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DATE: OCTOBER 18, 2022

TO: MAYOR AND COUNCIL MEMBERS

FROM: LILLY WHALEN, COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: ADOPTION OF THE CITY OF PINOLE ECONOMIC DEVELOPMENT

STRATEGY

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution (Attachment A) approving the City of Pinole Economic Development Strategy (Exhibit A of Attachment A).

BACKGROUND

In 2020, the Pinole City Council adopted a thoughtful and ambitious Strategic Plan¹ for the City. Among other priorities, Goal 3 (Vibrant and Beautiful Pinole), Strategy 4 directed the creation of a comprehensive Economic Development Strategy (EDS). On September 6, 2022, the Pinole City Council reviewed the Public Review Draft of the EDS² and directed staff to present a final draft, incorporating Council feedback, for Councils' adoption on consent at a future Council meeting.

DISCUSSION AND ANALYSIS

The EDS is a strategic framework to guide the City of Pinole's economic development policies and programs over the next five years. It is based on a comprehensive research and stakeholder input process and reflects consensus views on the most promising opportunities and the most pressing challenges facing Pinole's economy. While the EDS places primary emphasis on actions and initiatives to be pursued by the City, it recognizes that a wide array of public- and private-sector entities have roles in influencing the economic vitality of Pinole. In this regard, some of the recommended actions will be carried out through partnerships with other entities.

The EDS is designed to achieve the following major goals over a five-year period:

 Expand economic opportunities for Pinole's resident workforce by fostering creation of a diverse range of quality jobs accessible to residents across the spectrum of education/skill levels

¹ View the Strategic Plan

² View the September 6 2022 EDS Staff Report and Attachments (starting on page 7 of the packet)

- Leverage the economic development potentials of Pinole's historic downtown and waterfront areas through placemaking initiatives and targeted business/development attraction
- Revitalize Pinole's other commercial and industrial areas by encouraging private investment that responds to anticipated real estate market demand
- Strengthen the City's fiscal position by attracting land uses and business types that have the potential to generate General Fund revenue

On September 6, 2022, the City Council reviewed and provided feedback on the draft EGS. The EDS has been updated to address those comments in the following manner:

- Added references to promoting "historic and cultural resources" to discussions about placemaking initiatives (pages 4 and 42).
- (Throughout document) changed "redevelopment" to "revitalization" to emphasize the point that (especially in the downtown) the focus on the strategy is to reactivate existing commercial areas/structures.
- Added language to make clear that references to the "waterfront" are meant to include both the bayfront and the creekfront (pages 8 and 42).
- Added the following objective to Major Initiative 1 (Branding/Marketing): "Creating mechanisms for ongoing stakeholder/public engagement with the City's economic development functions" (page 47).
- Added the following to the description of Major Initiative 2 (Business Retention/Expansion/ Attraction): "The business retention component of this initiative will focus on direct outreach to existing Pinole firms to identify and systematically respond to issues that are threats to the long-term viability and growth of existing core industries; these concerns might include, for example, the City's level of business friendliness, global market changes impacting local businesses, and the impacts of climate change/policy (including water and energy costs). The City's process of preparing a Climate Action and Adaption Plan (scheduled for completion in June 2023) will also include specific outreach to the business community on these issues" (page 49).
- Changed title and substantially re-worded Sub-Strategy 5C (see pages 55-57) to emphasize that this strategy will not necessarily involve formal revision of the Three Corridors Specific Plan, but will more broadly include a review of "the City's land use plans and policies to ensure alignment with EDS objectives."
- Re-prioritized Action Item 6B ("In tandem with partners, establish ongoing mechanisms to improve connection between employers and education/training resources") moved from Year 2 to Year 1 (page 57).
- Added a new section titled "Metrics for Monitoring Progress" (page 60).

In addition, subsequent to the September 6, 2022 Council meeting, staff asked TNDG to include additional efforts to grow the Hospitality and Tourism cluster. These changes were incorporated in the following manner:

- Added the recommendation that efforts to grow Hospitality and Tourism cluster (one of the priority industry clusters in the EDS) include "potential attraction of hotel development" (pages 7, 44, 45, 49 and 53).
- Added the following Action Step to Major Initiative 2 (Business Retention/Expansion/ Attraction): "As part of an overall focus on growing Hospitality and Tourism (one of the priority industry clusters in the EDS), pursue attraction of hotel development; also, investigate potentials for a specialized focus on ecotourism (leveraging the existing regional park and available hiking/birdwatching areas)" (pages 49-50).

FISCAL IMPACT

There is no fiscal impact associated with adopting the EDS. The City Council has already budgeted funding in FY 2022/23 (\$80,000) for carrying out the economic development activities recommended by the EDS.

ATTACHMENTS

A. Resolution Approving the Pinole Economic Development Strategy Exhibit A: Pinole Economic Development Strategy, October 2022