

# Economic Development Strategic Plan

## City of Pleasanton

October 2013



STRATEGICECONOMICS

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# INTRODUCTION

This Economic Development Strategic Plan is a policy document that will guide the City of Pleasanton's economic development priorities and activities over the next three to five years. The plan is based on the technical findings of the Background Report, as well as input from City staff, the Pleasanton Economic Vitality Committee, local stakeholders, and the City Council.

The City of Pleasanton determined that an update to its existing Economic Development Strategic Plan was necessary due to changing conditions since the February 2007 Plan, including a national recession and recovery. This Plan's development began in April 2013, commencing with collection and analysis of data covering demographic, economic, business, fiscal, and market conditions. The findings of those analyses – which can be found in the Background Report – identified the advantages and disadvantages for economic development in the City. The Plan's strategies and actions are designed to strengthen the City's existing advantages, and take action to address disadvantages or gaps.

The document is organized into three sections: Section I is an executive summary; Section II provides an overview of the evolution of Pleasanton's business community and includes a summary of findings from the technical analysis; and Section III contains the strategies and actions of the Economic Development Strategic Plan.

# I. EXECUTIVE SUMMARY

The Economic Development Strategic Plan defines three Priority Areas for the City to focus on in the next three to five years: business development and communications, built environment and workforce, and economic health and resilience. The actions for each Priority Area, described briefly below, will allow Pleasanton to maintain and strengthen its economic competitiveness over the next five years and beyond.

## **A. Business Development and Communication**

In recent decades, Pleasanton has developed a strong base of specialized firms that drive innovation in sectors including information technology, corporate management, bio-medical research, and advanced manufacturing of medical devices. These businesses are a major advantage for the City because they attract talented workers, garner capital investments, and generate jobs in many other supporting industries. Growing businesses that drive innovation in these sectors and developing a holistic communications and outreach strategy are the focus of this Priority Area. Actions within this Priority Area include developing a program to brand Pleasanton as a center of innovation-driven businesses through marketing and events, and initiating a campaign to educate residents of Pleasanton about the contributions of the business community to the City's quality of life.

## **B. Built Environment and Workforce**

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. However, many of the existing employment centers lack nearby housing and retail options, and the data infrastructure in some areas is inadequate. In order to adapt to the changing preferences of workers, Pleasanton will need to modify its built environment to enable mixed-use, pedestrian-friendly, workplace districts that respond to the needs of innovative firms and high-skill workers. The goal for this Priority Area is to facilitate the evolution of business centers through actions that include land use and zoning updates, infrastructure upgrades, and the enhancement of bicycle, pedestrian, and transit amenities and services.

## **C. Economic Health and Resilience**

Pleasanton's large and stable employment base and mix of office, industrial, retail, and residential land uses provide for a diversity of revenue sources and ensure economic and fiscal stability. However, in recent years Pleasanton has faced increasing competition from neighboring communities, and the number of vacant, developable sites is dwindling. The goal for this Priority Area is to sustain economic health and resilience for the long-term, in order for the City to continue providing a high level of services to residents, workers, and visitors. Actions in this Priority Area include initiatives to expand visitation, improve the performance of older retail centers, encourage new retail development, and leverage the City's cultural assets for economic development.

Implementation of the Priority Areas delineated above will require the City to continue working across departments, collaborating with local businesses, property owners, educational institutions, workforce development agencies, regional agencies, and other stakeholders.

## II. THE EVOLVING ECONOMY OF PLEASANTON

### BACKGROUND

Over the last half-century, Pleasanton has evolved from a small, agricultural town into a bedroom suburb, and more recently into a major employment center in the Bay Area region. At each phase of its economic cycle, Pleasanton took strategic steps to ensure that growth and development were managed carefully to maintain the City's high quality of life.

Pleasanton's location, providing easy access to the Silicon Valley and San Francisco markets as well as the talented labor force of the East Bay and Central Valley, has been a critical factor in its appeal as a residential and business address. The construction of the I-580 and I-680 highways in the 1960s was transformative, making Pleasanton and the rest of the Tri-Valley much more accessible and attractive for new housing development. However, through the 1970s, Pleasanton was still primarily a suburban "bedroom" community with a fairly small job base. Pleasanton became a job center in the 1980s, when the City voted to approve the development of Hacienda, the Tri-Valley's first large business park, located at the I-580 and I-680 interchange. This strategic decision allowed Pleasanton to diversify its land uses and grow its economic base through the addition of more than 20,000 jobs (a growth rate of 365 percent).<sup>1</sup> In addition to the 860-acre Hacienda, Pleasanton also saw the development of Stoneridge Shopping Center and other commercial development in the 1980s. The types of jobs that were created in Pleasanton during this time were generally in back-office occupations like clerical services, data processing, sales, and call centers. By the early 1990s, Pleasanton had truly become a mixed community, with a ratio of one job to every employed resident.<sup>2</sup>

Over the 1990s and 2000s, the City continued to grow its employment base, leveraging the enhanced access provided by the addition of BART service, which better connected Pleasanton's residents and workers to the regional transit system. While Pleasanton experienced rapid job growth, the City focused on maintaining the high quality of its neighborhoods, facilities, schools, and municipal services. Today, Pleasanton is an important employment area, with more than two jobs for every employed resident. Over the last two decades, the City's industry mix has shown particular strength in the following three areas:

- Information technology – Many large corporations have moved their IT departments to Pleasanton (such as Kaiser Permanente and Gap), bringing in web designers, computer engineers, and sales staff. In addition, other cloud computing and software firms have located in Pleasanton, like Workday, Callidus Software and EMC.
- Corporate headquarters – Pleasanton has attracted the headquarters of multiple companies, including Safeway, Workday, and others, adding employment in management and administrative occupations.
- Medical device manufacturing – The City has a growing number of businesses using advanced manufacturing and cutting-edge research to produce medical equipment and devices, including TriReme Medical, Zeltiq and Thoratec, which require highly skilled researchers, engineers, and technicians.

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<sup>1</sup> Cervero, Robert. "Jobs-Housing Balance Revisited." *Journal of the American Planning Association*, 01944363, Autumn 96, Vol. 62, Issue 4

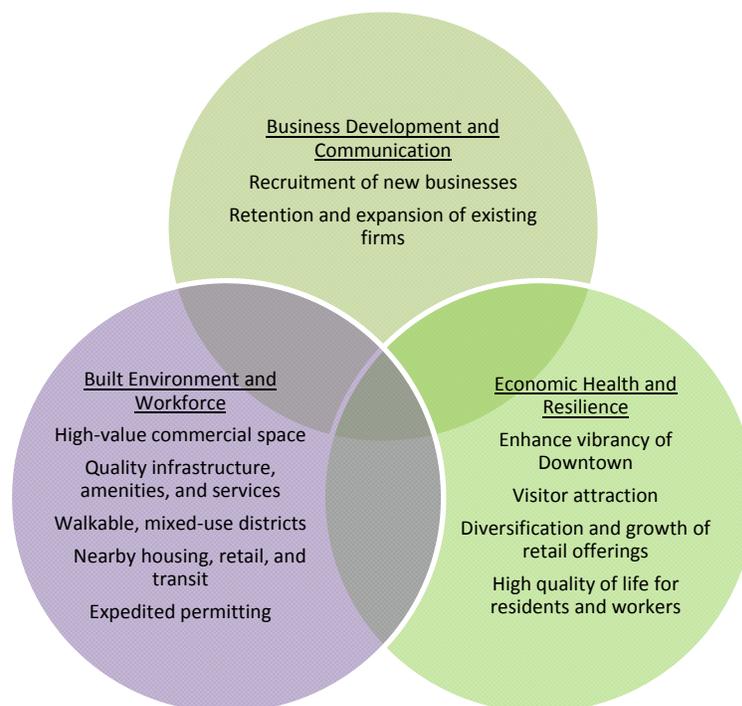
<sup>2</sup> Association of Bay Area Governments, Projections, 1998.

These types of businesses – often referred to as knowledge-based sectors because of their reliance on a highly educated, skilled labor pool – are constantly looking for ways to attract and retain top talent to remain competitive.

## MOVING FORWARD

According to the Association of Bay Area Governments’ 2013 employment projections, Pleasanton is expected to continue growing, albeit at a slower pace, adding more than 10,000 jobs in the next 20 years. Pleasanton is well positioned to capture the economic growth forecasted, particularly due to the City’s excellent location, which will continue to be a major asset in attracting businesses. However, just as it has done in the past, Pleasanton must adapt to a changing context to fully capitalize on these opportunities for growth. Whereas in the past the City has grown in a typically suburban pattern, developing large tracts of vacant sites to accommodate residential and commercial development, today the City has a diminished supply of vacant sites and land values have increased substantially. These constraints signal that in the coming decades Pleasanton will need to pursue infill development or redevelop existing sites to accommodate growth. The City will also need to respond to the changing type of environment sought after by businesses and workers in recent years. Rather than the traditional business park model of the 1970s and 1980s, employers are now increasingly looking for dynamic workplace districts that offer lifestyle amenities for their talented knowledge-based workers – such as plentiful housing options, restaurants, retail, and transit – generally within walking or biking distance.

Based on this foundation, this Economic Development Strategic Plan emphasizes and prioritizes actions that will allow the City to continue evolving its economic development activities to better integrate traditional activities focused on business development and the business environment with new efforts to strengthen the built environment in response to the needs of workers.



The integration of strategies for business development, built environment, workforce attraction, and economic health will allow the City to maintain and strengthen its economic competitiveness over the next five years and beyond. In addition, in recognition that the City's economic development activities have always required robust partnerships, the Plan emphasizes the need for deepening existing collaborations with local businesses, property owners, educational institutions, workforce development agencies, regional agencies, and other stakeholders to achieve effective implementation.

## BACKGROUND REPORT FINDINGS

The findings of the Background Report are organized into three main topics: business development and communication, built environment and workforce, and economic health and resilience.

### **Business Development and Communication**

This describes advantages and disadvantages related to the analysis of the City's historical job growth by industry, trends in business creation and expansion, and venture capital investment.

**Pleasanton has a strong and rapidly growing job base.** Pleasanton is a highly-competitive employment center, with long term growth outpacing the Tri-Valley and East Bay. Pleasanton's total employment grew 63% between 1995 and 2009, outpacing the Tri-Valley (53%) and surpassing the East Bay's growth (20%). Despite a rapid drop in employment at Hacienda – the largest concentration of employment in Pleasanton and a bellwether for the City's economy – during the recent economic downturn, indicators show a rapid recovery began in 2012.

**Pleasanton's economy is characterized by heavy concentration of high-technology sectors that draw highly-educated workers.** The City's economic base is driven by Information, Professional, Scientific, and Technical Services, and Manufacturing – which include the sub-industries of software, information technology, computer engineering, medical technology, and life sciences. The businesses within Pleasanton's Information, Professional, Scientific, and Technical Services, and Manufacturing sectors are inter-related and indicate Pleasanton's increasing specialization in knowledge-based industries that drive innovation – i.e., an economy with growth driven by industry sectors focused on the creation and production of breakthrough technologies and processes. These sectors are experiencing increasing amounts of entrepreneurial activity and venture capital investments. Pleasanton led the East Bay region in venture capital attraction in 2011, garnering 28 percent of the sub-region venture capital investments.

**Pleasanton has a high jobs-housing balance, and firms rely heavily on in-commuters from outside of the City.** The City has about two jobs to every employed resident, a far higher ratio than other Bay Area cities. This jobs-housing imbalance means that most of Pleasanton's workers commute from outside of the City and Tri-Valley region. Over time, as employment in the Tri-Valley continues to grow, it will be important to consider expanding Pleasanton's capacity to grow housing near jobs. Furthermore, it will also be critical to ensure that commuters can continue to access jobs in Pleasanton by a variety of modes including highways, transit, walking, and biking. Pleasanton's dependency on labor from outside the City and Tri-Valley poses a potential long-term competitive challenge as economic growth becomes increasingly constrained due to long commutes and increasing local housing costs, thus reducing labor access.

**Pleasanton offers strong business networks that have allowed firms of all sizes to thrive.** Pleasanton's largest employers, such as EMC, Oracle, Safeway, Roche Molecular Systems, Thoratec and Workday are economic anchors that attract talented employees and additional business activity through the growth of the supply chain network and the creation of new, related businesses. Startups, small

businesses, medium firms, and large firms in Pleasanton all increased in employment by 23 to 29 percent from 1995 to 2009.

**Pleasanton’s businesses identified communications and outreach as important activities for business recruitment and retention.** According to Pleasanton’s 2013 business survey, business leaders rated Pleasanton well as a place to do business overall, but also identified need for continued improvement in outreach and communications. In particular, businesses identified business visits and provision of website content on business support programs, events, and opportunities as potential techniques for enhanced outreach and communication.

### **Built Environment and Workforce**

The following are findings regarding Pleasanton’s strengths and weaknesses as a location for businesses, exploring the built environment, infrastructure, and housing and transportation options for workers as well as the City’s approval processes.

**Pleasanton provides excellent accessibility to a diverse, well-educated labor market and broader Bay Area market.** Pleasanton’s location provides access to workers throughout the region – especially the East Bay and the Silicon Valley – via the I-580 and I-680 freeways, as well as offering commute options via BART and ACE trains. This accessibility allows for mobility of goods and workers, which is a primary consideration for employers.

**Pleasanton’s housing stock is dominated by single-family homes in traditional neighborhood settings, which may be a potential barrier to attracting talented workers.** About 64 percent of Pleasanton’s housing stock is single-family detached, but about half of households are small (1-2 persons). Increasing the diversity of housing products, as well as providing high-quality multi-family housing near employment centers and amenities, will help make Pleasanton a more attractive location for smaller and younger households.

**Pleasanton’s employment centers offer high-value commercial space for a variety of businesses.** Pleasanton offers high-quality business districts with diverse types and sizes of Class A office, Class B office, and flex space, often with supporting amenities and infrastructure. Office space in Pleasanton is generally competitive with the Tri-Valley, but much lower cost than other central Bay Area locations that offer similar types of office products, like San Jose and Oakland. This ability to offer high-quality space at a lower cost is an important asset to businesses across a range of industry sectors.

**Pleasanton’s existing employment centers are aging and generally inconsistent with evolving worker preferences for mixed-use, walkable environments.** Research shows that an increasing number of workers – especially the younger Generation X and Generation Y workers – prefer working in walkable, mixed-use districts and are more likely to use transit to get to work. These districts are also preferred by innovative businesses that benefit from information-sharing and knowledge-spillover that occurs in these types of environments. However, most of the existing employment centers in Pleasanton are largely single-use suburban campuses with a high level of automobile dependency. As the City continues to mature, more of the opportunities to accommodate new employment growth will occur in these existing centers, many of which will require repositioning, redevelopment, and revitalization to remain competitive.

**Some of Pleasanton’s employment centers require infrastructure upgrades.** According to the Pleasanton business survey, businesses find that the City’s existing infrastructure is less than satisfactory, citing poor *local* transit options, inadequate cellular phone networks, and inconsistent high-speed internet access in some locations. Additionally, businesses with adequate access to high speed fiber optic network

trunk lines reportedly experience cost challenges to constructing the connections between those lines and their buildings. To remain competitive, these issues must be resolved given that nearly all types of businesses now require robust and reliable data connections.

**Industrial spaces in Pleasanton are facing market pressure to be converted to other uses, posing a potential challenge for retention and attraction of smaller firms.** The low cost industrial space offered in places like Stanley and Valley business parks house some of the City’s small manufacturers and suppliers. Industrial uses in Pleasanton are currently somewhat protected due to the low on-site parking supply, as well as zoning. However, these low-cost spaces have recently proved to be attractive to medical offices, childcare, schools, churches, and other types of users. Conversion of scarce industrial space to these uses should be limited to ensure that the City maintains its ability to continue to provide space for activities as diverse as medical device manufacturers, contractors, and other users of industrial space.

**Pleasanton’s permitting and approval process is perceived as slow and difficult.** According to the recent business survey, the permitting and approval process is cited as lengthy and difficult, potentially adding to delays and the cost of doing business in the City. Although stakeholders rated interactions with staff as good and acknowledge that careful planning is important to maintain the City’s high quality of life, it is important to consider and be aware of this issue as matters come before various advisory bodies and the City Council to ensure that the approvals process does not create unnecessary obstacles to economic development.

### **Economic Health and Resilience**

Major findings about Pleasanton’s overall business environment, including retail centers and visitor amenities, are described below.

**Pleasanton’s retail centers perform well, with the City commanding more taxable retail sales than any other city in the Tri-Valley.** The types of shopping offered in Pleasanton are diverse, ranging from small boutiques and restaurants in Downtown Pleasanton to food and services in neighborhood-serving centers, to large, national anchors at Stoneridge Shopping Center. This variety of retail options in proximity to employment centers is a valuable amenity to workers, and to the City, as they patronize Pleasanton establishments throughout the work day cycle.

**Pleasanton faces increased competition for retail sales, and many of its existing unanchored centers may require reinvestment or repositioning.** Competing retail offerings at Dublin and Livermore are an ongoing threat to Pleasanton’s retail dominance. These centers offer “big box” stores and lifestyle center formats not found in Pleasanton. In addition, many of the City’s older, unanchored shopping centers generate relatively low taxable revenues per square foot – approximately half of that generated by anchored, larger centers. To stay competitive, smaller unanchored shopping centers and Downtown Pleasanton may require strategic reinvestment and possible expansion or redevelopment.

**Pleasanton’s attractions and amenities may not be well known to leisure visitors.** While Pleasanton and the Tri-Valley have successfully attracted business travelers, there is a need to raise awareness about the unique assets in the City, including the Alameda County Fairgrounds, Downtown Pleasanton, arts, and other amenities to increase leisure visitation to Pleasanton.

**Pleasanton is well known for providing an excellent quality of life.** Schools in Pleasanton’s school district consistently rank among the best in the Bay Area and are an attractor for workers to reside in Pleasanton, and to employers as an indication of the future workforce’s quality.

# III. ECONOMIC DEVELOPMENT STRATEGIC PLAN

Based on the results of the Background Report analysis, this Plan defines three Priority Areas for economic development activities in Pleasanton over the next three to five years:

1. Business Development and Communication
2. Built Environment and Workforce
3. Economic Health and Resilience

For each Priority Area, related advantages/disadvantages, strategies, goals and actions are described below. The actions for each Priority Area are sorted in order of importance for implementation; the first few actions in each Priority Area – highlighted in the colored boxes – are considered to be higher impact strategies that should be addressed before other actions. In addition, the Plan also identifies specific monitoring activities for the City to undertake to measure progress.

## Priority Area A: Business Development and Communication

Pleasanton has had success in attracting a strong base of specialized firms that are seen as innovative in their fields – ranging from software to advanced manufacturing – which count for much of the City’s economic base. The sectors that have concentrated in Pleasanton (e.g. information technology, computer engineering, bio-medical research, and advanced manufacturing of medical devices) attract a highly skilled labor force from throughout the region, and bring in venture capital and other investments. These sectors also generate jobs in other industries; firms of all sizes and in a variety of sectors have thrived in the last decade in Pleasanton. Businesses acknowledge that the City has played an important role in business development through the provision of technical assistance to small, medium, and large businesses that includes ongoing outreach and coordination on issues like property leasing, development, and municipal services. However, the City must work to improve in several areas, most notably in improving communications between the City, the business community, and residents.

The goal for this Priority Area is to conduct business development activities with particular focus on businesses that drive innovation in their sectors, and to expand communications, outreach, and technical assistance program to retain and expand existing firms.

### Implementation Actions

<p><b>A1. Develop a program to brand Pleasanton as an innovation center.</b> This action seeks to improve recognition of Pleasanton as a hub for innovative companies and technology investment, particularly within the aforementioned industry sectors. Some of the actions would include production of marketing materials (hard copy and electronic) emphasizing the City’s strengths for innovation, completing the Economic Assets Report, and launching new marketing initiatives. Some of these initiatives will be implemented in partnership with the Pleasanton Chamber of Commerce and other local business organizations.</p>
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**A2. Educate residents of Pleasanton regarding the contributions of businesses to the overall quality of life.**

Pleasanton will explore methods to improve residents' awareness and appreciation of the contributions of businesses to the City's overall quality of life.

**A3. Solicit ongoing feedback from innovation-focused businesses in targeted high-technology industries.**

City staff will proactively solicit input from businesses in targeted industry sectors regarding how Pleasanton can better meet the unique needs of their industries. Ongoing communications will ensure Pleasanton is viewed as a receptive, productive environment for innovative companies. The outreach may include site visits, and regularly scheduled gatherings and events for business leaders within the target industries.

**A4. Collaborate with regional organizations on economic development initiatives focused on cultivating innovative businesses in high-technology industries and attracting the related workforce.**

As part of the growing Tri-Valley region, Pleasanton will continue to collaborate with regional economic development organizations dedicated to attracting and retaining innovative businesses, including Innovation Tri-Valley and i-GATE. As the intermediary between these organizations and local businesses, City staff can ensure that local businesses benefit from the regional initiatives. These organizations – and other regional workforce development organizations – can also assist the City in ensuring Pleasanton is able to attract the workforce required for jobs in such industries.

**A5. Attend targeted economic development events to promote Pleasanton.**

Pleasanton staff will prioritize attendance at economic development events that are targeted to innovation-focused, high-technology industries to build awareness of Pleasanton as a location for new businesses. In the longer term, the City can potentially organize its own events designed to attract interest from business representatives, brokers, site location managers in targeted industries. Such events could integrate the region's education institutions and potentially expand to integrate the City's cultural arts strengths to brand the City as a creative business destination.

**A6. Develop a communication program to outreach to Pleasanton businesses.**

Pleasanton will implement a regular communication program with existing businesses that may include regular distribution of an e-newsletter and/or social media and web-based communication tools. City staff will collaborate with the Chamber of Commerce, Hacienda and other local business organizations in these efforts as needed.

**A7. Solicit ongoing feedback from businesses in Pleasanton, in collaboration with the Pleasanton Chamber of Commerce.**

City staff will continue to gather feedback from businesses regarding concerns and need for improvements. This data can be collected via tools such as the regular business survey and various business leader roundtable discussions. As necessary, the City will collaborate with the Pleasanton Chamber of Commerce to effectively gather this feedback. The business satisfaction survey and other feedback techniques should also assess workforce access issues.

**A8. Communicate attributes of Pleasanton as a business location, targeted to businesses likely to consider locating in Pleasanton.**

Pleasanton will maintain updated economic data via the City website. Data could include top industries, top employers, number of businesses, number of workers, companies

receiving venture capital investment, etc. This information could be used by anyone interested in examining Pleasanton's health as a business location, and as a promotional tool. Pleasanton can also complement this data with profiles of businesses and owners that chose to locate in or remain in Pleasanton.

### Monitoring Activities

#### **Monitor growth in businesses and employment in Pleasanton.**

Given that innovation-focused businesses are major drivers and components of Pleasanton's overall economy, City staff will monitor growth in the number of businesses and jobs in Pleasanton. To the extent information is available, City staff should also gather data on annual venture capital investments in Pleasanton businesses, patent activity, and notable high-technology businesses that start in or move to Pleasanton.

#### **Measure and monitor the business satisfaction survey results, hits on Pleasanton business-oriented websites and social media page(s) and the number of recipients of the e-newsletter.**

City staff will regularly monitor the distribution and visibility of these publicity tools and assess the business satisfaction survey results to gauge performance in supporting and communicating with businesses.

### **Priority Area B: Built Environment and Workforce**

Pleasanton's built environment offers many advantages for business development. In addition to providing excellent regional access through highways and transit, the City contains high-value, cost-competitive office and flex space that can accommodate a wide range of users, from large corporations to small manufacturers. At the same time, Pleasanton offers top-notch amenities and services to residents, workers, and visitors. However, because much of the City's housing and commercial space was built in auto-centric, low-density development patterns, the types of products currently offered are not in sync with changing employer and worker preferences. The existing employment centers are not well integrated with housing and retail, and some lack adequate data infrastructure. There is a need to provide the mixed-use, pedestrian-friendly, amenity-rich workplace districts integrating retail and housing that are increasingly sought by innovation-focused firms and workers. The goal for this Priority Area is to enhance Pleasanton's position as a desirable place to do business by encouraging the evolution of aging employment centers to better respond to changing demand, through a combination of strategies that address land use and zoning changes, multimodal access improvements, and data infrastructure needs.

### Implementation Actions

#### **B1. Collaborate with Planning and other City departments to update land use and zoning policies to reflect current business needs.**

The City's Economic Development Department will coordinate with other City departments to craft zoning and land-use policies that create and maintain competitive employment centers. This will include exploring policies to preserve low-cost spaces that accommodate smaller firms, as well as implementing policies that enable the creation of mixed-use districts.

**B2. Identify potential development and redevelopment sites to provide updated space, contemporary worker housing, and/or amenities.**

City staff will identify opportunity sites in existing employment centers or near transit that have the potential to be developed and redeveloped into housing, retail, or other amenities. The City will assist motivated property owners seeking to develop and redevelop sites that can provide amenities or housing for workers.

**B3. Conduct an infrastructure assessment to identify deficiencies within business centers.**

The City will conduct a citywide infrastructure study to assess deficiencies in high-speed data connections, street-to-structure data connections, and cellular service in its business centers. Based on the outcomes of the assessment, the City may later work with property owners, businesses, providers, and other partners to identify financing tools for the necessary improvements.

**B4. Continue to improve internal processes for reviewing projects, establishing transparent guidelines for new developments to expedite the process.**

Pleasanton will continue to work on providing clearer, more transparent guidelines and processes for reviewing and approving property development and improvements. The City will explore implementation of additional measures to streamline the planning and approvals process, such as establishing time tables for approvals, better tracking systems to expedite processes, and providing accurate information about project status online, and publicizing measurable improvements in the planning processes.

**B5. Encourage public transit improvements to enhance last-mile connections to employment centers from BART, ACE.**

To maximize transit access for workers and residents, the City will work closely with Bay Area Rapid Transit, Altamont Commuter Express, Livermore Amador Valley Transit Authority, the Metropolitan Transportation Commission, and Alameda County Transportation Commission to provide better linkages between employment centers and regional transit stations.

**B6. Identify and encourage implementation of needed pedestrian and bicycle improvements, in conjunction with existing City efforts.**

Pedestrian and bicycle improvements are needed in many employment centers to provide transportation alternatives and enable a dense, interactive, amenity-rich environment. The City will continue to make improvements as streets are repaved, and will also explore partnerships with interested property owners to enhance access and connectivity for pedestrians and bicycles. Exploring the feasibility of implementing a bicycle sharing program may be another longer-term strategy for reducing automobile traffic and providing more mobility options for residents and workers. This action should be performed in conjunction with the existing efforts of Pleasanton's Pedestrian and Bicycle Master Plan and the work of the Bicycle, Pedestrian, and Trails Committee.

**B7. As opportunities arise, assist private entities in improving non-automobile commute options and programs.**

The City will monitor opportunities to encourage and assist private employers and property/business owner associations to provide transit, bicycling, walking, and shared-vehicle commute options, building on the existing Commendable Commutes program. Examples include subsidized transit passes, employee shuttles, car share, bike share, and formal carpooling programs.

Monitoring Activities

**Measure and monitor office and industrial vacancy and rental rates relative to the Tri-Valley.**

The City will regularly collect office and industrial vacancy and lease rates in Pleasanton and the Tri-Valley to assess relative competitive performance.

**Monitor perceptions regarding the City’s approvals and permitting processes.**

Pleasanton will regularly solicit feedback from businesses regarding the City’s approvals and permitting processes to identify areas for improvement and gauge perceptions about the business climate.

**Measure and monitor changes in business satisfaction survey results.**

City staff will regularly conduct the business satisfaction survey and assess the results to gauge opportunities and concerns.

**Priority Area C: Economic Health and Resilience**

Pleasanton’s quality of life can be attributed to its strong job base and diversity of land uses which provide public revenues for high-quality services and amenities. The City contains retail centers, employment centers, and hotel properties, all of which contribute to the City’s economic resilience. Within the Tri-Valley, Pleasanton generates the highest volume of taxable retail sales, one of the indicators of economic health. However, in recent years the City has faced increasing competition for retail and commercial development. At the same time, the number of available sites for new development has decreased and some of the smaller, unanchored centers may require reinvestment to achieve healthy sales. The goal for this Priority Area is to sustain Pleasanton’s economic health and long-term resilience, so that it can continue to provide high-quality public services and amenities. The strategies for the Priority Area include developing new initiatives to increase visitation, establishing programs to improve the performance of small retail centers, recruiting new types of retail development, and maximizing the economic development potential of the City’s event programming, cultural, and arts assets such as downtown, live theaters, and the Alameda County Fairgrounds.

Implementation Actions

**C1. Identify underperforming retail centers and provide assistance.**

The City will undertake an in-depth citywide retail analysis to obtain quantitative data on the performance of individual shopping centers, and identify those that generate low retail sales. Once the lower performing centers have been identified, the City may conduct outreach to brokers, property owners, and businesses in these centers to provide targeted assistance. Some centers may consider redevelopment to housing or mixed-use.

**C2. Proactively work to retain and attract current or potential retail anchors for Staples Ranch.**

Pleasanton will work to retain and attract automobile dealerships by reaching out to and working closely with their owners, and will continue efforts to attract an anchor for the Staples Ranch area.

**C3. Work with Stoneridge Shopping Center owners to facilitate expansion (within entitled square footage).**

The owners of Stoneridge Shopping Center recently received a five year renewal of entitlements to expand the mall. The City will maintain close contact with the owners to anticipate their needs upon commencement of expansion.

**C4. Collaborate with the Pleasanton Downtown Association and downtown business/property owners to create and implement a retail recruitment and retention strategy specifically targeted to downtown.**

As an area with numerous property owners, a fine-grained historic fabric, and no centralized management authority, Downtown Pleasanton has unique needs and challenges for retail tenancing. Pleasanton will assist the PDA's efforts to gather input and study retail needs through tools such as lease rates, vacancy rates, and an inventory of ground-floor uses. Pleasanton can then assist the PDA, business owners, and property owners in developing a comprehensive retail strategy targeting specific retailers and high-impact improvements to programming, amenities, and infrastructure. These efforts can complement implementation of the Downtown's recently approved hospitality guidelines.

**C5. Work with PDA and Community Services Department to promote downtown to residents and visitors.**

Recognizing that downtown is a unique, attractive asset to residents and visitors alike, the Economic Development Department will collaborate with the PDA and Community Services Department on marketing programs, focusing on implementation of the PDA branding program and integrating the Cultural Arts Master Plan's components relevant to downtown.

**C6. Work with Community Services Department to implement Cultural Arts Master Plan components.**

The Community Services Department is developing a Cultural Arts Master Plan for the City. The Economic Development Department will assist in implementation of the relevant portions of the final plan, including promotion of arts in marketing efforts and development of a program targeted to growing creative industries in Pleasanton.

**C7. Identify potential opportunity sites in the City for hotel expansion or development.**

The City will examine potential to grow its hotel tax revenue base. Activities may include conducting outreach to existing hotels to gauge potential for expansion, and identifying sites that may be suitable for the development of a new hotel property.

**C8. Communicate with Visit Tri-Valley to promote activities that draw overnight visitors to Pleasanton.**

Pleasanton will continue working with Visit Tri-Valley to market the City as a visitor destination, providing information about local events and marketing destinations like Downtown Pleasanton, its hotels, and the Alameda County Fairgrounds.

Monitoring Activities

**Monitor sales tax revenue.**

City staff will monitor sales tax revenue to gauge the City's competitiveness and performance.

**Monitor transient occupancy tax revenue.**

City staff will monitor transient occupancy tax revenue to understand whether hotel performance is improving.

# ACKNOWLEDGEMENTS

The authors wish to thank the numerous stakeholders that guided and contributed to the Pleasanton Economic Development Strategic Plan.

## **Pleasanton City Council**

Jerry Thorne, Mayor  
Cheryl Cook-Kallio, Vice Mayor  
Karla Brown, Councilmember  
Kathy Narum, Councilmember  
Jerry Pentin, Councilmember

## **Pleasanton Economic Vitality Committee**

Nancy Allen, Business at Large  
Valerie Arkin, PUSD Trustee, Educational Community  
Bryan Bowers, Commercial Real Estate Development  
Jay Galvin, Non-Profit/Community Based Organization  
Richard Gross, Financial Services  
Jamie Hintzke, PUSD Trustee, Educational Community  
Kareen Knowles, Medical Services  
Kristen Kuse, Professional Service Firm  
Kathy Narum, City Council  
Michael O'Callaghan, Pleasanton Downtown Association  
James Paxson, Hacienda  
Jerry Pentin, City Council (alternate)  
Gina Piper, Residential Real Estate Broker  
Scott Raty, Chamber of Commerce  
Janice Sangster-Phalen, Commercial Real Estate Broker  
Olivia Sanwong-Handerson, Citizen at Large  
Dean Schenone, Commercial Services Firm  
Glen Sparks, Educational Community  
Carrie Williams, Stoneridge Shopping Center  
Sima Yazdani, Information Technology

## **Pleasanton City Staff**

Nelson Fialho, City Manager  
Pamela Ott, Director of Economic Development  
Emily Wagner, Director of Finance  
Dave Spiller, Chief of Police  
James Miguel, Fire Chief  
Janice Stern, Planning Manager/ Deputy Director of Community Development  
Juan Gomez, Senior Accountant  
Michele Crose, Community Services Manager

## ACKNOWLEDGEMENTS (CONT.)

### **Stakeholder Organizations**

Pleasanton Chamber of Commerce  
Pleasanton Downtown Association  
Hacienda Owners Association  
Visit Tri-Valley  
i-GATE  
Innovation Tri-Valley  
Stoneridge Shopping Center  
Alameda County Fairgrounds  
Alameda County Workforce Investment Board  
Contra Costa Workforce Investment Board  
East Bay Economic Development Alliance  
East Bay Leadership Council  
Pleasanton Unified School District

### **Local Business Leaders**

The authors also thank the many members of the business community who provided feedback and input during interviews.