



## ECONOMIC VITALITY COMMITTEE REPORT

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April 20, 2023  
Economic Development

**TITLE: RECEIVE AN OVERVIEW OF THE DRAFT ECONOMIC DEVELOPMENT STRATEGIC PLAN AND PROVIDE A RECOMMENDATION TO THE CITY COUNCIL FOR ADOPTION**

### **BACKGROUND**

In 2013, the City Council adopted the current Economic Development Strategic Plan (Strategic Plan) as a policy document to guide the City's economic development priorities and activities over a period of three to five years. After the changing economic landscape of the past several years exacerbated by the global COVID-19 pandemic, City staff determined that it is an opportune time to review and update the Strategic Plan to meet the business needs of the City for the period from fiscal year 2023/2024 to fiscal year 2027/2028.

The Strategic Plan update began in August 2022 with collection and analysis of data outlining demographic, economic, business, fiscal, and market conditions. The findings from that analysis, which are summarized in the draft Economic Profile & Market Analysis Report (Attachment 1), identify opportunities and recommendations to advance the City's economic development goals over the next five years. At key milestones during the Strategic Plan update process, the Economic Vitality Committee (EVC) was provided updates and given the opportunity to share ongoing feedback for consideration.

The findings from the Economic Profile & Market Analysis Report informed the development of the draft strategies and implementation actions in this report. These strategies are designed to strengthen the City's existing advantages and address disadvantages over the next five years, with a focus on five Priority Areas:

1. Economic Development Capacity Building
2. Business Retention, Expansion & Attraction
3. Local Revenue Growth
4. Entrepreneurship & Innovation Outreach
5. Major Projects Accelerator

### **DISCUSSION**

Since August 2022, City staff and the EVC have worked with Willdan Financial & Economic Consulting Services to prepare an update to the City's existing Economic Development Strategic Plan. The initial focus was on the collection and analysis of data for an Economic Profile & Market Analysis Report (Economic Profile), known in the last strategic plan process as a Background Report, which would provide a foundation for

the development of strategies for business support and growth. The Economic Profile is an assessment of Pleasanton's economic, fiscal, and business strengths and opportunities, and includes review and analysis of citywide demographic and employment patterns, commercial real estate market, and industry sub-areas.

An overview of the initial findings was presented to the EVC at its November 2022 meeting. See Attachment 1 for the draft Economic Profile.

Based on the results of the Economic Profile analysis and findings, the principal section of the Strategic Plan defines **five Priority Areas** for economic development activities in Pleasanton over the next five years. Each priority includes programs, services, or initiatives with actions tied to a proposed timeframe for implementation over the next five years. For each of these five priority areas, the Strategic Plan defines key initiatives or implementation actions for Economic Development staff and strategic partners to implement over the next five years. The following is a description of each Priority Area.

### **1.0 Economic Development Organizational Capacity Building Initiative**

This priority area recommends strategies to increase the organizational effectiveness of the Economic Development Division, with an emphasis on performance management, best practices, and strategic partnerships. This capacity building initiative will require building ongoing consensus around the City's top economic development priorities, programs, and major projects.

### **2.0 Business Retention, Attraction and Expansion Program**

Pleasanton's superior location and supply of high-value, cost-competitive office and flex space have allowed it to attract a wide variety of employers, including large headquarters and small start-ups. This program further capitalizes on Pleasanton's success and formalizes actions to accelerate the City's advancement towards a proactive and intentional approach to business retention, attraction, and expansion, with a focus on employer engagement and workforce development.

### **3.0 Local Growth Revenue Initiative**

Pleasanton has retail centers, employment centers, and hotels which contribute to the City's economic resilience. With increasing competition for retail and commercial development, there is a need for reinvestment and support of existing businesses, as well as opportunities to attract new spending through tourism and hospitality. This initiative consists of programs and strategies that promote local revenue growth by supporting retail tenants, encouraging local spending, and exploring new opportunities to market Pleasanton as a great place to shop, dine and play so the City can continue to provide high-quality public services and amenities.

### **4.0 Entrepreneurship & Innovation Outreach Program**

Entrepreneurship and innovation programming builds on the City's existing ecosystem. To extend and strengthen these important regional partnerships, the City should develop a sustained focus on networking and program development. This program will

extend and strengthen important regional partnerships to foster entrepreneurship and innovation.

### **5.0 Major Projects Accelerator Program**

Pleasanton's mix of office, industrial, retail, and residential land uses provide for a diversity of revenue sources and ensures economic and fiscal stability. In recent years Pleasanton has faced increasing competition from neighboring communities, coupled with a shortage of vacant, developable sites. This program consists of initiatives to formalize business and developer programs and provide support for navigating the City's internal processes for zoning and permitting.

See Attachment 2 for a detailed matrix, listing the five Priority Areas with corresponding strategies and implementation actions.

Molly McKay and Jade Shipman from the Project Team of Willdan Financial & Economic Consulting Services will provide an overview of the key initiatives and corresponding implementation actions at the meeting.

### **EVC Input**

The EVC is asked to provide feedback on the proposed five Priority Areas for economic development activities and related key initiatives and implementation actions and provide a recommendation to the City Council for adoption of the 2023-2028 Economic Development Strategic Plan update.

### **ACTION: RECEIVE AN OVERVIEW OF DRAFT ECONOMIC DEVELOPMENT STRATEGIC PLAN IMPLEMENTATION PLAN PRIORITIES AND PROVIDE A RECOMMENDATION TO THE CITY COUNCIL FOR ADOPTION**

Attachment 1 – Economic Profile & Market Analysis Report, *Draft April 2023*

Attachment 2 – Economic Development Strategic Implementation Plan Priorities Matrix