AGENDIZED ITEMS – The public is entitled to address the Committee on items appearing on the agenda before or during the Committee’s consideration of that item. Each speaker will be limited to approximately three minutes.

1. ROLL CALL

2. PUBLIC COMMENT PERIOD

3. REPORTS

   a. Provide – direction to staff on the desired project description to incorporate into the Request for Proposals (RFP) for the Town Center II site located at 1765 Galindo Street. Report by John Montagh, Economic Development Manager.


4. ADJOURNMENT
ADA NOTICE AND HEARING IMPAIRED PROVISIONS
In accordance with the Americans with Disabilities Act and California Law, it is the policy of the City of Concord to offer its public programs, services and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are disabled and require a copy of a public hearing notice, or an agenda and/or agenda packet in an appropriate alternative format; or if you require other accommodation, please contact the ADA Coordinator at (925) 671-3031, at least five days in advance of the hearing. Advance notification within this guideline will enable the City to make reasonable arrangements to ensure accessibility.

Distribution: City Council
Valerie Barone, City Manager
Susanne Brown, City Attorney
Kathleen Trepa, Assistant City Manager
Joelle Fockler, City Clerk
Report in Brief
The City of Concord owns an approximately three-acre property located at 1765 Galindo Street bounded by Galindo Street, Concord Boulevard and Clayton Road (Town Center II) (Attachment 1). Town Center II is a former Concord Redevelopment Agency property, and it was transferred to the City through the Successor Agency of the Concord Redevelopment Agency as a property to be held by the City for future development.

The City Council directed staff to prepare a Request for Proposal (RFP) for the Town Center II as an outcome from the City Council’s April 9, 2019 hearing on a proposed Disposition and Development Agreement for the Town Center II site with AvalonBay Communities. This staff report provides the Housing and Economic Development Committee with features of the project description for consideration. The Committee’s recommendations will go before the full Council, and Council’s direction will be incorporated into the issued RFP.

Recommended Action
Provide direction to staff on the desired project description.
Background
Town Center II is an approximately three-acre site bounded by Galindo Street, Concord Boulevard, and Clayton Road. The Site is a former Redevelopment Agency property and was acquired by the Redevelopment Agency in order to facilitate a future catalyst development project in downtown Concord. Because it is a former Redevelopment Agency property, it is subject to State Redevelopment Dissolution Laws and is incorporated in the Concord Redevelopment Agency Successor Agency’s Long Range Property Management Plan (LRPMP) as a site to be held by the City for future development. The City is required to share the net sales proceeds from the disposition of the property with numerous affected taxing entities.

The 2014 Downtown Specific Plan calls for the site to be potentially developed with 242,474 square feet of residential/hotel plus 11,309 of retail. The site is located within the Specific Plan’s “Inner Core,” and therefore is subject to Spanish-influenced architectural design standards.

On April 9, 2019, the City Council considered but did not approve a Disposition and Development Agreement between the City and AvalonBay Communities for the development of 310 market rate apartment units and 6,500 square feet of ground-floor commercial/retail. The Council directed staff to develop and issue a RFP to identify a developer who could develop the site with a more supportable proposal. More detailed information is included below.

Analysis
An RFP process provides an opportunity for the developer community to understand the City’s desires and goals for the future development of its property in context with market opportunities/conditions. Interested developers would respond to the RFP by submitting their respective proposals. These proposals would be evaluated by City staff and a recommendation or short list of proposals would be presented to the City Council for its consideration. Upon Council selection of a preferred developer through the RFP process, Council would direct staff to negotiate an Exclusive Negotiations Agreement (ENA) with the selected developer. The ENA would set the process and timeline for negotiating a Disposition and Development Agreement (DDA) between the City and the selected Developer, and would include an environmental determination in accordance with the California Environmental Quality Act (CEQA). The DDA would set forth the terms and conditions for the property sale, along with a schedule of performance for both the City and Developer in order to effectuate the development of the project.

An RFP process entails developing a prospectus on the development site. The prospectus would contain information such as the site’s zoning, general plan and specific plan requirements, as well as the downtown design guidelines. The document would also provide a general description of the land use program preferred by the City (i.e., the desired project) on the Town Center II site, as well as the type of community
benefits the City desires to achieve with the development of the site. The RFP would request developers to submit their project proposal and provide resumes and a summary of relevant experience to carry out a high-quality development and to demonstrate their ability to successfully fund and complete projects.

**RFP Requirements**

At prior City Council meetings regarding Town Center II, staff heard City Council members discuss the need for affordable housing and community benefits such as apprentice programs, living wage jobs and local hire preferences. Staff received input from the Mechanical Craft Trade Unions in Contra Costa County and from members from Monument Impact, East Bay Housing Organization, Public Advocates and PolicyLink on certain community benefits the project should consider. Staff’s bulleted list of Community Benefits generally captures the parties’ interested categories of labor and affordable housing below. Following most bullets, staff inserted comments in brackets to provide additional context and information for Committee members’ consideration.

Staff seeks the City Council Committee’s direction on the items to be included, not included or modified in the RFP. Based on the Council Committee’s deliberations, there may be additional items to consider. The Committee’s recommendations of critical factors that should be included in the Request for Proposal would be brought before the City Council for consideration and direction. After Council action, staff would issue the RFP.

The following provides the areas were staff is seeking feedback and direction:

- **What is the City’s development preference?** The zoning allows for a variety of development opportunities. For example, the site could be of interest to Medical Office users, owner-users for office or hotel developers, mixed-use projects or residential developers. The uses contemplated in the Downtown Specific Plan on the site include; residential and/or hotel with retail.

  **Staff Comment:** While the Specific Plan’s direction states residential/hotel and retail, the City Council can amend the Specific Plan to allow the development it deems appropriate.

- **If a residential development is desired, does the City want the development to be a mixed use project with retail/commercial components on the ground floor?** If so, is there a minimum amount the Committee is seeking or would the Committee prefer to leave the amount up to the developers to propose?

  **Staff Comment:** Please note that ground floor retail may be challenging in today’s market and the developer community would most likely consider it a development expense with a negative financial impact to the project and thereby consider it a community benefit. Staff would encourage rather than
Committee Report
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August 26, 2019

requiring retail, that the RFP call for activating Galindo Street with pedestrian-
friendly amenities and design that may include retail, fitness center, leasing
office or other forms of street activation including the design of the street
frontage.

• If a residential project is desired, does the City want the development to be
market rate, affordable or a mix of market and affordable units? If a mixed or
affordable residential project is desired, the City should define its goals
related to level of affordability and percent of units that are to be affordable.

Staff Comment: The City’s affordable housing requirements for rental
developments calls for either 10 percent at low income (80 percent of Area
Median Income), or six percent at very low income (50 percent of Area
Median Income). The City Council can, through the Disposition and
Development Agreement, relieve the project from the City’s Inclusionary
Housing Requirements. Previously, the Council had stated a desire to see
600 market rate units approved and built prior to requiring more affordable
units be mixed into market rate projects; currently there are 228 units that are
in the Building Permit review process.

Community Benefits
Community Benefits traditionally have costs associated with them which impact the
overall project’s pro forma. However, because this is a City owned parcel and our
LRPMP envisions it serving as a catalyst development site for our downtown, the
Council will want to define what benefits it desires most from the project. Below is a list
of benefits the Committee may want to consider for recommendation to Council:

• Provision of affordable housing

• Provision of a PLA and the various public benefits that could incorporate,
such as:
  o Maximizing construction employment opportunities for local residents
  o Supplying quality, local construction-related jobs that do not undermine
    local and area wage standards
  o Provision of job training and job-quality related benefits

• Provision of funding for arts and/or downtown programs

• Other ideas?

Outreach to Development Community
Staff plans to send the approved RFP to a list of developers who have expressed
interest in developing in Concord. Staff will also send the approved RFP to Bay Area
brokerage firms and to the Mechanical Craft Trade Unions. A press release will be
issued to media concerning the RFP, and the RFP will be posted on the City’s web site and social media.

**Evaluating Proposals Process**  
Staff will be evaluating the RFPs to determine the best proposals for City Council consideration. Staff’s evaluation would be based on the City Council’s priorities for the development of the site, community benefits and developer’s abilities to undertake and complete the project. Staff can provide the top proposals based on an evaluation process, or can provide the City Council with the top two or three proposals for its consideration. Staff is seeking direction on the Committee’s preference which will be shared with the full Council.

The following is staff’s proposed criteria for evaluating the RFPs. Staff would like feedback from the Committee prior to sharing this information with the full Council.

**Criteria:**

- Responsiveness to the RFP
- Developer’s track record for successfully financing and completing proposed projects
- Developer’s ability to construct high quality development
- Project’s ability to achieve City’s vision for the site, as articulated in the RFP
- Developer’s ability to deliver desired community benefits
- Track record with purchasing and executing DDAs with public agencies
- Proposal’s ability to meet GP and Zoning criteria
- Developer’s financial ability to pay fair market value for the site and finance/fund development of the project

**Financial Impact**  
There is no financial impact with developing and issuing an RFP for the Site. In the event the property is developed, the City will receive fees and its share of property tax based on the development constructed

**Public Contact**  
The Agenda was posted. The Mechanical Craft Trade Unions of Contra Costa County, interested developers, Concord Chamber and Todos Santos Business Association were notified of the meeting.

**Attachments**

1. Location Map
2. RFP Community Benefit Language
3. Letter from Community Coalition for a Sustainable Concord
GALINDO TOWN CENTER II RFP COMMUNITY BENEFIT LANGUAGE

PROPOSAL SUBMITTAL REQUIREMENTS:

Approach to Providing Local Construction Workforce Development Benefits

The City is seeking proposals that will ensure that the sale and private development of this public property will maximize local employment opportunities, provide workforce training through the support of apprenticeship programs, and ensure the protection of area standard wages for construction work. The City of Concord has a finite amount of land available that it can transfer for private development. In exchange for the benefits being provided to a developer through the sale of this public property, the City will require a binding commitment to employ local workers and apprentices engaged in the building trades. Such a requirement is intended to ensure that the economic and employment benefits from the purchase and development of City-owned land stay in the community.

Local hire and apprenticeship goals help provide job and career opportunities for disadvantaged workers in the City. As the City’s General Plan states: “Certified training and apprenticeship programs with proven performance can create stable employment opportunities and create jobs for returning veterans and others in the community.” Joint labor-management apprenticeship programs help to diversify the construction industry by bringing more underrepresented minorities and women into the trades. Each apprentice is a full-time worker who is receiving on-the-job training as an employee of a contractor on a jobsite. Projects that commit to providing apprenticeship opportunities enable more of the City’s disadvantaged workers to enter the pathway to a long-term, family-supporting career in construction.

Specifically, a respondent shall describe its approach to supporting the following goals and objectives:

A. The project shall maximize construction employment opportunities to local residents through the development and application of local hire policies that give first priority to City of Concord residents, second priority to residents of surrounding communities and third priority to Contra Costa County residents. The local hire policies shall address both journey-level and apprenticeship positions.

B. The project shall produce quality, local jobs and not undermine local and area wage standards.

C. Construction of the project shall advance the skills of the local workforce and promote job training and construction career paths for local residents, military veterans and vulnerable populations. To further this objective, construction of the project shall include the use of apprentices who are enrolled in state certified apprenticeship programs conducted by a Joint Labor and Management Committee and facilitate entry of veterans into the building and construction trades, including utilization of the “Helmets to Hardhats” program conducted by the Center for Military Recruitment, Assessment and Veterans Employment.
D. The proposal shall set forth how it will provide a self-funding monitoring and enforcement mechanism to ensure compliance with the above community benefits – for example by entering into a project labor agreement with building trades locals that establishes wage and benefit levels and sets forth enforcement, grievance and other compliance procedures.

The proposal shall also describe Respondent’s relationship with trade union representatives, including experience with and perspective on use of project labor agreements.

SELECTION CRITERIA:

The basis upon which Respondents will be evaluated includes, but is not limited to, the following:

- The quality and enforceability of commitments to maximize local construction employment opportunities, provide workforce training through the support of apprenticeship programs, and ensure the protection of area standard wages for construction work.
To Mayor Obringer and Vice-Mayor McGallian,

The Community Coalition for a Sustainable Concord (“CCSC”) represents thousands of Concord residents and is committed to good jobs, affordable housing, environmental sustainability, and accessible transit. We aim to ensure that Concord’s public lands create maximum public good for the people of Concord. We thank you for this opportunity to comment on the creation of a new Request for Proposals (“RFP”) for the disposal of parcel number 126-143-012 located at 1765 Galindo Street (“the Galindo parcel”).

We remind the City to comply with the Surplus Lands Act (“SLA”), which requires the City to prioritize affordable housing proposals when selling or leasing public lands such as the Galindo parcel. Specifically, the City must first notify nonprofit affordable housing developers of its plans to dispose of the Galindo parcel. Once these developers respond, the City must negotiate with them in good-faith and give first priority to the developers that propose to make at least 25% of the housing units affordable to lower-income households – with a priority the development with the most affordable housing to the lowest income levels. At minimum, any housing development on this parcel must ensure at least 15% of its units are affordable to lower-income households.

The City should also facilitate a robust public process that incorporates the ideas and needs of the people of Concord, including those who are often most marginalized. As you heard in April 2019 with regards to the Galindo parcel, community members need this project to create quality jobs and substantial affordable housing. Many Concord residents who have invested their time and resources into Concord are getting priced out of their homes. They rely on the City to affirmatively use public land for community benefit. Compliance with the SLA and a meaningful public process will best address that need.

Depending on the character of the project selected, we may approach the developer to negotiate a private community benefits agreement. We encourage the City to inform RFP respondents that the City will be taking public views into account during the development process and would like to see the developer come forward with a wide range of public support for this crucial parcel.

Finally, organizations in our coalition are well-equipped to advise and assist with SLA implementation, RFP distribution, and the community planning process. Please let us know how we can help. We look forward to this new RFP, this new planning process, and the opportunity to use public land for the public good in Concord.

Signed,

The Community Coalition for a Sustainable Concord

The CCSC is a labor-community-environment coalition including the Central Labor Council of Contra Costa County, Monument Impact, East Bay Housing Organizations, Greenbelt Alliance, PolicyLink, East Bay Alliance for a Sustainable Economy, UNITE HERE, Public Advocates, the Multi-Faith Action Coalition, and more.
Staff Report

Date: August 19, 2019
To: Council Committee on Housing & Economic Development
From: Valerie J. Barone, City Manager
Reviewed by: Andrea Ouse, Director of Community & Economic Development
John Montagh, Economic Development Manager
Prepared by: Brian Nunnally, Business Development Manager
Brian.nunnally@cityofconcord.org
(925) 671-3018
Subject: Review of the City’s Economic Vitality Strategy and discussion of desired updates

Report in Brief
The City Council adopted an Economic Vitality Strategy in 1997 and has periodically updated it since then. The Council last approved an update to the Economic Vitality Strategy in April 2017 (Attachment 1). The last update incorporated City Council direction to include new efforts to attract, retain, and expand businesses in Concord. In its spring 2019 goal-setting workshop, the City Council identified a review and update to the Economic Vitality Strategy as a Tier 1 Council priority for this fiscal year, 2019-20.

Recommended Action
Review the current Economic Vitality Strategy and commence a discussion on what changes are desired and what additional information is needed.

Background
The Economic Vitality Strategy is designed to clearly, and at a high level, set the vision, goals, and priorities for the City’s economic development efforts. The Economic Vitality Strategy was first developed in 1997, then revised/updated in 2002, 2010, and 2017. The 2017 update was based on the input received during public workshops and stakeholder meetings, including a presentation at the joint meeting of the Concord City Council/Mt. Diablo Unified School District Board of Education, meetings with the Concord Chamber of Commerce, East Bay Leadership Council, commercial real estate brokers, the Concord Small Business Association, and feedback received from the
Housing and Economic Development Council Committee at its July 25, 2016 and January 23, 2017 meetings. The revised Economic Vitality Strategy was brought before the City Council and approved on April 11, 2017.

Since the April 2017 adoption of the revised and updated Economic Vitality Strategy, Economic Development staff has facilitated the attraction or expansion of numerous businesses, from medical device companies to entrepreneurs. Most notable among the new or expanding companies, not including a significant number of retailers and restaurants, include:

- New to Concord: Radiation-treatment device manufacturer Akesis, Inc., which occupied a brand-new 56,000-square foot facility
- New to Concord: Pacific States Petroleum came to Concord and occupied 10,000 square feet of office space and have become one of the City’s current top 10 sales-tax generators
- Expansion: Medical-device company Cerus Corporation expanded into 66,000 square feet at the newly-renovated 1200 Concord building (formerly known as Airport Plaza)
- New to Concord: MCE opened a 25-employee office in One Concord Center

Additional staff efforts to implement the Economic Vitality Strategy include:

- Worked collaboratively with the PD, Building Division, City Attorney’s office, and the Housing & Economic Development Council Committee on the retail revitalization effort, which is now called the retail engagement effort, resulting in increased communication and a better understanding by property owners and tenants about how to comply with City Code requirements.
- Implemented a comprehensive, award-winning marketing campaign entitled “Better Fit for Business”, which emphasized the benefits of locating a business in Concord compared to other Bay Area cities or regions. The campaign was comprised primarily of public transit marketing via SamTrans buses and BART Station and Train ads, online banner ads on relevant commercial real estate-related websites such as Bisnow and The Registry, and press coverage of the ad campaign itself on local television news shows following print coverage in the San Francisco Business Times and East Bay Times. As a result of this campaign, the City of Concord was awarded both a Silver and Bronze “Telly” Award, which honors excellence in the local, regional and cable TV commercials, TV programs and non-broadcast video categories; three Silver “Davey” Awards, which are awards granted to creative work products produced by small- and mid-sized agencies from across the globe; and finally, the campaign was honored by the California Association for Local Economic Development with its “Award of Excellence” for Economic Development Promotions.
• Continued to implement downtown events which draw between 125,000 to 150,000 visitors to downtown Concord.

• Partnered with key stakeholders to leverage and attract investment to Concord, including the aforementioned attraction and expansions that included Akesis, Inc., Pacific States Petroleum, Cerus Corporation, MCE and various retailers and restaurants.

• Supported and enhanced Educational and Workforce Development opportunities resulting in internships for high school students and teacher job shadowing and training opportunities.

• Established an OppSites page for key development sites. OppSites is an “online marketplace” whose goal is to connect city development priorities with investor preferences by enabling a city to list properties on the website that it would like to see developed. Staff established a “Pro” presence on OppSites on a free, trial basis and posted privately-held opportunity sites along the Clayton corridor, Monument District, and North Concord.

  Based on the metrics provided by the “Pro” trial membership, staff received very little interest from the development community on the City’s posted sites. At this point, there does not seem to be widespread adoption of OppSites as a critical informational tool among development professionals or commercial real estate brokers. Following an in-depth web demo, and based on the $4,560 annual cost and a lack of legitimate leads, staff did not pursue a “Pro” membership when the free trial concluded.

• Commissioned a study to analyze the City’s economic development marketing strategy. In late 2018, staff commissioned a third-party analysis and Strategic Evaluation of Marketing & Communications for Economic Development report on the division’s marketing strategy with AMF Media Group. The report listed four Key Strategic Recommendations:
  1. Transition to a more agile marketing strategy that allows for greater transparency, tracking, reporting and focus.
  2. Incorporate adaptive private-sector marketing and public relations tools and activities that enhance targeting, outcomes and impact of initiatives.
  3. Implement tiered marketing initiatives to maximize time in market, transparency and return on investment.
  4. Dedicate staff and resources to actively manage and oversee marketing initiatives.

  Additionally, the analysis provided a cafeteria-style menu of marketing activities and costs divided into three tiers, and prioritized the activities based on
anticipated effectiveness and reportable metrics. A summary of these three “baskets” of activities are as follows:

- **Tier 1: Essential Marketing** ($110,000 annually) recommends website optimization of ConcordFirst.com, email marketing, social media marketing, creating a multimedia library, and paid advertising (such as features in the San Francisco Business Times and Bisnow);

- **Tier 2: Amplified Marketing** ($180,000 annually) recommends completing all items listed in Tier 1 plus enhancements to, and tracking of, the website, and various suggested projects such as developing an app, conducting polls and contests, implementing a Customer Relations Management software program, expanding the multimedia library, and performing traditional PR; and,

- **Tier 3: Comprehensive Marketing** ($250,000 annually) recommended completing all items listed in Tiers 1 and 2 plus additional enhancements to the website, an app-based citywide game, additional advertising services, paid newspaper advertising, and traditional PR.

Based on this feedback and the division’s limited budget, staff has only implemented enhancements to the ConcordFirst.com website. Additional investment efforts will be guided by the Council’s direction on ED strategies.

- Conducted outreach to prospective investors in Concord’s four federally-designated Opportunity Zones. So far, investor interest in California’s Opportunity Zones has been lackluster, due to uncertainty with the IRS Rules and Regulations, plus the State of California’s hesitancy in conforming its tax code to the federal tax code to allow investors to fully benefit from the program. Staff, however, has moved forward with its outreach to property owners, business owners, brokers and Qualified Opportunity Fund managers.

  Specifically, in March 2019 staff prepared and sent both a letter and FAQs sheet via direct mail to Opportunity Zone property and business owners. In June, staff completed an 8-page Concord Opportunity Zone Prospectus. In July, staff launched an Opportunity Zone landing page and resources on ConcordFirst.com, and in August staff sent a marketing packet that included specific project opportunities in Concord’s Downtown Opportunity Zone to commercial real estate brokers and Qualified Opportunity Fund managers, with a follow-up email sent to each of them one week later.

  Staff has also just finalized a contract with CalOZ, a Concord-based non-profit trade organization that focuses on Opportunity Zones, which will be making an informational presentation to the City Council in October and will be advising staff and potential investors on Opportunity Zone projects in Concord on an as-needed basis.
• Since April 2017, staff has grown its social media engagement from just less than 10,000 to more than 15,000 followers across its three platforms, which include Facebook, Instagram, and Twitter.

• Staff has continued to court emerging industries such as autonomous technology. To aid in this outreach, the City Council recently adopted a resolution that will streamline approval of autonomous robot delivery testing in Concord to encourage additional opportunities with partners that may extend beyond the existing agreements with Starship Technologies and Marble Robotics, and will help to further promote the City’s reputation as a leader in autonomous technology given that the GoMentum Station is also located in Concord.

• Partnered regionally to produce an ongoing series of small-business seminars/workshops with an average attendance of 40 small-business owners who were provided education, technical assistance, and peer-to-peer networking opportunities (totaling approximately 150 individuals per year).

Economic Development staff also facilitated the sales of four former Concord Redevelopment Agency properties. Two of the properties are slated for new auto dealership expansions (Concord Chevy and Concord Mazda), while the other two properties were smaller; one (1601 Sutter Street) was purchased by an adjacent property owner who indicated that he intends to build more multifamily units consistent with his existing multifamily property, and the other former redevelopment property (1956 Colfax Street) was purchased by the owners of the adjacent La Pinata restaurant who are continuing to utilize the parcel as the parking lot for their diners.

ED staff is also leading the City’s efforts on three future development projects, including:

1. Feasibility Review of Hall Equities Group’s downtown mixed-use soccer stadium on the Oak Street East/West parcels

2. The negotiated purchase and sale of the former Coast Guard site for residential use and the accompanying Exclusive Negotiation Financial Agreement with chosen developer DeNova Homes

3. Drafting a Request for Proposals to solicit development interest in the Town Center II parcel located at 1765 Galindo Street (White Picket Fence site), which is an item that is slated to first be discussed by the Housing and Economic Development Committee and then considered by the full City Council

Analysis
The 2017 Economic Vitality Strategy update was designed to serve as a guiding economic development document by focusing on the identification and capture of not only short-term opportunities, but also medium- and long-term opportunities. The Economic Vitality Strategy is typically updated every five years.
The Economic Vitality Strategy seeks to maintain the diversity of the City's commercial base, increase sales tax revenues, increase investment, and generate a full range of job opportunities. There is a priority focus on enhancing business attraction efforts for the City's key growth industries. These industries are targeted because they tend to provide higher-wage jobs at a variety of skill levels, they are compatible with Concord's strong economic fundamentals, and they tend to be fast-growth businesses:

- Research & Development
- Advanced Manufacturing
- Life Science/Medical Device
- Autonomous Technology
- Office-based tenants

The Economic Vitality Strategy identifies four major goals:

Goal 1: Implement a comprehensive, integrated economic development marketing strategy to strengthen Concord's brand identity among key target industries

Goal 2: Implement long-term, integrated strategies to target key emerging industries in Concord

Goal 3: Implement district strategies to support Concord's business centers, such as the North Concord, Clayton, Downtown and Monument corridors

Goal 4: Retain, expand, develop and attract business

Attachment 1 provides the details and actions associated with the four current Goals.

Since the last update, the City has made substantial progress on defining a vision for the Tournament Sports Complex and Campus District at the former Concord Naval Weapons Station, and neither they nor the CNWS project as a whole are addressed in the current Economic Vitality Strategy. Additionally, the City has been focusing on enhancing its quality of life to draw more millennials and entrepreneurs to Concord by working to attract additional craft beer destinations, completing bike lane and pedestrian enhancements, and highlighting Concord's amenities, outdoor activities, and range of housing options, including the trendy and sought-after Eichler Homes.

Another significant change since the last update is the City has a partner for branding and marketing the City in Visit Concord, a Tourism Business Improvement District.
Committee Report  
Agenda Item No. 3.b  
August 26, 2019

Staff will be at the meeting to share information and learn from the Committee what information is needed and how it would like to proceed with achieving Council’s Tier 1 priority to review and update the City’s Economic Vitality Strategy.

A key piece of feedback that staff is seeking from Committee members is what performance metrics staff should employ to measure the effectiveness of the City’s Economic Development efforts. In the past, staff has reported traditional metrics that include:

- **Sales tax revenue** (source: Finance Dept.)
  - FY 16-17 = $33,409,090 / FY 17-18 = $34,654,952 (3.7% increase)

- **Number of contacts and outreaches** (source: Economic Development Div.)
  - FY 17-18 = ~600 / FY 18-19 = ~500 (decrease due to having no Economic Development Specialist from September 2018 to January 2019)

- **Number of ad impressions / length of time in market** (source: AMF Media Group)
  - FY 17-18
    - BART station and train ads: 14-million impressions in seven weeks
    - Digital ads: 500,000 impressions in four weeks
    - Radio ads: 9.4-million impressions in eight weeks
  - FY 18-19
    - No ads in market

- **Business Satisfaction Surveys** (source: Economic Development Div.)
  - FY 17-18 = 95.8% Very Good, 4.2% Good
  - FY 18-19 = 96% Very Good, 4% Good

- **Number of business licenses** (source: Finance Dept.)
  - As of 1-1-2018 = 9,076 / As of 1-1-2019 = 9,268 (2.1% increase)

- **Number of employees working in Concord** (source: CA Employment Development Dept.)
  - 1-1-2018 = 63,500 / 1-1-2019 = 65,000 (2.4% increase)

- **Concord median home value** (source: Zillow)
  - 1-1-2018 = $571,000 / 1-1-2019 = $596,000 (4.4% increase)

**Financial Impact**
The financial impact will depend on how the Council desires to proceed with updating the Economic Vitality Strategy. If an outside consultant is needed, there will be costs.
Public Contact
The Agenda was posted. Additionally, staff has made the Chamber of Commerce, the Todos Santos Business Association, and Visit Concord aware of this Committee meeting and invited them to attend.

Attachments
1. Economic Vitality Strategy 2017 Update
2. Email Received from the Bay Area Council
CITY OF CONCORD

MISSION:

The City of Concord is an integral part of the business community. The City fosters a premier business location by creating and implementing innovative and flexible strategies that foster business growth and profitability.

VISION:

Concord is a financially stable City that strives to preserve and enhance its strong business climate and the community’s high quality of life.

VALUES:

The City of Concord is committed to promoting partnerships among all interests and solving problems creatively. The City anticipates its customers’ needs, communicates clearly and consistently, and delivers prompt service.

For more information:

Call the Economic Development Division at (925) 671-3355

or visit www.ConcordFirst.com

EV Strategy adopted: July 1997
Updated: July 2002
Revised: July 2009
Updated: April 2017
INTRODUCTION

The Economic Vitality Strategy (EVS) sets the vision, goals, and priorities for all City efforts related to economic development. The EVS is updated every five years.

By taking a long-term, comprehensive approach to economic development, the City of Concord seeks to:

- Enhance Concord’s quality of life;
- Facilitate a stable, healthy business environment;
- Retain, attract, and expand businesses in strategic industries;
- Expand the City’s tax base to ensure long-term fiscal stability;
- Provide efficient, effective government services to Concord businesses;
- Promote high-quality job opportunities;
- Maintain a highly-skilled, competitive workforce;
- Support entrepreneurship and small business opportunities; and
- Revitalize Downtown and other business districts.

This 2017 EVS update was completed with the help of many local business leaders, residents, property owners, and other stakeholders who participated in a series of public meetings. The EVS also incorporates data and analysis from a host of other regional sources.

CONCORD’S POSITION IN THE EAST BAY MARKET

Concord is the largest business center in Contra Costa County and is a destination for innovative and entrepreneurial businesses that require highly-skilled labor. Concord offers the infrastructure and amenities that businesses need for success. Its vibrant business environment has attracted successful firms and created ideal conditions for local businesses to expand. The City’s commitment to families and to the business community fosters a high quality of life with attractive residential neighborhoods, excellent public safety and services, convenient mass transit, abundant recreation and entertainment for all ages. Concord is a community of safe and friendly neighborhoods with an excellent park system, world-class medical center, convenient shopping, diverse
dining opportunities and large preserves of scenic open space.

Concord is located in a highly-competitive area where there are many high-quality locations businesses can choose. However, Concord has distinguished itself as a premier business destination due to several key advantages:

- A central, convenient location
- Best value for office/industrial space
- Access to a skilled workforce
- An efficient, responsive, business-friendly government
- Transit-oriented commercial space

This 2017 update of the Economic Vitality Strategy comes at a time when Concord faces several critical challenges and opportunities. On one hand, Concord has achieved some key successes in economic development since 2009, when the Economic Vitality Strategy was last updated. These successes place Concord in an ideal position to significantly expand and upgrade existing businesses and to attract new business. Some of the City’s most notable achievements include:

- More than 800 downtown, high-end multifamily units in the pipeline
- The Veranda, a 30-acre, 375,000-square foot lifestyle retail center
- Multi-office Wells Fargo relocation of 1,800 employees to Swift Plaza
- The Concord VIBE marketing initiative that aims to attract young professionals to Concord to increase the local talent pool as a business attraction strategy
- Attraction of major regional retail tenants to Sunvalley Shopping Center, The Willows, The Veranda and the Park & Shop Center
- Attraction of key shops and restaurants to the downtown

- Increasing attendance of concerts and events at Todos Santos Plaza to more than 100,000 visitors per year, including the Spring Brews Festival
- Attracting key retailers and restaurants, including: Whole Foods 365, Veranda Luxe Cinema, Super Duper Burger, Blaze Pizza, Daiso, Golden State Lumber, Round 1, The Habit and others

Despite these successes, Concord currently faces an array of challenges and opportunities for its economy, including:

- Building Concord’s image/identity
- Planning the Concord Community Reuse Project (former Concord Naval Weapons Station)
- Attracting emerging industries (e.g., advanced manufacturing, life sciences, etc.)
- Redevelopment of the area surrounding Downtown/Concord BART Station
- Changes in the retail environment
- Large development-ready pads in North Concord, Downtown and elsewhere
- Closing or consolidation of retail, financial services and other employment sectors
KEY INDUSTRY CLUSTERS

Over the past 20 years, several industries have driven job growth in Concord (and Contra Costa County in general), such as manufacturing, construction and information technology. These industries will continue to be important sources of jobs, but in some cases they are not expected to continue the rapid growth that was experienced previously. As a result, the City is identifying additional industries that offer the potential for job growth in the future.

Looking forward to the next 5 - 20 years, several new industries are becoming increasingly important to Concord’s economy and have the potential to become major drivers in employment. These industries include:

- Advanced Manufacturing
- Life Sciences/Biotechnology
- Engineering
- Start-Up Technology Companies
- Health Care
- Financial Services
- Professional and Business Services
- Applied Sciences

These emerging industries may have special needs with respect to infrastructure, workforce development, Zoning and General Plan issues, and business services. The City will incorporate the needs of these key industries as it works to continuously improve its delivery of efficient, effective business services, and as it continues to update other City policies. The City’s Economic Development Program will also develop targeted marketing strategies and other initiatives, all in a coordinated effort to facilitate the growth of these industries in Concord. The following section describes the strategic initiatives to be undertaken as part of the Economic Vitality Strategy.
STRATEGIC INITIATIVES

Goal #1: Implement a comprehensive, integrated Economic Development Marketing Strategy to strengthen Concord’s image and brand identity among Bay Area businesses and within key target industries

Objective 1.1: Carry out an integrated Marketing and Public Information Campaign targeted to prospective new businesses that are seeking office, research and development or retail locations, based on well-defined branding strategies.

A. City’s Economic Development Website and Internet Marketing. Economic Development staff will comprehensively update, reorganize, re-brand and promote the City’s Economic Development website. The City’s Economic Development Program will carry out Internet advertising campaigns as appropriate. Websites will be selected based on their ability to reach key groups that the City targets for business attraction. In addition, the City’s Economic Development Program will consider initiatives to communicate the City’s message using well-established community websites, blogs, webzines, developer/real estate-oriented media and other websites and social media platforms such as Instagram, Facebook, Twitter and Vimeo.

B. Broadcast & Mass-Media Strategies. As appropriate, Economic Development staff will carry out advertising campaigns on radio, Cable television, and other broadcast media that are selected based on their cost-effective ability to reach the geographic and demographic groups that Concord wishes to target for attracting potential new businesses.
C. **Press & Publicity.** The City’s Economic Development Program will work with its PR and Marketing consultant to develop a 12-month press calendar, which will allow staff to plan in advance to issue press releases and/or media advisories. The goal would be to place positive economic development coverage of Concord in the press at least once per month each year. This would keep Concord “front of mind” with the general public and business community for a sustained period. Economic Development staff will work with its PR and Marketing consultant to develop proactive relationships with journalists and editors of key publications and websites in order to cultivate and pitch favorable story ideas. Public relations efforts would coordinate with the editorial calendars of key weekly/monthly publications, such as *Via, Sunset, Southwest’s in-flight magazine (“Spirit”), Forbes, Wired, the San Francisco Business Times, Bisnow, The Registry, Diablo Magazine* and other key publications.

![Example of an ad placed in San Francisco Business Times, BART stations, etc.](image)

D. **Brochures & Trade Shows.** The City’s Economic Development Program will redesign its line of brochures, maps and other collateral materials that are intended for prospective businesses so the content will be consistent with the City’s branding strategy. Economic Development staff could also reach existing local businesses using the annual mailings of business license renewals that are mailed to all 7,000+ local business license holders. In partnership with economic development organizations and other support agencies, Economic Development staff will attend key trade shows, conferences and business events, and will plan meetings in advance in order to maximize the effectiveness of the attendance.

**Objective 1.2:** Develop and expand partnerships with businesses, other government agencies and economic development organizations to help promote the region, to leverage the City’s Economic Development marketing funds and to advocate for initiatives and policies that benefit the region in general, and Concord in particular.
A. **Partnerships with Regional Retailers and Hotels.** The City’s Economic Development Program will partner with regional shopping centers such as Sunvalley Shopping Center, The Willows, Park & Shop, Veranda, the Concord auto dealership community, other major sales tax generators and the Visit Concord Tourism Business Improvement District to further promote Concord as a shopping, hospitality and entertainment destination.

B. **Partnerships with Other Government Agencies and Economic Development Organizations to Leverage Relationships to Attract New Investments to Concord.** The City’s Economic Development Program will partner with ProMexico, East Bay Leadership Council, Concord Chamber of Commerce, Contra Costa County’s Northern Waterfront Economic Development Initiative, Governor’s Office of Economic Development, Bay Area Council, International Council of Shopping Centers and the California Association for Local Economic Development to pursue initiatives and programs that promote the region’s and Concord’s business attraction, retention and expansion efforts.

**Objective 1.3: Leverage existing City programs, resources and amenities to strengthen the City’s economic development strategies.**

A. **Special Events.** The City will continue to sponsor downtown promotions and cultural events at Todos Santos Plaza including the year-round Tuesday Farmers’ Market, annual Music & Market Series, weekly Off the Grid food trucks, annual Brews Festival, Fourth of July parade, holiday events and other special events.

![Thursday Night Music & Market in Todos Santos Plaza](image)

B. **Concord Vibe Marketing Initiative.** The City will promote activities and opportunities that appeal to Millennials in an effort to attract this generation to Concord to both live and work. Millennials are a sought-after generation for companies seeking employees to join their workforce, so the increased presence of Millennials can contribute to the City’s business attraction efforts.
Goal #2: Develop long-term, integrated strategies to target key emerging industries in Concord

Objective 2.1: Develop strategies to facilitate and encourage the development of modern, high-quality office, advanced manufacturing, research and development, engineering and industrial space that can attract and serve the needs of key industry clusters.

A. Facilitating Development Planning & Development Approval Process. The City’s Economic Development Program will work with industry contacts to determine the site requirements, building requirements, infrastructure requirements, and other development standards that are needed in order to attract and foster the development of key industrial tenants in Concord. Using this data, Economic Development staff will work internally with Planning, Building, Engineering, Finance, Public Works, and other city divisions as well as developers and brokers to incorporate the needs of key industry clusters into the development planning and to streamline development entitlements, including the Design Review process.

B. Targeted Marketing Efforts. As part of the marketing efforts described in Objective 1.1 above, the City’s Economic Development Program will retain a commercial real estate brokerage firm to identify and conduct outreach to prominent industry leaders, trade organizations, brokers, developers, and other influential representatives for each of the key industry clusters mentioned above.

C. Planning for Life Cycle of Company Expansion. The City will pursue strategies to facilitate the business and real estate needs of emerging industries at different points in their growth. The goal will be for companies to feel confident that Concord is an excellent location to address their needs as they progress from the start-up phase to reaching maturity as a medium- to large-sized business occupying one or multiple facilities. This will require partnerships with local brokers and property owners; partnerships with the Contra Costa Small Business Development Center, East Bay Leadership Council and other organizations serving small businesses; incorporating the long-term growth needs of key industries into planning for the Concord Community Reuse Plan (CCRP), and other related efforts.

D. Retail Attraction. The City’s Economic Development Program will seek opportunities to continue to attract retail to key commercial areas and to promote a diversified mix of retail uses, including business-to-business retail, non-traditional retail, as well as more standard consumer-based retail such as restaurants, grocery, and specialty retail.

Sunvalley Shopping Center
E. **Retail Center Investment.** Develop strategies to promote reinvigoration and repositioning of retail centers throughout the City by seeking best practices in incentivizing improvements and utilizing land use and code enforcement tools to facilitate basic property upgrades.

**Objective 2.2: Enhance Educational and Workforce Development Opportunities**

A. **Program Assessment and Facilitation.** The City’s Economic Development Program will continue to support the Greater Concord Chamber of Commerce, the Mt. Diablo Unified School District, private school operators, EastBayWorks, along with the California Employment Development Department, California State East Bay – Concord, and other educational institutions in their efforts to link the business community to local educational resources.

B. **Community Training.** The City’s Economic Development Program will work with Local, Regional and State Agencies who are focused on building a diversified training and retraining program to meet the rapidly changing technical and professional needs of the business community. The City’s Economic Development Program will promote partnerships and support of the Mt. Diablo Unified School District, Diablo Valley College, EastBayWorks, Contra Costa Small Business Development Center, Workforce Development Board and other agencies in promoting their training programs and referral services.

**Goal #3: District Strategies**

The City’s Economic Development Program will continue to implement its downtown revitalization strategy, and will begin developing comprehensive district strategies for all business districts in Concord. The key business districts to be focused upon initially will include:

- Clayton Road
- North Concord
- Monument Boulevard/Shary Circle/Detroit Avenue
- Other districts as time and resources are available

`Monument Sign in North Concord`
Objective 3.1: Develop district strategies for Concord’s key Districts

The City’s Economic Development Program will develop and implement comprehensive district strategies for Clayton Road, North Concord, Monument Boulevard, and other Districts as time and resources provide. These strategies will incorporate the unique characteristics of each business area, promote the businesses currently operating in these areas and encourage reinvestment, development and redevelopment opportunities to support business attraction efforts.

Objective 3.2: Continue Downtown Revitalization Efforts

A. Downtown Management & Merchant Organization. The City’s Economic Development Program will continue to support the activities of the Todos Santos Business Association in order to strengthen relationships between the City and the business community. Where possible, the City’s Economic Development Program will develop programs to address the needs raised by this association in a proactive manner. In addition, the City will execute a comprehensive Downtown Management Program that addresses issues related to appearance, maintenance, circulation, wayfinding, safety and parking.

B. Special Events. The City will continue to sponsor promotions and cultural events at Todos Santos Plaza including the year-round Tuesday Farmers’ Market, annual Music & Market Series, weekly Off the Grid food trucks, annual Brews Festival, Fourth of July parade, holiday events and other special events. The City will review opportunities to co-sponsor and/or present new special events in the downtown area that promote the downtown businesses, community identity, the arts, and are consistent with the businesses in the downtown.

Goal #4: Retain, Expand, Develop and Attract Business

Objective 4.1: Strengthen the positive business climate that supports the growth, development and prosperity of Concord’s business community.
A. **Business Surveys.** The City’s Economic Development Program will reinstate Business Surveys to seek the input of businesses on an ongoing basis. These online surveys will gather information about existing firms, evaluate the business climate and identify business problems, business opportunities and firms with expansion or relocation plans.

B. **Customer Service.** The City of Concord will continue to seek ways to further expedite permit decisions, such as coordinating inter-jurisdictional permit reviews to speed, clarify and ease communication between applicants and permitting agencies, and will also provide employee training and support to further implement improvements to customer service.

C. **Ombudsman and Information Services.** Economic Development staff will continue to serve as an ombudsman and information resource to existing and prospective businesses, providing information, direction, advice and documents on all issues pertaining to doing business in Concord and Contra Costa County.

D. **Business Communications.** The City’s Economic Development Program will continue to regularly communicate with residents, businesses, property owners and other stakeholders and partners using electronic media, print sources, flyers, advertisements, radio, television, e-mail notifications, and other appropriate avenues to ensure information of interest is provided to Concord’s residential and business community.

E. **Business Recognition Award Program.** In cooperation with the Greater Concord Chamber of Commerce, the City will continue to honor throughout the year companies that have shown significant growth or innovation, have longevity in Concord, support Concord’s community, are major employers, or are major tax revenue generators.

F. **Welcome Letters.** The City’s Economic Development Program will continue to send welcome letters, signed by the Mayor and City Manager, to targeted new businesses in Concord in order to make them feel welcome, promote cooperation with City Hall, and provide them with a resource to contact when issues arise that affect the success of their business.
Objective 4.2: Provide assistance to attract, retain, and expand businesses in Concord

A. Goodwill Visits. The City’s Economic Development Program will continue to conduct goodwill visits to major employers and sales tax generators to build strong, long-term relationships, improve communication between the City and the business community, demonstrate Concord’s concern for its existing major businesses, and to encourage these businesses to remain and expand in Concord. The City will utilize proprietary subscription databases, broker consultant insights and market research to identify those Concord businesses with leases expiring in the following 12-18 months to strategically and proactively target those specific companies to determine if they’re considering relocation or expansion so that the City may take appropriate action to keep their business in Concord.

B. Business Retention Visits. The City’s Economic Development Program will continue to conduct business retention/expansion/welcome visits to small businesses that are expanding, new to the community, or in a growth sector in order to build a rapport with the business community, encourage communication between the public and private sectors and to encourage these businesses to remain, expand in Concord and promote the City to their business colleagues.

C. Participation in business events and community building activities. The City’s Economic Development Program will support local business organizations’ efforts that encourage business leaders to contribute to the community by having staff serve on appropriate task forces and special committees, contribute to projects and sponsor events.

D. Home-Based Businesses. The City will continue to support the development of entrepreneurs in home-based businesses by providing business licenses and home-based business permits to these businesses. The City will encourage and foster the development of “executive suites” facilities and other services to promote home-based businesses in their expansion into commercial space.
E. **Small Business Seminars.** In order to provide new information, resources and trends on marketing, planning, management, advertising, financing and other business topics of interest to Concord’s small business community, Economic Development staff will continue to facilitate small business seminars and other appropriate programs with its partners, such as the Contra Costa Small Business Development Center, Greater Concord Chamber of Commerce, Workforce Development Board, Todos Santos Business Association and the Small Business Administration. These events will also continue to promote local business-to-business transactions.

F. **Business Attraction.** The City’s Economic Development Program will create more robust attraction programs to broaden Concord’s business and economic base by identifying sites and available space that would be appropriate to businesses in all sectors and their respective representatives. The City’s Economic Development Program will work aggressively with brokers, realtors, site selectors, trade associations, the East Bay Leadership Council, Concord Chamber of Commerce and the Todos Santos Business Association to evaluate and encourage opportunities for new businesses that enhance our economic base. The Economic Development Program will actively implement strategic outreach to businesses that are likely to relocate and that fit Concord’s targeted industries. The City’s Economic Development Program will continue to work with brokers and property owners on land assembly opportunities for larger development projects, and will leverage the upcoming Concord Community Reuse Plan (CCRP) to attract growing companies to Concord that will later need more space that may be provided within the CCRP.

The initiatives in this document will further develop the City’s economic vitality and ensure Concord’s position as a premier business location.
For more information:
Call the Economic Development Division at (925) 671-3355
or visit www.ConcordFirst.com
Mayor Obringer, Valerie,

As you know The Bay Area Council convenes civic minded business leaders throughout the Bay Area to ensure the Bay Area is the best place to live and work in the world. We work with leaders in Washington DC and in Sacramento on a daily basis, sometimes overlooking the importance of our 101 towns and cities to the wellbeing of our region and its residents.

As part of a strategic effort our member companies have tasked us with gaining a deeper understanding of your priorities at the local level and seeking out ways to better collaborate on issues of mutual interest. We have selected Concord as one of the first cities to reach out to for a couple of reasons, your city has so much potential, and we have already begun such an effort albeit in an informal manner.

We look forward to working together to move the region forward for all who live and work here.

Looking forward to connecting with you and your team to learn more about Concord’s priorities on a local level and finding opportunities to collaborate.

Regards

Matt.

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