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## A. OVERVIEW

The Economic Development Element strives to increase economic opportunity and prosperity for all San Leandro residents and businesses. Its policies address economic resilience and diversification, local business growth and success, and the quality of the city's shopping districts. The Element aims to place San Leandro on the leading edge of the Bay Area's innovation economy. It builds on San Leandro's heritage as a manufacturing center while reinventing the city as a 21<sup>st</sup> Century workplace. The Economic Development Element also seeks to create career pathways for youth and adults in the San Leandro labor force.

San Leandro has rebounded from the Great Recession of 2007-2010 and is currently enjoying robust economic growth. Between 2010 and 2016, the city's unemployment rate dropped from 12 percent to under 5 percent. Its rental vacancy rates dropped from 10 percent to just one percent in some sectors. More than 6,500 new jobs have been created in just six years, an increase of over 15 percent. Other economic indicators, from business licenses to building permits, are moving in a positive direction. The Economic Development Element aspires to sustain this momentum in the future. It also reflects a commitment to grow inclusively and equitably. Not only does San Leandro aim to create jobs and generate revenue, it aims to help all residents achieve their full economic and creative potential.

Although Economic Development is presented as an independent chapter of this General Plan, it is also a thread that runs through other Plan elements. The Land Use Element defines the spatial organization of economic activities (such as manufacturing and retail) and describes the vision for employment districts such as Downtown, Bay Fair, and the

# ECONOMIC DEVELOPMENT

Shoreline. The Transportation Element addresses access to and from local workplaces, as well as issues associated with trucks, rail freight, and parking. The Open Space, Parks, and Conservation Element addresses business issues such as sustainability, energy efficiency, and water conservation. Even Elements like Community Services are relevant, as they address the amenities needed to attract and retain employers and employees. The reality is that economic development—and more specifically, investment in the community and its residents—is a consideration in all aspects of planning and administration in San Leandro and is a unifying principle of the General Plan.

During recent years, the city has achieved the following economic development milestones:

- More than 2,500 jobs have been created at the new Kaiser Permanente Hospital.
- The first phase of the 500,000 square feet San Leandro Tech Campus (SLTC) is nearing completion.
- The Lit San Leandro fiber optic network has spurred the renovation of millions of square feet of industrial space, and created a “buzz” among Bay Area technology companies and start-ups.
- A significant public art installation—repurposed from the eclectic Burning Man festival—is about to rise at the San Leandro BART station, heralding a new image for the city.
- The San Leandro Shoreline is poised to become a regional destination, with new housing, hospitality, entertainment, restaurant, and retail businesses in a scenic waterfront setting.
- The City’s reputation for craft beer production is growing, with several new breweries and pubs, and an “ale trail” in the works.
- Downtown San Leandro has attracted new retail activity such as The Village, while new development sites are coming on line at Davis and East 14<sup>th</sup> Streets.

The media is taking notice, with dozens of stories about the city’s creative edge, emerging cluster of technology businesses, and receptiveness to new ideas. San Leandro is outperforming its peer cities in the East Bay and becoming a destination city for a growing number of employers.



## B. ECONOMIC PROFILE

This section of the Economic Development Element profiles San Leandro's employment base; its industrial, office, and retail real estate markets; and local sales tax trends. Data is drawn from a number of sources, including an Economic Baseline report prepared by Strategic Economics in April 2015, and data compiled by the City's Community Development Department in March 2016.<sup>1</sup>

As noted throughout the General Plan, the city's location, affordability, and diversity create significant economic potential. The Downtown and Bay Fair BART stations present an opportunity for San Leandro to offer a walkable, less car dependent lifestyle, in line with regional trends and demographic changes. Market pressure for housing and office space near the stations will eventually result in higher rents and property values, which will in turn justify additional housing construction and reinvestment in the city's historic Downtown.

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<sup>1</sup> Both the staff data and the Strategic Economics data is drawn from private and public sources, such as Muni Services, CoStar, the California Economic Development Department, the Bureau of Labor Statistics, and the City's Finance Department. The findings also reflect feedback from local real estate brokers, developers, and businesses.

Beyond the BART Station areas, the City can leverage its considerable supply of industrial floor space, easy rail and airport access, and proximity to San Francisco and Silicon Valley, to evolve into a “next generation” workplace. At the same time, San Leandro’s retail areas will continue to reposition themselves to reflect the diversity of the population, emerging retail trends, and the growing demand for walkable neighborhood centers.

## Employment Base

There is no one authoritative source for the total number of jobs in San Leandro—factors such as the classification of part-time workers and independent contractors make the statistic difficult to quantify. In addition, workers from unincorporated areas with San Leandro ZIP codes (such as Ashland) are sometimes attributed to the city itself. The 2015 employment figure used in the General Plan is 43,400 jobs, based on ABAG data. However, the City’s Community Development Department reports 41,500 jobs.<sup>2</sup> San Leandro currently accounts for roughly 9 percent of the total jobs in Alameda County.

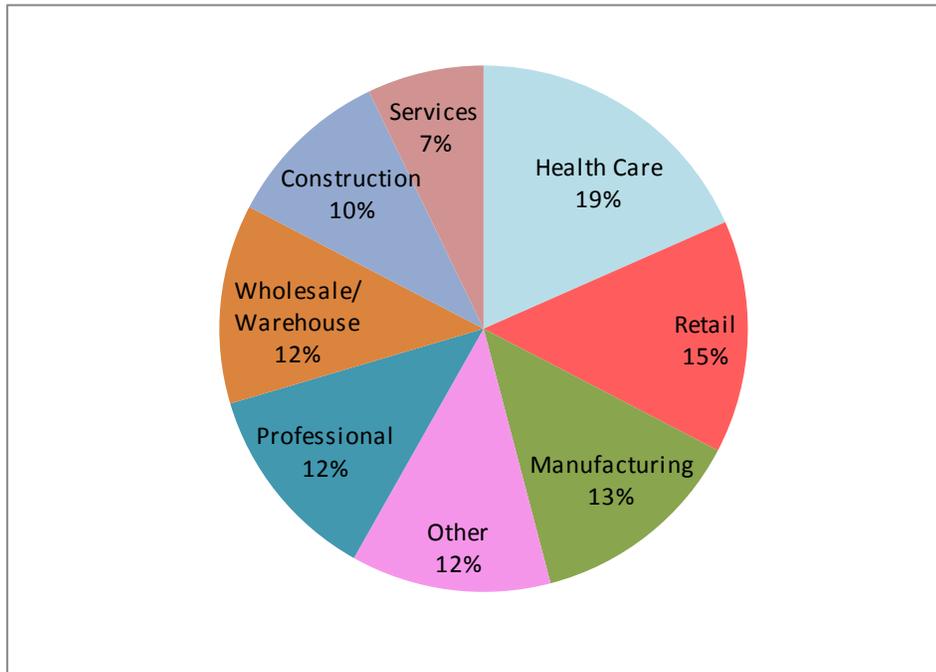
As indicated in Chart 5-1, local jobs are spread across a number of major industries. This diverse employment base contributes to economic resilience and helps the city weather downturns in the economy. The recent relocation of Kaiser Permanente from Hayward to San Leandro has shifted the employment base to the point where health care is now the largest single sector in San Leandro’s economy. As recently as 2010, the largest sector was retail trade, followed by manufacturing.

The Manufacturing, Wholesale/Warehouse, and Construction sectors are sometimes lumped together into a single category called Production, Distribution, and Repair (PDR). In 2015, the PDR sectors represented about 35 percent of the city’s jobs. San Leandro has a higher percentage of PDR jobs than Oakland (22%) and Alameda County as a whole (28%), but its percentage is lower than Hayward (45%). PDR jobs have historically been the cornerstone of the local economy, providing good living wages to persons with a diversity of skill and education levels.

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<sup>2</sup> California EDD, 2015 2nd Quarter data.

CHART 5-1: EMPLOYMENT BY INDUSTRY—SAN LEANDRO, 2015



Source: California Economic Development Department Q2 2015

Approximately 45 percent of San Leandro’s jobs are located in the industrial districts. Geographic data on employment indicates that the total number of jobs in the industrial areas was about the same in 2014 as it was in 2004. However, there were significant job losses between 2006 and 2011, followed by a roughly equivalent job gain between 2012 and 2016. Since 2004, the greatest gains have been in the Marina Boulevard corridor (associated with Kaiser Permanente), in the Fairway/Catalina area, and in the Adams Tract (the far northern part of the industrial area). Other areas experiencing gains in employment since 2004 include Downtown and the Bay Fair area.

Based on business license data, most employers in San Leandro are small businesses. About 60 percent of the city’s businesses have fewer than 20 employees, 26 percent are home-based businesses, and only 12 percent have 20 employees or more. On the other hand, most of the jobs in the city are associated with the larger businesses. There were 350 companies with more than 20 employees, representing about 23,600 jobs. The 20 largest employers in the city, each of whom has over 200 employees, are shown in the text box on Page 5-6. These employers include hospitals

## San Leandro's Top 20 Employers\*

- ACCO Engineered Systems
- Alameda Co Industries
- City of San Leandro
- Coca Cola
- Enterprise Rent-A-Car
- Ghirardelli Chocolates
- Kaiser Permanente
- Kindred Hospital
- MV Public Transportation
- OSIsoft
- Paramedics Plus
- San Leandro School District
- San Leandro Hospital
- Splay
- Target
- ThredUp
- Wal-Mart
- Wells Fargo Bank

\* listed in alphabetical order

(Kaiser, San Leandro, and Kindred), large retailers (Wal-Mart, Target, Costco), public agencies (the City and the School District), and private industry (OSIsoft, Ghirardelli Chocolate, Coca Cola, Wells Fargo, and others).

The total number of jobs in San Leandro's manufacturing sector has declined since 1998. However, the number of manufacturing *businesses* has declined at a much slower rate. The average manufacturing business size in the city dropped from 39 employees in 1998 to 28 employees in 2012. Manufacturing output per employee increased during the same period. This suggests that the city's businesses are becoming leaner and more nimble, with a larger number of start-ups and entrepreneurs.

As noted in Chapter 2 of the General Plan, San Leandro has approximately the same number of employees as employed residents. However, the nature of the regional economy and housing market is such that most San Leandro residents commute to other cities for work, while most San Leandro workers commute in from other cities. Census estimates indicate that only 12 to 15 percent of the non-home based business jobs in the city are filled by persons living in San Leandro. About 12 percent of the city's workers live in Oakland, 5 percent live in Hayward, and 4 percent live in San Francisco. Conversely, about 21 percent of the city's residents work in Oakland, 15 percent work in San Francisco, and 7 percent work in Hayward.





## Industrial Market Trends

Warehouses represent the single largest component of San Leandro's non-residential building stock. As noted in the Land Use Element (P. 3-70), there was an estimated 16.5 million square feet of warehouse space in the city in 2015. Vacancy rates stood at 7 percent as recently as 2010, but declined to just one percent in 2015. As supply has become tighter, prices have increased. The average annual cost per square foot increased from about \$6.00 in 2010 to \$9.00 in 2015.

Square footage estimates for manufacturing space vary from 4 million to about 6 million, depending on the source (some manufacturing space is classified as warehouse or flex space by some sources). As with warehousing, the vacancy rate has declined dramatically while the cost has increased. The annual rent per square foot of manufacturing space increased from \$5.00 in 2010 to \$8.00 in 2015. Nearby cities have experienced similar price run-ups. In 2015, vacancy rates for manufacturing space were less than 3 percent in Oakland, Berkeley, Hayward, and Union City. Prices per square foot were slightly higher in San Leandro than they were in Oakland, Richmond, and Hayward, but were lower than in Berkeley, Newark, and Fremont.

It is anticipated that jobs in the Production, Distribution, and Repair (PDR) sectors will continue to be the backbone of the city's economy.

However, the character of PDR activities will change as land values rise and amenities like high-speed internet attract value-added businesses. Advanced manufacturing in sectors such as food processing, metals and machining, and instrument and process controls may lead the transition to a more technology-focused economy.

The city has a large stock of flexible industrial spaces which can be repurposed according to tenant needs. These buildings offer a strong value proposition, since they combine flexibility with relatively low costs and excellent regional access. In addition, the absence of conflicting uses such as housing within general industrial zones is one of the city's strengths. Widespread conversion of industrial uses to housing and other uses could diminish the city's competitive edge and should be avoided. The Land Use Element provides guidance on where such changes may be acceptable in order to achieve other General Plan goals.

## **Office Market Trends**

San Leandro has historically been a local-serving office market, with most tenants engaged in activities such as real estate, legal services, insurance, banking, engineering, construction, medical and dental practices, and other consumer-oriented services. During the 1950s and 60s, a substantial inventory of offices with such tenants emerged on the east side of Downtown. There has also been a secondary office market in the industrial area, with many tenants associated with industrial support activities and employee services such as labor unions. The real estate service Co-Star indicated that the City had 2.5 million square feet of office space in 2015, compared to 4.2 million square feet in Hayward, 4.2 million square feet in Alameda, and about 28 million square feet in Oakland.

During the last 15 years, San Leandro has been gaining momentum as a regional and corporate office market. There is considerable potential for this sector to expand in the future, particularly around the Downtown San Leandro and Bay Fair BART stations. Census data indicates that employment in the "office sectors" represents about 15 percent of San Leandro's employment today—a percentage that will grow in the future based on ABAG's forecasts.

As in the other commercial real estate sectors, office lease rates are increasing while vacancy rates are decreasing. San Leandro is feeling the impacts of rapid price inflation in Downtown San Francisco, Downtown Oakland, and the Silicon Valley. For example, the vacancy rate in the

Downtown Oakland office market dropped from 12.2 percent in the 4<sup>th</sup> Quarter of 2014 to 4.6 percent in the 4<sup>th</sup> quarter of 2015. These trends are driving businesses to seek lower-cost alternatives---San Leandro's location, transit, lifestyle amenities, and internet speed are strong attractors.

The City also has an opportunity to capture some of the demand for companies that might otherwise locate in suburban office parks such as Bishop Ranch in San Ramon or Hacienda in Pleasanton. Meanwhile, Creekside Plaza and the new San Leandro Tech Campus (SLTC) are upgrading the quality of the city's office inventory, while OSISOFT serves as an information technology anchor and bellweather. Demand for medical office space is also rising, a reflection of Kaiser Permanente's investment in the city, as well as the growing demand for services among retiring baby boomers. As noted earlier, health care has been the fastest growing industry in San Leandro during the past decade. ABAG forecasts for 2035 indicate that nearly two-thirds of the city's job growth is expected to occur in financial and professional services, health care, education, and recreational services.

Additional office development in the city can help diversify the economy and capture a greater share of the Bay Area's professional and technology-focused growth industries. The City has cultivated future office growth by investing in Lit San Leandro and establishing a core supply of Class A office space adjacent to BART. The future focus will continue to be around the city's BART stations since these locations provide excellent access for workers across the region and adjoin a growing base of employee amenities.



## Retail Market Trends

San Leandro has approximately 6 million square feet of retail space. Historically, vacancy rates have been below 5 percent, with even lower rates observed during recent years. Private industry (Costar) data indicates a vacancy rate of 2.2 percent in 2015. The average cost per square foot of retail space was about \$18 per square foot (per year) in 2015. This represents an increase from \$16 per square foot in 2010 but is below the pre-recession level of \$24 per square foot. The lower cost inventory is typically in older neighborhood shopping centers and along commercial corridors. Newer retail space is renting at rates significantly higher than the average.

As noted in the Land Use Element, the City's retail areas include neighborhood shopping centers, community shopping centers, regional centers, and general commercial uses along arterial streets. The condition of these centers varies. However, they successfully place day-to-day goods and services within easy access of the city's neighborhoods. The City's four regional centers---Bayfair, Westgate/Costco, Greenhouse, and Marina Square are successfully repositioning to remain competitive and respond to evolving demand. These centers contain a mix of mid-scale and discount retailers that serve the wide range of incomes in San Leandro and the surrounding areas. Likewise, the Marina Boulevard Auto Mall draws shoppers from a market that extends well beyond San Leandro and provides a positive fiscal impact.



The East 14<sup>th</sup> Street corridor continues to have a large number of automobile-related uses, but its retail uses are becoming more food-oriented and ethnically focused. Taxable sales on the corridor are primarily generated by uses such as auto sales, auto parts, and fuel, although taxable restaurant and food sales are increasing. Likewise, the tenant mix in neighborhood shopping centers is evolving to meet more diverse preferences based on income level and ethnicity. These centers are also adapting to the consolidation of retail stores in larger centers. Retail trends suggest a transition toward eating and drinking establishments in the neighborhood centers, coupled with smaller independent retailers. The City will regularly examine its development regulations to ensure that they accommodate such trends.

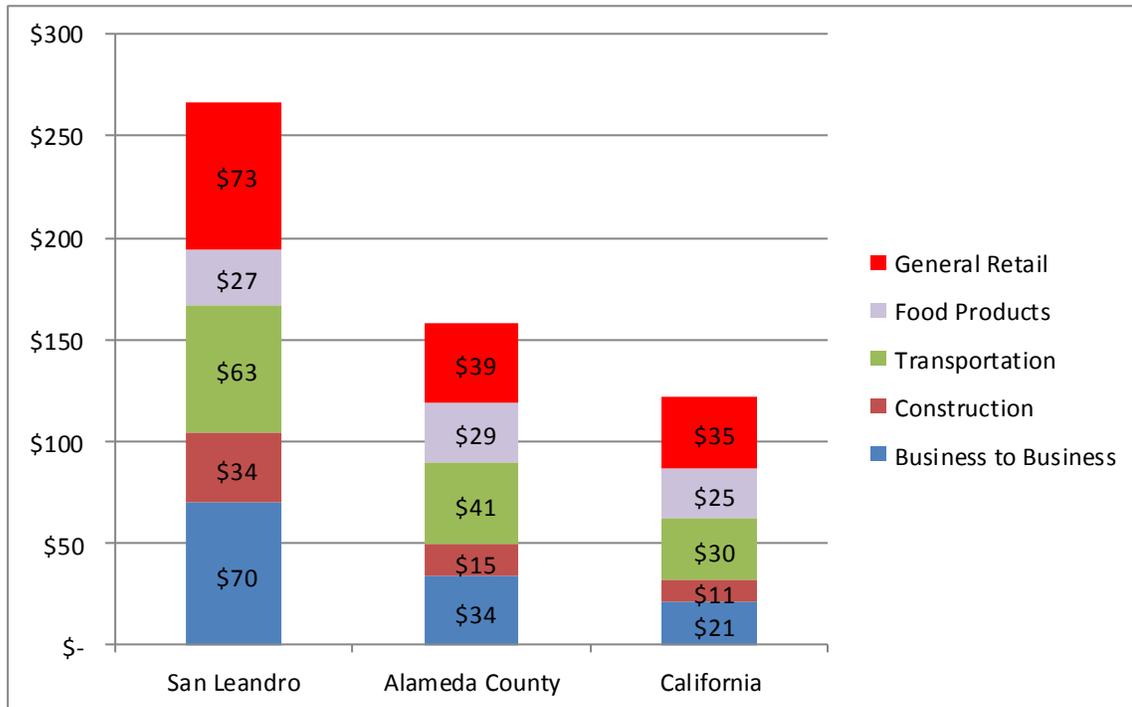
Chain retailers and sellers of non-convenience goods are increasingly likely to consolidate in the larger centers as online sales increase. This has also led to “experience-oriented” storefronts which draw patrons through specialized activities such as cafes, and unique smaller shops. The 25-acre vacant parcel north of the Kaiser Permanente Hospital is well-located to capture and accommodate future retail sales, but San Leandro’s other regional retail centers may need to adjust their tenant mixes in response to such a center.

## Sales Activity

Sales activity influences the local economy in many ways. It impacts the number of available jobs, the demand for retail space, and the quality of shopping, services, restaurants, and entertainment options in the community. Sales tax is an important source of revenue for local government, and can affect the quality of services provided by the city to its residents and businesses. An important part of San Leandro’s economic development strategy has been to increase local sales activity. This includes reducing retail “leakage” (the loss of local sales to other cities) and diversifying the range of goods and services available to residents.

Sales activity in the city has increased dramatically between 2010 and 2015, growing 50 percent from \$1.8 billion to \$2.7 billion. This is a more rapid rate of increase than was experienced by nearby cities and in the County as a whole. As Chart 2-2 indicates, sales tax per capita in San Leandro was more than double the per capita rate for the State of California and more than 50 percent higher than Alameda County. As sales activity and taxes have increased, the total share of local jobs in retail, restaurant sectors, and hospitality also has increased.

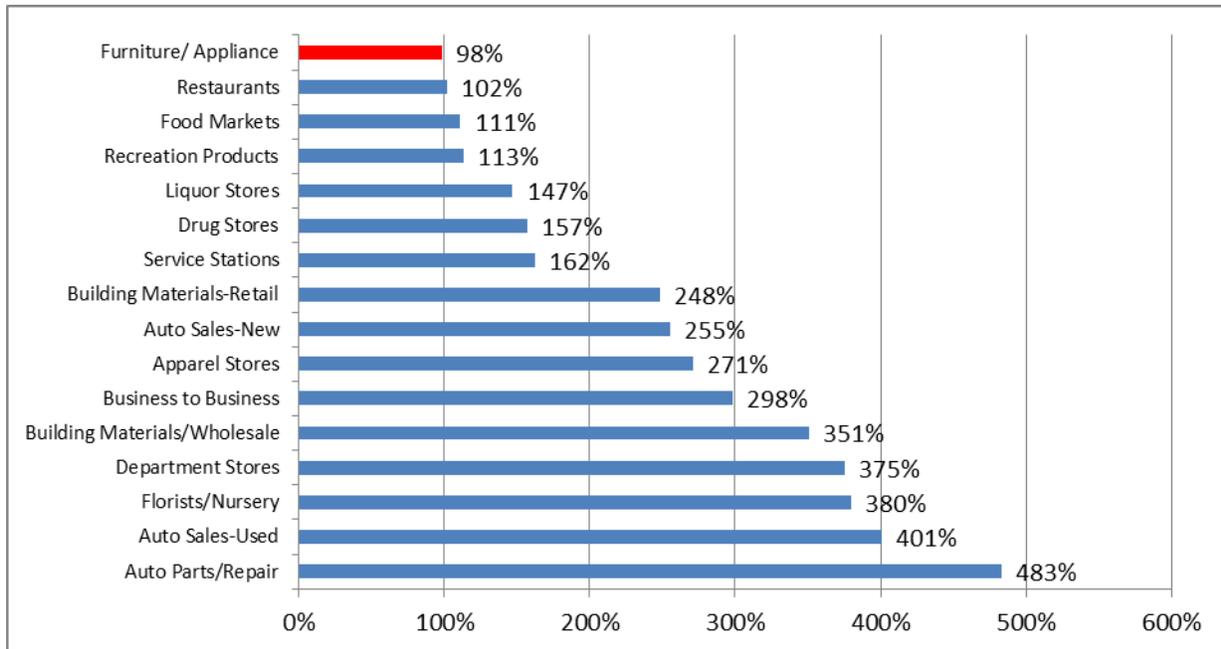
CHART 5-2: SALES TAX PER CAPITA IN SAN LEANDRO, ALAMEDA COUNTY, AND CALIFORNIA



Source: Muni Services Benchmark Year 2015-Q2

The data suggests that the city is capturing spending from residents of other communities, including East Oakland, which has historically been underserved by retail. San Leandro serves as a regional retail hub, drawing shoppers to its automobile dealerships, Bayfair Center, Marina Square, Westgate, and local big box stores. This retail also serves San Leandro residents, complementing the smaller shopping centers that fill residents' day-to-day needs. Chart 5-3 indicates sales tax capture and leakage based on per capita data—the data provides an indication of where the City's retail sales exceed expectations relative to resident buying power, and where the city may be losing sales to other cities. The analysis shows a surplus in all retail categories with the exception of furniture and appliance stores.

CHART 5-3: SALES TAX CAPTURE AND LEAKAGE—SAN LEANDRO, 2015



Source: MuniServices Benchmark Year 2015 Q-2

Some of the City’s sales strength lies in business to business transactions—approximately 26 percent of the sales tax revenue generated in 2015 was from such transactions. The city also outperforms nearby cities in auto sales, auto repair, department stores, building materials, and clothing stores.

While sales in the restaurant and food market sectors indicate a positive balance relative to population, the potential for growth exists in these sectors. During the General Plan Update, many participants expressed the sentiment that the City needed more sit down restaurants, more specialty and higher end supermarkets, and more entertainment options. Although the City may draw patrons from Oakland, Castro Valley, Ashland, and San Lorenzo to its own restaurants and supermarkets, San Leandro residents themselves indicated they often traveled to Pleasanton and Dublin to shop, and to Oakland neighborhoods such as Jack London Square and Uptown to dine. In the past, the City’s ability to attract higher-end retail has been limited by median household income levels that were below the County median. This may change in the future, as new residential development increases local buying power.

Looking ahead to 2035, the City is particularly interested in supporting the growth of retail centers to serve employment districts. The Next Generation Workplace Districts Study (2013) recognized a need for such parcels in the Davis-Doolittle and Fairway-Catalina areas. The Marina/Merced area, including the Kaiser North parcel, is well situated to meet this need. It features freeway access, visibility, a central location between employment districts, and a connection to future development at the Shoreline. Marina Boulevard is also well positioned for additional restaurants and national retailers.

Careful scrutiny should be applied before introducing such uses elsewhere in the industrial districts. Dining options which primarily serve employees may struggle due to the limited weekday lunch schedules of surrounding workers. Outlets which establish themselves as regional destinations – such as tasting rooms/ cafes at 21<sup>st</sup> Amendment Brewery and Drake’s Brewing Company – are more likely to succeed since they attract customers from throughout the region. Such uses still must be carefully vetted to ensure their parking and operational needs will not constrain nearby industrial operations.

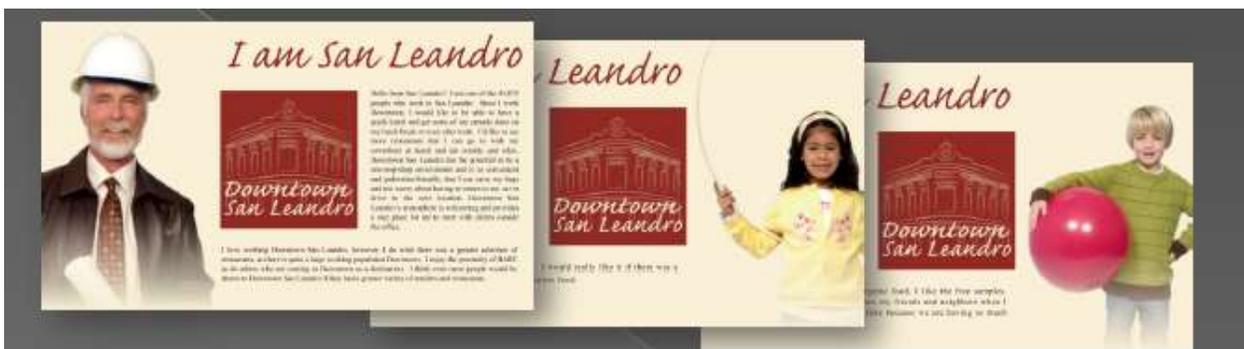


## C. KEY ECONOMIC DEVELOPMENT ISSUES

### Business Attraction and Diversification

San Leandro is leveraging its assets—location, affordability, accessibility, communication infrastructure, and land—to generate significant private investment. Developments such as the San Leandro Tech Campus (SLTC) and the Gate have generated positive press and are redefining the image of the city in the commercial real estate market. Marketing and branding campaigns are reinforcing San Leandro’s reputation as a city of makers and innovators. The City has prepared printed and digital marketing materials, including brochures, press releases, websites, social media, and video which tell the San Leandro story.

One of the objectives of these initiatives is to encourage more productive use of the city’s industrial land. Some industrial properties contain only a few employees per acre and are characterized by large indoor and outdoor storage areas. Repurposing of such space for incubators, start-ups, and manufacturing can create jobs and revenue, while also creating a more dynamic workplace.



The City also directly outreaches to retailers and has successfully attracted a number of high-profile tenants to new and refurbished commercial space. It maintains a data base of opportunity sites for prospective businesses, and facilitates real estate transactions between property owners, brokers, and businesses. It also facilitates access to capital and provides financial incentives to stimulate investment in the city. San Leandro is particularly well positioned to attract foreign investment and international businesses, and should see additional growth in this sector. Cultural diversity is one of the city's strengths. Personal and professional ties between local residents and those in overseas markets can provide the foundation for future investment. Opportunities to further expand Oakland's Foreign Trade Zone into parts of San Leandro are being explored.

San Leandro also participates in initiatives aimed at elevating the city's profile on a regional, statewide, and global level. These include the East Bay Economic Development Alliance, which promotes investment in the East Bay and growth of the local economy, as well as initiatives such as the East Bay Green Corridor and the East Bay Broadband Consortium. The City is particularly interested in expanding its position in the East Bay office market, with a focus on areas near the Downtown San Leandro and Bay Fair BART stations.

## **Business Support and Retention**

The City's highest economic development priority is to support existing businesses so that they can succeed and prosper in San Leandro. San Leandro takes pride in being a "business friendly" city. The City helps businesses with expansion and renovation by providing an efficient, streamlined building permit process for tenant improvements and the construction of new commercial and industrial space. A number of financial assistance programs have been developed to assist local businesses. The Commercial Rehabilitation Program and the Awning, Sign, and Paint Program both provide forgivable loans and help small businesses improve their properties. Loan programs have also been created to help businesses connect to the Lit San Leandro fiber optic network and to facilitate energy efficiency improvements. The City also offers design assistance and professional architectural services to help businesses redesign older commercial spaces.



The City also supports local businesses through transportation investments. Most San Leandro employers are more than a mile from BART, and public transit service between BART and these areas is limited. More than a decade ago, the City facilitated the creation of a Business Improvement District that funds a free shuttle bus (LINKS) connecting local workplaces to BART. LINKS service was significantly expanded in 2015. San Leandro is also investing in streetscape improvements, bike lanes, sidewalks, and other features that make walking and cycling easier in the industrial area and that improve connections to BART and nearby shopping areas.

One of the most important ways the City supports existing businesses is through communication. This is done both directly, through outreach to the business community to determine needs and challenges, and indirectly, by encouraging businesses to communicate with each other. The City facilitates an Industrial Founders Circle to promote collaborative problem-solving among its major industrial employers. It participates in forums, regular meetings, and task forces sponsored by private industry organizations and non-profits serving local businesses, such as the Chamber of Commerce, the Downtown Association, and the San Leandro Improvement Association. City staff also includes points of contact speaking 14 different languages, creating a resource for business owners with limited English proficiency.

## Innovation

For most of the 20<sup>th</sup> Century, San Leandro's economy was based on manufacturing—even in 2016, more than 20 percent of the city's land area is zoned for industry. During the last two decades, the city has been repositioning itself as an innovation center. Industry remains the focus, but the methods of production, distribution, and communication are being transformed through technology.

In 2011, the City launched a public-private partnership to develop the Lit San Leandro fiber optic network, offering internet speeds of up to 10 gigabytes per second. As properties have connected to this network, the city has seen the conversion of former manufacturing space to tech space, and a rising number of start-ups and new businesses choosing San Leandro to launch and grow their businesses.

San Leandro's policies support immediate optimization of local fiber optic capacity, recognizing that other cities may make similar investments and compete with the city for tech investment in the future. Expansion of Lit San Leandro to include schools, libraries, hospitals, city facilities, and other businesses is being pursued. The City will also develop a marketing strategy to identify potential broadband customers, and prepare advertising, public relations, and other promotional materials that fully leverage the fiber network. The strategy should include measures to grow and sustain the city's emerging "innovation ecosystem."



Technology can also be used to advance other aspects of the quality of life in the city, including transportation, cultural arts, health care, energy, public safety, and education. In the coming years, San Leandro will explore and promote “smart city” applications which use Lit San Leandro to improve the effectiveness and efficiency of quality-of-life related systems and networks. The City’s industrial areas present opportunities for energy independence and innovative forms of renewable energy such as microgrids (localized power grids that can operate independently, off the main grid). San Leandro is already home to the Zero Net Energy Center, and will attract other green businesses and service providers in the future. Clean tech is a growing sector of the regional economy, and San Leandro is well positioned to capture a substantial share of this growth.

The 2013 Next Generation Workplace Districts Study highlighted the importance of good design as a factor in growing the innovation and creative economies. Successful 21<sup>st</sup> Century workplace districts have a strong sense of identity, are walkable and attractive, and provide appealing places to bring clients, partners, and collaborators. These attributes are absent in many parts of San Leandro’s industrial districts, but the potential to create them exists. In particular, Marina Boulevard (west of I-880) and Merced Street have been identified as areas for streetscape improvements and new business support uses. The “Next Generation” study also suggested activating the industrial areas through pop-up food pods, public art, open spaces, and a network of “back streets” or paseos to improve connectivity. Since completion of the Next Generation Study, initiatives such as San Leandro by Design (affiliated with the Chamber of Commerce) have facilitated a continuing dialogue about humanizing and modernizing the city’s industrial district.

## **Vibrant Retail Centers**

Although San Leandro’s retail sector is robust, there is still a perception that the city is underserved in certain sectors. Even with a high retail capture rate, there are opportunities for improvement in the city’s shopping districts. Such improvements can create jobs, provide sales tax revenue to support City services, introduce new goods and services to the community, and elevate San Leandro’s profile as a shopping, dining, and entertainment destination. There are also opportunities to implement promotional campaigns that encourage residents and employees to “shop San Leandro” and purchase products made in the

city. The General Plan recommends that the City develop a Retail Action Strategy to determine the most effective path to retail success.



Downtown San Leandro presents opportunities for expanding retail success through place making. On the Downtown blocks along East 14<sup>th</sup> Street and Washington Avenue, older buildings, wide sidewalks, mature trees, and public spaces combine to create a walkable scale and strong sense of place. Shoppers are drawn to such destinations for their ambiance, pedestrian-friendly streets, and social nature. Art installations, live performances, outdoor dining, and other improvements can

create the critical mass needed to promote Downtown's success as a shopping, dining, and entertainment destination. Events such as the Farmers Market, the Cherry Festival, and the Sausage and Suds Music Festival can "activate" local streets and make Downtown a first-choice destination.

Development of Downtown housing is an important part of the retail strategy, as it increases the customer base for local retailers and creates an evening pedestrian presence. Parking is also critical—the City recently conducted a study to better manage the limited supply of parking spaces and make visiting Downtown more convenient for business patrons. The City also supports the efforts of the San Leandro Improvement Association (Community Benefit District) to create a safe, clean, inviting environment for shoppers and restaurant patrons.

Retail centers such as Bayfair Center and Westgate present opportunities to completely reinvent traditional retailing. The Bay Fair TOD Specific Plan process now underway will include implementation measures to sustain regional shopping and introduce new uses that enhance the retail experience. Westgate has already evolved into a unique blend of ground floor shops and upper floor tech businesses. The Kaiser North site presents an opportunity for something similarly innovative and different.

Along the city's corridors, smaller shopping centers and free-standing retail establishments are adapting to demographic changes and providing affordable space for ethnic and international businesses. San Leandro also has opportunities to take advantage of its established or emerging retail clusters, including construction materials (tile, stone, ceramics, etc.), auto sales, food processing, and even craft beer production. The City is also exploring concepts such as "pop-up" retail and food trucks to activate dormant spaces and provide hipper and more contemporary options for residents and employees.

## **Business Amenities**

The decision by a business to locate in a particular community is driven in part by the availability of amenities and services to support employees. Businesses seek to locate in communities where their workers can find suitable housing, good schools, low crime, a healthful environment, great parks, and quality restaurants and retail choices. They also seek to locate in communities with the necessary infrastructure to support their businesses. This includes "hard" infrastructure such as streets and utilities, and "soft" infrastructure such as business support networks and the supply chains associated with production and distribution.





Participants in the 2035 General Plan Update expressed their hope that San Leandro would attract better restaurants, higher quality shopping, more entertainment venues, and business-class hotels. These attributes can improve the quality of life for local residents, while at the same time making San Leandro a location of choice for future employers and their employees. Developing these amenities locally can also help the city achieve its goal of reducing greenhouse gas emissions associated with driving long distances for shopping, dining, and work commutes. The City also recognizes the significant economic development benefits of having higher performing schools, better transportation options, and more diverse housing choices for the workforce. There is particularly strong interest in providing housing choices for those priced out of San Francisco and Oakland, including millennials who may be seeking smaller market-rate rental units near BART and families seeking larger single family homes and townhomes.

Some of the desired amenities have been provided through recent developments. For example, the city now has a billion dollar state-of-the-art medical center at Kaiser Permanente Hospital. It has attracted new retail investment such as Living Spaces, with more retail in the pipeline. Efforts are also underway to beautify San Leandro through streetscape improvements on Marina Boulevard and East 14<sup>th</sup> Street, and through investments in public art. Some of the most significant amenities will be provided through projects now in the planning stages, such as the Shoreline Mixed Use Development. In addition to providing a hotel and market-rate housing, the Shoreline project will create a

gathering place for San Leandro residents and workers, with waterfront dining, entertainment, trails, and open space.

## Workforce Development

San Leandro is taking steps to equip its future workforce with the tools to succeed in the local and regional economies. This is important both to improve the economic well-being and potential of its residents, and to achieve the City’s goal of reducing out-commuting and enabling those who live locally to also work locally. Workforce development strategies include those aimed at youth and the city’s education system, and those aimed at lifelong learning and skill development for adults. As the city moves towards a knowledge-based economy, the demand for highly skilled and educated workers will increase. A well-trained, well-prepared workforce will be needed to fill anticipated jobs. Even for entry level and lower wage jobs, soft skills (e.g., work ethics, teamwork, etc.) and vocational training may be needed to expand opportunities.

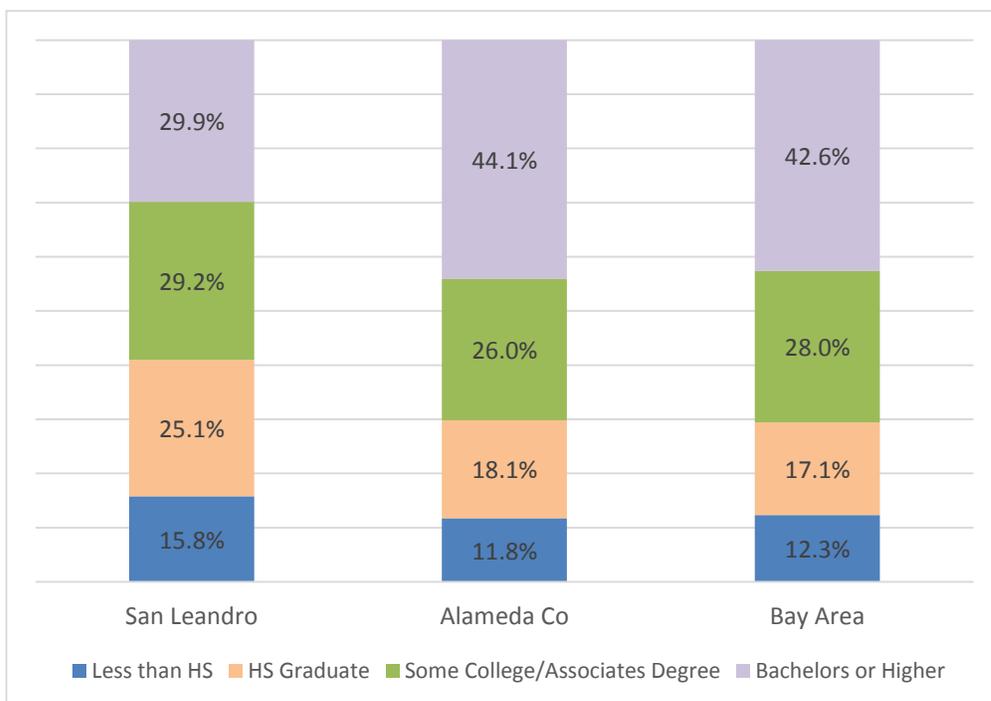
Chart 5-4 shows educational attainment in San Leandro relative to Alameda County and the Bay Area as of 2015. Relative to the County and the region, San Leandro has a lower percentage of residents with bachelor’s degrees or higher and a higher percentage of residents who did not finish high school. The city also has a higher percentage of residents with a high school degree only. The data suggests significant opportunities for vocational and workforce development programs, providing a pathway to employment or better jobs for those who did not pursue higher education.



The City is also committed to working with its school districts to increase educational quality and to produce graduates who can fill the more than 12,000 jobs expected to be created in San Leandro over the next 20 years. Programs that help low-wage workers move up career ladders and encourage the growth and retention of skilled workers also are strongly encouraged. Such efforts can improve the quality of life for residents and reduce the need for local employers to retain graduates from outside the region to fill jobs that could be filled instead by talented, well-educated San Leandro workers.

San Leandro will also continue to work with the business community, community colleges, local universities, and employment development organizations to address shortages in the local labor market. The City is already a lead participant in partnerships to provide careers for local students and will continue to play that role. Other barriers to achievement, including access to the internet, can be addressed through new programs to provide public access to technology through the schools, public libraries, and other community institutions.

CHART 5-4: EDUCATIONAL ATTAINMENT IN SAN LEANDRO, ALAMEDA COUNTY, AND THE BAY AREA



Source: US Census American Community Survey, 2010-2014

## D. GOALS, POLICIES, AND ACTIONS

### BUSINESS ATTRACTION AND DIVERSIFICATION

#### **GOAL ED-1 Attract jobs and investment across all economic sectors.**

**Policy ED-1.1 Leveraging San Leandro's Assets.** Build on San Leandro's strengths, including its central location, transportation infrastructure, affordability, industrial land supply, and business-friendly reputation to leverage economic growth and private investment in the city.

**Policy ED-1.2 Maintaining San Leandro's Competitive Advantage.** Maintain and protect San Leandro's inventory of larger-scale industrial sites and buildings with easy access to freeways, rail, airports, and seaports. Discourage the conversion of industrial uses to commercial and residential uses except where part of a carefully targeted citywide strategy.

*See also Land Use Element Policy LU-3.11 on industrial land conversion*

***Action ED-1.2.A: Tracking of Development Opportunities***

*Provide site location assistance to businesses seeking to move to San Leandro. Digital mapping and database software should be used to track and publicize local development opportunities, including vacant and underutilized sites and properties for sale or for lease.*

**Policy ED-1.3 Industrial Land Use Efficiency.** Encourage more efficient use of the City's industrial land supply, creating higher employment densities and high quality jobs, while discouraging the use of large sites and buildings for storage and other low intensity uses. Ensure that zoning and other development regulations support higher utilization of sites zoned for commercial and industrial activities.

- Policy ED-1.4      **Emerging Industries.** Promote and support the growth of new and emerging industries, especially industries requiring work space that is consistent with San Leandro’s building stock and industries with the potential to provide quality jobs at all skill levels and wage levels for San Leandro residents.
- Policy ED-1.5      **Core Industries.** Make San Leandro the Bay Area’s location of choice for advanced manufacturing, food and beverage production, and entrepreneurs in the “maker” economy.
- Policy ED-1.6      **Increasing Supply Chains for Core Industries.** Implement economic development and marketing programs to attract businesses that reinforce supply chains for core industries in the city, thereby strengthening San Leandro’s economic base.
- Policy ED-1.7      **International Trade.** Create a favorable environment for companies seeking to establish or expand international trade operations, taking particular advantage of the city’s proximity to San Francisco, Silicon Valley, two international airports and the Port of Oakland.

***Action ED-1.7.A: Overseas Investment***

*Implement economic development strategies aimed at the international business community, including sister city agreements and leveraging of relationships between local residents/businesses and potential investors overseas.*

***Action ED-1.7.B: Foreign Trade Zone***

*Continue to work with the City of Oakland to continue expansion of the Foreign Trade Zone near Oakland Airport, potentially including properties within San Leandro’s industrial area. Properties within FTZs are subject to lower tax rates or tax exemptions as a means of incentivizing international investment.*

Policy ED-1.8     **Expanding the Local Office Market.** Expand San Leandro’s position as a regional office market, leveraging the city’s accessibility, amenities, fiber optic network, and relatively low lease rates. Focus office demand in areas within walking distance of the BART stations, particularly the Downtown San Leandro station.

Policy ED-1.9     **Marketing and Branding.** Promote positive media coverage, branding, and marketing campaigns that build civic pride and create a favorable image of San Leandro on a regional, national, and global scale.

***Action ED-1.9.A: Made in San Leandro***

*Continue marketing, branding, and public relations efforts which promote San Leandro’s unique business assets and amenities, legacy as a manufacturing center, and commitment to ingenuity and innovation. San Leandro should be promoted as a city of “makers” (“Made in San Leandro,” “We Make Things,” etc.)*

***Action ED-1.9.B: Business and Social Media***

*Continue to maintain a robust social media presence promoting the City’s economic opportunities through San Leandro Next, Facebook, Twitter, and similar forums.*

***Action ED-1.9.C: Promoting Food and Beverage Operations***

*Capitalize on the concentration of food producers and craft breweries to create jobs, entertainment venues, and destinations that help brand the city.*

Policy ED-1.10    **Tax Revenues.** Encourage development that generates sales tax, property tax, and other revenues that sustain municipal services.

Policy ED-1.11    **Data and Planning.** Regularly collect and analyze data on San Leandro’s economy, tax base, and role within the region. Utilize this data to maintain effective, responsive Economic Development programs.

***Action ED-1.11.A: Economic Development Strategy Updates***

*Periodically update and revise the City’s Economic Development Strategy in response to changing market conditions and economic trends.*

*Action ED-1.11.B: East Bay EDA*

Actively participate in the East Bay Economic Development Alliance (EDA) and work with businesses and officials in other cities for the improvement of the East Bay region.

## ECONOMIC PROSPERITY

### **GOAL ED-2 Create an environment in which local business can prosper.**

**Policy ED-2.1 Business-Friendly City.** Maintain a collaborative and supportive relationship between the City and the private sector that emphasizes the ease of doing business in San Leandro.

*Action ED-2.1.A: Business Outreach*

*Provide City Staff assistance and outreach to existing businesses, potential new businesses, real estate brokers, and business organizations in the City. This could include a Business Concierge program in which the City periodically checks in with local employers to identify their business needs, satisfaction with City services, and potential areas for improvement.*

**Policy ED-2.2 Open Communication.** Engage the business community on a regular basis to ensure that City programs are responsive to their needs and concerns. San Leandro should continue to be a place where business can easily communicate with City staff.

*Action ED-2.2.A: Representation on Business Organizations*

*Maintain frequent communication with the San Leandro Chamber of Commerce, the Downtown Association, ethnic Chambers of Commerce, the San Leandro Improvement Association, and other business advocacy groups. Seek representation on these organizations and regularly attend their meetings.*

**Action ED-2.2.B: Industry Roundtable**

*Support the efforts of an industry roundtable (or “founders circle”) to foster a dialogue on the needs of local industries and to promote the continued health of the industrial sector in San Leandro.*

**Action ED-2.2.C: Communication and Networking**

*Promote communication and networking among local businesses organizations through focus groups, special events, newsletters, and other methods of discussing business needs and priorities.*

Policy ED-2.3     **Development Review and Permitting.** Maintain clear and predictable development review and zoning regulations.

Policy ED-2.4     **Business Assistance.** Maintain programs that provide a supportive environment for local businesses, including expedited permitting, incentives for renovating and improving buildings, site location assistance, land assembly, loans, and other business development incentives.

**Action ED-2.4.A: One-Stop Permitting**

*Continue to provide and enhance “one-stop” permitting and rapid review of permit applications. When appropriate, have business development staff serve as a concierge to help businesses navigate the permitting process.*

**Action ED-2.4.B: Real Estate Transactions**

*Facilitate transactions between real estate professionals, property owners, and businesses, and assist these parties in navigating City codes and permitting processes to help properties achieve their highest and best uses.*

Policy ED-2.5     **Business to Business Relationships**  
Facilitate the formation of business relationships between San Leandro companies. Measures that create a sense of community among local businesses should be encouraged.

**Action ED-2.5.A: Internet Links**

*Continue to provide links between the City of San Leandro’s websites and the websites of local business advocacy groups.*

**Action ED-2.5.B: Business Directory**

*Work with the Chamber of Commerce and other business organizations to prepare a web-based directory of San Leandro firms and the products or services they provide. The directory should be used to promote business-to-business sales, connect local businesses to one another, and close gaps in the supply and distribution chains for local industry.*

Policy ED-2.6     **Business Diversity.** Respond to the increasing cultural and language diversity of San Leandro business owners, including providing multi-lingual resources and translation services to reach local businesses.

Policy ED-2.7     **Small Businesses.** Create a supportive environment for small businesses, particularly locally-owned retail and service businesses Downtown and in the city's neighborhood centers.

**Action ED-2.7.A: Small Business Development Center**

*Explore the feasibility of creating a small business development center that provides a resource for persons operating or considering operating a business in San Leandro.*

**Action ED-2.7.B: Technology Education**

*Expand technology education for small businesses, enabling greater use of high-speed broadband for business development and marketing.*

Policy ED-2.8     **Access to Capital.** Facilitate access to capital for local businesses, including crowdfunding, micro-lending, venture capital investment, City-sponsored business incentive programs, and traditional lending resources.

**Action ED-2.8.A: Public Funding**

*Pursue new public funding sources for infrastructure and business assistance programs to replace the losses experienced by the termination of the Redevelopment Agency.*

**Action ED-2.8.B: Encouraging Entrepreneurship**

*Maintain programs to assist start-ups, entrepreneurs, incubators and other firms with high growth potential. Coordinate with private and non-profit organizations that provide financial assistance to such enterprises, and facilitate connections to local businesses.*

## INNOVATION

**GOAL ED-3** Adapt, reimagine, and reinvent traditional business models to put San Leandro on the leading edge of the innovation economy.

**Policy ED-3.1** **Innovation Ecosystem.** Foster the creation of an “innovation ecosystem” in San Leandro’s employment districts, where businesses collaborate with one another to improve their products, workplace performance, and the quality of the work environment.

**Policy ED-3.2** **Business Infrastructure.** Develop the infrastructure necessary to transform San Leandro into a center for innovation and creativity, including high-speed communications, sustainable energy systems, high performing utilities, and convenient access to business networks and support services.

*Action ED-3.2.A: Technology Initiatives*

*Pursue public funding through programs such as the federal Smart Cities Initiative to improve the efficiency and performance of local transportation, energy, and infrastructure systems through high-speed information and communications.*

**Policy ED-3.3** **Leading Edge Economic Sectors.** Continue efforts to attract businesses on the leading edge of the Bay Area economy, including advanced fabrication, clean tech, information services, advanced transportation, and maker businesses.

*Action ED-3.3.A: Adaptive Reuse of Industrial Buildings*

*Explore the feasibility of converting former industrial buildings into “maker spaces,” offices, incubators, co-working facilities, and other spaces that support collaboration and provide a more affordable alternative to equivalent workplaces in San Francisco, Oakland-Berkeley-Emeryville, and Silicon Valley.*

Policy ED-3.4

**Lit San Leandro.** Leverage the competitive advantage provided by Lit San Leandro, a public-private partnership that is providing ultra-high speed fiber optic communications to businesses in the city. Lit San Leandro should be used to add value to local real estate, modernize traditional industrial activities, retain and grow existing San Leandro businesses, and recruit innovative high-tech businesses.

***Action ED-3.4.A: Lit San Leandro Expansion***

*Evaluate opportunities for further expansion of the Lit San Leandro fiber optic network to those parts of the city that are currently not served, including schools, public facilities, neighborhood business districts, residences, and hospitals. Implement programs which assist local businesses and institutions with connections to the network.*

***Action ED-3.4.B: Smart City Action Strategy***

*Develop a “Smart City Action Strategy” or similar strategic planning document which identifies opportunities to use the Lit San Leandro fiber network to improve local utility, transportation, safety, environmental, educational, health care, and governance systems. The Strategy should include:*

- (a) A marketing strategy for Lit San Leandro, including identification of target markets, key messages, and specific activities to reach potential customers;*
- (b) Guidance for license agreements, Memorandums of Understanding (MOUs), and operating procedures governing the delivery of fiber optic services to San Leandro properties to ensure maximum operating efficiency;*
- (c) An update of the City’s Commercial Broadband Strategy, including further exploration of extension requirements linked to new development approvals and an open trench policy which calls for installing conduit when a street cut is made; and*
- (d) Further consideration of the potential to use Lit San Leandro for “Internet of Things” and “Smart City” applications that benefit both the public and private sectors.*

**Action ED-3.4.C: Broadband Consortium**

*Continue the City's participation in the East Bay Broadband Consortium, assisting and supporting expansion of the East Bay's broadband capacity in order to grow the local economy.*

- Policy ED-3.5     **Sustainable Manufacturing.** Promote environmentally sustainable manufacturing practices by San Leandro businesses. Focus business attraction efforts on green, environmentally-friendly businesses.

**Action ED-3.5.A: Certified Green Businesses**

*Promote the concept of "certified" green businesses as a way to encourage sustainable business practices and more environmentally friendly operations in San Leandro.*

- Policy ED-3.6     **Energy Innovation.** Support new and innovative energy technology, with the objective of reducing dependence on fossil fuels, reducing greenhouse gas emissions, and using energy more efficiently.

**Action ED-3.6.A: Energy Efficiency Programs**

*As funds allow, maintain a City-sponsored energy efficiency program that facilitates energy efficiency and renewable energy improvements at industrial buildings, thereby reducing business energy costs.*

**Action ED-3.6.B: Net Zero Energy**

*Promote the concept of net zero energy in new industrial construction and leverage the San Leandro Zero Net Energy Center to promote the city's reputation for green construction. The City will strongly support property upgrades which increase energy efficiency and independence.*

*See the Conservation Element for additional policies and actions on energy conservation and efficiency*

**Action ED-3.6.C: Industrial Micro-Grids**

*Work with property owners in San Leandro's industrial areas to explore incentives and regulatory options for establishing a localized micro-grid energy system comprised primarily of rooftop solar panels. Public-private partnerships to support micro-grid development should be explored.*

*Action ED-3.6.D: Energy Education and Outreach*

*Support education and outreach to business owners on the financial and environmental benefits of renewable energy alternatives.*

- Policy ED-3.7     **Youth Engagement.** Bring local students, faculty and school administrators into the discussion of San Leandro’s emergence as a center for innovation, creative thinking, and the hub of a maker economy.
- Policy ED-3.8     **Sharing Economy.** Explore ways in which new San Leandro businesses and start-ups can benefit from the sharing economy, including the sharing of business and industrial space, vehicles, and services that are more affordable when shared by multiple users.

## VIBRANT RETAIL CENTERS

**GOAL ED-4     Create attractive, economically vibrant commercial areas that are easily accessible to San Leandro residents and employees.**

- Policy ED-4.1     **Retail Diversity.** Encourage a diverse range of commercial uses, offering goods and services that fully meet the needs of San Leandro residents and businesses. The City should recruit new businesses that: (a) fill gaps in the range of goods and services currently available; and (b) act as catalysts for attracting other retailers to the City.

*Action ED-4.1.A: Retail Action Strategy*

*Develop a Retail Action Strategy, including evaluations of retail shopping patterns and leakage to other communities in particular sectors. The Strategy should include programs to retain San Leandro’s retailers, and attract new retailers in under-represented sectors.*

*Action ED-4.1.B: Retail Prospectus*

*Continue retail recruitment efforts through the City’s Office of Business Development, including preparation of a retail*

*real estate prospectus and updated demographic and market information for prospective businesses.*

- Policy ED-4.2     **Improving the Retail Mix.** Achieve a retail mix that includes small, locally-owned businesses as well as large national retailers. A particular effort should be made to attract higher-quality retailers, such as brand name clothing stores, home furnishing stores, and high-quality supermarkets.

***Action ED-4.2.A: Commercial Zoning***

*Review zoning regulations for the City’s commercial districts, including parking standards, to ensure that they support the City’s retail goals.*

- Policy ED-4.3     **Promotion of Local Businesses.** Work with local retailers and service providers to foster success through marketing and branding strategies.

***Action ED-4.3.A: Business Advocacy***

*Encourage and support partnerships between the City of San Leandro and the Chamber of Commerce, the Downtown Association, the San Leandro Improvement Association, Advisory Boards and Citizen Committees, and other groups to promote retail development in the city.*

***Action ED-4.3.B: Shop San Leandro***

*Work with local business groups to implement a “Shop San Leandro” campaign that promotes local merchants and reduces retail leakage to other cities.*

***Action ED-4.3.C: Home Improvement Center***

*Promote San Leandro’s reputation as a retail design center for home improvements and the Bay Area’s first stop for those seeking construction and building supplies, such as tile, stone, ceramics, flooring, and interior finishings.*

- Policy ED-4.4     **Business District Improvements.** Encourage upgrades to the appearance of businesses and the condition of properties in the city’s business districts.

***Action ED-4.4.A: Façade Improvement Programs***

*Maintain City programs that provide forgivable loans to businesses undertaking façade improvements and awning, sign, and painting upgrades.*

***Action ED-4.4.B: Design Assistance Programs***

*Provide design assistance to businesses and property owners seeking to improve their properties and make commercial spaces more attractive.*

***Action ED-4.4.C: Community Benefit Districts***

*Support the creation of community benefit districts and other organizations funded by businesses and property owners which augment City services in the City's major business districts.*

**Policy ED-4.5**

**Downtown San Leandro.** Continue efforts to transform Downtown into a successful, pedestrian-oriented, mixed-use district with services and amenities for workers, residents, and visitors. Downtown should be the gathering place for the city, providing restaurants, cafes, and a wide range of retail stores and services in a walkable setting.

***Action ED-4.5.A: Activating Downtown Spaces***

*Support Downtown community events such as farmers markets, food and music festivals, and street fairs. Such events can reinforce a sense of community, provide unique shopping and dining experiences, and contribute to San Leandro's identity.*

***Action ED-4.5.B: Downtown Streetscapes***

*Implement lighting, streetscape, and public art improvements to make Downtown a safer, more pedestrian-friendly place.*

***Action ED-4.5.C: Downtown Parking***

*Implement parking management strategies that ensure that convenient parking is available for shoppers and restaurant patrons in Downtown San Leandro.*

*See Land Use Element Goal 6 for additional Downtown policies and actions*

Policy ED-4.6: **Shopping Centers and Neighborhood Business Districts.** Support and encourage the repositioning of San Leandro’s shopping centers and neighborhood business districts to remain competitive and meet the changing needs of the community, including the provision of merchandise and services for an increasingly diverse population.

*Action ED-4.6.A: Retail Recruitment*

*Implement retail recruitment strategies, including direct communication with property owners and major national retailers, to find desirable tenants for vacant retail spaces, and to encourage new retailers to locate within San Leandro.*

*Action ED-4.6.B: International Retailing*

*Develop and implement a strategy to attract clusters of ethnic and international businesses.*

*See also Land Use Policy LU-8.4 on Neighborhood Shopping Centers*

Policy ED-4.7: **Employee-Serving Retail.** Encourage the growth of new retail centers and retail businesses serving San Leandro’s employment districts, especially along Marina Boulevard west of I-880.

Policy ED-4.8: **Bayfair Center.** Support continued reinvestment in Bayfair Center, restoring the center’s role as a regional destination while reinventing it to reflect modern retail trends and incorporate a more pedestrian-oriented, mixed use format.

## BUSINESS AMENITIES

**GOAL ED-5** Provide amenities that attract and retain businesses and encourage those working in San Leandro to also live in San Leandro..

**Policy ED-5.1** **Key Amenities.** Support amenities that attract businesses and employees to the city, including a more vibrant downtown, walkable neighborhoods, better dining and entertainment options, quality education and public safety, and more diverse housing choices.

***Action ED-5.1.A: Work Local, Live Local***

*Explore a “Work Local, Live Local” campaign designed to encourage persons working in San Leandro to seek out local housing opportunities. The campaign would promote the benefits of living in the city, the environmental and personal benefits of reduced commute times, and links to local real estate and housing opportunities.*

***Action ED-5.1.B: Research on Commute Patterns***

*Conduct additional research on the characteristics of worker commute patterns, including surveys of where local employees live and what changes would encourage them to relocate to San Leandro. Research should also include periodic surveys of employer needs and an analysis of the occupations and skills of San Leandro residents versus the job skills required for San Leandro’s primary industries.*

**Policy ED-5.2** **Housing Production.** Substantially increase the production of a variety of housing types meeting the needs of persons at all income levels.

**Policy ED-5.3** **Educational Quality.** Strive for increased academic performance in the San Leandro and San Lorenzo Unified School Districts. The City recognizes the potential for great schools to attract families to the City. It stands by the idea that every student deserves a safe and productive learning environment that promotes academic and personal achievement. San Leandro will support efforts by its school districts to improve the quality of education, reduce drop-out rates, and improve skill levels among students.

- Policy ED-5.4 **Public Safety.** Continue efforts to reduce crime, maintain neighborhood safety, and promptly address blight and nuisances in the city.
- Policy ED-5.5 **Quality Services and Accessible Government.** Maintain and promote the high quality of City services and the accessibility and responsiveness of City government to prospective businesses and new employees. Amenities such as the San Leandro shoreline and parklands, the golf courses, the Public Library, and Recreation and Community Services programs should be recognized and celebrated as community assets.
- Policy ED-5.6 **Cultural and Historic Resources.** Preserve the City's cultural and historic resources, and encourage their contribution to the City's economic development. The potential for heritage tourism based on San Leandro's history should be further explored.
- Policy ED-5.7 **Diversity as an Asset.** Recognize San Leandro's cultural, ethnic, and income diversity as one of the City's great strengths, and leverage this strength when marketing the city to prospective residents and employers.
- Policy ED-5.8 **Arts, Food, and Entertainment.** Promote investment and expansion of San Leandro's arts, entertainment, and dining sector, including venues for theater, music and the visual arts, as well as dining and night-life establishments. The arts should be viewed as a way to connect people and attract investment while expressing the creative energy of the city.

***Action ED-5.8.A: Temporary Urbanism***

*Pursue temporary and pop up art installations projects and special arts events which draw creative talent and visitors.*

***Action ED-5.8.B: Culinary Tourism***

*Consider the potential for culinary tourism (attracting visitors based on local food choices and destination restaurants). Food should serve as a means of uniting diverse cultures and creating memorable places. The City should consider a*

*potential Downtown location for a “restaurant row” or similar defined geographic area to which multiple restaurants may be attracted.*

Policy ED-5.9      **Hospitality.** Expand the hospitality sector in San Leandro, including hotels and visitor services such as conference and meeting facilities.

Policy ED-5.10    **Healthy Environment for Youth and Families.** Create a positive, healthy environment for youth and families in San Leandro, including additional youth activities, and businesses and entertainment venues serving families, children, and teens.

Policy ED-5.11    **Civic Beautification.** Undertake streetscape improvements and place-making efforts near BART, along major arterial streets, and in established business districts. Such improvements should maximize the potential for increasing business activity.

*Action ED-5.11.A: San Leandro by Design*

*In partnership with business leaders and the Chamber of Commerce, continue the San Leandro by Design initiative to foster a dialogue about the city’s future, with a particular emphasis on placemaking and improving the visual quality and identity of the city’s business districts.*

Policy ED-5.12    **Workplace Accessibility.** Improve access to and from workplaces through sustained investment in the transportation system, with a particular focus on connecting local employees to BART by transit, non-profit shuttles such as LINKS, bicycle lanes, and sidewalks.

*See the Transportation Element for additional policies and actions on LINKS and other transportation improvements between BART and employment districts.*

## WORKFORCE DEVELOPMENT

### **GOAL ED-6 Increase access to quality jobs, stable employment, and career advancement for all San Leandro residents.**

**Policy ED-6.1 Career Pathways.** Coordinate with the San Leandro and San Lorenzo Unified School Districts to create career pathways for San Leandro students, and to align school curricula with emerging job opportunities in the Bay Area economy.

***Action ED-6.1.A: Vocational Training***

*Support the expanded vocational training in the public high school system, particularly in the advanced manufacturing and technology sectors and in other emerging sectors of the local economy.*

***Action ED-6.1.B: Language Diversity***

*Support School District efforts to increase language skills among all residents, including immersion programs which provide students with the opportunity to become fluent in multiple languages.*

***Action ED-6.1.C: After-School Programs***

*Encourage after-school programs that focus on educational enrichment and skills training.*

**Policy ED-6.2 Educational Partnerships**  
Promote mentorships, internships, job training programs, and other partnerships between the City, school districts, and business community to enhance and complement local educational resources and provide job training for San Leandro youth.

***Action ED-6.2.A: Apprenticeships***

*Continue and expand local apprenticeship programs which enable San Leandro students to gain the skills needed to find well-paying jobs upon graduation.*

- Policy ED-6.3 **Engaging Youth.** Encourage School District and youth participation in City advisory groups that address issues relating to workforce development and emerging technology.
- Policy ED-6.4 **Community Colleges.** Recognize the importance of local community colleges in helping San Leandro’s young adults to advance in the local workforce. Partnerships between the City and local community colleges are encouraged.
- Policy ED-6.5 **Adult Education.** Encourage opportunities for life-long learning and skill development among San Leandro’s adults, including adult education programs.
- Policy ED-6.6 **Job Training,** Support job training initiatives which prepare local residents for local jobs.
- Policy ED-6.7 **Job Opportunities for Residents.** Support programs that encourage San Leandro employers to hire local residents.
- Action ED-6.7.A: Job Fairs and Employee Recruitment*  
*Promote local job fairs, job boards, and other special events or programs that help place local residents in positions with local employers, and provide assistance to employers in employee recruitment.*
- Action ED-6.7.B: Local Hiring Incentives*  
*Consider the feasibility of local hiring incentives for employers and businesses relocating to San Leandro.*
- Policy ED-6.8 **Labor.** Engage organized labor, labor unions, and labor advocates in the economic development process.
- Policy ED-6.9 **Investing in Libraries.** Continue to invest in the San Leandro Library system through the addition of technology, modernized facilities, and activities such as career workshops.

Policy ED-6.10 **Child Care and Employment.** Recognize the importance of affordable, convenient child care to securing and maintaining employment for working parents.

Policy ED-6.11 **Career Ladders.** Encourage career advancement programs to provide opportunities for upward mobility among the city's workforce. Support the growth of businesses that provide career advancement or "ladder" opportunities for employees.

*See the Community Services and Facilities Element for additional policies on the topics covered under this goal, including education, libraries, and human services.*

