

# 2 ECONOMIC DEVELOPMENT

San Pablo is committed to economic development and the establishment of a long-term framework for employment growth. In fact, the outcome of other General Plan initiatives is, in many ways, tied to the City's economic success. The Economic Development Element of the 2035 General Plan Update integrates the policies and actions proposed in the City's Economic Development Strategy, which was adopted on June 17, 2024, into the General Plan framework. It provides a policy platform for implementing the eight major initiatives of the Economic Development Strategy: enhancing the city's image through marketing, expanding development capacity, improving community safety and amenities, developing local workforce talent and entrepreneurship, engaging the community in economic development, promoting health and wellness, collaborating regionally, and taking advantage of fiscal tools and financing opportunities to ensure the fiscal soundness of the City.

## **2.1 Purpose and Process**

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The City of San Pablo recognizes that a successful economic development plan must be guided by a clear vision, long-range planning and continuous commitment. This vision includes a City government that is receptive to working with business owners and entrepreneurs to facilitate continued expansion of commercial businesses, professional offices, and entertainment uses; flexible land use policies that encourage mixed-use development and promotes a diversity of jobs for all residents; a fiscally healthy City budget that supports the investment of new and maintenance of existing infrastructure; and a close partnership with schools and other institutions that provide skill training and education to match the needs of the local job market.

## 2.2 Economy of San Pablo

The City of San Pablo is the 8<sup>th</sup> most populous city in Contra Costa County and has a population density of approximately two-thirds that of San Francisco.<sup>3</sup> The racial and ethnic composition of San Pablo is 15 percent White, 17 percent Asian, 12 percent Black, and 43 percent other. Nearly 57 percent classify themselves as being Hispanic.<sup>4</sup> Other economic indicators are presented in **Table 2.2-1**.

**Table 2.2-1 The Economy of San Pablo**

Population between 18 and 62	58%
Population with a Bachelor’s degree or higher	15%
Average household size	3.2 persons
Percent of ownership housing	42%
Median Household Income as a percent of Contra Costa County as a whole	60%

Source: U.S. Census, 2020; American Community Survey, 2022.

### THE CURRENT ECONOMY

San Pablo has a diverse, yet limited economy largely due to its small size, as well as being built out. The economy is also limited by its supply of older professional office space and lack of access to a waterfront. The number of employed residents by industry group in 2010 and 2018 is summarized in **Table 2.2-2.5**.<sup>5</sup>

The largest and most important economic sectors, in terms of employment size, are ‘Arts, recreation, and other services,’ (a Census category that includes casino employment) and ‘Education, health and social services’ (a category that includes jobs at nearby medical centers and offices and at Contra Costa College in San Pablo). Together, these two sectors account for one third of all employed residents in the city. The major employers include Contra Costa College (about 900 jobs) and the Lytton Casino (about 421 jobs).<sup>6</sup> Retail-related jobs represented a substantial share of total employment, at 16 percent, but offer few high quality jobs, such as full-time employment at a living wage or better and providing benefits.

<sup>3</sup> US Census, 2020.

<sup>4</sup> American Community Survey, 2022.

<sup>5</sup> An “employed resident” refers to any adult resident who is currently employed, regardless of the location of the job. The job may be located in San Pablo, or outside of San Pablo. Thus, the number of employed residents is not the same as the number of local jobs.

<sup>6</sup> Source: City of San Pablo Comprehensive Annual Financial Report, 2019-2020; Dyett & Bhatia, 2021.

Table 2.2-2 Number of Employed Residents by Industry Group, 2010 to 2018

<i>Employed Residents by Industry</i>	<i>2010</i>	<i>2018</i>	<i>Jobs Added</i>	<i>Percent Change</i>
Agriculture, forestry, fishing and hunting, and mining	0	0	0	0%
Construction	76	138	62	82%
Manufacturing	181	57	-124	-69%
Wholesale trade	187	59	-128	-68%
Retail trade	633	926	293	46%
Transportation and warehousing, and utilities	26	77	51	196%
Information	9	5	-4	-44%
Finance and insurance, and real estate and rental and leasing	166	112	-54	-33%
Professional, scientific, and management, and administrative and waste management services	153	176	23	15%
Educational services	1,077	1,072	-5	0%
Health care and social services	783	1,343	560	72%
Arts, entertainment, and recreation	596	632	36	6%
Accommodation and food services	416	772	356	86%
Public administration	217	237	20	9%
Other	446	235	-211	-47%
<b>Total</b>	<b>4,966</b>	<b>5,841</b>	<b>875</b>	<b>18%</b>

Source: US Census; California Employment Development Department



The Contra Costa College provides educational services and employment opportunities for San Pablo residents. (Photo: Contra Costa College)

## The City's Competitive Advantage

To judge the relative strength of each industry in San Pablo, it is informative to compare these industries to data from a larger geographical entity, such as Contra Costa County. **Table 2.2-3** presents employment makeup in year 2018 for comparison. According to the analysis, San Pablo enjoys competitive advantages in the 'Educational Services' employment sector and the 'Arts, Entertainment, and Recreation' employment sector. The latter employment sector includes jobs relating to the casino industry.

**Table 2.2-3 Number of Employed Residents in San Pablo and Contra Costa County, 2018**

Industry	City of San Pablo		Contra Costa County		Location Quotient (LQ)
	Number of Jobs	Percent of Total	Number of Jobs	Percent of Total	
Agriculture, forestry, fishing and hunting, and mining	0	0%	1,937	1%	0.0
Construction	138	2%	28,750	8%	0.3
Manufacturing	57	1%	16,776	4%	0.2
Wholesale trade	59	1%	10,591	3%	0.4
Retail trade	926	16%	43,291	11%	1.4
Transportation and warehousing, and utilities	77	1%	9,142	2%	0.6
Information	5	0%	9,142	2%	0.0
Finance and insurance, and real estate and rental and leasing	112	2%	30,452	8%	0.2
Professional, scientific, and management, and administrative and waste management services	176	3%	59,388	16%	0.2
Educational services	1,072	18%	33,301	9%	2.1
Health care and social services	1,343	23%	69,969	18%	1.3
Arts, entertainment, and recreation	632	11%	7,223	2%	5.7
Accommodation and food services	772	13%	34,700	9%	1.5
Public administration	237	4%	14,144	4%	1.1
Other	235	4%	14,262	4%	1.1
<b>Total</b>	<b>5,841</b>	<b>100%</b>	<b>383,068</b>	<b>100%</b>	

Source: US Census Bureau Longitudinal Employer-Household Dynamics program, 2018; Dyett & Bhatia, 2021.

The sectors where San Pablo is relatively weak, in terms of employment, are 'Information' (a Census category that includes information technology and the high-tech industry), 'Finance and Insurance, and Real Estate and Rental and Leasing', and 'Professional, Scientific, and Management, and Administrative and Waste Management Services'.

## ECONOMIC STRENGTHS AND CHALLENGES

To develop its economy successfully, San Pablo will have to build on its economic strengths, look for opportunities for growth, and address any economic threats facing the City, while also considering more equitable ways for its residents to participate in the local economy. Strategies to skill-up and attract industry that benefits from the inherent multi-lingual capacity of local residents are needed. The following section highlights the challenges facing San Pablo, based on an objective assessment of economic conditions.

### Strengths

- *Location.* San Pablo's proximity to San Francisco and other major cities hosting globally recognized universities and vibrant service and technology-based industries in the San Francisco Bay Area is a highly desirable factor in terms of attracting businesses and jobs. Its location is readily accessible to local and regional markets, financial resources, a large diverse labor force, airports and seaports, major Amazon, USPS and UPS distribution centers and a diverse range of services. It is well positioned along the Interstate 80 corridor with connections to the Bay Bridge to the south and the Carquinez Bridge to the north, and includes multiple commercial corridors, including San Pablo Avenue, San Pablo Dam Road, 23rd Street, and Rumrill Boulevard. Several regional AC Transit lines run through the City and the Richmond BART station is just one mile to the south. The City's mix of urban and suburban features is also seen as desirable.
- *Competitive Land Values.* Compared to peer cities such as Emeryville, Pleasant Hill, Hercules, and others, San Pablo's land is competitively priced. Additionally, there is an availability of vacant or underutilized parcels that can be developed, and densification of development is seen positively in the city.
- *Ethnic Diversity.* San Pablo's cultural diversity provides a backdrop for celebrations, festivals, and gives the community a special character. This is an asset that can be used to attract businesses, as well as knowledge workers, and it contributes positively to residents' quality of life. As the healthcare industry expands, a community offering skilled professionals who make linguistically- and culturally competent care possible is a unique asset, attracting patients and lowering risks for operators.

- *Proximity to Higher Education.* The Contra Costa Community College is located within City borders, and San Pablo is minutes away from other well-known colleges, such as UC Berkeley, Cal State East Bay, and the College of Alameda. The Bay Bridge separates San Pablo from Stanford University, the University of San Francisco and San Francisco State University.

## Weaknesses

- *Low-skilled Workforce.* San Pablo's labor force has traditionally suffered from having the lowest educational attainment and skill certification in the County. While community college and high school matriculation rates had been increasing, post-pandemic, high school graduation rates have suffered. This is reflected by the relatively low percentage of people (12 percent) employed in Management and Professional occupations. In part, the lower education is due to a higher rate of immigrants who settle in San Pablo whose opportunities to attain higher education levels are limited and whose degrees may not be recognized in the United States. This indicates that a sizable proportion of the labor force needs certification opportunities, qualification into the trades, and skills training in order to compete for higher-skill jobs and better wages. English language development courses are being retooled to focus on specific industry needs to fast-track the language skills needed in addition to job skills.
- *Low Aggregate Disposable Income.* San Pablo's household income is significantly lower than the County as a whole. The low aggregate income is a barrier to attracting major retailers or other retail or service-related businesses to the area, while also limiting the ability of residents to access wealth-building opportunities such as higher education and homeownership.
- *Lack of Large Vacant Parcels of Land for Development.* As a small, built-up city, large, vacant parcels on which to develop new buildings are not readily available in San Pablo. Because of its small lots and multiple ownerships in the central areas of the city, assemblage of individual parcels of land for coordinated development can be complex, time-consuming, and expensive.
- *Lack of Neighborhood Maintenance and Cleanliness.* Quality-of-Life factors are determined in large part by the quality of a city's neighborhoods. In San Pablo, an overall lack of property maintenance, relatively low median household incomes, and low home ownership rates have contributed to deterioration and lack of community pride. Litter and homeless encampments near major entrances to the city and along key commercial corridors further hurt San Pablo's image. These conditions also impede the attraction of some businesses. In recent years, the City has focused major efforts on community clean up , anti-dumping campaigns, and increased maintenance.



Located within City borders, Contra Costa College is an asset to economic development. (Photo: Contra Costa College)

## Opportunities

- *Low-skilled Workforce.* San Pablo's lack of college graduates can turn into an advantage when it comes to attracting employers that require entry-level workers, such as builders, manufacturers, or retailers.
- *Benefits from Regional Growth.* San Pablo has an opportunity to partner with neighboring cities on business attraction, as there are limited development opportunities within the city itself. New businesses within the region provide more high-paying jobs accessible to San Pablo residents and offer opportunities for spin-off businesses to locate in San Pablo.
- *Promoting Infill Development.* Mixed-use development is gaining momentum in the local market and can encourage reinvestment of older commercial properties. This presents an opportunity to create more desirable walkable neighborhoods and attract more businesses and residents in resource-rich areas.
- *Economic Development through Community Based Organizations (CBOs).* San Pablo hosts a nonprofit called San Pablo Economic Development Corporation (San Pablo EDC) whose work focuses on the education and training of workforce, businesses and aspiring homeowners. San Pablo EDC combines multiple funding sources and has an agreement with the Community College District to find and fund certified training opportunities for residents, including trades pre-apprenticeship. San Pablo EDC also serves as a conduit for businesses approaching the City and for the City to approach businesses to offer to skill-up the language-diverse workforce in the areas needed for that enterprise to thrive. Further, San Pablo EDC is focused on intergenerational wealth building through economic empowerment and homeownership. The City also works with Lao Family Community Development which is focused on getting the vulnerable workforce housing-stable and job-ready, and the City works with the College Foundation to fund scholarships, notably for San Pablo residents transferring to four-year schools.

## Threats

- *Regional Profile.* The City of San Pablo has previously had a poor public image that has improved steadily but still lags in relation to its excellent crime statistics as compared to all neighboring cities. This image is primarily due to a historical perception that the area around San Pablo is not safe. While major positive changes in the city's safety level have occurred over recent decades, the stigma remains. Blighted areas exist in various city neighborhoods, and homelessness is highly visible in some areas. Laws passed during the pandemic inadvertently created an environment in which the nation

experienced soaring petty crime rates at grocery, pharmacy and other retail stores, sparking many to shutter their doors in recent years. While these stores have stuck it out in San Pablo and worked well with the Police Department, the perceived lack of public safety may discourage new businesses and development from locating in San Pablo.

- *Challenges to Development.* New development is often financially infeasible in San Pablo due to a combination of regulatory requirements, high construction costs, and lower potential commercial and residential rents. Parking is a particular challenge in a fairly built-out city with small parcel sizes where building area needs to be maximized. These factors can make it difficult to attract developers to construct much-needed housing and revitalize blighted sites. On the plus side, the City has streamlined development reviews in its Permit Center and has a reputation for high levels of customer service and expedited review times.



Underutilized lots and distressed commercial buildings along Rumrill Boulevard present a poor image of San Pablo, but they also represent opportunities for redevelopment.

- *Population Growth Outpacing Housing Development.* Until recently, population growth had outpaced housing development, but new housing construction had begun to rebound as of 2019. As in other areas, this surge in development has been challenged by supply chain constraints, high interest rates, and lack of labor. The City has entitled hundreds of new housing units and is waiting for these projects to complete or commence construction.

## THE FUTURE ECONOMY: PROJECTED EMPLOYMENT

**Table 2.2-4** presents the future employment projections for the City of San Pablo, in relation to regional trends across Contra Costa County. The projection is based on extrapolating data from the ABAG's regional 2050 forecast, which is developed using information on Priority Development Areas (PDAs) that are expected to account for 70 percent of future growth in the city. The City of San Pablo is comprised of three PDAs: San Pablo Avenue, 23rd Street, and Rumrill Corridor. These are further described in Section 3.2 of the Land Use Element.

<sup>9</sup> Projections show what is likely to occur if no economic development strategies as proposed in this General Plan are pursued; that is, if the economy is left on its own.

Table 2.2-4 Projected Number of Employed Residents, 2010 to 2050						
<i>SAN PABLO</i>	2000	2010	2020	2030	Percent Share in 2000	Expected Percent Share in 2030
Population	30,215	32,200	33,600	34,950	NA	NA
Households	9,051	9,680	10,150	10,620	NA	NA
Arts, recreation, and other services	1,977	2,450	2,920	3,410	18.3%	20.5%
Construction	1,068	1,350	1,630	1,810	9.9%	10.9%
Educational, health and social services	1,829	2,600	2,780	3,100	16.9%	18.6%
Finance, insurance and real estate	595	710	820	970	5.5%	5.8%
Information	139	130	170	220	1.3%	1.3%
Manufacturing and wholesale	1,367	1,250	1,400	1,530	12.6%	9.2%
Professional and management services	1,230	1,460	1,750	2,010	11.4%	12.1%
Public administration	455	530	600	640	4.2%	3.8%
Retail	1,106	1,240	1,450	1,640	10.2%	9.9%
Transportation and warehousing, and utilities	970	1,120	1,220	1,270	9.0%	7.6%
Other	82	40	40	30	0.8%	0.2%
<b>Total</b>	<b>10,818</b>	<b>12,880</b>	<b>14,780</b>	<b>16,630</b>	<b>100.0%</b>	<b>100.0%</b>

Source: ABAG Employment Projections, 2024; Dyett & Bhatia, 2009.

## **RECOMMENDED TARGET INDUSTRIES**

Based on analysis of recent growth patterns for key local sectors, several industries may be targeted, based on their fit with City strengths, past performance, and future growth potential. These industries are summarized below.

### **Health Care and Senior Services**

The City of San Pablo is developing a growing sector in the areas of health care and senior services that can further be expanded and capitalized upon. The City has a number of advantages. It has multiple smaller medical facilities within City limits, including the West County Health Center, County Behavioral Health Center, Contra Costa County WIC Center, Lifelong Brookside, Vale Health Center, A&A Health Services, DaVita Dialysis Centers, and RotaCare West Free Clinic, with larger health facilities, such as Kaiser Permanente and Alta Bate Hospital available in Richmond and Berkeley to the south.

In terms of the growing demand for senior services, the population 65 and older is projected to grow faster than any other age segment in California. According to Census estimates, the population of senior citizens in California is projected to increase by 166 percent between 2010 and 2060, while total population will only increase by only 30 percent. San Pablo can take advantage of this shift by positioning itself as a regional senior care location.

The City is home to three nursing homes with care facilities (San Pablo Healthcare and Wellness Center, Creekside Healthcare Center, and Vale Healthcare Center), and several senior living apartment complexes. The City could foster the development of senior care and related medical services, especially acute and specialty clinics, dental offices, pharmacies, medical supply firms, diagnostic labs, medical insurance companies, and other outpatient offices. Senior living facilities providing independent living, assisted living, and memory care can provide state-of-the-art services that will attract residents and adjacent businesses. While nursing homes and congregate care facilities themselves may not provide a great number of jobs, they attract other businesses related to healthcare and require retail and other services. Additionally, the development of senior facilities may also be eligible for State or Federal subsidies.

In addition, many of the jobs in the healthcare industry require highly skilled workers and can be well paying. These workers will spend a portion of their incomes in the City (on meals and daily goods and services), which will contribute to increased tax revenue, and they may choose to live in San Pablo as well. Partnerships with Contra Costa College could provide opportunities to locally train San Pablo residents for careers in the healthcare industry.

**Examples of businesses to target:** Nursing homes, residential care homes, acute and specialty clinics, dental offices, pharmacies, medical supply firms, diagnostic labs, medical insurance companies, etc.



There will be an increased demand for senior care services in the San Francisco Bay Area in the next few decades due to an aging population.

### **Green Technology**

Industries centered around sustainable technologies and renewable energy present a growth opportunity in San Pablo. Solar, wind, e-battery production, and energy transfer and storage are playing a growing role in the energy sector, and can expect to see continued funding and future growth in California. Self-driving cars and trucks are also gaining traction and require new infrastructure for storage, maintenance, and manufacturing. San Pablo has a number of larger formerly industrial parcels that present opportunities for these sectors, as site contamination concerns prevent other types of development. Taking advantage of these sites for assorted green tech uses presents an opportunity to bring new jobs and investment into the City.

### **Biotechnology**

San Pablo is well positioned regionally to take advantage of the Bay Area's biotech cluster. The city offers close proximity to areas where many biotech workers live, offering a more attractive setting for employers than current clusters in higher cost of living areas. Additionally, land for biotech and adjacent medical manufacturing uses can be acquired for much less than in competing submarkets, further positioning San Pablo as an attractive location for these types of businesses. These factors can lure businesses such as specialty biopharma manufacturers, durable medical equipment makers, and other semi-industrial uses that provide high-quality jobs and significant tax revenue.

**Examples of businesses to target:** Specialty biopharmaceutical companies and durable medical equipment (DME) providers in the life sciences area based in Marin County and South San Francisco (with a high-cost operational basis) would be excellent targets, especially those still in their private equity phases or that have recently gone public. The challenge for these companies is that their cost of operation is high. They also have a labor challenge given that their workforce tends to live in and come from the East Bay. Relocating to the East Bay, where they can find lower rent, better proximity to travel hubs, and strong access to a highly educated and well-trained regional workforce would improve their valuation.

### **Hotel and Gaming**

San Pablo is well positioned to plan for and encourage the growth of the hospitality and gaming industry to complement existing entertainment activities occurring in and around the Casino. Careers in the arts and entertainment industry are often low-skilled and lower-paying, which makes them a good match for San Pablo, where only 15% of the population has a bachelor's degree or higher. San Pablo already has a well-established casino, which serves visitors from the Bay Area and beyond. The City could build on the casino's presence by considering future uses complementary to or supportive of the existing Class II gaming operations, and add more family-friendly uses, which would draw in a greater variety of visitors and augment the City's image as an entertainment destination. Development of hotels and entertainment venues would also provide the City with an additional revenue source in the form of Transient Occupancy tax. This would also serve to attract additional visitors from outside the immediate region and encourage visitors to the entertainment destinations to spend more time in the City.

**Examples of businesses to target:** Hotels, business or family motels, bed and breakfast inns, theaters, family-fun or amusement center, cultural centers, indoor sports center, etc.

### **Education Services and Training**

Today, a compelling body of research links education and training to economic development and growth. This research recognizes people as a type of economic asset known as "human capital," and shows that increased investment in skills and knowledge provides future returns to the local economy through increases in labor productivity and competitiveness. Accordingly, every city eager to develop its economic base should promote the growth of businesses providing education services and training to equip today's and tomorrow's residents with the skills for success. San Pablo is well positioned to build its human capital through the ongoing efforts of the San Pablo EDC and its partners. Strategically, building human

capital makes especially good sense for San Pablo, because the city has a large proportion of children and young adults and a low proportion of people with high school graduation certificates or college degrees. These conditions represent a latent demand for educational services in the form of after-school tutoring providers, job training programs, and art, technical and trade schools. Additionally, schools offering specialized, industry-specific language courses or continuing-education certificates may be popular with adults or new immigrants eager to increase their marketable skills or learn a new language. A concerted effort to target these businesses will produce even greater growth by increasing the education level and career opportunities available to San Pablo residents, thereby raising incomes and setting off a virtuous cycle of economic growth.

**Examples of businesses to target:** After-school tutoring providers, job training programs, art, technical and trade schools, language schools, continuing education schools, etc.



Language and vocational schools are great businesses to attract to San Pablo because they provide new jobs as well as equip San Pablo residents with new skills (Photo: San Pablo EDC).

## THE CITY'S ROLE IN ECONOMIC DEVELOPMENT

The City of San Pablo has taken a proactive approach to economic development. In 2024, the City of San Pablo adopted an Economic Development Strategy (EDS) prepared by the Natelson Dale Group, Inc and providing guided direction to ensuring the stability and growth of the city's finances and economy. The EDS identified eight key initiatives, summarized in the EDS Action Plan. These initiatives aim to expand economic opportunities for San Pablo's resident workforce, revitalize and diversify San Pablo's older commercial and industrial areas, promote expanded opportunities for homeownership, and strengthen the City's fiscal position. Furthermore, the San Pablo Economic Development Corporation (EDC) is active in promoting small business growth, career and educational opportunities, and homeownership for residents of the city.

The City intends to better leverage its membership in advocacy groups, such as the East Bay Economic Development Alliance (EBEDA) and Contra Costa Economic Partnership (CCEP). Both of these organizations get involved in county and regional economic development and funding efforts that lend themselves to development assistance, grants, etc., for specialized zones and regional efforts, such as the Green Empowerment Zone. The City is located in the Metropolitan Transportation Commission's (MTC's) Priority Production Area and may be able to access further grant funding to realize or advance some of the goals under this plan.

The following section outlines the guiding and implementing policies for economic development, based on the existing work of the San Pablo EDC and the action items laid out in the Economic Development Strategy. Additional policies related to providing sufficient sites for economic purposes are in the Land Use Element.

## **2.3 Ensuring Strategic Readiness**

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Cities operate in an economic context that is always in flux. In particular, local market conditions continue to evolve, and regional and environmental issues are constantly changing. Strategic readiness requires San Pablo to have clear and realistic targets for economic development. These targets should be up-to-date to respond to changing market conditions. As the City gains new insights, its economic strategy must be flexible enough to evolve to respond to new challenges.

### **GUIDING POLICIES**

- ED-G-1 Review, assess, and respond to changing economic conditions.*
- ED-G-2 Pursue the Major Goals identified in the 2024 Economic Development Strategy, including the following:*
- 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*

## IMPLEMENTING POLICIES

**ED-I-1** Annually monitor economic trends and leading indicators to identify emerging industries and new market opportunities, so that City policies and strategies can be proactive and timed to market changes.

**ED-I-2** Actively work to implement the focus areas, programs, and action steps laid out in the City’s Economic Development Strategy, including the following:

**Focus Area 1. Marketing/Image Enhancement.** The City will launch an economic marketing program to support the priorities laid out in the EDS.

**Focus Area 2: Expanded Development Capacity.** Within San Pablo’s limited remaining land/development capacity (and opportunities for re-tenanting/repurposing existing underutilized buildings and commercial centers), City will focus its business development efforts on potential “signature” projects with image-enhancing characteristics and the likelihood of adding to the tax base.

**Focus Area 3: Community Safety, Improvement, and Amenities.** Through a combination of City investments and private sector incentives, the City will pursue a comprehensive improvement agenda addressing community-based public safety, issues related to homelessness in a holistic way, improving cleanliness and visual appeal, streetscape/gateway improvements, and facilitating reinvestment in commercial/storefront properties.

**Focus Area 4: Leveraging Local Talent (Workforce and Entrepreneurial Development).** Collaborate with local/regional partners to grow workforce development for San Pablo residents and build resources for supporting San Pablo entrepreneurs.

**Focus Area 5: Ongoing Community Engagement in Economic Development.** Formalize processes for civic and stakeholder engagement around the topic of economic development, including the use

of surveys, forums, regular communications, and establishment of a “business ambassador” program.

**Focus Area 6: Health and Wellness.** Integrate economic development programming with a broader focus on community health and wellness.

**Focus Area 7: Regional Collaboration.** In addition to existing partnerships, the City will establish or reinforce partnerships/consortia focused on the following topics: Support for persons experiencing homelessness and related mental health issues; regional business attraction; education and workforce development; small business and entrepreneurial development.

**Focus Area 8: Fiscal/Financial Tools and Funding Opportunities.** The City will systematically review and strengthen key systems, policies, and tools relating to funding fiscally advantageous projects and enhancing tax revenues.

ED-I-3

Conduct an Employment Development Roundtable every two years to discuss employment training needs, collaboration opportunities, internship and apprenticeship opportunities, job and labor trends, and the educational performance of local schools, to come up with a list actions and strategies.

*The Roundtable will involve City leaders, the San Pablo Economic Development Corporation, local business stakeholders, business owners, educators, and youth. It will also involve regional non-profit and private economic development or employment organizations, such as the East Bay Leadership Council, East Bay Economic Development Alliance, and the Contra Costa Community College District.*

## **2.4 Sectoral Targeting**

Sectorial targeting actively promotes economic development by bringing to San Pablo industries or businesses that would benefit the community the most. Based on a survey of existing conditions, the industries that are most compatible with San Pablo are those whose growth has the greatest potential for job and wage increases, provide training to workers, and whose development is compatible with the City’s vision. Examples include Healthcare and Senior Services, Green Tech, Biotechnology, Hotel and Gaming, and Education Services and Training.

## GUIDING POLICIES

*ED-G-3 Recruit community-serving retail, neighborhood-serving commercial, healthcare, and entertainment business and activities that meet the needs of residents.*

## IMPLEMENTING POLICIES

*ED-I-4 Attract new businesses, with a focus on those that:*

- can realistically locate within San Pablo’s limited locational opportunities;
- would see our location as advantageous to their business;
- generate net fiscal benefits to the City through increased tax revenues;
- provide opportunities for skill training;
- create higher-paying and/or higher-quality jobs for local residents;
- complement or augment existing goods and services in San Pablo;
- create minimal negative impact on the environment; and
- require minimal public investment.

*ED-I-5 Create a list of incentives as part of a package to approach a “target list” of businesses in relocating to San Pablo.*

*Potential incentives may include labor support services through San Pablo EDC, expedited permit review and approval, and floor area bonuses.*

## 2.5 Cultivating and Attracting Skilled, Educated, and Well-Trained Work Force

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Workforce development is a mid- to long-term economic development strategy because it focuses on cultivating a supply of trained workers to attract new businesses. The City can take an active role in improving its supply of skilled labor through encouraging job training, workforce development, and life-long learning. This objective includes attracting non-resident professionals with local jobs to move to San Pablo. This can be accomplished through policies such as ensuring there are enough housing choices for professionals and their families, partnering with local schools to improve school quality, and ensuring there are enough retail, entertainment, and recreation facilities that cater to families.<sup>10</sup>

San Pablo EDC encourages on-the-job training hires which reimburse businesses for investment in local workforce. EDC helps local residents get pre-apprenticeship training and access to adult education to prepare for pre-apprenticeship and apprenticeship programs. In parallel, it is essential for the City to encourage local businesses to hire locally, making use of web and social media channels. If a business thrives, it hires more people and pays them better, generating a virtuous cycle.



San Pablo EDC and the City work in tandem to equip local residents with the skills needed to succeed in the job market and to encourage San Pablo businesses to hire qualified candidates locally.

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<sup>10</sup> Most of these issues are addressed in other General Plan elements. For example, ensuring enough park and recreation facilities is a goal in the Parks, Schools, Community Facilities, and Utilities Element, while ensuring housing diversity is a goal in the Housing Element.

## GUIDING POLICIES

- ED-G-4 Provide employers with access to a skilled, educated, and well-trained resident work force.*
- ED-G-5 Attract professionals and skilled workers with local jobs to live in San Pablo.*

## IMPLEMENTING POLICIES

- ED-I-6 Create a partnership between Contra Costa College and the business community through the two-year Employment Development Roundtable. This will enable the College to offer training programs tailored to local business needs, including supervisory, teacher certification, healthcare, and technology training.*
- The City will promote student internships with local businesses to enhance education. To stay competitive, San Pablo must provide quality education. The College has transfer agreements with several universities and the highest UC transfer rate among similar institutions. The City should also co-sponsor the College's annual "Career Fair" to engage business leaders on job opportunities and training needs.*
- ED-I-7 Connect local businesses, through the San Pablo EDC, to mentoring opportunities, paid internships, and other work-based learning opportunities for work-aged youth.*
- ED-I-8 Provide a diversity of housing types including townhomes, studios, multifamily apartments and single-family homes at a range of prices and affordability levels to meet the housing needs of younger professionals and new families wishing to relocate to San Pablo.*
- Other housing related policies and programs are included in the Housing Element.*

## 2.6 Improving the Business Climate

A welcoming business climate allows businesses to conduct their affairs expeditiously while accessing high quality services and customers at reasonable costs. San Pablo should continue to facilitate and reduce the cost of doing businesses through policies that expedite permitting and other application procedures, reduce barriers to investment, and implement local assistance programs as needed.

### GUIDING POLICIES

*ED-G-6 Preserve and enhance qualities that make San Pablo an ideal place to do business.*

### IMPLEMENTING POLICIES

**ED-I-9** Continue to offer high-quality customer service for all business needs.

*The City will set goals for City staff response times and review existing permit and business license processes to remove duplicative and unnecessary paperwork, through on-line programs and other approaches.*

**ED-I-10** Establish a list of “shovel-ready” development sites in consultation with property owners and provide the list to interested developers and businesses seeking sites in the city.

*This list should be updated regularly and distributed to the EDC, employment recruiters, the Real Estate Board, and local commercial bankers and developers, as well as posted on the City’s website.*

**ED-I-11** Amend the Zoning Ordinance to remove unnecessarily burdensome regulations that can hinder development, and provide authority for fee waivers for targeted businesses locating in San Pablo.



The City is committed to providing high-quality customer service.

ED-I-12 Create a one-stop web portal for economic development.

*The website may include:*

- Information on the permitting and licensing process and including a list of available business assistance programs.
- A secure portal for online applications and a searchable GIS inventory of available sites;
- A directory of San Pablo firms and the products or services they provide;
- A “Testimonial Page” by local businesses owners and City officials to encourage new businesses to locate in San Pablo; and
- Links to collaborative websites (including financial/loan resources), and links to websites of businesses and service providers within the city.



A future one-stop web portal will improve the ease of the application and permit process.

## 2.7 Working Regionally

The current operating environment for cities is increasingly being impacted by the need to create cooperative processes and solutions to problems region-wide. Because cities do not exist by themselves but are always in close proximity to others, many issues are best approached with a “*think globally, plan regionally, act locally*” mindset. This is especially so for issues that require cooperation with other jurisdictions such as traffic flow, unemployment, crime prevention, and air quality.

In order to be effective, economic development policies in San Pablo must be planned and implemented with the region in mind. Good practices include keeping communication lines open with peer cities, non-profits and other agencies and participating in regional economic alliances to ensure that the City’s needs and interests are adequately represented.

## GUIDING POLICIES

*ED-G-7 Work cooperatively with other agencies and cities to achieve regional development goals.*

## IMPLEMENTING POLICIES

**ED-I-13** Work with regional economic development organizations and surrounding cities to foster the economic health of the area.

*The City is integrally connected to the rest of the Bay Area. Many issues facing the region affect all communities in it, and can be solved only through regional dialogue and cooperation.*

## 2.8 Marketing and Promotion

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Marketing a city is more than just a mere promotion of place. Effective Marketing and Promotion defines San Pablo's image and increases its visibility to potential investors and future residents. The City should work to create an improved and more effective print and digital presence through various media, such as its websites, social media, news stories, and video. Additionally, the City should maximize opportunities to promote itself, in partnership with the EDC, the East Bay Economic Development Alliance and other economic development partners.

## GUIDING POLICIES

*ED-G-8 Promote a positive image of San Pablo as a desirable place to live, shop, visit and do business.*

## IMPLEMENTING POLICIES

**ED-I-14** Work with owners, managers, and employers in the shopping, entertainment, arts, dining, hotel, recreation, and nightlife sectors through the San Pablo EDC to explore cooperative ways of marketing and doing business in San Pablo.

ED-I-15 Promote regionally recognized events as a means of fostering a positive image of the City as a place to visit, reside, and conduct business.

*Examples of community events that could draw visitors to the city include the annual Fiestas Patrias, Cinco de Mayo, and Fourth of July celebrations, as well as other city celebrations, festivals, and promotional sales.*

ED-I-16 Establish San Pablo as a regional destination for shopping, entertainment, and medical care.

ED-I-17 Promote activities associated with the Lytton Casino, the nearby hotel, and other entertainment activities to be developed in the Mixed-Use Center and Entertainment District area.

- Provide clear signage on roads leading to points-of-interests such as the Casino and nearby shopping centers;
- Provide visitor information on the City's website; and
- Encourage the Casino and major retailers to invest their marketing in the most up-to-date methods of advertising to reach their desired audiences.

## **2.9 Supporting Local Businesses**

To retain local businesses, San Pablo needs to provide a supportive environment for these businesses to grow and develop. Understanding their needs and providing resources and services to the business community is an important aspect of a comprehensive economic development program.

**GUIDING POLICIES**

ED-G-9 *Support local businesses and foster a positive relationship between the business community and the City government.*

**IMPLEMENTING POLICIES**

ED-I-18 Encourage the formation or reconstitution of business organizations to represent businesses along 23rd Street, North San Pablo Avenue, South San Pablo Avenue, and Rumrill Boulevard.

ED-I-19 Support business retention by promoting the San Pablo EDC’s Nano Revolving Loan Fund (RLF) program and through finding new opportunities to provide free or low-barrier funding for local businesses.

ED-I-20 Support community efforts to establish a Farmer’s Marketplace or Food Truck event in the center of San Pablo.

*This could be established at the corner of 23rd Street and Brookside Drive or at a future development site. The Farmer’s Market/Food Truck event could be a weekly, open-to-air gathering of stalls offering food, clothing, and crafts from local producers/artisans, along with community services for people who need them. It would have a festive atmosphere, possibly with live music.*

ED-I-21 Strive for a balanced mix of local, regional, and national retailers that offer a diversity of product and pricing choices for residents.

*The City will locate regional-oriented retail uses so they will not adversely affect residential neighborhoods.*

ED-I-22 Undertake strategic initiatives to attract new retail and commercial development:

- Promote catalyst projects at key locations to stimulate private investment;

- Encourage quality retail and restaurant uses to locate near existing successes; and
- Build on synergies that could occur between complementary businesses.

*The geographic concentration of certain types of uses can bring about positive spin-offs to surrounding businesses. For example, concentrating quality retail and restaurant uses can help increase convenience and create an identifiable “go-to” place in the mind of shoppers and diners. Locating additional medical offices near the current hub of health services at San Pablo Avenue and Vale Road would further expand this healthcare industry cluster towards a critical mass.*

## **2.10 Maintaining Fiscal Health**

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Economic and other initiatives will have fiscal consequences for San Pablo. The City must seek ways to maximize the collection of existing revenue and adopt new revenue sources, as needed, to continue providing quality services and ensure revenue and expenditure achieves a healthy balance.

### **GUIDING POLICIES**

*ED-G-10 Foster a fiscally healthy City government and enlarge/diversify the City’s revenue base as necessary to sustain and support the community.*

### **IMPLEMENTING POLICIES**

**ED-I-23** Require fiscal impact analyses for major development proposals requiring a General Plan Amendment to assess citywide impacts and to identify any burden such projects might create for the City.

**ED-I-24** Continue to identify, pursue, and capture Federal, State, and other grants for economic development, marketing, and incentives to recruit new businesses.

## 2.11 Improving a City's Image

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A clean and safe environment can create a favorable impression and instill confidence for businesses and investors. Conversely, a lack of cleanliness and public safety concerns may cause businesses to question San Pablo as an investment destination. The City must continue to work to assure the business community that it is a desirable place in which to work, live and do business. Graffiti abatement, trash removal, streetscape and landscape improvements, and business upgrade programs are a few examples of initiatives that can contribute to a better city image.

### GUIDING POLICIES

*ED-G-11 Support and contribute to a clean, attractive, and safe environment for residents, business owners, employees, visitors, and shoppers.*

### IMPLEMENTING POLICIES

**ED-I-25** Adopt a city abatement program with a goal to assist property owners with graffiti removal, installation of more security lights, and litter abatement/dumping cleanup.

*Graffiti and litter create the impression that crime exists within the community and negatively affects economic development opportunities. A citywide abatement program can go a long way in improving the City's image. The City has made tremendous strides in this direction through the Police Department's Priority Oriented Policing (POP) and the Public Works Department's San Pablo Shines program.*

**ED-I-26** Continue to support efforts to improve and upgrade older businesses along San Pablo Avenue, 23rd Street, and Rumrill Boulevard.

*Loss of Redevelopment Authorities in California has eliminated an important source of beautification funds. The City and EDC should work together to identify support programs and resources to assist businesses, through such programs as Business Improvement Districts, Opportunity Zones, etc.*

ED-I-27 Continue to promote streetscape improvements in commercial areas, such as along San Pablo Avenue, Rumrill Boulevard and 23<sup>rd</sup> in coordination with transportation improvement projects.

*Major streetscape improvements have recently been installed along San Pablo Avenue and Rumrill Boulevard as a part of grant-funded Complete Street improvements. The City should continue to seek grant funding to install these improvements along the major commercial corridors of San Pablo.*