industrial Real Estate Demand.** Table 2-1 below summarizes TNDG’s preliminary projections of future demand for retail, office and industrial development in San Pablo. These projections are “unconstrained” in the sense that they have not been adjusted to reflect the limited supply of developable land in the City. During the next stage of the EDS process, the consultants will work with City staff to identify San Pablo’s realistic capacity to accommodate additional development/redevelopment.

**TABLE 2-1. PRELIMINARY SUMMARY OF POTENTIAL DEVELOPMENT OPPORTUNITIES IN SAN PABLO**

Land Use	Existing Inventory/ Vacancy Rate	Potential Future (10-year) Demand in San Pablo	Nature of Projected Development Opportunities
<b>Retail</b>	<p><b>San Pablo</b> 1,326,000 SF (2.0% vacant)</p> <p><b>Richmond/SP</b> 8,240,000 SF (13.9% vacant)</p>	133,000 SF – 258,000 SF	<ul style="list-style-type: none"> <li>Projected demand is premised on recapture of a portion of existing “leakage” of resident retail spending to neighboring cities.</li> <li>High retail vacancy rate in Richmond is largely in traditional mall space; neighborhood centers (which are the predominant retail type in San Pablo) are performing better.</li> </ul>
<b>Office</b>	<p><b>San Pablo</b> 290,300 SF (0.6% vacant)</p> <p><b>Richmond/SP</b> 2,976,000 SF (4.7% vacant)</p>	Likely to be minimal	<ul style="list-style-type: none"> <li>In the larger East Bay region, office demand has been significantly impacted by the pandemic-related increase in remote work.</li> <li>CoStar projects <u>negative</u> net absorption of office space over the next 10 years for both the East Bay market and the Richmond/San Pablo submarket.</li> <li>San Pablo has never been a strong location for regional-scale office tenants; future opportunities are likely to be minimal and focused on local-servings uses (e.g., medical offices).</li> </ul>
<b>Industrial</b>	<p><b>San Pablo</b> 579,900 SF (0.0% vacant)</p> <p><b>Richmond/SP</b> 18,769,000 SF (5.7% vacant)</p>	125,000 SF – 250,000 SF	<ul style="list-style-type: none"> <li>Richmond/San Pablo submarket absorbed 1.7 million square feet of industrial space over the past 5 years (accounting for nearly half of absorption in East Bay).</li> <li>CoStar projects approximately 2.5 million square feet of net absorption over the next 10 years in Richmond/San Pablo submarket; this analysis assumes City of San Pablo could capture 5-10% of total).</li> </ul>

SF = square feet.

Source: The Natelson Dale Group, Inc. (TNDG); CoStar.

**Potential Growth Industries.** Table 2-2 below summarizes TNDG’s industry cluster analysis. The analysis considers two broad categories of industries: “local” industry clusters and “traded” industry clusters. Whereas local and traded clusters are both critically important components of a balanced economy, they have distinct roles and characteristics, and these distinctions can be helpful in terms of planning economic development programs. Some of these distinctions are summarized as follows:

- **Local clusters** typically form the core of a region’s economy; they primarily provide goods and services for the local (resident) population. They tend to account for the majority of jobs in a region (in the case of San Pablo, local clusters represent about 82% of total jobs), and support a high quality of life by ensuring the availability of a diverse range of goods and services.
- **Traded clusters** are “export-oriented” in the sense that they include industries that are engaged in producing goods and services for end customers outside the region. Traded clusters account for about 22% of the jobs in San Pablo, and are especially important from an economic development perspective given that they tend to have higher wages and higher “multiplier impacts” compared to local clusters. That is, they have a strong potential to inject new dollars into the local economy and thereby serve as “drivers” for broader economic growth.

The lists of potential growth clusters below are intended to provide a general sense of the types of industries that may represent future employment opportunities for San Pablo residents. Given the limited land/development capacity in San Pablo, it is not likely that all of these opportunities could be accommodated within the City itself. However, they still represent the types of jobs that San Pablo residents could potentially access by commuting to employment centers in neighboring cities.

**TABLE 2-2. PRELIMINARY LIST OF POTENTIAL GROWTH INDUSTRIES IN SAN PABLO AND REGION**

Type of Cluster	Potential Growth Industries
	<p>Based on a preliminary review of the data detailed in Section 6 of the report, San Pablo and the surrounding area have strong competitive advantage in the following <i>traded clusters</i>:</p> <ul style="list-style-type: none"> <li>• Education and Knowledge Creation</li> <li>• Environmental Services</li> <li>• Information Technology and Analytical Instruments (manufacturing)</li> <li>• Medical Devices (manufacturing)</li> <li>• Transportation and Logistics</li> <li>• Water Transportation</li> </ul> <p>Clusters with a strong regional presence in the East Bay that represent additional targets include:</p> <ul style="list-style-type: none"> <li>• Automotive</li> <li>• Lighting and Electrical Equipment</li> <li>• Food Processing and Manufacturing</li> </ul>

Type of Cluster	Potential Growth Industries
	<p><i>Local Clusters</i> in which San Pablo has a strong competitive advantage include the following:</p> <ul style="list-style-type: none"> <li>• Local Community and Civic Organizations</li> <li>• Local Food and Beverage Processing and Distribution</li> <li>• Local Logistical Services</li> <li>• Local Motor Vehicle Products and Services</li> <li>• Local Retailing of Clothing and Merchandise</li> </ul>

### 3. Area Demographic Profile

This section provides a summary of key demographic variables for relevant geographies evaluated in this analysis. Table 3-1 shows data for the City of San Pablo compared to other key neighboring cities (Richmond, Pinole, Hercules, Martinez and Concord), in addition to Contra Costa and Alameda Counties.

#### **Demographic Highlights**

- About 15% of San Pablo's residents have a bachelor's degree or higher. This percentage is well below the percentages in the other benchmark cities. The City also underperforms the benchmark counties, with about 27% of Contra Costa County residents owning a bachelor's degree or higher, and about 28% for Alameda County.
- Compared to the benchmark areas, San Pablo residents are much more likely to be employed in the following occupations: Construction and extraction (11.5%), Transportation and material moving (12.8%) Building and grounds cleaning and maintenance (9.1%), and Food preparation and serving related (7.9%).
- In terms of industry employment, San Pablo residents are largely concentrated in the following industries: Construction (13.3%), Retail Trade (13.4%), Accommodation and food services (10.2%), and Transportation and warehousing (18.8%).
- A significant share of San Pablo's population (58.3%) is of Hispanic or Latino origin. This share is much higher than those in the benchmark cities and Contra Costa (26.2%) and Alameda (22.4%) counties.
- San Pablo's resident population is relatively young: about 45% is 29 years and under. This share is much higher than the shares in the neighboring cities (ranging from 5.5 to 15.9 percentage points higher). It is also 8.3 and 8.6 percentage points higher than the Contra Costa and Alameda County shares, respectively.
- For means of transportation to work, about 17% of San Pablo residents carpool, which is a significantly higher share than that in the neighboring cities and benchmark counties. Although a relatively larger share (5.7%) of San Pablo's residents rely on bus or trolley bus public transportation as a means of transportation to work, compared to the reference areas, this is still a very limited number of residents. In addition, only about 6% of San Pablo residents work at home, which is well below the shares in the neighboring cities and benchmark county regions.
- About 42% of San Pablo's occupied housing units are owner-occupied, which is lower than all the neighboring cities (ranging from 10 to 40 percentage points lower). In addition, overall Contra Costa and Alameda County shares are significantly higher as well, at about 67% and 54%, respectively.

**Table 3-1**  
**Census-Based Demographic Comparison**  
**Selected Cities, Contra Costa County, and Alameda County**

VARIABLE	SAN PABLO	RICHMOND	PINOLE	HERCULES	MARTINEZ	CONCORD	CONTRA COSTA COUNTY	ALAMEDA COUNTY
<b>Population 15+ by Marital Status (%)</b>								
Never married	45.5	40.8	30.2	31.2	29.6	32.4	32.6	37.2
Married	41.2	45.4	51.7	55.6	53.4	52.5	53.3	50.2
Widowed	5.2	3.8	6.9	3.8	4.3	5	4.8	4.5
Divorced	8.1	10	11.2	9.5	12.7	10.1	9.3	8.1
<b>Population 25+ by Educational Attainment (%)</b>								
No schooling	5.8	4.0	2.6	2.0	0.5	2.3	2	2.6
Nursery School	0.2	0.0	0.0	0.1	0	0	0.1	0
Kindergarden	0	0.1	0.1	0.0	0	0	0	0
1st to 4th Grade	2.1	1.7	0.2	0.4	0.2	0.7	0.6	0.7
5th to 8th Grade	9.1	6.7	2.4	2.3	0.6	3.3	2.6	2.4
Some High School	10.9	8.5	6.2	2.6	2.9	5	5	5.3
High School Diploma	24.8	17.8	16.3	13.9	13.2	17.1	15.3	15.1
GED	3.7	2.9	1.4	1.9	3.1	2.6	2.2	1.6
Some College	20.5	19.3	26.2	21.2	24.3	23.4	19.9	16.3
Associates degree	7.9	7.5	10.5	10.7	10.4	8.8	8.3	6.4
Bachelors degree	12.1	19.7	22.6	31.2	29.8	25.1	27.1	28.3
Masters degree	2.3	8.5	8.7	9.3	10.2	8.4	11.6	15.2
Professional school degree	0.6	1.6	1.5	1.8	2.3	2.1	3.1	3.1
Doctorate degree	0.2	1.7	1.3	2.6	2.4	1.2	2.2	3.1
<b>Civilian Employed Population 16+ by Occupation (%)</b>								
Management	5.4	9.8	13.6	11.7	16	12	13.7	12.8
Business and financial operations	3.2	4.2	8.3	8.4	7.1	6.9	7.1	7.2
Computer and mathematical	0.5	2.5	3.3	5.3	3.8	3.7	4.6	8.7
Architecture and engineering	1.4	1.5	1.5	2.9	2.9	2.6	2.5	4
Life, physical, and social science	0.3	1.5	1.7	2.1	1.3	1	1.5	2.3
Community and social services	1.2	1.9	2.2	2.1	1.7	1.6	1.8	1.7
Legal	0.7	0.9	0.8	1.7	1.3	1.2	1.4	1.5
Education, training, and library	4.5	5.9	5.2	4.6	6.4	5.8	5.9	5.9
Arts, design, entertainment, sports, and media	0.7	2.3	2.3	1.7	2.4	2.3	2.4	3.4
Healthcare practitioner, technologists, and technicians	2.7	3.1	3.9	9.5	6.6	4.6	5.3	5.0
Healthcare support	5.0	4.0	4.6	3.4	3.4	3.4	3.4	3.2
Protective service	2.4	1.7	1.0	2.5	2.5	2.1	2.0	1.6
Food preparation and serving related	7.9	6.8	6.0	2.6	4.3	6.9	4.7	4.5
Building and grounds cleaning and maintenance	9.1	8.3	3.8	1.8	1.7	5.1	4.0	2.9
Personal care and service	2.7	3.5	3.6	2.4	3.5	3.6	2.9	2.4
Sales and related	9.2	7.9	10.4	9.2	9.6	10.2	9.9	8.0
Office and administrative support	9.7	9.9	11.4	14.4	11.2	10.5	10.3	9.2
Farming, fishing, and forestry	0.5	0.5	0.0	0.7	0	0.2	0.3	0.2

**Table 3-1**  
**Census-Based Demographic Comparison**  
**Selected Cities, Contra Costa County, and Alameda County**

VARIABLE	SAN PABLO	RICHMOND	PINOLE	HERCULES	MARTINEZ	CONCORD	CONTRA COSTA COUNTY	ALAMEDA COUNTY
Construction and extraction	11.5	7.1	5.2	3.1	3	4.5	4.9	3.6
Installation, maintenance, and repair	3.9	2.4	1.7	1.7	3	2.6	2.4	2.0
Production	4.9	3.6	2.9	2.4	2.9	3.8	2.9	4.0
Transportation and material moving	12.8	10.8	6.5	5.7	5.5	5.5	6.2	5.8
<b>Civilian Employed Population 16+ by Industry (%)</b>								
Agriculture, forestry, fishing and hunting	0.8	0.5	0.3	1.1	0.1	0.4	0.5	0.3
Mining, quarrying, and oil and gas extraction	0.0	0.1	0.0	0.5	0.1	0.1	0.1	0.0
Construction	13.3	8.3	9.7	4.5	7.9	7.2	7.4	5.3
Manufacturing	4.8	5.0	4.6	6.9	6.5	6.2	6.5	9.9
Wholesale trade	3.2	2.9	1.3	1.8	2.5	1.7	2.2	2.2
Retail trade	13.4	9.3	9.2	7.4	10	9.9	9.9	8.8
Transportation and warehousing	8.0	8.3	6.6	7.2	2.4	3.4	4.7	4.6
Utilities	0.2	0.3	1.5	2.1	1.4	1.0	1.1	0.6
Information	1.1	2.4	1.0	1.2	2.2	2.1	2.5	3.6
Finance and insurance	1.5	2.8	4.6	7.3	5.7	5.5	5.3	4.0
Real estate and rental and leasing	1.9	1.6	2.5	1.1	1.8	2.3	2.3	2.0
Professional, scientific, and technical services	2.3	7.2	7.5	8.7	10.9	10.2	11.7	16.3
Management of companies and enterprises	0.0	0.1	0.3	0.0	0.1	0.1	0.2	0.2
Administrative and support and waste management services	6.9	8.1	3.1	3.4	3.7	6.5	5.1	4.0
Educational services	8.1	9.7	9.7	7.9	10	8.7	8.9	9.2
Health care and social assistance	12.1	12.6	15.6	21.1	15.1	12.9	13.9	12.7
Arts, entertainment, and recreation	1.9	2.2	3.1	1.6	1.6	2.0	2.1	2.2
Accommodation and food services	10.2	9.1	10.6	5.2	5.1	8.9	6.4	5.8
Other services, except public administration	6.8	6.2	4.0	4.2	5.2	6.5	4.9	4.5
Public administration	3.7	3.3	4.7	6.8	7.7	4.4	4.2	3.7
<b>Hispanic or Latino Origin by Race (%)</b>								
Not Hispanic or Latino	41.7	55.7	74.9	84.0	81.8	69.8	73.8	77.6
White alone	8.0	18.5	31.6	18.2	61.7	46	41.6	29.9
Black or African American alone	10.5	17.5	10.9	17.2	3.1	3.4	8.3	9.9
American Indian and Alaska Native alone	0.1	0.3	0.1	0.1	0.2	0.2	0.2	0.3
Asian alone	17.6	13.8	26.3	42.2	9.8	13.4	17.6	31.4
Native Hawaiian and Other Pacific Islander alone	0.2	0.3	0.0	1.3	0	0.1	0.5	0.8
Some other race alone	1.5	0.6	0.2	0.2	0.3	0.5	0.4	0.5
Two or more races	3.8	4.7	5.7	4.9	6.8	6.1	5.3	4.9
Hispanic or Latino	58.3	44.3	25.1	16.0	18.2	30.2	26.2	22.4
White alone	14.2	12.4	7.5	9.1	7.6	9.1	8.4	6
Black or African American alone	0.3	0.5	0.1	0.5	0.2	0.2	0.3	0.3
American Indian and Alaska Native alone	1.4	0.8	0.2	0.0	0.7	0.6	0.5	0.4
Asian alone	0.1	0.3	0.1	0.4	0.4	0.2	0.3	0.2

**Table 3-1**  
**Census-Based Demographic Comparison**  
**Selected Cities, Contra Costa County, and Alameda County**

VARIABLE	SAN PABLO	RICHMOND	PINOLE	HERCULES	MARTINEZ	CONCORD	CONTRA COSTA COUNTY	ALAMEDA COUNTY
Native Hawaiian and Other Pacific Islander alone	0.0	0.0	0.0	0.0	0	0	0	0
Some other race alone	38.0	23.8	12	3.8	3.4	13.2	11.3	11.3
Two or more races	4.3	6.5	5.3	2.1	6	6.8	5.4	4.1
<b>Race (%)</b>								
White alone	22.2	30.9	39.1	27.3	69.2	55.2	50	35.9
Black or African American alone	10.8	18	11.0	17.6	3.2	3.6	8.6	10.2
American Indian and Alaska Native alone	1.5	1.1	0.4	0.1	0.8	0.8	0.7	0.7
Asian alone	17.6	14.1	26.4	42.6	10.1	13.6	17.8	31.6
Native Hawaiian and Other Pacific Islander alone	0.2	0.4	0.0	1.3	0	0.1	0.5	0.8
Some other race alone	39.5	24.4	12.2	4	3.8	13.7	11.7	11.8
Two or more races	8.1	11.2	11.0	7	12.8	12.9	10.7	8.9
<b>Total Population by Age (%)</b>								
Under 5 years	5.4	6.0	5.0	3.9	6.9	7.2	5.5	5.6
5 to 9 years	7.7	6.3	4.0	6.3	5.4	6.1	6.1	5.7
10 to 14 years	8.8	6.0	6.1	6.6	5.8	5.3	6.8	5.9
15 to 19 years	8.2	6.1	3.9	4.7	4.3	5.1	6.5	5.7
20 to 24 years	7.2	7.0	3.6	5.6	5.2	4.7	5.7	5.7
25 to 29 years	7.7	8.1	6.5	5.0	5.4	7.2	6.1	7.8
30 to 34 years	7.3	8.7	10.5	6.7	7	8.4	6.4	8.6
35 to 39 years	7.8	7.1	6.4	6.5	8.1	8.2	6.9	8.2
40 to 44 years	7.0	6.7	6.3	7.6	7.6	6.7	6.9	7.2
45 to 49 years	6.6	7.3	5.1	5.9	6	5.9	6.9	6.9
50 to 54 years	6.2	6.5	5.7	6.7	7.2	6.3	7	6.5
55 to 59 years	5.1	5.1	7.8	8.7	7.5	7.5	7.1	6.4
60 to 64 years	5.2	5.8	6.6	7.9	7.5	6.2	6.2	5.8
65 to 69 years	3.5	5.5	8.6	6.2	5.6	5.3	5.2	4.7
70 to 74 years	2.6	3.4	5.1	5.7	3.9	4.2	4.2	3.8
75 to 79 years	1.5	1.7	3.8	2.9	2.9	2.3	2.7	2.3
80 to 85 years	1.4	1.3	1.9	1.8	1.7	1.7	1.8	1.5
85 years and over	0.9	1.4	3.2	1.2	2	1.8	1.9	1.8
<b>Workers Age 16+ Years by Means of Transportation to Work (%)</b>								
Drove alone	64.7	64.1	72.7	68.3	68.7	64.9	63.5	56.4
Carpooled	17.1	11.9	8.6	9.9	7.5	9.4	10.1	8.7
Public transportation (excluding taxicab)	10.0	11.4	7.0	9.3	5.9	9.9	8.8	12.2
Bus or trolley bus	5.7	3.3	1.6	6.3	0.7	1.2	1.6	3.9
Light rail, streetcar or trolley	0.7	0.3	0.2	0.8	0.3	0.3	0.2	0.2
Subway or elevated	3.5	6.8	4.6	2.2	4.1	6.7	5.7	6.8
Long-distance/Commuter Train	0.1	0.6	0.6	0.0	0.8	1.7	1.2	1
Ferryboat	0.1	0.5	0.0	0.0	0	0	0.1	0.4

**Table 3-1**  
**Census-Based Demographic Comparison**  
**Selected Cities, Contra Costa County, and Alameda County**

VARIABLE	SAN PABLO	RICHMOND	PINOLE	HERCULES	MARTINEZ	CONCORD	CONTRA COSTA COUNTY	ALAMEDA COUNTY
Taxicab	0.8	0.5	0.0	0.0	0.1	0.4	0.2	0.3
Motorcycle	0.0	0.1	0.3	0.0	0.3	0.4	0.2	0.3
Bicycle	0.1	0.6	0.4	0.1	0.2	0.6	0.4	1.4
Walked	0.9	1.4	1.0	0.1	2.1	1.7	1.5	3.2
Other means	0.8	1.1	0.2	0.9	0.8	1.1	1	1
Worked at home	5.6	9.1	9.8	11.5	14.5	11.7	14.3	16.4
<b>Occupied Housing Units (%)</b>								
Owner-occupied	41.9	51.6	71.2	81.4	69.3	60.3	67.0	53.9
Renter-occupied	58.1	48.4	28.8	18.6	30.7	39.7	33.0	46.1

SOURCE: ESRI Business Analyst Online Demographic Reports, ACS Key Population & Household Facts, ACS Population Summary, ACS Housing Summary; TNDG.

## **Resident Workforce Compared to Jobs Based in City**

As a small “bedroom” community with modest amounts of commercial/industrial development, it is recognized that many San Pablo residents commute to jobs located *outside* the City. As noted on Table 3-2 below, San Pablo’s resident workforce (i.e., San Pablo residents who are currently employed) currently totals approximately 12,000 workers. The number of jobs based in the City is estimated at about 5,700. Thus, San Pablo has a net “out-commute” of approximately 6,300 workers (12,000 minus 5,700). Table 3-2 also calculates the net number of out-commuters by major industry group.

**TABLE 3-2**  
**COMPARISON OF RESIDENT EMPLOYMENT BY INDUSTRY TO JOBS BASED IN SAN PABLO**

<b>Major Industry Group</b>	<b>San Pablo Residents Employed in Industry</b>	<b>Jobs Based in San Pablo</b>	<b>Net Number of Out (In) Commuters</b>
Agriculture, Forestry, Fishing and Hunting	70	0	70
Mining, Quarrying, and Oil and Gas Extraction	5	0	5
Utilities	54	2	52
Construction	924	211	713
Manufacturing	634	36	598
Wholesale Trade	403	66	337
Retail Trade	1,473	959	514
Transportation and Warehousing	658	82	576
Information	277	0	277
Finance and Insurance	296	83	213
Real Estate and Rental and Leasing	173	50	123
Professional, Scientific, and Technical Services	829	78	751
Management of Companies and Enterprises	204	0	204
Administration & Support, Waste Mgmt. and Remediation	874	175	699
Educational Services	834	890	(56)
Health Care and Social Assistance	2,151	1,532	619
Arts, Entertainment, and Recreation	223	392	(169)
Accommodation and Food Services	1,013	724	289
Other Services (excluding Public Administration)	476	236	240
Public Administration	499	233	266
<b>Total</b>	<b>12,070</b>	<b>5,749</b>	<b>6,321</b>

Source: U.S. Census Bureau (Census OnTheMap); TNDG.

## 4. Retail Demand Analysis

This section summarizes the potential for new retail development in San Pablo. The first section provides a summary of current market conditions for retail commercial space in San Pablo and the larger surrounding market. The second section summarizes the demand for potential new retail space based on an estimate of existing “retail sales leakage” in the City.

### Summary of Existing Conditions – Retail Commercial Real Estate

According to data from CoStar, there is an existing inventory of about 1.3 million square feet (MSF) of retail space in the City of San Pablo. According to the CoStar data, the overall retail vacancy rate is very low at 2.0%.

On the following page, Table 4-1 provides a summary of the existing retail shopping centers in the City, including the type of center, location, square feet, anchor tenants, vacancy rate, and year built. As shown in the table, the largest retail developments in the City are neighborhood centers and smaller-scale community centers anchored by grocery stores.

Table 4-2 on page 15 shows key retail market indicators for the larger East Bay market. The first part of the table shows the key indicators by shopping center type for the current quarter. In addition, the second part of the table shows Annual trends for key retail market variables. Table 4-3 on page 15 provides the same data for the combined Richmond/San Pablo submarket.

**TABLE 4-1**  
**RETAIL SHOPPING CENTER CHARACTERISTICS, CITY OF SAN PABLO**

Center Name	Center Type	Center Address	Center RBA/GLA	Anchor Tenants	Year Built
Unnamed Center	Strip Center	1811 23rd St	13,460		1990
Grocery Outlet	Neighborhood Center	2031-2085 23rd St	12,320	Grocery Outlet	1968
San Pablo College Center	Community Center	1600 International Market Pl	98,207	SF Supermarket	1961
Food Barn	Neighborhood Center	1801 Rumrill Blvd	32,978		1960
Smart & Final Retail Center	Neighborhood Center	13102-13110 San Pablo Ave	47,920	Smart & Final	1950
Food Maxx Center	Community Center	13220-13222 San Pablo Ave	109,876	FoodMaxx	1973
San Pablo Village	Strip Center	13501 San Pablo Ave	10,980		1988
Azevedo Plaza	Neighborhood Center	13721-13751 San Pablo Ave	21,504	Walgreens	2017
Adobe Plaza	Strip Center	13830 San Pablo Ave	18,118		1991
Unnamed Center	Strip Center	14500-14520 San Pablo Ave	13,300		1964
Princeton Plaza	Community Center	3200-3380 San Pablo Dam Rd	113,999	Raley's	1988
San Pablo Town Center	Community Center	300 San Pablo Towne Ctr	179,000		1990
San Pablo Towne Center	Neighborhood Center	20-800 San Pablo Towne Center	150,648		1991

Source: CoStar

Notes: RBA = Rental Building Area; GLA = Gross Leasable Area

**TABLE 4-2**  
**KEY RETAIL MARKET INDICATORS, EAST BAY MARKET**

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Malls	12,304,217	14.0%	\$3.50	11.7%	(112,220)	0	0
Power Center	8,652,046	7.2%	\$3.07	10.1%	5,809	0	0
Neighborhood Center	33,051,044	6.7%	\$2.78	6.9%	(118,889)	0	125,000
Strip Center	6,526,218	4.0%	\$2.40	4.2%	(3,509)	0	0
General Retail	63,250,132	2.8%	\$2.49	3.3%	(24,318)	13,843	180,090
Other	864,089	0%	\$3.03	0%	0	0	0
<b>Market</b>	<b>124,647,746</b>	<b>5.3%</b>	<b>\$2.70</b>	<b>5.5%</b>	<b>(253,127)</b>	<b>13,843</b>	<b>305,090</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	-0.3%	4.6%	5.1%	6.1%	2010 Q3	3.1%	2018 Q3
Net Absorption SF	487K	382,442	(20,699)	3,096,044	2007 Q2	(1,917,125)	2009 Q4
Deliveries SF	155K	677,248	106,443	1,997,906	2008 Q4	113,849	2023 Q2
Market Asking Rent Growth	-1.3%	1.5%	0.9%	5.2%	2016 Q4	-5.6%	2009 Q3
Sales Volume	\$566M	\$741.9M	N/A	\$1.5B	2022 Q2	\$157.1M	2009 Q4

Source: CoStar

Notes: RBA = Rental Building Area; SF = Square Feet; YOY = year-over-year

**TABLE 4-3**  
**KEY RETAIL MARKET INDICATORS, RICHMOND/SAN PABLO RETAIL SUBMARKET**

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Malls	1,151,328	79.3%	\$2.30	0.0%	0	0	0
Power Center	205,376	0.0%	\$3.42	0.0%	0	0	0
Neighborhood Center	2,302,749	7.6%	\$2.29	5.3%	(54,835)	0	0
Strip Center	351,787	2.8%	\$2.26	2.7%	2,123	0	0
General Retail	4,228,926	1.2%	\$1.93	1.8%	(2,214)	0	0
Other	0	-	-	-	0	0	0
<b>Market</b>	<b>8,240,166</b>	<b>13.9%</b>	<b>\$2.13</b>	<b>2.5%</b>	<b>(54,926)</b>	<b>0</b>	<b>0</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.0%	6.5%	13.7%	14.9%	2021 Q4	3.3%	2018 Q3
Net Absorption SF	3.6K	-41,910	(12,047)	207,235	2008 Q4	(721,868)	2021 Q1
Deliveries SF	0	15,667	1,961	170,843	2009 Q2	0	2023 Q4
Market Asking Rent Growth	-1.1%	1.0%	0.4%	4.4%	2015 Q3	-5.6%	2009 Q3
Sales Volume	\$24.1M	\$38.2M	N/A	\$95.6M	2016 Q1	\$1.9M	2010 Q4

Source: CoStar

Notes: RBA = Rental Building Area; SF = Square Feet; YOY = year-over-year

## Retail Demand Analysis

Tables 4-4 to 4-9 provide a basic retail sales leakage analysis, comparing retail sales in the City of San Pablo to countywide and statewide benchmarks. Table 4-4 and Table 4-5 show the aggregate household income and taxable retail sales by category for the three geographies. As illustrated in Table 4-6, dividing the taxable retail sales by aggregate Household Income (\$1000s) provides taxable sales per \$1,000 in household income. This measure then shows how the City compares to the overall County and State, providing benchmarks to compare San Pablo's relative performance in generating taxable retail sales by category.

The table shows that San Pablo underperforms – in terms of its retention of resident retail demand – the State benchmark for the following retail categories: *GAFO + Building Materials and Motor Vehicles and Parts Dealers*. "GAFO" is a retail industry acronym for General Merchandise, Apparel, Furniture and Other/Specialty stores.

As an example, for the combined *GAFO + Building Materials* Category, taxable sales per \$1,000 in household income in San Pablo (\$44) are only about 37% and 23% of the countywide (\$118) and statewide figure (\$187), respectively. Thus, based on the regional benchmarks for this category, the City is currently experiencing between 63% (County) and 73% (State) retail sales leakage in this composite category. The *shopper goods* (GAFO<sup>1</sup>) and *Building Materials* categories are combined in this analysis because San Pablo Building Materials sales are suppressed by the California Department of Tax and Fee Administration (CDTFA) and are grouped in the Other/Specialty retail category (part of GAFO). However, combining sales in these categories is reasonable given that many shopping center formats include tenants from both retail categories.

The City also significantly underperforms in the Motor Vehicle and Parts Dealers category, reflecting the relatively small number of auto dealerships in the City. Demand in this retail category is unlikely to be re-captured given the dominance of major "auto malls" in surrounding cities. However, the city could reasonably be expected to capture retail sales leakage in the Auto Parts stores component of this retail category<sup>2</sup>.

Based on supportable sales per square foot assumptions in Table 4-8, Table 4-9 shows estimated net supportable square feet by retail category in San Pablo based on the two benchmarks. As shown in the table, the City theoretically could currently support between 178,000 and 343,000 of new retail and services space<sup>3</sup>. However, given that the City is unlikely to be able to attract a major regional shopping center, the "real world" support for new retail space would most likely be reduced from this theoretical maximum estimate. If we assume that major retail shopping centers account for about 20% of retail space in most markets<sup>4</sup>, potential demand space would then be about 80% (100% - 20%) of the unconstrained demand estimates shown in Table 4-9. In this case, the effective demand for new space

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<sup>1</sup> GAFO is a retail industry acronym for the shopper goods retail categories: General Merchandise, Apparel (Clothing and Accessories), Furniture (Home Furnishings and Appliances), and Other (Specialty/Other).

\*Totals may not sum due to rounding.

<sup>2</sup> Based on the statewide average, Auto Parts stores account for about 9.5% of sales in the Motor Vehicle and Parts Dealers category.

<sup>3</sup> From a review of a major database of shopping centers, TNDG has determined that services space typically accounts for 10% to 20% of total shopping center space. Thus, this analysis assumes that services space would account for 10% of the new shopping center space that would be developed in San Pablo.

<sup>4</sup> This factor is based on a review of a database of shopping centers in major metropolitan areas.

would be between 133,000 and 258,000 of new retail and services space. These estimates are “unconstrained” in the sense that they have not been adjusted to reflect the limited supply of developable land in the City. During the next stage of the EDS process, the consultants will work with City staff to identify San Pablo’s realistic capacity to accommodate additional retail uses.

**TABLE 4-4**  
**AGGREGATE HOUSEHOLD INCOME (\$000s) IN 2022**  
**SAN PABLO, CONTRA COSTA COUNTY, AND CALIFORNIA**

Area	Aggregate HH Income
San Pablo	\$823,337
Contra Costa County	\$67,489,973
California	\$1,740,614,053

*Source:* U.S. Census Bureau, American Community Survey (ACS), Table B19025, Aggregate Household Income in the Past 12 Months (in 2022 Inflation-Adjusted Dollars).

**TABLE 4-5**  
**TAXABLE RETAIL SALES (\$000s) IN 2022**  
**SAN PABLO, CONTRA COSTA COUNTY, AND CALIFORNIA**

Retail Category	San Pablo	Contra Costa County	California
GAFO +			
Building Matr. & Garden Equip. & Supplies Dealers	\$35,859	\$7,962,325	\$325,273,497
Food and Beverage Stores	46,600	1,025,388	34,725,455
Food Services and Drinking Places	68,202	2,274,731	102,862,887
Gasoline Stations	52,774	1,906,410	71,264,403
Motor Vehicle and Parts Dealers	14,548	2,621,355	108,863,945
Total Retail and Food Services	217,983	15,790,210	642,990,188

*Source:* California Department of Tax and Fee Administration (CDTFA), Taxable Sales Reports.

**TABLE 4-6**  
**TAXABLE SALES PER \$1,000 IN AGGREGATE HOUSEHOLD INCOME**  
**SAN PABLO, CONTRA COSTA COUNTY, AND CALIFORNIA**

Retail Category	San Pablo	Contra Costa County	California
GAFO +			
Building Matr. & Garden Equip. & Supplies Dealers	\$44	\$118	\$187
Food and Beverage Stores*	57	15	20
Food Services and Drinking Places	83	34	59
Gasoline Stations	64	28	41
Motor Vehicle and Parts Dealers	18	39	63
Total Retail and Food Services	\$265	\$234	\$369

*Source:* TNDG, Tables 2-1 and 2-2.

**TABLE 4-7**  
**NET SUPPORTABLE RETAIL SALES BY CATEGORY**  
**CITY OF SAN PABLO**

Retail Category	Benchmark Region	
	Contra Costa County	California
GAFO +		
Building Matr. & Garden Equip. & Supplies Dealers	\$61,277	\$118,000
Food and Beverage Stores*	0	0
Food Services and Drinking Places	0	0
Gasoline Stations	0	0
Motor Vehicle and Parts Dealers	17,431	36,946
<b>Total Retail and Food Services</b>	<b>\$78,707</b>	<b>\$154,946</b>

Source: TNDG

**TABLE 4-8**  
**SUPPORTABLE SALES PER SQUARE FOOT ASSUMPTIONS BY CATEGORY**

Retail Category	Sales per SF
GAFO +	\$400
Building Matr. & Garden Equip. & Supplies Dealers	
Food and Beverage Stores*	500
Food Services and Drinking Places	500
Gasoline Stations	N/A
Auto Parts	250

Source: BizMiner, TNDG

**TABLE 4-9**  
**NET SUPPORTABLE SQUARE FEET BY CATEGORY**  
**CITY OF SAN PABLO**

Retail Category	Benchmark Region	
	Contra Costa County	California
GAFO +		
Building Matr. & Garden Equip. & Supplies Dealers	153,192	295,001
Food and Beverage Stores	0	0
Food Services and Drinking Places	0	0
Gasoline Stations	N/A	N/A
Auto Parts*	6,624	14,040
Total Retail and Food Services	159,815	309,041
Services Space at 10% of Total Retail Space	17,757	34,338
Total Retail/Services Space	177,573	343,378

## 5. Office/Industrial Market Overview

This section provides a brief summary of the office and industrial real estate market in San Pablo, with comparative data for the combined Richmond/San Pablo area and the overall East Bay region.

According to CoStar, the City has an inventory of about 290,300 square feet of office space and a relatively low vacancy rate of 0.6%. The City’s industrial inventory totals about 579,900 square feet, or about 2.0 times the size of the office inventory. According to CoStar, the industrial vacancy rate is 0.0%.

### Office

Table 5-1, below, shows key office market conditions for the Richmond/San Pablo submarket and the larger East Bay region. The submarket accounts for a relatively small share of total office space in the East Bay market, at about 2.6%. However, the office data shows that the submarket is relatively healthier, given that the vacancy rate is about three times as high in the overall East Bay market. In addition, in relative terms, the negative absorption of office space during the last five years was less severe in the submarket compared to the overall East Bay market. Based on CoStar forecasts, office space absorption is projected to be negative over the next 10 years for the submarket and East Bay market.

The Covid-19 pandemic (and the resulting increase in remote work practices for many office-using industries) fundamentally changed the market for commercial office space. The 10-year absorption projections shown in Table 5-1 assume a continuation of these trends.

**TABLE 5-1  
OFFICE MARKET CONDITIONS, RICHMOND/SAN PABLO SUBMARKET AND EAST BAY MARKET**

Market/Submarket	Inventory	Vacancy Rate	5-year historic absorption	10-year projected absorption
Richmond / San Pablo submarket	2,975,866	4.7%	-45,315	-74,433
East Bay market	115,319,636	13.9%	-4,671,007	-5,431,189

Source: CoStar

### Industrial

Table 5-2, below, shows key industrial market conditions for the Richmond/San Pablo submarket and the overall East Bay market. The submarket accounts for about 6.8% of the total industrial space in the East Bay, indicating the prominence of this land use relative to office properties. Industrial vacancy rates are relatively low for both the submarket and the larger East Bay market. Over the last five years, the submarket accounted for close to one-half (45.5%) of absorption in the East Bay market. In addition, the submarket and the East Bay are both projected to absorb a significant amount of industrial space over the next 10 years.

**TABLE 5-2**  
**INDUSTRIAL MARKET CONDITIONS, RICHMOND/SAN PABLO SUBMARKET AND EAST BAY MARKET**

Market/Submarket	Inventory	Vacancy Rate	5-year historic absorption	10-year projected absorption
Richmond / San Pablo submarket	18,768,939	5.7%	1,741,878	2,441,913
East Bay market	277,959,054	6.4%	3,826,373	10,141,080

Source: CoStar

## 6. Industry Cluster Analysis

This section provides a summary of industry growth/retraction trends in San Pablo, comparing the local economy's recent and longer-term performance to regional and national benchmarks. The study breaks down the local economy in terms of industry "clusters." Clusters are groups of inter-related industry sectors whose growth potentials within a region tend to be closely aligned. The tendency of individual industries to co-locate in clusters reflects linkages through supply-chain relationships, as well as commonalities in terms of workforce requirements and infrastructure needs.

The clusters analyzed in this study are based on definitions (i.e., industry groupings) from the U.S. Cluster Mapping Project (Cluster Mapping Project), an economic development initiative led by Harvard Business School's Institute for Strategy and Competitiveness.

In accordance with the North American Industry Classification System (NAICS), the U.S. economy includes a total of approximately 1,100 individual industry sectors. The U.S. Cluster Mapping Project assigns each of these sectors to unique clusters, which are based on linkages through supply-chain relationships, as well as commonalities in terms of workforce requirements and infrastructure needs. Nationally, the Cluster Mapping Project recognizes a total of 67 clusters, with 16 classified as "local" clusters and 51 classified as "traded" clusters.

Whereas local and traded clusters are both critically important components of a balanced economy, they have distinct roles and characteristics, and these distinctions can be helpful in terms of planning economic development programs. Some of these distinctions are summarized as follows:

- **Local clusters** typically form the core of a region's economy; they primarily provide goods and services for the local (resident) population. They tend to account for the majority of jobs in a region (in the case of San Pablo, local clusters represent about 82% of total jobs), and support a high quality of life by ensuring the availability of a diverse range of goods and services. In San Pablo, important local clusters include *Local Community and Civic Organizations* and *Local Logistical Services*. These clusters account for about one-third (33.7%) of San Pablo's total jobs.
- **Traded clusters** are "export-oriented" in the sense that they include industries that are engaged in producing goods and services for end customers outside the region. Traded clusters account for about 22% of the jobs in San Pablo, and are especially important from an economic development perspective given that they tend to have higher wages and higher "multiplier impacts" compared to local clusters. That is, they have a strong potential to inject new dollars into the local economy and thereby serve as "drivers" for broader economic growth. In San Pablo, important traded clusters include *Distribution and Electronic Commerce*, *Education and Knowledge Creation* and *Transportation and Logistics*. These three clusters account for about 64% of San Pablo's total jobs in traded clusters.

## Overview of Employment in San Pablo

Total current (2023) employment in the San Pablo area (“San Pablo”) is estimated at 12,867 jobs<sup>5</sup>. The local clusters currently represent a total of 10,585 jobs in San Pablo, while the traded clusters account for 2,813 jobs. Total cluster employment adds up to slightly more than total employment given that some industries are included in more than one cluster<sup>6</sup>.

## Existing Important Clusters in San Pablo and the Larger East Bay Region

Table 6-1 lists all traded clusters that had 20 or more jobs in San Pablo in 2023, and provides the following information about each listed cluster:

- Total number of jobs in San Pablo in 2023 (the latest full year for which data are available)
- Location quotient (compared to U.S. benchmark) in 2023. The location quotient (LQ) measures how concentrated/important an industry cluster is in a region compared to national benchmarks. An LQ value greater than 1.0 indicates that a cluster is more concentrated in the region than it is nationally. This is generally regarded as an indication that the region has a comparative advantage relative to a particular cluster, although (especially for local clusters) an LQ below 1.0 can indicate a potential growth opportunity.
- Average annual wage for jobs in San Pablo<sup>7</sup>
- Change in the number of jobs for the most recent 10-year period, 2013-2023

Table 6-2 provides the same data for local clusters that had more than 300 jobs in San Pablo in 2023. Tables 6-3 and 6-4 provide comparable data for the East Bay region (Contra Costa and Alameda Counties combined). For the East Bay summary tables, the jobs threshold is 2,000 for traded clusters and 20,000 for local clusters.

Tables 6-5 and 6-6 summarize cluster job growth/retraction performance in San Pablo, and the East Bay compared to national trends. This part of the study is based on a “shift-share” analysis for each cluster that estimates an “expected” job change based on national trends. If San Pablo (or the Bay Area) has higher job growth (or experiences less severe job losses) compared to the expected change, it indicates that the local area (San Pablo or the Bay Area) has performed better than national trends. Conversely, if San Pablo/Bay Area has less job growth (or experiences more severe job losses) compared to the expected change, it indicates that the specific region has performed worse than national trends.

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<sup>5</sup> All employment data used in this analysis are from EMSI – a private data/modeling firm nationally regarded for its ability to provide detailed (6-digit NAICS code) industry employment estimates for small areas of geography (zip codes). For purposes of this analysis, the San Pablo area is defined by zip codes 94806

<sup>6</sup> EMSI has made some adjustments to the cluster definitions to account for changes in the NAICS industry structure between 2012, 2017, and 2022 NAICS industry definitions.

<sup>7</sup> Wage data are for jobs (not residents) based in the San Pablo area.

**TABLE 6-1**  
**SUMMARY CHARACTERISTICS AND TRENDS, SAN PABLO'S LARGEST TRADED CLUSTERS**  
**(LIST INCLUDES ALL CLUSTERS WITH MORE THAN 20 JOBS IN 2023)**

Traded Cluster	Jobs	LQ	E Bay LQ*	Avg Ann Wage	10-Yr Job Change
Education and Knowledge Creation	790	1.53	1.40	\$87,775	(478)
Distribution and Electronic Commerce	678	0.98	0.80	88,216	270
Transportation and Logistics	323	1.81	0.55	101,531	172
Information Technology and Analytical Instruments	283	2.24	2.60	117,764	74
Business Services	269	0.31	1.13	107,553	21
Hospitality and Tourism	134	0.55	0.57	55,372	(77)
Water Transportation	57	2.31	1.65	213,628	46
Medical Devices	37	1.26	2.46	124,424	17
Oil and Gas Production and Transportation	37	0.86	0.78	176,127	(44)
Food Processing and Manufacturing	34	0.34	1.09	122,616	30
Environmental Services	32	2.92	1.21	137,807	25
Production Technology and Heavy Machinery	31	0.40	0.54	121,673	13
Financial Services	21	0.13	0.57	167,921	(51)

*Note: LQ = Location Quotient; 10-year job change is from 2013 to 2023. \*County LQ provided for comparison purposes. “—” = insufficient data.*

*Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).*

**TABLE 6-2**  
**SUMMARY CHARACTERISTICS AND TRENDS, SAN PABLO'S LARGEST CLUSTERS**  
**(LIST INCLUDES ALL CLUSTERS WITH MORE THAN 300 JOBS IN 2023)**

Local Cluster	Jobs	LQ	County LQ*	Avg Ann Wage	10-Yr Job Change
Local Logistical Services	2,315	9.37	1.27	\$65,454	1,830
Local Community and Civic Organizations	2,016	4.48	1.71	32,050	156
Local Food & Beverage Processing & Distribution	1,107	2.05	1.10	60,301	(127)
Local Real Estate, Construction, and Development	918	0.90	1.14	97,648	524
Local Hospitality Establishments	861	0.83	0.99	37,176	(40)
Local Retailing of Clothing and General Merchandise	625	1.75	0.82	43,807	(408)
Local Motor Vehicle Products and Services	622	1.66	0.80	81,728	(187)
Local Commercial Services	475	0.62	0.93	64,425	140
Local Education and Training	366	0.54	0.92	87,231	(626)
Local Health Services	323	0.22	0.98	94,562	(252)
Local Personal Services (Non-Medical)	311	0.78	1.10	43,953	(63)

*Note: LQ = Location Quotient; 10-year job change is from 2013 to 2023. \*County LQ provided for comparison purposes.*

*Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).*

**TABLE 6-3**  
**SUMMARY CHARACTERISTICS AND TRENDS, EAST BAY'S LARGEST TRADED CLUSTERS**  
**(LIST INCLUDES ALL CLUSTERS W/ MORE THAN 2,000 JOBS IN 2023)**

Traded Cluster	Jobs	LQ	Avg Ann Wage	10-Yr Job Change
Business Services	97,433	1.13	\$177,954	650
Education and Knowledge Creation	72,609	1.40	132,052	8,779
Distribution and Electronic Commerce	55,558	0.80	99,621	1,881
Information Technology and Analytical Instruments	32,965	2.60	183,296	11,721
Automotive	27,855	3.42	128,564	24,176
Hospitality and Tourism	14,177	0.57	57,259	(1,473)
Marketing, Design, and Publishing	14,160	0.92	122,141	(530)
Food Processing and Manufacturing	10,828	1.09	86,996	2,411
Insurance Services	10,710	0.90	167,235	3,453
Transportation and Logistics	9,844	0.55	102,230	2,315
Financial Services	9,597	0.57	184,298	(3,874)
Performing Arts	7,972	1.37	43,519	2,012
Medical Devices	7,255	2.46	180,576	2,516
Construction Products and Services	4,674	0.62	146,227	968
Production Technology and Heavy Machinery	4,192	0.54	126,394	808
Communications Equipment and Services	4,172	1.01	171,572	(2,480)
Water Transportation	4,075	1.65	170,875	652
Oil and Gas Production and Transportation	3,380	0.78	265,257	(2,888)
Lighting and Electrical Equipment	3,172	1.19	159,106	1,272
Biopharmaceuticals	3,071	1.15	199,460	(1)
Video Production and Distribution	2,649	0.97	176,061	(290)
Metalworking Technology	2,598	0.74	101,811	669
Plastics	2,330	0.45	86,250	328
Printing Services	2,206	0.71	79,057	(789)

*Note: LQ = Location Quotient; 10-year job change is from 2013 to 2023.*

*Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).*

**TABLE 6-4**  
**SUMMARY CHARACTERISTICS AND TRENDS, EAST BAY'S LARGEST LOCAL CLUSTERS**  
**(LIST INCLUDES ALL CLUSTERS WITH MORE THAN 20,000 JOBS IN 2023)**

Local Cluster	Jobs	LQ	Avg Ann Wage	10-Yr Job Change
Local Health Services	143,055	0.98	\$122,182	18,899
Local Real Estate, Construction, and Development	117,942	1.14	103,660	20,631
Local Hospitality Establishments	103,086	0.99	35,925	13,098
Local Community and Civic Organizations	77,120	1.71	44,886	21,380
Local Commercial Services	72,225	0.93	83,675	5,735
Local Education and Training	62,995	0.92	97,741	2,575
Local Food and Beverage Processing and Distribution	59,914	1.10	65,704	4,569
Local Government Services	47,107	1.09	155,666	1,661
Local Personal Services (Non-Medical)	44,084	1.10	48,733	9,000
Local Logistical Services	31,614	1.27	72,769	11,728
Local Motor Vehicle Products and Services	30,271	0.80	85,714	2,117
Local Retailing of Clothing and General Merchandise	29,625	0.82	46,419	(4,532)
Local Household Goods and Services	23,231	1.03	64,980	(1,200)

*Note: LQ = Location Quotient; 10-year job change is from 2013 to 2023.*

*Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).*

**TABLE 6-5**  
**JOB GROWTH/RETRACTION PERFORMANCE COMPARED TO NATIONAL TRENDS FOR**  
**LARGEST TRADED CLUSTERS, SAN PABLO AND EAST BAY**

<b>2013-23 Growth Performance Based on Shift Share Analysis</b>		
<b>Traded Cluster</b>	<b>San Pablo</b>	<b>East Bay</b>
Automotive	+	+
Biopharmaceuticals	+	-
Business Services	-	-
Communications Equipment and Services	-	-
Construction Products and Services	+	+
Distribution and Electronic Commerce	+	-
Education and Knowledge Creation	-	+
Environmental Services	+	+
Financial Services	-	-
Food Processing and Manufacturing	+	+
Hospitality and Tourism	-	-
Information Technology and Analytical Instruments	+	+
Insurance Services	-	+
Lighting and Electrical Equipment	+	+
Marketing, Design, and Publishing	-	-
Medical Devices	+	+
Metalworking Technology	+	+
Oil and Gas Production and Transportation	-	-
Performing Arts	+	-
Plastics	+	+
Printing Services	-	-
Production Technology and Heavy Machinery	+	+
Transportation and Logistics	+	+
Video Production and Distribution	-	-
Water Transportation	+	+

*Note: " + " = growth performance better than expected; " - " worse than expected.  
Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).*

**TABLE 6-6**  
**JOB GROWTH/RETRACTION PERFORMANCE COMPARED TO NATIONAL TRENDS FOR**  
**LARGEST LOCAL CLUSTERS, SAN PABLO AND EAST BAY**

<b>2013-23 Growth Performance Based on Shift Share Analysis</b>		
<b>Local Cluster</b>	<b>San Pablo</b>	<b>East Bay</b>
Local Logistical Services	+	+
Local Community and Civic Organizations	-	+
Local Food and Beverage Processing and Distribution	-	-
Local Real Estate, Construction, and Development	+	-
Local Hospitality Establishments	-	-
Local Retailing of Clothing and General Merchandise	-	-
Local Motor Vehicle Products and Services	-	-
Local Commercial Services	+	-
Local Education and Training	-	+
Local Health Services	-	+
Local Personal Services (Non-Medical)	-	+
Local Government Services	-	+
Local Household Goods and Services	-	-

*Note: " + " = growth performance better than expected; " - " worse than expected.  
Source: U.S. Cluster Mapping Project; EMSI; The Natelson Dale Group, Inc. (TNDG).*

Table 6-7, on the following page, provides a list of candidate clusters for the City of San Pablo’s industry targeting program, (i.e., business retention, expansion, and attraction). The candidate clusters are based on two strategic approaches to industry targeting:

1. ***Build on San Pablo and the Richmond/San Pablo area’s existing core strengths.*** San Pablo’s and the Richmond/San Pablo area’s existing strengths were identified based on the employment-trend criteria (location quotient, total existing jobs, 10-year job change based on shift-share analysis) summarized in Tables 3 to 8<sup>8</sup>.
  
2. ***Tap into dominant regional clusters that have some presence in the local region and others that are not currently well represented in San Pablo.*** This strategic approach would seek to leverage San Pablo’s competitive strengths to capture increasing shares of projected employment growth in the surrounding East Bay region. This component of the City’s business attraction/marketing program would focus on San Pablo’s unique “selling points” relative to the larger regional economy (including the city’s strategic location near several East Bay area submarkets, along with a resident workforce that includes large numbers of commuters potentially eager to work closer to home). In developing the list of candidates for the second strategy, the consultant has focused on clusters meeting the following criteria:
  - a. Traded clusters (local clusters are addressed in the first strategic approach)
  - b. Clusters with a high specialization of employment in the Bay Area
  - c. Clusters primarily oriented towards private business investment (in contrast to clusters that are substantially composed of government/nonprofit employment – which are generally considered to have lower economic “spin-off” opportunities)

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<sup>8</sup> See Appendix F of EDS for detailed cluster data, including data for the Richmond-San Pablo area. The San Pablo-Richmond area includes the cities of San Pablo and Richmond, along with the immediate surrounding unincorporated communities of El Cerrito and El Sobrante. It includes the following zip codes: 94530, 94801-94808, and 94850.

**TABLE 6-7  
PRELIMINARY LIST OF POSSIBLE TARGET CLUSTERS FOR SAN PABLO**

Strategic Approach	Local-Serving Clusters	"Traded" Clusters
<b>1.</b> Build on San Pablo's existing core strengths	<ul style="list-style-type: none"> <li>• Local Community and Civic Organizations</li> <li>• Local Food and Beverage Processing and Distribution</li> <li>• Local Logistical Services</li> <li>• Local Motor Vehicle Products and Services</li> <li>• Local Retailing of Clothing and General Merchandise</li> </ul>	
<b>2.</b> Tap into dominant regional industry clusters with an existing presence in San Pablo and San Pablo Richmond Area		<ul style="list-style-type: none"> <li>• Education and Knowledge Creation</li> <li>• Environmental Services</li> <li>• Information Technology and Analytical Instruments</li> <li>• Medical Devices</li> <li>• Transportation and Logistics</li> <li>• Water Transportation</li> </ul>
<b>3.</b> Tap into dominant regional industry clusters that are not currently well represented in San Pablo		<ul style="list-style-type: none"> <li>• Automotive</li> <li>• Lighting and Electrical Equipment</li> <li>• Food Processing and Manufacturing</li> </ul>

*Source: The Natelson Dale Group, Inc. (TNDG).*

Table 6-8, below, provides a narrative description of the candidate clusters. In addition, the table provides key component industries within each cluster based on employment totals for each industry in the relevant geographies.

**TABLE 6-8**  
**NARRATIVE DESCRIPTIONS AND KEY COMPONENT INDUSTRIES FOR PRELIMINARY LIST OF CANDIDATE CLUSTERS**

Cluster	Narrative Description	Key Component Industries
<b>Group 1 – San Pablo’s Existing Core Strengths</b>		
Local Community and Civic Organizations	Establishments in this cluster primarily consist of local social service organizations such as community food and housing services and advocacy organizations. This cluster also contains grantmaking foundations, business associations, and political and religious organizations.	<ul style="list-style-type: none"> <li>• Services for the Elderly and Persons with Disabilities</li> <li>• Religious Organizations</li> <li>• Other Individual and Family Services</li> <li>• Child and Youth Services*</li> <li>• Civic and Social Organizations*</li> </ul>
Local Food and Beverage Processing and Distribution	This cluster contains firms that sell food and beverages at the wholesale and retail levels. Products sold include meat, seafood, fruit and vegetables, general groceries, tobacco, alcoholic beverages, and specialty foods. The cluster also includes related distribution methods such as vending and direct selling.	<ul style="list-style-type: none"> <li>• Supermarkets and Other Grocery (except Convenience) Stores</li> <li>• All Other General Merchandise Retailers</li> <li>• Pharmacies and Drug Retailers</li> <li>• Beer, Wine, and Liquor Retailers</li> </ul>
Local Logistical Services	This cluster primarily contains establishments that offer local passenger transportation and local transportation of freight and goods, including moving companies and couriers. This cluster also includes local storage facilities, truck and RV leasing, and passenger car rental services.	<ul style="list-style-type: none"> <li>• Couriers and Express Delivery Services</li> <li>• Local Messengers and Local Delivery</li> <li>• General Freight Trucking, Local</li> <li>• School and Employee Bus Transportation*</li> </ul>
Local Motor Vehicle Products and Services	Establishments in this cluster consist of local motor vehicle wholesalers and dealers, as well as auto repair services, gas stations, parking lots, car washes, and vehicle towing.	<ul style="list-style-type: none"> <li>• New Car Dealers</li> <li>• Motor Vehicle Towing</li> <li>• Automotive Parts and Accessories Retailers</li> <li>• Gasoline Stations with Convenience Stores</li> <li>• New Car Dealers*</li> <li>• General Automotive Repair*</li> <li>• Automotive Body, Paint, and Interior Repair and Maintenance*</li> </ul>
Local Retailing of Clothing and General Merchandise	This cluster consists of local retail stores, department stores, and warehouse clubs that sell apparel, jewelry, luggage, sewing supplies, and general merchandise.	<ul style="list-style-type: none"> <li>• Department Stores</li> <li>• Warehouse Clubs and Supercenters</li> <li>• All Other General Merchandise Retailers</li> <li>• Clothing and Clothing Accessories Retailers</li> </ul>

Cluster	Narrative Description	Key Component Industries
<b>Group 2 – Regional Clusters (with some existing presence in San Pablo)</b>		
Education and Knowledge Creation	This cluster contains all educational and training institutions, as well as related supporting establishments. It also includes research and development institutions in biotechnology, physical sciences, engineering, life sciences, and social sciences.	<ul style="list-style-type: none"> <li>Colleges, Universities, and Professional Schools (Local Government)</li> <li>Research and Development in Biotechnology (except Nanobiotechnology)</li> <li>Colleges, Universities, and Professional Schools</li> <li>Research and Development in the Physical, Engineering, and Life Sciences (except Nanotechnology and Biotechnology)*</li> <li>Exam Preparation and Tutoring*</li> </ul>
Environmental Services	This cluster contains establishments primarily engaged in collection, treatment, processing, and disposal of hazardous and non-hazardous waste.	<ul style="list-style-type: none"> <li>Hazardous Waste Treatment and Disposal</li> <li>All Other Miscellaneous Waste Management Services*</li> </ul>
Information Technology and Analytical	This cluster consists of information technology and analytical products such as computers, software, audio visual equipment, laboratory instruments, and medical apparatus. The cluster also includes the standard and precision electronics used by these products (for example, circuit boards and semiconductor devices).	<ul style="list-style-type: none"> <li>Instruments and Related Products Manufacturing for Measuring, Displaying, and Controlling Industrial Process Variables</li> <li>Commercial and Service Industry Machinery Manufacturing</li> <li>Analytical Laboratory Instrument Manufacturing</li> <li>Software Publishers*</li> </ul>
Medical Devices	Establishments in this cluster primarily manufacture surgical, medical, dental, optical, ophthalmic, and veterinary instruments and supplies.	<ul style="list-style-type: none"> <li>Commercial and Service Industry Machinery Manufacturing</li> <li>Surgical and Medical Instrument Manufacturing</li> </ul>
Transportation and Logistics	This cluster contains all air, rail, bus, and freight transportation services. It also includes related operation services and support activities such as inspections, maintenance, repairs, security, and loading/unloading.	<ul style="list-style-type: none"> <li>General Freight Trucking, Long-Distance, Truckload</li> <li>Freight Transportation Arrangement</li> <li>Other Support Activities for Road Transportation</li> <li>Rail transportation*</li> <li>Support Activities for Rail Transportation*</li> </ul>
Water Transportation	This cluster contains all establishments involved in transporting people and goods over water. The cluster includes boat building, transportation, operations, and other support services.	<ul style="list-style-type: none"> <li>Deep Sea Freight Transportation</li> <li>Navigational Services to Shipping</li> <li>Marine Cargo Handling*</li> </ul>
<b>Group 3 – Dominant East Bay Clusters (future targets for San Pablo)</b>		
Automotive	This cluster includes establishments along the value chain that are necessary for manufacturing cars, trucks, and other	<ul style="list-style-type: none"> <li>Automobile and Light Duty Motor Vehicle Manufacturing</li> </ul>

Cluster	Narrative Description	Key Component Industries
	<p>motorized land-based transportation equipment (other than motorcycles). This includes metal mills and foundries, manufacturers of metal automotive parts, and manufacturers of completed automobiles.</p>	<ul style="list-style-type: none"> <li>• Heavy Duty Truck Manufacturing</li> <li>• Steel Investment Foundries</li> <li>• Other Motor Vehicle Parts Manufacturing</li> <li>• Motor Vehicle Electrical and Electronic Equipment Manufacturing</li> <li>• Motor Vehicle Metal Stamping</li> </ul>
<p>Lighting and Electrical Equipment</p>	<p>This cluster contains firms involved in the manufacture of electrical equipment and electronic components. The companies in this cluster manufacture wire for communications, wiring devices, fiber optic cables, switchboards, lighting fixtures, motors, transformers, and related products.</p>	<ul style="list-style-type: none"> <li>• Battery Manufacturing</li> <li>• Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing</li> <li>• Other Communication and Energy Wire Manufacturing</li> <li>• Switchgear and Switchboard Apparatus Manufacturing</li> <li>• Noncurrent-Carrying Wiring Device Manufacturing</li> </ul>
<p>Food Processing and Manufacturing</p>	<p>This cluster includes firms involved in the processing of raw food materials and the manufacturing of downstream food products for end users. This includes millers and refineries of rice, flour, corn, sugar, and oilseeds. These upstream products contribute in part to producing specialty foods, animal foods, baked goods, candies, teas, coffees, beers, wines, other beverages, meats, packaged fruits and vegetables, and processed dairy products.</p>	<ul style="list-style-type: none"> <li>• Soft Drink Manufacturing</li> <li>• Wineries</li> <li>• Chocolate and Confectionery Manufacturing from Cacao Beans</li> <li>• Breweries</li> <li>• Perishable Prepared Food Manufacturing</li> <li>• Tortilla Manufacturing</li> <li>• All Other Miscellaneous Food Manufacturing</li> <li>• Frozen Specialty Food Manufacturing</li> <li>• Cookie and Cracker Manufacturing</li> </ul>

Source: The Natelson Dale Group, Inc. (TNDG); Cluster Mapping Project.

Note: \* Indicates key component industry in the Richmond-San Pablo Area

**APPENDIX F: DETAILED INDUSTRY CLUSTER DATA**

Tables F-1 to F-11 provide summary cluster employment data for the following geographies: San Pablo, San Pablo-Richmond Area<sup>1</sup>, the East Bay (Alameda and Contra Costa Counties), and the USA (for benchmark purposes).

- Table F-1 shows estimated existing (2023) employment by cluster
- Table F-2 shows the existing distribution of employment by cluster
- Table F-3 shows the location quotients (compared to the U.S. benchmark) in 2023. The location quotient (LQ) measures how concentrated/important an industry cluster is in a region compared to national benchmarks. An LQ value greater than 1.0 indicates that a cluster is more concentrated in the region than it is nationally. This is generally regarded as an indication that the region has a comparative advantage relative to a particular cluster, although (especially for local clusters) an LQ below 1.0 can indicate a potential growth opportunity.
- Table F-4 shows existing wages by cluster
- Table F-5 shows cluster job growth for the most recent 10-year period between 2013 and 2023
- Table F-F shows cluster job growth in percentage terms for the most recent 10-year period between 2013 and 2023
- Tables F-7 to F-9 provide a summary of 2013-2023 growth performance based on a “shift-share” analysis. The “shift-share” analysis for each cluster estimates an “expected” job change based on national trends. If San Pablo (or benchmark region) has higher job growth (or experiences less severe job losses) compared to the expected change, it indicates that the local area (or benchmark region) has performed better than national trends. In this case, the *local share* component is positive. Conversely, if San Pablo, the San Pablo-Richmond region, or the East Bay has less job growth (or experiences more severe job losses) compared to the expected change, it indicates that the specific region has performed worse than national trends. In this case, the *local share* component is negative.
- Table F-10 shows projected job growth to 2030
- Table F-11 shows projected job growth to 2030 in percentage terms

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<sup>1</sup> The San Pablo-Richmond area includes the cities of San Pablo and Richmond, along with the immediate surrounding unincorporated communities of El Cerrito and El Sobrante. It includes the following zip codes: 94530, 94801-94808, and 94850.

**Table F-1**  
**Cluster Employment by Region, 2023**

Cluster	San Pablo/ Richmond Area			USA
	San Pablo	Richmond	East Bay	
Aerospace Vehicles and Defense	0	7	756	651,980
Agricultural Inputs and Services	9	57	1,814	1,895,183
Apparel	0	15	670	130,947
Automotive	0	22	27,855	1,068,677
Biopharmaceuticals	0	13	3,071	349,259
Business Services	269	1,907	97,433	11,267,806
Coal Mining	0	0	0	47,127
Communications Equipment and Services	1	47	4,172	542,131
Construction Products and Services	18	477	4,674	991,030
Distribution and Electronic Commerce	678	2,499	55,558	9,119,126
Downstream Chemical Products	0	124	1,186	285,075
Downstream Metal Products	5	66	980	490,034
Education and Knowledge Creation	790	1,943	72,609	6,802,133
Electric Power Generation and Transmission	1	10	280	175,543
Environmental Services	32	101	1,352	146,497
Local Federal Government Services	157	1,323	18,789	4,877,660
Financial Services	21	79	9,597	2,219,497
Fishing and Fishing Products	0	0	120	61,579
Food Processing and Manufacturing	34	708	10,828	1,301,989
Footwear	0	0	151	17,203
Forestry	1	11	286	96,824
Furniture	8	76	1,875	384,725
Hospitality and Tourism	134	393	14,177	3,238,455
Information Technology and Analytical Instruments	283	575	32,965	1,666,242
Insurance Services	6	98	10,710	1,553,118
Jewelry and Precious Metals	0	2	94	27,478
Leather and Related Products	0	12	121	40,470
Lighting and Electrical Equipment	1	26	3,172	351,095
Livestock Processing	0	0	698	566,216
Local Commercial Services	475	2,408	72,225	10,183,496
Local Community and Civic Organizations	2,016	4,355	77,120	5,925,689
Local Education and Training	366	4,228	62,995	9,003,619
Local Entertainment and Media	44	323	11,793	1,636,276
Local Financial Services	115	531	19,427	3,507,950
Local Food and Beverage Processing and Distribution	1,107	4,357	59,914	7,118,970
Local Government Services	143	2,741	47,107	5,688,093
Local Health Services	323	4,662	143,055	19,127,717
Local Hospitality Establishments	861	3,583	103,086	13,700,180
Local Household Goods and Services	123	1,313	23,231	2,948,497
Local Industrial Products and Services	46	234	4,950	647,348
Local Logistical Services	2,315	2,794	31,614	3,256,088
Local Motor Vehicle Products and Services	622	2,038	30,271	4,944,057
Local Personal Services (Non-Medical)	311	2,447	44,084	5,262,764
Local Real Estate, Construction, and Development	918	4,862	117,942	13,519,137
Local Retailing of Clothing and General Merchandise	625	1,685	29,625	4,712,739
Local Utilities	10	216	13,479	1,092,410
Marketing, Design, and Publishing	16	247	14,160	2,009,596
Medical Devices	37	236	7,255	386,538
Metal Mining	0	0	14	49,781
Metalworking Technology	0	17	2,598	460,319
Music and Sound Recording	0	47	382	43,905
Nonmetal Mining	0	1	161	106,708
Oil and Gas Production and Transportation	37	1,503	3,380	569,523
Paper and Packaging	0	1	916	370,947
Performing Arts	12	104	7,972	763,120
Plastics	0	42	2,330	682,746
Printing Services	0	162	2,206	405,496
Production Technology and Heavy Machinery	31	148	4,192	1,018,703
Recreational and Small Electric Goods	1	48	802	208,871
Local State Government Services	8	158	10,412	2,215,450
Textile Manufacturing	0	2	139	183,592
Tobacco	0	0	14	11,161
Trailers, Motor Homes, and Appliances	0	2	102	172,952
Transportation and Logistics	323	451	9,844	2,346,173
Upstream Chemical Products	0	9	848	174,378
Upstream Metal Manufacturing	0	37	1,014	394,962
Video Production and Distribution	5	31	2,649	356,908
Vulcanized and Fired Materials	0	86	891	257,080
Water Transportation	57	526	4,075	324,284
Wood Products	1	193	1,258	420,217
<b>Cluster Total (Traded and Local)</b>	<b>13,398</b>	<b>57,422</b>	<b>1,345,523</b>	<b>176,573,540</b>
<b>Traded Total</b>	<b>2,813</b>	<b>13,164</b>	<b>424,405</b>	<b>57,205,401</b>
<b>Local Total</b>	<b>10,585</b>	<b>44,257</b>	<b>921,118</b>	<b>119,368,139</b>
<b>Total Jobs</b>	<b>12,867</b>	<b>54,935</b>	<b>1,316,326</b>	<b>171,071,791</b>

Source: U.S. Cluster Mapping (<http://clustermapping.us>), Institute for Strategy and Competitiveness, Harvard Business School; EMSI; TNDG.

**Table F-2**  
**Distribution of Cluster Employment by Region, 2023**

Cluster	San Pablo	San Pablo/ Richmond Area	East Bay	USA
Aerospace Vehicles and Defense	0.0%	0.0%	0.1%	0.4%
Agricultural Inputs and Services	0.1%	0.1%	0.1%	1.1%
Apparel	0.0%	0.0%	0.0%	0.1%
Automotive	0.0%	0.0%	2.1%	0.6%
Biopharmaceuticals	0.0%	0.0%	0.2%	0.2%
Business Services	2.0%	3.3%	7.2%	6.4%
Coal Mining	0.0%	0.0%	0.0%	0.0%
Communications Equipment and Services	0.0%	0.1%	0.3%	0.3%
Construction Products and Services	0.1%	0.8%	0.3%	0.6%
Distribution and Electronic Commerce	5.1%	4.4%	4.1%	5.2%
Downstream Chemical Products	0.0%	0.2%	0.1%	0.2%
Downstream Metal Products	0.0%	0.1%	0.1%	0.3%
Education and Knowledge Creation	5.9%	3.4%	5.4%	3.9%
Electric Power Generation and Transmission	0.0%	0.0%	0.0%	0.1%
Environmental Services	0.2%	0.2%	0.1%	0.1%
Local Federal Government Services	1.2%	2.3%	1.4%	2.8%
Financial Services	0.2%	0.1%	0.7%	1.3%
Fishing and Fishing Products	0.0%	0.0%	0.0%	0.0%
Food Processing and Manufacturing	0.3%	1.2%	0.8%	0.7%
Footwear	0.0%	0.0%	0.0%	0.0%
Forestry	0.0%	0.0%	0.0%	0.1%
Furniture	0.1%	0.1%	0.1%	0.2%
Hospitality and Tourism	1.0%	0.7%	1.1%	1.8%
Information Technology and Analytical Instruments	2.1%	1.0%	2.5%	0.9%
Insurance Services	0.0%	0.2%	0.8%	0.9%
Jewelry and Precious Metals	0.0%	0.0%	0.0%	0.0%
Leather and Related Products	0.0%	0.0%	0.0%	0.0%
Lighting and Electrical Equipment	0.0%	0.0%	0.2%	0.2%
Livestock Processing	0.0%	0.0%	0.1%	0.3%
Local Commercial Services	3.5%	4.2%	5.4%	5.8%
Local Community and Civic Organizations	15.0%	7.6%	5.7%	3.4%
Local Education and Training	2.7%	7.4%	4.7%	5.1%
Local Entertainment and Media	0.3%	0.6%	0.9%	0.9%
Local Financial Services	0.9%	0.9%	1.4%	2.0%
Local Food and Beverage Processing and Distribution	8.3%	7.6%	4.5%	4.0%
Local Government Services	1.1%	4.8%	3.5%	3.2%
Local Health Services	2.4%	8.1%	10.6%	10.8%
Local Hospitality Establishments	6.4%	6.2%	7.7%	7.8%
Local Household Goods and Services	0.9%	2.3%	1.7%	1.7%
Local Industrial Products and Services	0.3%	0.4%	0.4%	0.4%
Local Logistical Services	17.3%	4.9%	2.3%	1.8%
Local Motor Vehicle Products and Services	4.6%	3.5%	2.2%	2.8%
Local Personal Services (Non-Medical)	2.3%	4.3%	3.3%	3.0%
Local Real Estate, Construction, and Development	6.9%	8.5%	8.8%	7.7%
Local Retailing of Clothing and General Merchandise	4.7%	2.9%	2.2%	2.7%
Local Utilities	0.1%	0.4%	1.0%	0.6%
Marketing, Design, and Publishing	0.1%	0.4%	1.1%	1.1%
Medical Devices	0.3%	0.4%	0.5%	0.2%
Metal Mining	0.0%	0.0%	0.0%	0.0%
Metalworking Technology	0.0%	0.0%	0.2%	0.3%
Music and Sound Recording	0.0%	0.1%	0.0%	0.0%
Nonmetal Mining	0.0%	0.0%	0.0%	0.1%
Oil and Gas Production and Transportation	0.3%	2.6%	0.3%	0.3%
Paper and Packaging	0.0%	0.0%	0.1%	0.2%
Performing Arts	0.1%	0.2%	0.6%	0.4%
Plastics	0.0%	0.1%	0.2%	0.4%
Printing Services	0.0%	0.3%	0.2%	0.2%
Production Technology and Heavy Machinery	0.2%	0.3%	0.3%	0.6%
Recreational and Small Electric Goods	0.0%	0.1%	0.1%	0.1%
Local State Government Services	0.1%	0.3%	0.8%	1.3%
Textile Manufacturing	0.0%	0.0%	0.0%	0.1%
Tobacco	0.0%	0.0%	0.0%	0.0%
Trailers, Motor Homes, and Appliances	0.0%	0.0%	0.0%	0.1%
Transportation and Logistics	2.4%	0.8%	0.7%	1.3%
Upstream Chemical Products	0.0%	0.0%	0.1%	0.1%
Upstream Metal Manufacturing	0.0%	0.1%	0.1%	0.2%
Video Production and Distribution	0.0%	0.1%	0.2%	0.2%
Vulcanized and Fired Materials	0.0%	0.1%	0.1%	0.1%
Water Transportation	0.4%	0.9%	0.3%	0.2%
Wood Products	0.0%	0.3%	0.1%	0.2%
<b>Cluster Total (Traded and Local)</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Traded Total</b>	<b>21.0%</b>	<b>22.9%</b>	<b>31.5%</b>	<b>32.4%</b>
<b>Local Total</b>	<b>79.0%</b>	<b>77.1%</b>	<b>68.5%</b>	<b>67.6%</b>

Source : U.S. Cluster Mapping (<http://clustermapping.us>), Institute for Strategy and Competitiveness, Harvard Business School; EMSI; TNDG.

**Table F-3**  
**Cluster Location Quotients (LQs) by Region, 2023**

Cluster	San Pablo/ Richmond		
	San Pablo	Area	East Bay
Aerospace Vehicles and Defense	0.00	0.03	0.15
Agricultural Inputs and Services	0.06	0.09	0.13
Apparel	0.02	0.35	0.67
Automotive	0.00	0.06	3.42
Biopharmaceuticals	0.00	0.12	1.15
Business Services	0.31	0.52	1.13
Coal Mining	0.00	0.00	0.00
Communications Equipment and Services	0.01	0.27	1.01
Construction Products and Services	0.24	1.48	0.62
Distribution and Electronic Commerce	0.98	0.84	0.80
Downstream Chemical Products	0.00	1.34	0.55
Downstream Metal Products	0.14	0.42	0.26
Education and Knowledge Creation	1.53	0.88	1.40
Electric Power Generation and Transmission	0.07	0.17	0.21
Environmental Services	2.92	2.13	1.21
Local Federal Government Services	0.43	0.83	0.51
Financial Services	0.13	0.11	0.57
Fishing and Fishing Products	0.01	0.01	0.26
Food Processing and Manufacturing	0.34	1.67	1.09
Footwear	0.00	0.03	1.15
Forestry	0.14	0.35	0.39
Furniture	0.28	0.60	0.64
Hospitality and Tourism	0.55	0.37	0.57
Information Technology and Analytical Instruments	2.24	1.06	2.60
Insurance Services	0.05	0.19	0.90
Jewelry and Precious Metals	0.01	0.22	0.45
Leather and Related Products	0.00	0.93	0.39
Lighting and Electrical Equipment	0.02	0.23	1.19
Livestock Processing	0.00	0.00	0.16
Local Commercial Services	0.62	0.73	0.93
Local Community and Civic Organizations	4.48	2.26	1.71
Local Education and Training	0.54	1.44	0.92
Local Entertainment and Media	0.36	0.61	0.95
Local Financial Services	0.43	0.47	0.73
Local Food and Beverage Processing and Distribution	2.05	1.88	1.10
Local Government Services	0.33	1.48	1.09
Local Health Services	0.22	0.75	0.98
Local Hospitality Establishments	0.83	0.80	0.99
Local Household Goods and Services	0.55	1.37	1.03
Local Industrial Products and Services	0.93	1.11	1.00
Local Logistical Services	9.37	2.64	1.27
Local Motor Vehicle Products and Services	1.66	1.27	0.80
Local Personal Services (Non-Medical)	0.78	1.43	1.10
Local Real Estate, Construction, and Development	0.90	1.11	1.14
Local Retailing of Clothing and General Merchandise	1.75	1.10	0.82
Local Utilities	0.12	0.61	1.62
Marketing, Design, and Publishing	0.10	0.38	0.92
Medical Devices	1.26	1.88	2.46
Metal Mining	0.04	0.01	0.04
Metalworking Technology	0.01	0.11	0.74
Music and Sound Recording	0.00	3.29	1.14
Nonmetal Mining	0.00	0.04	0.20
Oil and Gas Production and Transportation	0.86	8.12	0.78
Paper and Packaging	0.00	0.00	0.32
Performing Arts	0.20	0.42	1.37
Plastics	0.00	0.19	0.45
Printing Services	0.01	1.23	0.71
Production Technology and Heavy Machinery	0.40	0.45	0.54
Recreational and Small Electric Goods	0.09	0.70	0.50
Local State Government Services	0.05	0.22	0.62
Textile Manufacturing	0.01	0.03	0.10
Tobacco	0.00	0.01	0.17
Trailers, Motor Homes, and Appliances	0.01	0.04	0.08
Transportation and Logistics	1.81	0.59	0.55
Upstream Chemical Products	0.00	0.16	0.64
Upstream Metal Manufacturing	0.00	0.29	0.34
Video Production and Distribution	0.20	0.27	0.97
Vulcanized and Fired Materials	0.00	1.02	0.45
Water Transportation	2.31	4.99	1.65
Wood Products	0.04	1.41	0.39
<b>Traded Total</b>	<b>0.65</b>	<b>0.71</b>	<b>0.97</b>
<b>Local Total</b>	<b>1.17</b>	<b>1.14</b>	<b>1.01</b>

Source: U.S. Cluster Mapping (<http://clustermapping.us>), Institute for Strategy and Competitiveness, Harvard Business School; EMSI; TNDG.

**Table F-4**  
**Cluster Wages by Region, 2023**

Cluster	San Pablo	San Pablo/ Richmond Area	East Bay	USA
Aerospace Vehicles and Defense			\$129,385	\$145,456
Agricultural Inputs and Services	66,381	65,822	87,085	52,509
Apparel			61,022	62,330
Automotive	60,102	58,166	128,564	91,959
Biopharmaceuticals			199,460	168,353
Business Services	107,553	131,884	177,954	138,036
Coal Mining				130,147
Communications Equipment and Services	100,320	104,011	171,572	184,286
Construction Products and Services	155,197	155,449	146,227	104,786
Distribution and Electronic Commerce	88,216	93,623	99,621	87,111
Downstream Chemical Products	92,717	158,298	120,557	108,054
Downstream Metal Products	91,537	87,994	111,187	84,367
Education and Knowledge Creation	87,775	125,696	132,052	88,275
Electric Power Generation and Transmission			205,684	192,924
Environmental Services	137,807	118,891	113,354	89,672
Local Federal Government Services	70,779	117,897	114,589	103,591
Financial Services	167,921	207,881	184,298	222,265
Fishing and Fishing Products			64,735	71,827
Food Processing and Manufacturing	122,616	72,699	86,996	79,041
Footwear			212,988	69,347
Forestry	122,366	122,432	122,528	69,492
Furniture	80,438	83,945	77,575	65,126
Hospitality and Tourism	55,372	49,696	57,259	58,881
Information Technology and Analytical Instruments	117,764	139,220	183,296	190,100
Insurance Services	141,005	135,422	167,235	125,167
Jewelry and Precious Metals			56,048	74,412
Leather and Related Products	66,849	66,849	57,511	60,393
Lighting and Electrical Equipment			159,106	108,173
Livestock Processing			89,053	65,716
Local Commercial Services	64,425	71,545	83,675	75,660
Local Community and Civic Organizations	32,050	38,810	44,886	41,823
Local Education and Training	87,231	91,300	97,741	73,945
Local Entertainment and Media	62,104	64,212	82,984	85,534
Local Financial Services	134,483	131,242	135,732	112,604
Local Food and Beverage Processing and Distribution	60,301	63,936	65,704	50,235
Local Government Services	147,943	147,943	155,666	93,239
Local Health Services	94,562	113,488	122,182	85,789
Local Hospitality Establishments	37,176	35,908	35,925	30,288
Local Household Goods and Services	60,479	56,231	64,980	55,950
Local Industrial Products and Services	96,089	98,332	97,672	79,628
Local Logistical Services	65,454	67,479	72,769	66,048
Local Motor Vehicle Products and Services	81,728	74,980	85,714	64,692
Local Personal Services (Non-Medical)	43,953	43,798	48,733	42,504
Local Real Estate, Construction, and Development	97,648	87,567	103,660	80,179
Local Retailing of Clothing and General Merchandise	43,807	45,240	46,419	38,917
Local Utilities	246,615	195,651	197,928	134,214
Marketing, Design, and Publishing	56,751	84,559	122,141	139,625
Medical Devices	124,424	130,728	180,576	118,289
Metal Mining				134,381
Metalworking Technology	31,505	57,045	101,811	82,748
Music and Sound Recording	57,145	57,124	62,263	90,658
Nonmetal Mining			150,473	99,949
Oil and Gas Production and Transportation	176,127	271,795	265,257	167,006
Paper and Packaging			90,570	94,395
Performing Arts	40,283	40,283	43,519	62,287
Plastics	79,925	82,096	86,250	83,994
Printing Services	73,975	76,546	79,057	69,237
Production Technology and Heavy Machinery	121,673	125,000	126,394	97,409
Recreational and Small Electric Goods	104,704	102,505	110,043	88,225
Local State Government Services	108,649	108,649	170,368	102,023
Textile Manufacturing			84,071	73,015
Tobacco			123,962	112,196
Trailers, Motor Homes, and Appliances			105,447	78,509
Transportation and Logistics	101,531	100,982	102,230	96,695
Upstream Chemical Products			158,287	151,785
Upstream Metal Manufacturing	68,302	135,884	119,131	99,259
Video Production and Distribution	55,711	56,142	176,061	116,809
Vulcanized and Fired Materials	61,251	69,229	95,304	80,101
Water Transportation	213,628	219,330	170,875	106,346
Wood Products	59,762	60,756	74,967	71,813
<b>Cluster Total (Traded and Local)</b>	<b>\$69,474</b>	<b>\$104,219</b>	<b>\$89,792</b>	<b>\$82,410</b>
<b>Traded Total</b>	<b>98,953</b>	<b>139,652</b>	<b>131,692</b>	<b>109,573</b>
<b>Local Total</b>	<b>61,894</b>	<b>87,895</b>	<b>77,325</b>	<b>69,393</b>
<b>Total Jobs</b>	<b>69,711</b>	<b>103,829</b>	<b>91,290</b>	<b>82,526</b>

Source: U.S. Cluster Mapping (<http://clustermapping.us>), Institute for Strategy and Competitiveness, Harvard Business School; EMSI; TNDG.

**Table F-5**  
**Projected Cluster Job Growth by Region, 2013-23**

Cluster	San Pablo/ Richmond			USA
	San Pablo	Area	East Bay	
Aerospace Vehicles and Defense	0	4	(45)	22,230
Agricultural Inputs and Services	6	27	191	47,532
Apparel	0	7	(354)	(49,396)
Automotive	0	6	24,176	159,963
Biopharmaceuticals	0	1	(1)	69,852
Business Services	21	600	650	2,722,182
Coal Mining	0	0	0	(39,261)
Communications Equipment and Services	(4)	(91)	(2,480)	2,567
Construction Products and Services	17	71	968	131,172
Distribution and Electronic Commerce	270	150	1,881	1,484,252
Downstream Chemical Products	0	9	(682)	20,417
Downstream Metal Products	2	24	(344)	61,708
Education and Knowledge Creation	(478)	(508)	8,779	264,672
Electric Power Generation and Transmission	0	(6)	82	(12,778)
Environmental Services	25	28	411	33,648
Local Federal Government Services	(136)	(92)	(1,028)	(678)
Financial Services	(51)	(142)	(3,874)	145,606
Fishing and Fishing Products	0	0	5	(11,391)
Food Processing and Manufacturing	30	160	2,411	289,843
Footwear	0	(1)	139	(2,124)
Forestry	1	8	176	(7,363)
Furniture	2	14	147	13,298
Hospitality and Tourism	(77)	(150)	(1,473)	153,060
Information Technology and Analytical Instruments	74	194	11,721	422,992
Insurance Services	(23)	(50)	3,453	77,395
Jewelry and Precious Metals	(0)	(2)	(133)	(5,384)
Leather and Related Products	0	7	(47)	1,573
Lighting and Electrical Equipment	0	20	1,272	31,086
Livestock Processing	(0)	(1)	116	61,029
Local Commercial Services	140	46	5,735	1,070,151
Local Community and Civic Organizations	156	573	21,380	937,659
Local Education and Training	(626)	(611)	2,575	338,908
Local Entertainment and Media	(41)	(241)	(3,275)	(287,001)
Local Financial Services	9	113	1,077	629,431
Local Food and Beverage Processing and Distribution	(127)	636	4,569	623,137
Local Government Services	(331)	58	1,661	193,285
Local Health Services	(252)	372	18,899	2,285,570
Local Hospitality Establishments	(40)	471	13,098	1,819,854
Local Household Goods and Services	(4)	(55)	(1,200)	148,620
Local Industrial Products and Services	(19)	(97)	(1,350)	(62,578)
Local Logistical Services	1,830	1,726	11,728	946,452
Local Motor Vehicle Products and Services	(187)	10	2,117	519,935
Local Personal Services (Non-Medical)	(63)	82	9,000	925,551
Local Real Estate, Construction, and Development	524	688	20,631	2,923,362
Local Retailing of Clothing and General Merchandise	(408)	(531)	(4,532)	(235,200)
Local Utilities	(47)	(214)	(1,648)	(87,819)
Marketing, Design, and Publishing	(6)	21	(530)	299,840
Medical Devices	17	61	2,516	34,305
Metal Mining	0	0	12	(97)
Metalworking Technology	0	2	669	(20,695)
Music and Sound Recording	0	23	54	17,382
Nonmetal Mining	(0)	(14)	(74)	13,796
Oil and Gas Production and Transportation	(44)	184	(2,888)	(257,495)
Paper and Packaging	(0)	(2)	(482)	(7,891)
Performing Arts	5	37	2,012	201,978
Plastics	0	30	328	88,254
Printing Services	(0)	49	(789)	(86,867)
Production Technology and Heavy Machinery	13	(4)	808	36,667
Recreational and Small Electric Goods	(1)	(6)	(715)	17,375
Local State Government Services	(21)	18	3,071	(56,927)
Textile Manufacturing	0	0	3	(40,404)
Tobacco	0	0	13	(2,853)
Trailers, Motor Homes, and Appliances	0	2	92	40,443
Transportation and Logistics	172	122	2,315	356,764
Upstream Chemical Products	0	9	394	12,133
Upstream Metal Manufacturing	0	29	(466)	(14,770)
Video Production and Distribution	(1)	(4)	(290)	63,031
Vulcanized and Fired Materials	(0)	37	(80)	5,568
Water Transportation	46	66	652	27,235
Wood Products	1	(41)	374	66,188
<b>Cluster Total (Traded and Local)</b>	<b>373</b>	<b>3,938</b>	<b>153,579</b>	<b>19,569,977</b>
<b>Traded Total</b>	<b>18</b>	<b>985</b>	<b>51,073</b>	<b>6,938,265</b>
<b>Local Total</b>	<b>355</b>	<b>2,953</b>	<b>102,506</b>	<b>12,631,712</b>
<b>Total Jobs</b>	<b>497</b>	<b>3,987</b>	<b>148,890</b>	<b>18,836,094</b>

Source: U.S. Cluster Mapping (<http://clustermapping.us>), Institute for Strategy and Competitiveness, Harvard Business School; EMSI; TNDG.

**Table F-6**  
**Cluster Job Growth (%) by Region, 2013-23**

Cluster	San Pablo/ Richmond			
	San Pablo	Area	East Bay	USA
Aerospace Vehicles and Defense	3119%	149%	-5.6%	3.5%
Agricultural Inputs and Services	158%	92%	11.8%	2.6%
Apparel	50%	93%	-34.6%	-27.4%
Automotive	11092%	39%	657.2%	17.6%
Biopharmaceuticals	1267%	12%	0.0%	25.0%
Business Services	8%	46%	0.7%	31.9%
Coal Mining				-45.4%
Communications Equipment and Services	-88%	-66%	-37.3%	0.5%
Construction Products and Services	2786%	17%	26.1%	15.3%
Distribution and Electronic Commerce	66%	6%	3.5%	19.4%
Downstream Chemical Products	46%	7%	-36.5%	7.7%
Downstream Metal Products	97%	57%	-26.0%	14.4%
Education and Knowledge Creation	-38%	-21%	13.8%	4.0%
Electric Power Generation and Transmission	20%	-37%	41.5%	-6.8%
Environmental Services	316%	39%	43.7%	29.8%
Local Federal Government Services	-46%	-7%	-5.2%	0.0%
Financial Services	-70%	-64%	-28.8%	7.0%
Fishing and Fishing Products	UND	UND	4.4%	-15.6%
Food Processing and Manufacturing	720%	29%	28.6%	28.6%
Footwear	UND	-86%	1108.3%	-11.0%
Forestry	307%	308%	158.7%	-7.1%
Furniture	43%	22%	8.5%	3.6%
Hospitality and Tourism	-36%	-28%	-9.4%	5.0%
Information Technology and Analytical Instruments	35%	51%	55.2%	34.0%
Insurance Services	-79%	-34%	47.6%	5.2%
Jewelry and Precious Metals	-53%	-44%	-58.7%	-16.4%
Leather and Related Products	152%	125%	-28.0%	4.0%
Lighting and Electrical Equipment	387%	320%	66.9%	9.7%
Livestock Processing	-100%	-100%	19.9%	12.1%
Local Commercial Services	42%	2%	8.6%	11.7%
Local Community and Civic Organizations	8%	15%	38.4%	18.8%
Local Education and Training	-63%	-13%	4.3%	3.9%
Local Entertainment and Media	-48%	-43%	-21.7%	-14.9%
Local Financial Services	8%	27%	5.9%	21.9%
Local Food and Beverage Processing and Distribution	-10%	17%	8.3%	9.6%
Local Government Services	-70%	2%	3.7%	3.5%
Local Health Services	-44%	9%	15.2%	13.6%
Local Hospitality Establishments	-4%	15%	14.6%	15.3%
Local Household Goods and Services	-3%	-4%	-4.9%	5.3%
Local Industrial Products and Services	-29%	-29%	-21.4%	-8.8%
Local Logistical Services	378%	162%	59.0%	41.0%
Local Motor Vehicle Products and Services	-23%	0%	7.5%	11.8%
Local Personal Services (Non-Medical)	-17%	3%	25.7%	21.3%
Local Real Estate, Construction, and Development	133%	16%	21.2%	27.6%
Local Retailing of Clothing and General Merchandise	-40%	-24%	-13.3%	-4.8%
Local Utilities	-83%	-50%	-10.9%	-7.4%
Marketing, Design, and Publishing	-28%	9%	-3.6%	17.5%
Medical Devices	82%	34%	53.1%	9.7%
Metal Mining	UND	UND	823.4%	-0.2%
Metalworking Technology	235%	15%	34.7%	-4.3%
Music and Sound Recording	74%	98%	16.5%	65.5%
Nonmetal Mining	-92%	-90%	-31.5%	14.8%
Oil and Gas Production and Transportation	-54%	14%	-46.1%	-31.1%
Paper and Packaging	-77%	-74%	-34.5%	-2.1%
Performing Arts	87%	55%	33.8%	36.0%
Plastics	18%	261%	16.4%	14.8%
Printing Services	-28%	44%	-26.3%	-17.6%
Production Technology and Heavy Machinery	73%	-2%	23.9%	3.7%
Recreational and Small Electric Goods	-28%	-10%	-47.1%	9.1%
Local State Government Services	-73%	13%	41.8%	-2.5%
Textile Manufacturing	15%	27%	2.2%	-18.0%
Tobacco	UND	UND	1831.3%	-20.4%
Trailers, Motor Homes, and Appliances	UND	UND	949.4%	30.5%
Transportation and Logistics	114%	37%	30.7%	17.9%
Upstream Chemical Products	337%	2060%	86.8%	7.5%
Upstream Metal Manufacturing	5909%	365%	-31.5%	-3.6%
Video Production and Distribution	-22%	-11%	-9.9%	21.4%
Vulcanized and Fired Materials	-88%	75%	-8.2%	2.2%
Water Transportation	442%	14%	19.0%	9.2%
Wood Products	274%	-17%	42.4%	18.7%
<b>Cluster Total (Traded and Local)</b>	<b>2.9%</b>	<b>7.4%</b>	<b>12.9%</b>	<b>12.5%</b>
<b>Traded Total</b>	<b>0.6%</b>	<b>8.1%</b>	<b>13.7%</b>	<b>13.8%</b>
<b>Local Total</b>	<b>3.5%</b>	<b>7.1%</b>	<b>12.5%</b>	<b>11.8%</b>
<b>Total Jobs</b>	<b>4.0%</b>	<b>7.8%</b>	<b>12.8%</b>	<b>12.4%</b>

Source: U.S. Cluster Mapping (<http://clustermapping.us>), Institute for Strategy and Competitiveness, Harvard Business School; EMSI; TNDG.

**Table F-7**  
**Shift Share Analysis, 2013-23**  
**San Pablo Area**

Cluster	Industrial Mix Effect	National Growth Effect	Local Share	Actual Change
Aerospace Vehicles and Defense	(0)	0	0	0
Agricultural Inputs and Services	(0)	0	5	6
Apparel	(0)	0	0	0
Automotive	0	0	0	0
Biopharmaceuticals	0	0	0	0
Business Services	48	31	(58)	21
Coal Mining	0	0	0	0
Communications Equipment and Services	(1)	1	(4)	(4)
Construction Products and Services	0	0	17	17
Distribution and Electronic Commerce	28	51	191	270
Downstream Chemical Products	(0)	0	0	0
Downstream Metal Products	0	0	2	2
Education and Knowledge Creation	(107)	158	(529)	(478)
Electric Power Generation and Transmission	(0)	0	0	0
Environmental Services	1	1	22	25
Local Federal Government Services	(37)	37	(136)	(136)
Financial Services	(4)	9	(56)	(51)
Fishing and Fishing Products	0	0	UND	0
Food Processing and Manufacturing	1	1	28	30
Footwear	0	0	UND	0
Forestry	(0)	0	1	1
Furniture	(1)	1	2	2
Hospitality and Tourism	(16)	26	(87)	(77)
Information Technology and Analytical Instruments	45	26	3	74
Insurance Services	(2)	4	(25)	(23)
Jewelry and Precious Metals	(0)	0	(0)	(0)
Leather and Related Products	(0)	0	0	0
Lighting and Electrical Equipment	(0)	0	0	0
Livestock Processing	(0)	0	(0)	(0)
Local Commercial Services	(2)	42	101	140
Local Community and Civic Organizations	118	232	(194)	156
Local Education and Training	(85)	124	(665)	(626)
Local Entertainment and Media	(23)	11	(29)	(41)
Local Financial Services	10	13	(14)	9
Local Food and Beverage Processing and Distribution	(35)	154	(246)	(127)
Local Government Services	(42)	59	(348)	(331)
Local Health Services	6	72	(330)	(252)
Local Hospitality Establishments	26	112	(178)	(40)
Local Household Goods and Services	(9)	16	(11)	(4)
Local Industrial Products and Services	(14)	8	(13)	(19)
Local Logistical Services	138	60	1,632	1,830
Local Motor Vehicle Products and Services	(6)	101	(282)	(187)
Local Personal Services (Non-Medical)	33	47	(142)	(63)
Local Real Estate, Construction, and Development	60	49	415	524
Local Retailing of Clothing and General Merchandise	(178)	129	(359)	(408)
Local Utilities	(11)	7	(43)	(47)
Marketing, Design, and Publishing	1	3	(10)	(6)
Medical Devices	(1)	3	15	17
Metal Mining	0	0	UND	0
Metalworking Technology	(0)	0	0	0
Music and Sound Recording	0	0	0	0
Nonmetal Mining	0	0	(0)	(0)
Oil and Gas Production and Transportation	(35)	10	(19)	(44)
Paper and Packaging	(0)	0	(0)	(0)
Performing Arts	1	1	3	5
Plastics	0	0	0	0
Printing Services	(0)	0	(0)	(0)
Production Technology and Heavy Machinery	(2)	2	12	13
Recreational and Small Electric Goods	(0)	0	(1)	(1)
Local State Government Services	(4)	4	(21)	(21)
Textile Manufacturing	(0)	0	0	0
Tobacco	0	0	UND	0
Trailers, Motor Homes, and Appliances	0	0	UND	0
Transportation and Logistics	8	19	145	172
Upstream Chemical Products	(0)	0	0	0
Upstream Metal Manufacturing	(0)	0	0	0
Video Production and Distribution	1	1	(3)	(1)
Vulcanized and Fired Materials	(0)	0	(0)	(0)
Water Transportation	(0)	1	45	46
Wood Products	0	0	1	1

Source : U.S. Cluster Mapping (<http://clustermapping.us>), Institute for Strategy and Competitiveness, Harvard Business School; EMSI; TNDG.

**Table F-8**  
**Shift Share Analysis, 2013-23**  
**San Pablo-Richmond Area**

Cluster	Industrial Mix Effect	National Growth Effect	Local Share	Actual Change
Aerospace Vehicles and Defense	(0)	0	4	4
Agricultural Inputs and Services	(3)	4	26	27
Apparel	(3)	1	9	7
Automotive	1	2	3	6
Biopharmaceuticals	1	1	(2)	1
Business Services	254	163	183	600
Coal Mining	0	0	0	0
Communications Equipment and Services	(17)	17	(91)	(91)
Construction Products and Services	11	51	9	71
Distribution and Electronic Commerce	164	293	(307)	150
Downstream Chemical Products	(5)	14	(0)	9
Downstream Metal Products	1	5	18	24
Education and Knowledge Creation	(206)	306	(608)	(508)
Electric Power Generation and Transmission	(3)	2	(5)	(6)
Environmental Services	13	9	7	28
Local Federal Government Services	(177)	176	(92)	(92)
Financial Services	(12)	28	(157)	(142)
Fishing and Fishing Products	0	0	UND	0
Food Processing and Manufacturing	89	68	3	160
Footwear	(0)	0	(1)	(1)
Forestry	(1)	0	8	8
Furniture	(5)	8	12	14
Hospitality and Tourism	(41)	68	(177)	(150)
Information Technology and Analytical Instruments	82	48	64	194
Insurance Services	(11)	18	(57)	(50)
Jewelry and Precious Metals	(1)	0	(1)	(2)
Leather and Related Products	(0)	1	7	7
Lighting and Electrical Equipment	(0)	1	19	20
Livestock Processing	(0)	0	(1)	(1)
Local Commercial Services	(17)	294	(231)	46
Local Community and Civic Organizations	240	471	(138)	573
Local Education and Training	(414)	603	(800)	(611)
Local Entertainment and Media	(154)	70	(157)	(241)
Local Financial Services	39	52	21	113
Local Food and Beverage Processing and Distribution	(107)	464	279	636
Local Government Services	(240)	334	(36)	58
Local Health Services	47	535	(210)	372
Local Hospitality Establishments	89	388	(5)	471
Local Household Goods and Services	(98)	171	(128)	(55)
Local Industrial Products and Services	(71)	41	(68)	(97)
Local Logistical Services	305	133	1,289	1,726
Local Motor Vehicle Products and Services	(14)	253	(228)	10
Local Personal Services (Non-Medical)	210	295	(423)	82
Local Real Estate, Construction, and Development	631	520	(464)	688
Local Retailing of Clothing and General Merchandise	(381)	276	(425)	(531)
Local Utilities	(86)	54	(182)	(214)
Marketing, Design, and Publishing	11	28	(18)	21
Medical Devices	(5)	22	43	61
Metal Mining	0	0	UND	0
Metalworking Technology	(2)	2	3	2
Music and Sound Recording	13	3	8	23
Nonmetal Mining	0	2	(16)	(14)
Oil and Gas Production and Transportation	(575)	164	595	184
Paper and Packaging	(0)	0	(2)	(2)
Performing Arts	16	8	13	37
Plastics	0	1	29	30
Printing Services	(34)	14	69	49
Production Technology and Heavy Machinery	(13)	19	(9)	(4)
Recreational and Small Electric Goods	(2)	7	(10)	(6)
Local State Government Services	(21)	17	22	18
Textile Manufacturing	(0)	0	1	0
Tobacco	0	0	UND	0
Trailers, Motor Homes, and Appliances	0	0	UND	2
Transportation and Logistics	18	41	63	122
Upstream Chemical Products	(0)	0	9	9
Upstream Metal Manufacturing	(1)	1	29	29
Video Production and Distribution	3	4	(11)	(4)
Vulcanized and Fired Materials	(5)	6	35	37
Water Transportation	(15)	57	23	66
Wood Products	15	29	(84)	(41)

Source : U.S. Cluster Mapping (<http://clustermapping.us>), Institute for Strategy and Competitiveness, Harvard Business School; EMSI; TNDG.

**Table F-9**  
**Shift Share Analysis, 2013-23**  
**East Bay**

Cluster	Industrial Mix Effect	National Growth Effect	Local Share	Actual Change
Aerospace Vehicles and Defense	(72)	100	(73)	(45)
Agricultural Inputs and Services	(160)	202	149	191
Apparel	(408)	128	(74)	(354)
Automotive	189	459	23,529	24,176
Biopharmaceuticals	385	383	(769)	(1)
Business Services	18,766	12,064	(30,180)	650
Coal Mining	0	0	0	0
Communications Equipment and Services	(797)	829	(2,511)	(2,480)
Construction Products and Services	103	462	403	968
Distribution and Electronic Commerce	3,744	6,691	(8,554)	1,881
Downstream Chemical Products	(89)	233	(826)	(682)
Downstream Metal Products	26	165	(535)	(344)
Education and Knowledge Creation	(5,372)	7,956	6,195	8,779
Electric Power Generation and Transmission	(38)	25	96	82
Environmental Services	163	117	130	411
Local Federal Government Services	(2,473)	2,470	(1,025)	(1,028)
Financial Services	(733)	1,679	(4,819)	(3,874)
Fishing and Fishing Products	(32)	14	23	5
Food Processing and Manufacturing	1,361	1,049	1	2,411
Footwear	(3)	2	140	139
Forestry	(22)	14	184	176
Furniture	(153)	215	85	147
Hospitality and Tourism	(1,174)	1,951	(2,250)	(1,473)
Information Technology and Analytical Instruments	4,580	2,648	4,493	11,721
Insurance Services	(524)	905	3,073	3,453
Jewelry and Precious Metals	(65)	28	(96)	(133)
Leather and Related Products	(14)	21	(54)	(47)
Lighting and Electrical Equipment	(52)	237	1,087	1,272
Livestock Processing	(2)	73	46	116
Local Commercial Services	(480)	8,288	(2,073)	5,735
Local Community and Civic Organizations	3,530	6,948	10,902	21,380
Local Education and Training	(5,168)	7,531	212	2,575
Local Entertainment and Media	(4,126)	1,878	(1,026)	(3,275)
Local Financial Services	1,725	2,287	(2,936)	1,077
Local Food and Beverage Processing and Distribution	(1,589)	6,899	(740)	4,569
Local Government Services	(4,066)	5,665	63	1,661
Local Health Services	1,373	15,476	2,051	18,899
Local Hospitality Establishments	2,568	11,217	(687)	13,098
Local Household Goods and Services	(1,748)	3,045	(2,497)	(1,200)
Local Industrial Products and Services	(1,341)	785	(794)	(1,350)
Local Logistical Services	5,670	2,479	3,579	11,728
Local Motor Vehicle Products and Services	(201)	3,509	(1,192)	2,117
Local Personal Services (Non-Medical)	3,114	4,373	1,513	9,000
Local Real Estate, Construction, and Development	14,719	12,130	(6,217)	20,631
Local Retailing of Clothing and General Merchandise	(5,881)	4,258	(2,909)	(4,532)
Local Utilities	(3,011)	1,886	(523)	(1,648)
Marketing, Design, and Publishing	745	1,831	(3,107)	(530)
Medical Devices	(129)	591	2,054	2,516
Metal Mining	(0)	0	12	12
Metalworking Technology	(323)	240	752	669
Music and Sound Recording	174	41	(161)	54
Nonmetal Mining	6	29	(109)	(74)
Oil and Gas Production and Transportation	(2,733)	781	(936)	(2,888)
Paper and Packaging	(203)	174	(453)	(482)
Performing Arts	1,402	743	(133)	2,012
Plastics	48	249	31	328
Printing Services	(902)	373	(260)	(789)
Production Technology and Heavy Machinery	(296)	422	681	808
Recreational and Small Electric Goods	(51)	189	(853)	(715)
Local State Government Services	(1,099)	915	3,255	3,071
Textile Manufacturing	(42)	17	28	3
Tobacco	(0)	0	13	13
Trailers, Motor Homes, and Appliances	2	1	89	92
Transportation and Logistics	412	939	965	2,315
Upstream Chemical Products	(23)	57	360	394
Upstream Metal Manufacturing	(238)	184	(413)	(466)
Video Production and Distribution	264	366	(920)	(290)
Vulcanized and Fired Materials	(100)	121	(102)	(80)
Water Transportation	(113)	427	338	652
Wood Products	55	110	209	374

Source: U.S. Cluster Mapping (<http://clustermapping.us>), Institute for Strategy and Competitiveness, Harvard Business School; EMSI; TNDG.

**Table F-10**  
**Cluster Projected Job Growth by Region, 2023-30**

Cluster	San Pablo	San Pablo/ Richmond Area	East Bay	USA
Aerospace Vehicles and Defense	(0)	11	173	42,374
Agricultural Inputs and Services	1	10	143	68,342
Apparel	(0)	2	(171)	(11,731)
Automotive	0	8	7,875	(1,085)
Biopharmaceuticals	(0)	(2)	(347)	37,992
Business Services	(3)	(11)	1,992	1,602,193
Coal Mining	0	0	0	(8,782)
Communications Equipment and Services	(0)	(1)	(681)	66,538
Construction Products and Services	6	26	(85)	83,323
Distribution and Electronic Commerce	248	358	55	707,164
Downstream Chemical Products	0	(23)	(81)	20,454
Downstream Metal Products	(3)	32	(236)	36,468
Education and Knowledge Creation	5	71	6,724	596,265
Electric Power Generation and Transmission	0	3	142	2,545
Environmental Services	12	18	160	23,562
Local Federal Government Services	(11)	19	(281)	129,761
Financial Services	(8)	(16)	(1,484)	176,247
Fishing and Fishing Products	(0)	(0)	7	(3,409)
Food Processing and Manufacturing	7	267	1,292	167,713
Footwear	(0)	0	78	369
Forestry	1	5	229	194
Furniture	(1)	10	154	(5,981)
Hospitality and Tourism	(33)	(16)	712	277,445
Information Technology and Analytical Instruments	(8)	99	4,269	253,170
Insurance Services	(1)	(33)	(830)	120,332
Jewelry and Precious Metals	(0)	(1)	(16)	(3,024)
Leather and Related Products	(0)	3	(27)	1,562
Lighting and Electrical Equipment	0	8	1,065	60,172
Livestock Processing	0	0	(28)	38,735
Local Commercial Services	1	179	1,088	647,571
Local Community and Civic Organizations	375	674	20,363	944,065
Local Education and Training	(95)	(72)	2,351	408,050
Local Entertainment and Media	(9)	(37)	(2,165)	(53,253)
Local Financial Services	(1)	17	(192)	283,521
Local Food and Beverage Processing and Distribution	36	476	2,704	280,048
Local Government Services	(49)	80	2,631	295,628
Local Health Services	(87)	670	16,785	2,069,000
Local Hospitality Establishments	79	365	11,193	1,059,395
Local Household Goods and Services	(8)	(9)	(1,529)	14,857
Local Industrial Products and Services	(11)	12	(157)	21,907
Local Logistical Services	361	472	5,518	436,677
Local Motor Vehicle Products and Services	(12)	(4)	901	215,420
Local Personal Services (Non-Medical)	21	296	5,206	449,953
Local Real Estate, Construction, and Development	23	272	4,529	896,200
Local Retailing of Clothing and General Merchandise	(62)	(28)	(813)	69,447
Local Utilities	1	(5)	161	22,128
Marketing, Design, and Publishing	(2)	(4)	(686)	212,462
Medical Devices	5	17	1,325	30,501
Metal Mining	0	0	9	5,599
Metalworking Technology	(0)	(1)	212	8,660
Music and Sound Recording	(0)	13	84	8,655
Nonmetal Mining	(0)	(0)	(19)	8,578
Oil and Gas Production and Transportation	(2)	(904)	(1,452)	19,505
Paper and Packaging	0	1	(304)	(9,953)
Performing Arts	2	10	1,356	110,488
Plastics	0	49	0	41,341
Printing Services	0	9	(329)	(34,688)
Production Technology and Heavy Machinery	6	14	834	74,511
Recreational and Small Electric Goods	(0)	3	(148)	11,227
Local State Government Services	(3)	3	726	65,915
Textile Manufacturing	(0)	2	10	(9,364)
Tobacco	(0)	0	6	(1,348)
Trailers, Motor Homes, and Appliances	0	1	(8)	7,847
Transportation and Logistics	(8)	12	1,009	218,371
Upstream Chemical Products	(0)	(2)	(77)	11,336
Upstream Metal Manufacturing	0	69	29	6,625
Video Production and Distribution	(0)	(1)	91	42,815
Vulcanized and Fired Materials	0	17	(55)	6,879
Water Transportation	(9)	(72)	456	15,329
Wood Products	0	69	26	23,615
<b>Cluster Total (Traded and Local)</b>	<b>768</b>	<b>3,508</b>	<b>92,467</b>	<b>13,414,425</b>
<b>Traded Total</b>	<b>217</b>	<b>128</b>	<b>23,449</b>	<b>5,158,137</b>
<b>Local Total</b>	<b>551</b>	<b>3,379</b>	<b>69,018</b>	<b>8,256,288</b>
<b>Total Jobs</b>	<b>731</b>	<b>3,309</b>	<b>92,524</b>	<b>13,291,213</b>

Source: U.S. Cluster Mapping (<http://clustermapping.us>), Institute for Strategy and Competitiveness, Harvard Business School; EMSI; TNDG.

**Table F-11**  
**Cluster Projected Job Growth (%) by Region, 2023-30**

Cluster	San Pablo	San Pablo/ Richmond Area	East Bay	USA
Aerospace Vehicles and Defense	-10%	160%	22.9%	6.5%
Agricultural Inputs and Services	12%	18%	7.9%	3.6%
Apparel	-25%	16%	-25.5%	-9.0%
Automotive	80%	36%	28.3%	-0.1%
Biopharmaceuticals	-16%	-16%	-11.3%	10.9%
Business Services	-1%	-1%	2.0%	14.2%
Coal Mining				-18.6%
Communications Equipment and Services	-50%	-3%	-16.3%	12.3%
Construction Products and Services	34%	5%	-1.8%	8.4%
Distribution and Electronic Commerce	37%	14%	0.1%	7.8%
Downstream Chemical Products	183%	-18%	-6.9%	7.2%
Downstream Metal Products	-57%	48%	-24.1%	7.4%
Education and Knowledge Creation	1%	4%	9.3%	8.8%
Electric Power Generation and Transmission	2%	32%	50.6%	1.4%
Environmental Services	37%	17%	11.8%	16.1%
Local Federal Government Services	-7%	1%	-1.5%	2.7%
Financial Services	-37%	-21%	-15.5%	7.9%
Fishing and Fishing Products	-12%	UND	6.1%	-5.5%
Food Processing and Manufacturing	22%	38%	11.9%	12.9%
Footwear	-15%	107%	51.7%	2.1%
Forestry	96%	49%	79.8%	0.2%
Furniture	-7%	13%	8.2%	-1.6%
Hospitality and Tourism	-25%	-4%	5.0%	8.6%
Information Technology and Analytical Instruments	-3%	17%	12.9%	15.2%
Insurance Services	-21%	-34%	-7.8%	7.7%
Jewelry and Precious Metals	-19%	-35%	-17.6%	-11.0%
Leather and Related Products	-1%	28%	-22.5%	3.9%
Lighting and Electrical Equipment	33%	30%	33.6%	17.1%
Livestock Processing			-4.0%	6.8%
Local Commercial Services	0%	7%	1.5%	6.4%
Local Community and Civic Organizations	19%	15%	26.4%	15.9%
Local Education and Training	-26%	-2%	3.7%	4.5%
Local Entertainment and Media	-20%	-12%	-18.4%	-3.3%
Local Financial Services	-1%	3%	-1.0%	8.1%
Local Food and Beverage Processing and Distribution	3%	11%	4.5%	3.9%
Local Government Services	-34%	3%	5.6%	5.2%
Local Health Services	-27%	14%	11.7%	10.8%
Local Hospitality Establishments	9%	10%	10.9%	7.7%
Local Household Goods and Services	-6%	-1%	-6.6%	0.5%
Local Industrial Products and Services	-23%	5%	-3.2%	3.4%
Local Logistical Services	16%	17%	17.5%	13.4%
Local Motor Vehicle Products and Services	-2%	0%	3.0%	4.4%
Local Personal Services (Non-Medical)	7%	12%	11.8%	8.5%
Local Real Estate, Construction, and Development	3%	6%	3.8%	6.6%
Local Retailing of Clothing and General Merchandise	-10%	-2%	-2.7%	1.5%
Local Utilities	12%	-2%	1.2%	2.0%
Marketing, Design, and Publishing	-13%	-2%	-4.8%	10.6%
Medical Devices	15%	7%	18.3%	7.9%
Metal Mining	17%	UND	UND	11.2%
Metalworking Technology	-22%	-8%	8.2%	1.9%
Music and Sound Recording	-81%	27%	21.9%	19.7%
Nonmetal Mining	-81%	-34%	-12.0%	8.0%
Oil and Gas Production and Transportation	-5%	-60%	-43.0%	3.4%
Paper and Packaging	234%	220%	-33.2%	-2.7%
Performing Arts	21%	9%	17.0%	14.5%
Plastics	492%	117%	0.0%	6.1%
Printing Services	15%	6%	-14.9%	-8.6%
Production Technology and Heavy Machinery	18%	9%	19.9%	7.3%
Recreational and Small Electric Goods	-16%	5%	-18.5%	5.4%
Local State Government Services	-33%	2%	7.0%	3.0%
Textile Manufacturing	-36%	105%	7.4%	-5.1%
Tobacco	-49%	1939%	46.3%	-12.1%
Trailers, Motor Homes, and Appliances	3%	26%	-8.2%	4.5%
Transportation and Logistics	-2%	3%	10.2%	9.3%
Upstream Chemical Products	-50%	-24%	-9.1%	6.5%
Upstream Metal Manufacturing	213%	186%	2.9%	1.7%
Video Production and Distribution	-3%	-2%	3.5%	12.0%
Vulcanized and Fired Materials	665%	20%	-6.1%	2.7%
Water Transportation	-16%	-14%	11.2%	4.7%
Wood Products	10%	36%	2.1%	5.6%
<b>Cluster Total (Traded and Local)</b>	<b>5.7%</b>	<b>6.1%</b>	<b>6.9%</b>	<b>7.6%</b>
<b>Traded Total</b>	<b>7.7%</b>	<b>1.0%</b>	<b>5.5%</b>	<b>9.0%</b>
<b>Local Total</b>	<b>5.2%</b>	<b>7.6%</b>	<b>7.5%</b>	<b>6.9%</b>
<b>Total Jobs</b>	<b>5.7%</b>	<b>6.0%</b>	<b>7.0%</b>	<b>7.8%</b>

Source: U.S. Cluster Mapping (<http://clustermapping.us>), Institute for Strategy and Competitiveness, Harvard Business School; EMSI; TNDG.