“REINVEST ANTIOCH”
ECONOMIC DEVELOPMENT STATEGIC PLAN (EDSP)

VOLUME 2: KEY WORK PRODUCTS FROM STRATEGIC PLANNING PROCESS

Prepared for:
City of Antioch

September 13, 2022

PREPARED BY:

THE NATELSON DALE GROUP, INC.
YORBA LINDA, CA • www.natelsondale.com
O: 714.692.9596 • F: 714.692.9597

In association with:
TRI Commercial Real Estate Services, Inc.

Contents (linked table)

Document 2.1

Economic and Demographic Profile

ECONOMIC AND DEMOGRAPHIC PROFILE

City of Antioch Economic Development Baseline and Strategic Plans

February 28, 2020

Prepared for:

CITY OF ANTIOCH

Prepared by:

THE NATELSON DALE GROUP, INC.

P.O. Box 489

Yorba Linda, CA 92885

Telephone: (714) 692-9596

Fax: (714) 692-9597

Web: www.natelsondale.com

TABLE OF CONTENTS

TABLES

FIGURES

I. INTRODUCTION

This document provides preliminary background information and data for the Economic Development Baseline and Strategic Plan(s) being prepared for the City of Antioch. The Economic Development Baseline and associated strategic plan(s) are intended guide the City's internal policies and priorities for economic development over the next five to ten years. As an initial step in this process, this preliminary market overview report evaluates demographic and economic data at multiple levels of geography (city, county/region, and state) to allow for comparison of local conditions to reference-area benchmarks. Subsequent phases of the process will include more detailed analyses of conditions within specific Antioch sub-areas (employment centers).

This report is organized as follows:

Section II provides a market overview that summarizes the most recent demographic and economic data from the following sources:

- Data from the U.S. Census Bureau, American Community Survey (ACS) program. These data are grouped by the following categories: Income, Labor Force, Education, Ethnicity/Race and Housing Units.
- Demographic and Employment forecasts from the Association of Bay Area Governments (ABAG).
- Labor force data, including unemployment rates provided by Bureau of Labor Statistics (BLS) and various other measures provided by the U.S. Census Bureau's Longitudinal Employer-Household (LEHD) Dynamics program.
- Employment data, including the distribution by major industry groups and jobs by earning and educational attainment ranges. These data are also provided by the U.S. Census Bureau's Longitudinal Employer-Household (LEHD) Dynamics program.

Section III provides data on assessed valuation, residential building permits, and taxable sales, also provided (where applicable) at the city, regional, and state levels of geography.

It should be emphasized that this report is intended to provide an *initial and preliminary* overview of economic and demographic conditions in Antioch relative to regional benchmarks. The final strategy documents will provide much more detailed and in-depth analyses of economic development opportunities and challenges in Antioch, based on primary research and direct input from local stakeholders. Most significantly, the final document will provide a detailed and comprehensive target industry analysis, which will evaluate the industry clusters and sectors that are likely to be successfully augmented in the community. While this initial document provides a general overview of broad industry and employment trends, the subsequent industry cluster analysis will be based on the most recent detailed (6-digit NAICS[1] code) employment data provided by JobsEQ, allowing for target industries to be pinpointed with a high degree of specificity. .

[1] NAICS = North American Industry Classification System.

II. Demographic and Economic Data/Forecasts

Census-Based Demographic and Economic Overview

The following data were obtained from the U.S. Census Bureau, American Community Survey (ACS) 5-year estimates (2013-17) [2]. Data are provided for primarily the City of Antioch, East Bay region[3], and the State of California. In addition, Appendix A provides ACS data for the two zip code areas (94509 and 94531) within the City's boundaries. Topics address current conditions related to households, housing units, and characteristics of the resident labor force (commute times, educational attainment and race/ethnicity).

Table II-1, on page 4, provides a summary of income and labor force-related data from the ACS. In terms of household income ranges, Antioch's largest share of households (18.5%) are in the $100,000 to $149,999 range. Median household income in Antioch ($69,925) is in line with the State and below the East Bay median ($86,767). In contrast, Antioch's *average* (as distinct from then median) household income level ($85,001) is slightly below the State's but well below the East Bay's ($116,959). The labor force data show that three-fourths (74.9%) of Antioch's residents in the 20 to 64-age population are in the labor force. This share is slightly below the East Bay (78.9%) and State (76.4%) figures. The largest difference in Labor force participation rates by educational attainment is in the *bachelor's degree or higher* category. Among residents in this category, Antioch's labor force participation rate (80.4%) is about 5 percentage points below the East Bay (85.5%) and State (85.3%) rates. In terms of travel times to work, Antioch's residents tend to have longer commutes than their East Bay or California counterparts. The largest share of the local labor force (17.3%) has a commute time in the range of 60 to 89 minutes, above the East Bay (13.5%) and State (8.0%) figures. Further, almost two-thirds (64.9%) have commute times of 30 minutes or more. Comparable figures for the East Bay and State's labor forces are 53.4% and 42.4%, respectively.

Table II-2, on page 5, provides a summary of education-related and ethnicity/race-related data from the ACS. For the 18 to 24-age population, Antioch underperforms in terms of educational attainment compared to the East Bay region and the State. For this age group, about 17.4% of Antioch residents are in the *less than high school graduate category*, compared to 11.0% and 12.3% for the East Bay and State, respectively. For the 25 years and over age group, about 21.0% of the City's population has a bachelor's degree or a graduate or professional degree. This share is well below the shares for the East Bay (43.1%) and the State (32.6%).

---

[2] The ACS replaced the "long form" that historically produced demographic, housing, and socio-economic estimate for the nation as part of the once-a-decade census. The 5-year estimates include 60 months of collected data between January 1, 2013 and December 31, 2017 (the most recent 5-year data available at the time this report was prepared). Although the ACS also produces 1-year estimates, for smaller levels of geography (e.g., city-level), the 5-year estimates are generally preferred given the large sample sizes and resulting lower margin of error for data estimates.

[3] The East Bay region includes the two-county region of Alameda and Contra Costa counties.

The table shows that one-third of Antioch's population (33.3%) is of Hispanic or Latino origin, which is above the East Bay (23.6%) but below the State (38.8%) shares. In terms of race, the "Black or African American alone" category is more concentrated in Antioch's resident racial distribution (20.1%) relative to the East Bay (10.1%) and the State (5.8%). The "Asian alone" racial category is relatively low in Antioch (10.9%) relative to the East Bay (23.7%) relative to the State (14.1%).

Table II-1. Income and Labor Force-related Census Data – Antioch, East Bay, and California

Census Variable	Antioch	East Bay	CA
		%	
INCOME DATA			
<u>Household Income Data</u>			
Less than $10,000	4.8	4.3	5.4
$10,000 to $14,999	3.6	3.6	4.7
$15,000 to $24,999	8.3	6.3	8.6
$25,000 to $34,999	8.3	6.2	8.3
$35,000 to $49,999	10.4	9.1	11.4
$50,000 to $74,999	18.2	14.2	16.3
$75,000 to $99,999	13.8	12.1	12.2
$100,000 to $149,999	18.5	18.3	15.7
$150,000 to $199,999	7.9	10.8	7.8
$200,000 or more	6.2	14.9	9.7
Median Household Income	$69,925	$86,767	$67,169
Mean Household Income	$85,001	$116,959	$96,104
Per Capita Income	$27,112	$41,989	$33,128
LABOR FORCE DATA			
<u>Employment Status - Labor Force Participation Rate</u>			
Population 20 to 64 years	74.9	78.9	76.4
Male - 20 to 64 years	79.4	85.4	82.6
Female - 20 to 64 years	70.6	72.5	70.1
EDUCATIONAL ATTAINMENT			
Population 25 to 64 years	75.1	79.7	77.1
Less than high school graduate	63.6	65.6	65.3
High school graduate (includes equivalency)	72.4	74.7	72.8
Some college or associate's degree	78.0	79.3	77.6
Bachelor's degree or higher	80.4	85.5	85.3
<u>Travel Time to Work</u>			
Less than 5 minutes	1.4	1.2	1.9
5 to 9 minutes	5.3	5.8	7.8
10 to 14 minutes	9.5	10.6	12.6
15 to 19 minutes	9.2	12.8	14.9
20 to 24 minutes	7.0	11.2	14.4
25 to 29 minutes	2.7	5.0	6.0
30 to 34 minutes	9.5	13.3	15.0
35 to 39 minutes	2.5	3.3	2.7
40 to 44 minutes	4.2	5.2	4.3
45 to 59 minutes	15.2	12.6	8.7
60 to 89 minutes	17.3	13.5	8.0
90 or more minutes	16.2	5.5	3.8

Source: U.S. Census Bureau, 2012-2017 American Community Survey 5-Year Estimates; TNDG.

Table II-2. Education and Ethnicity/Race related Census Data – Antioch, East Bay, and California

Census Variable	Antioch	East Bay	CA
		%	
EDUCATION			
<u>Educational Attainment - Population 18 to 24 years</u>			
Less than high school graduate	17.4	11.0	12.3
High school graduate (includes equivalency)	30.6	27.0	29.5
Some college or associate's degree	46.3	47.8	48.3
Bachelor's degree or higher	5.7	14.2	9.8
<u>Educational Attainment - Population 25 years and over</u>			
Less than 9th grade	6.2	6.3	9.7
9th to 12th grade, no diploma	7.4	5.5	7.8
High school graduate (includes equivalency)	27.1	17.9	20.6
Some college, no degree	29.5	20.0	21.5
Associate's degree	8.8	7.2	7.8
Bachelor's degree	15.0	25.8	20.4
Graduate or professional degree	6.0	17.3	12.2
ETHNICITY/RACE			
<u>Hispanic or Latino Origin</u>			
Not Hispanic or Latino	66.7	76.4	61.2
Hispanic or Latino	33.3	23.6	38.8
<u>Race</u>			
White alone	44.0	49.2	60.6
Black or African American alone	20.1	10.1	5.8
American Indian and Alaska Native alone	0.8	0.6	0.7
Asian alone	10.9	23.7	14.1
Native Hawaiian and Other Pacific Islander alone	1.0	0.7	0.4
Some other race alone	14.2	9.4	13.7
Two or more races	9.0	6.5	4.7

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates; TNDG.

Table II-3, below, provides housing-related data from the ACS. Antioch's housing units are largely occupied (94.6%). This share is in line with the East Bay figure (95.3%) and slightly above the State figure (92.1%). Antioch also has a slightly high share of owner-occupied housing units, about 60.8% of the total, relative to the East Bay (58.1%) and the State (54.5%). Antioch's housing stock is also relatively new: about 38.3% of the City's total have been built since 1990. This figure is much higher than the comparable East Bay (21.9%) and State (24.5%) shares.

Table II-3. Housing-related Census Data – Antioch, East Bay, and California

Census Variable	Antioch	East Bay	CA
		%	
HOUSING			
Occupancy Status - Housing Units			
Occupied	94.6	95.3	92.1
Vacant	5.4	4.7	7.9
Tenure - Occupied Housing Units			
Owner occupied	60.8	58.1	54.5
Renter occupied	39.2	41.9	45.5
Year Structure Built			
Built 2014 or later	0.2	0.5	0.6
Built 2010 to 2013	2.1	1.4	1.5
Built 2000 to 2009	12.5	9.6	11.5
Built 1990 to 1999	23.5	10.4	10.9
Built 1980 to 1989	18.8	14.1	15.3
Built 1970 to 1979	18.8	16.8	17.8
Built 1960 to 1969	10.5	13.6	13.4
Built 1950 to 1959	6.7	13.1	13.6
Built 1940 to 1949	4.4	6.9	6.1
Built 1939 or earlier	2.4	13.5	9.3

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates; TNDG.

Demographic and Employment Forecasts

Table II-4, below, shows the most recent Association of Bay of Governments (ABAG) demographic and employment estimates and forecasts for the City of Antioch. The figures provide growth rate projections for the 2020-2030 and 2030-2040 periods, along with the entire 20-year period from 2020 to 2040. These projections are from ABAG's adopted Regional Forecast for Plan Area 2040, developed as part of the recently completed Plan Bay Area.

The table shows that Antioch is projected to grow rapidly over the next 20 years, with sustained population, household, and employment growth during this period.

Table II-4. ABAG Regional Growth Forecast for City of Antioch – Population, Households, and Employment

	% Change		
Variable	**2020-30**	**2030-40**	**2020-40**
Population	9.0%	15.7%	26.2%
Households	8.1%	9.9%	22.8%
Employment	8.4%	8.8%	17.9%

Source: ABAG Plan Bay Area 2040; TNDG.

Table II-5, below, shows existing and projected jobs/housing ratios for the City, the East Bay region, and the remaining ABAG region. The table shows that Antioch has a significantly lower jobs/housing balance than the East Bay and remaining ABAG regions. According to the ABAG forecasts, Antioch's jobs/housing ratio is projected to slightly decrease through 2040.

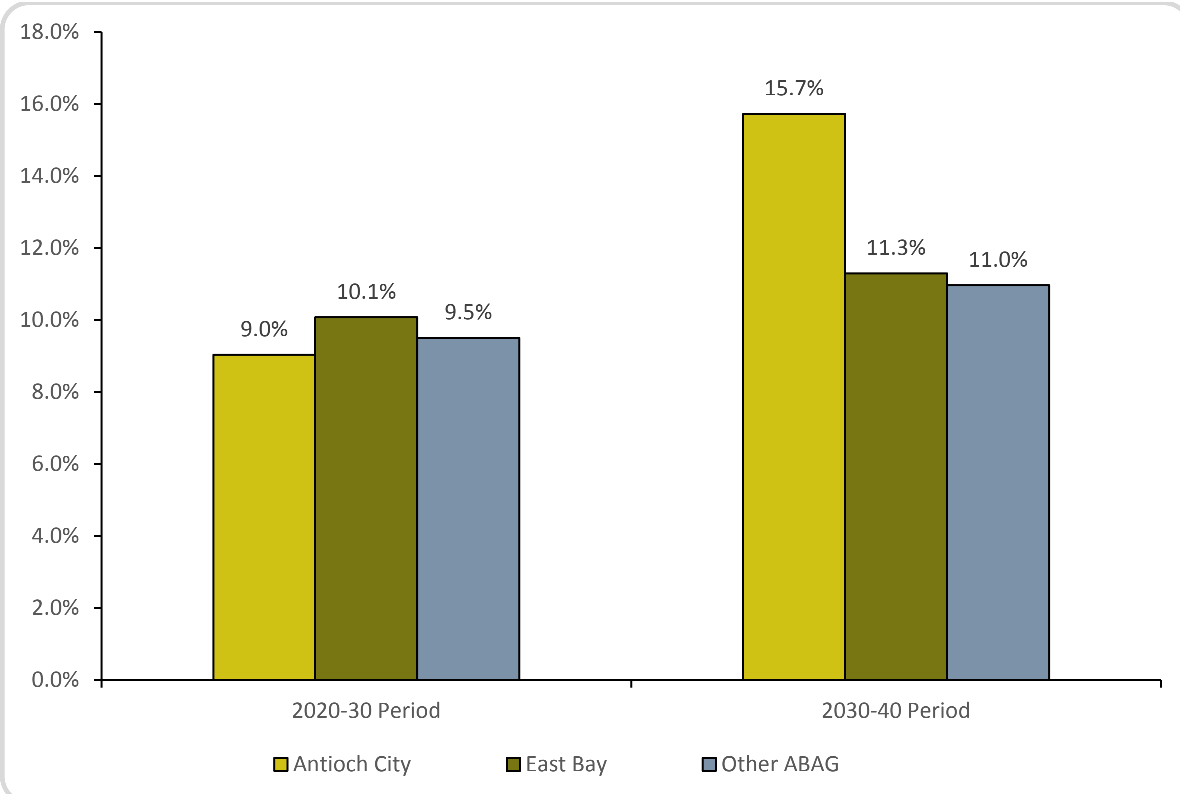
Table II-5. ABAG Regional Growth Forecast for Jobs/Housing Ratio – Antioch, East Bay, and Other ABAG

	Jobs / Households		
Region	**2020**	**2030**	**2040**
Antioch	0.67	0.67	0.64
East Bay	1.25	1.23	1.20
Other ABAG	1.53	1.50	1.46

Source: ABAG Plan Bay Area 2040; TNDG.

To provide additional context on the city-level ABAG forecasts, the following three figures compare Antioch's projected growth – in population, households, and employment – relative to the East Bay and the remaining ABAG region[4]. The figures further illustrate the City's projected rapid demographic and employment growth over the 2030-2040 period, as Antioch is projected to grow significantly faster than the East Bay and remaining ABAG regions.

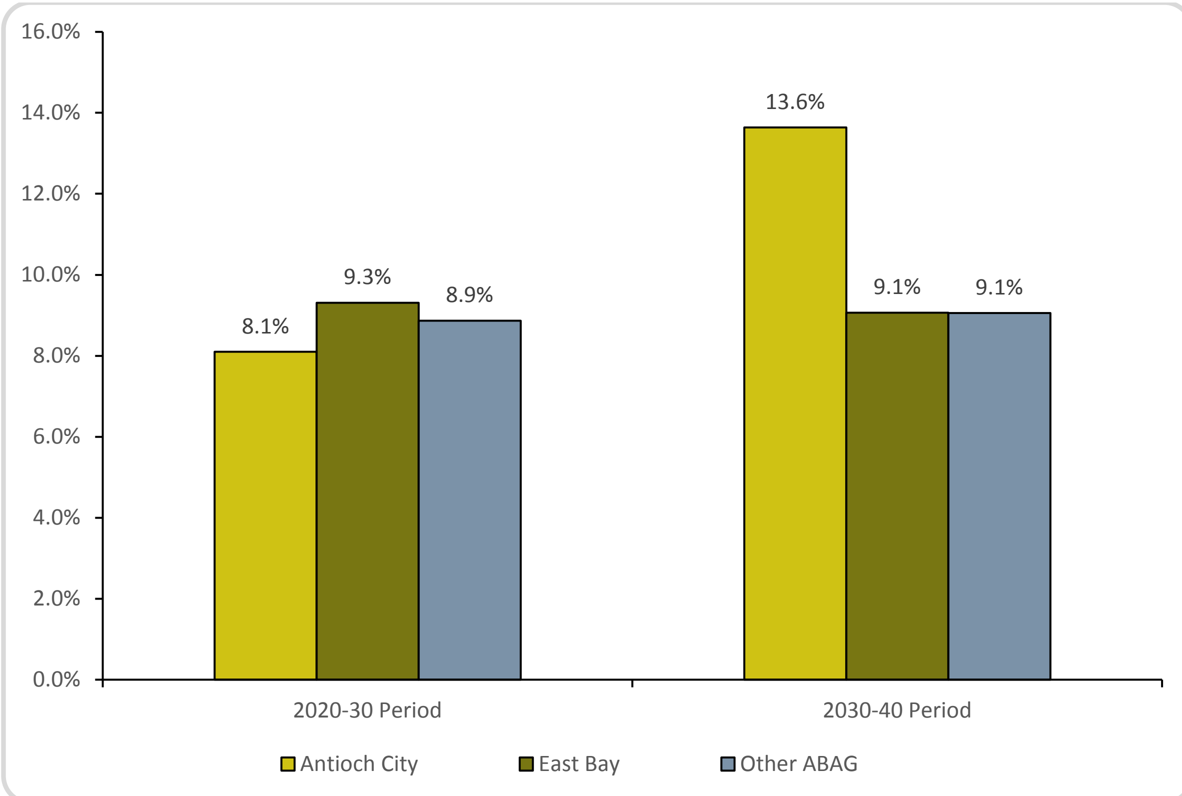
Figure II-1. ABAG Population Forecasts (% Growth): 2020-30 and 2030-40



Source: ABAG Plan Bay Area 2040; TNDG.

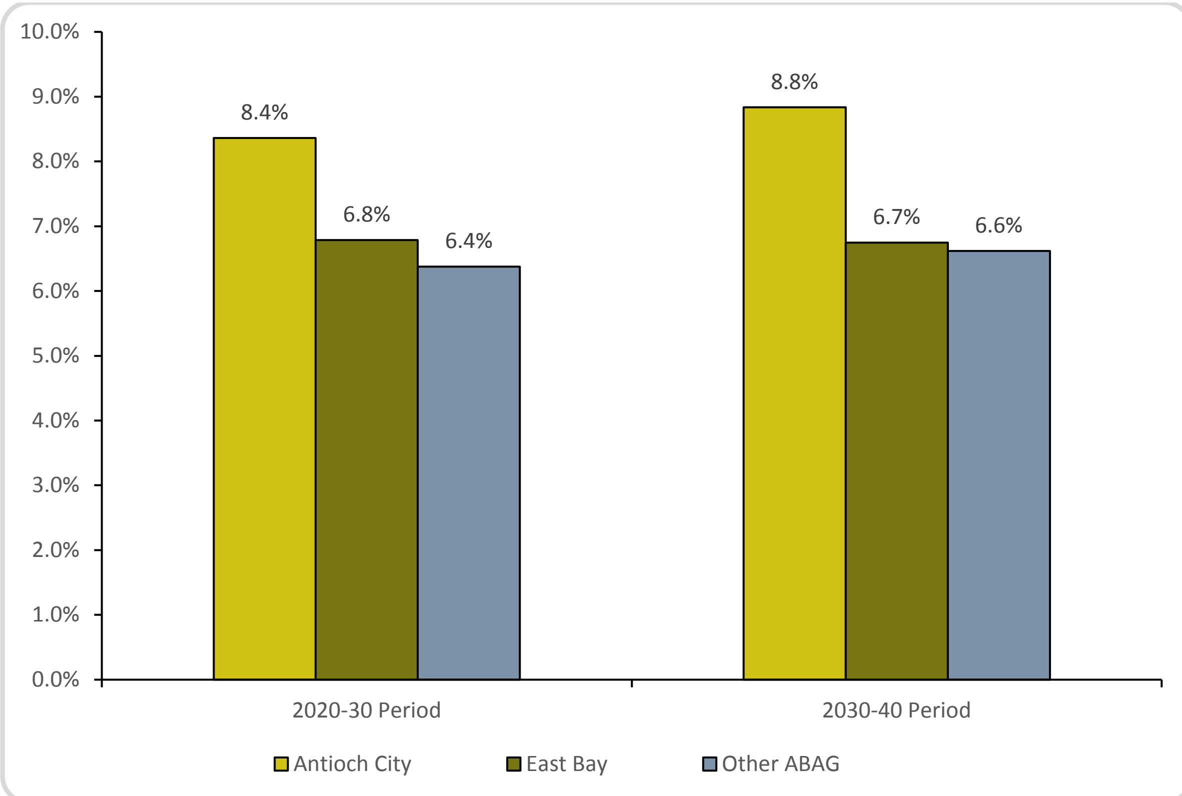
[4] The ABAG region includes the following nine-county region: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.

Figure II-2. ABAG Household Forecasts (% Growth): 2020-30 and 2030-40



Source: ABAG Plan Bay Area 2040; TNDG.

Figure II-3. ABAG Employment Forecasts (% Growth): 2015-25 and 2025-40



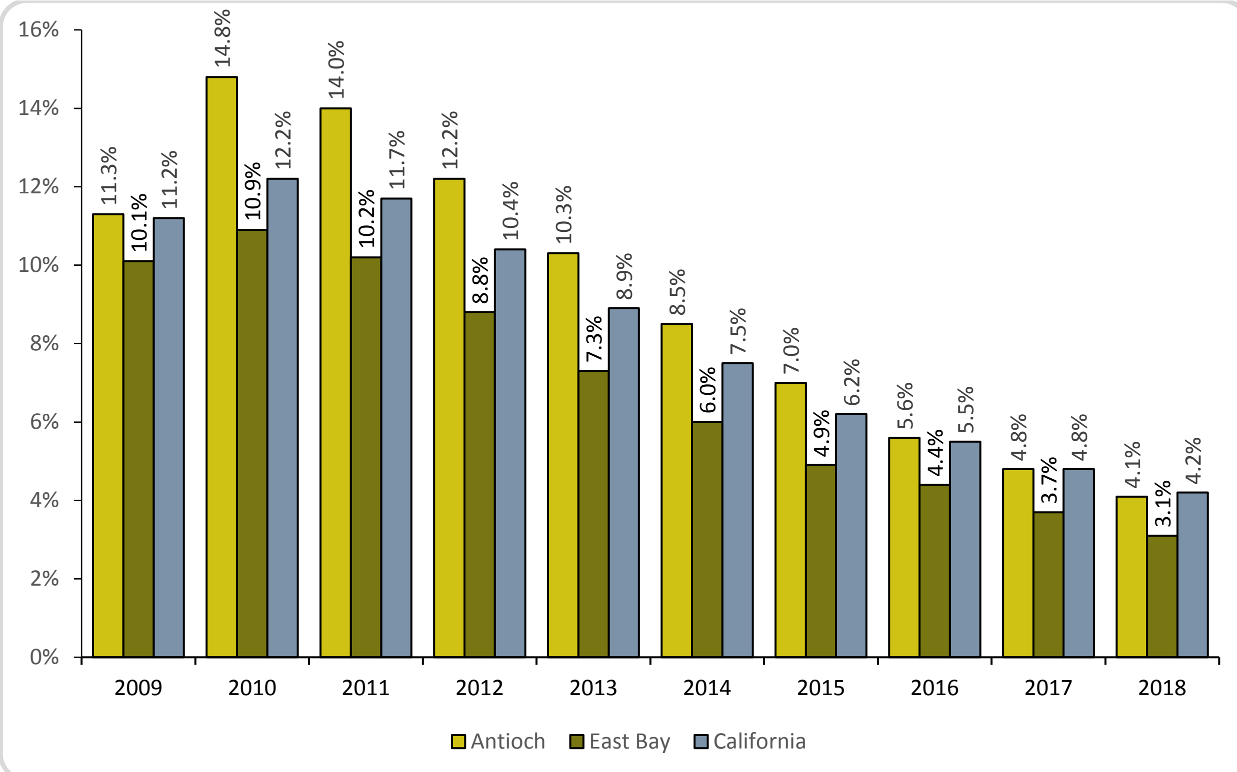
Source: ABAG Plan Bay Area 2040; TNDG.

Labor Force Data

The BLS provides unemployment rate estimates through its Local Area Unemployment Statistics (LAUS) program. Figure II-4, below, provides annual average unemployment rate estimates for Antioch, East Bay, and California for the 10-year period from 2009 to 2018. As shown in the figure, during the recovery from the Great Recession (between 2010 and 2015), Antioch's unemployment rates were significantly above those in the East Bay and in California. During the past three years, the "gap" has narrowed; Antioch's 2018 unemployment rate (4.1%) was similar to the State (4.2%) but still slightly above the East Bay rate (3.1%).

Table II-6, below, shows the total labor force for the three selected geographies for selected years during the 2009-2018 period. The table shows that during this period Antioch's labor force has grown more slowly relative to the East Bay and the State.

Figure II-4. Unemployment Rate Estimates: Antioch, East Bay and CA (2009-18)



Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics (LAUS) program; TNDG.

Table II-6. Total Labor Force: Antioch, East Bay, and CA (2009-18)

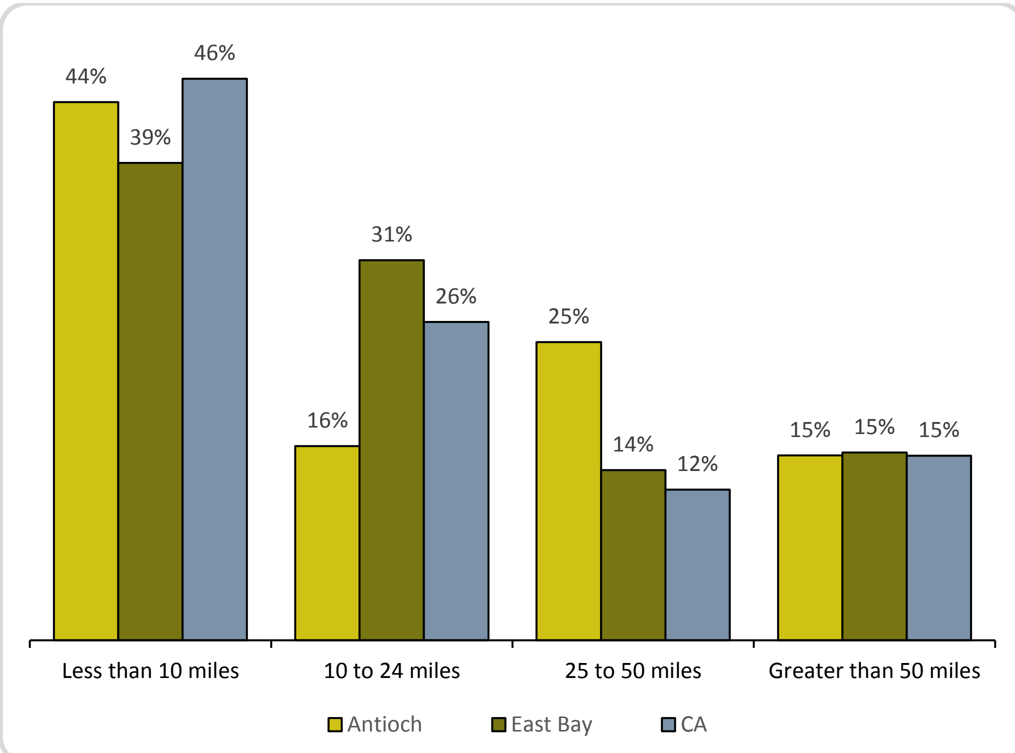
Area	2009	2012	2015	2018	Annual Average Growth Rate 2009-18
Antioch	49,215	50,156	50,473	51,295	0.5%
East Bay	1,285,683	1,334,202	1,364,794	1,412,785	1.1%
California	18,215,140	18,523,793	18,851,079	19,398,212	0.7%

Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics (LAUS) program; TNDG.

Figure II-5 and Figure II-6, on the following pages, provide additional labor force data for Antioch. The data in these figures are from the U.S. Census Bureau, Longitudinal Employer-Household Dynamics

(LEHD) program[5]. First, Figure II-5 provides travel distance ranges to work for the City's labor force relative to County and State benchmarks. The figure shows that Antioch's resident labor force tends to have longer distance commutes relative to the overall labor force in the East Bay and in the State. For example, Antioch has the largest share (25.0%) of residents that travel distances of 25 to 50 miles to work. In addition, the City has the smallest share (16.0%) of residents that have commute distances in the 10 to 24-mile range.

Figure II-5. Travel Distances (mile ranges) to Work: Antioch, East Bay, and CA

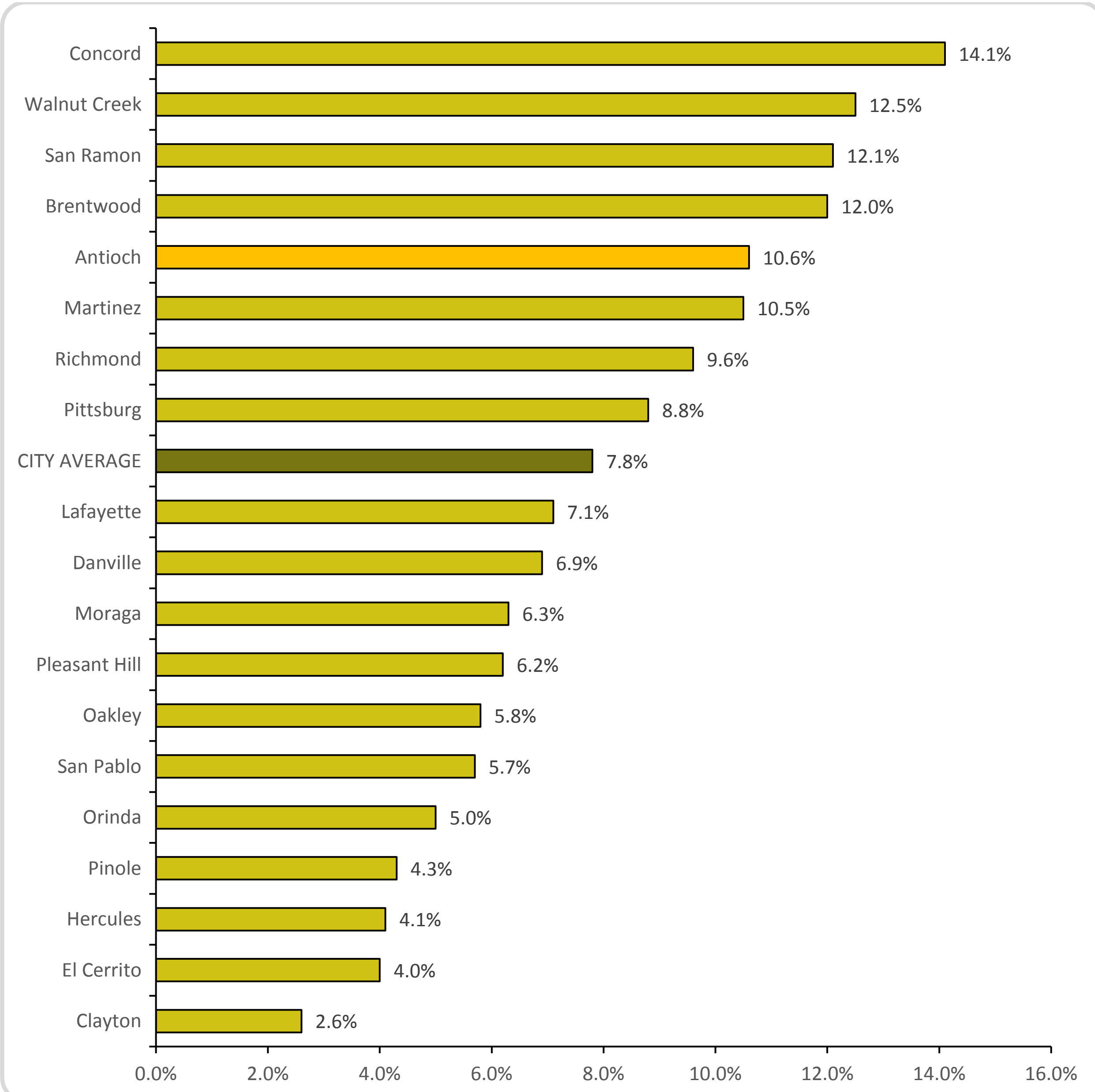


Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics (LEHD) program. Accessed at https://onthemap.ces.census.gov.

Figure II-6, on the following page, shows the measure of in-area labor force efficiency – the percent of the City's labor force that lives and works in the selection area – for Antioch relative to the remaining cities in Contra Costa County. As shown in the figure, Antioch has a relatively large share of its labor force that lives and works in the City. At 10.6%, this measure of labor force efficiency ranks 5th among the 19 cities in the County. The average labor force efficiency measure for cities in Contra Costa County is 7.8%.

[5] The data were accessed through the OnTheMap online mapping and reporting application developed by the U.S. Census Bureau. Among other data, it shows where workers are employed and where they live. The application can be accessed at https://onthemap.ces.census.gov/.

Figure II-6. In-Area Labor Force Efficiency, % Living and Employed in the City: Contra Costa County Cities



Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics (LEHD) program. Accessed at https://onthemap.ces.census.gov.

Employment Overview

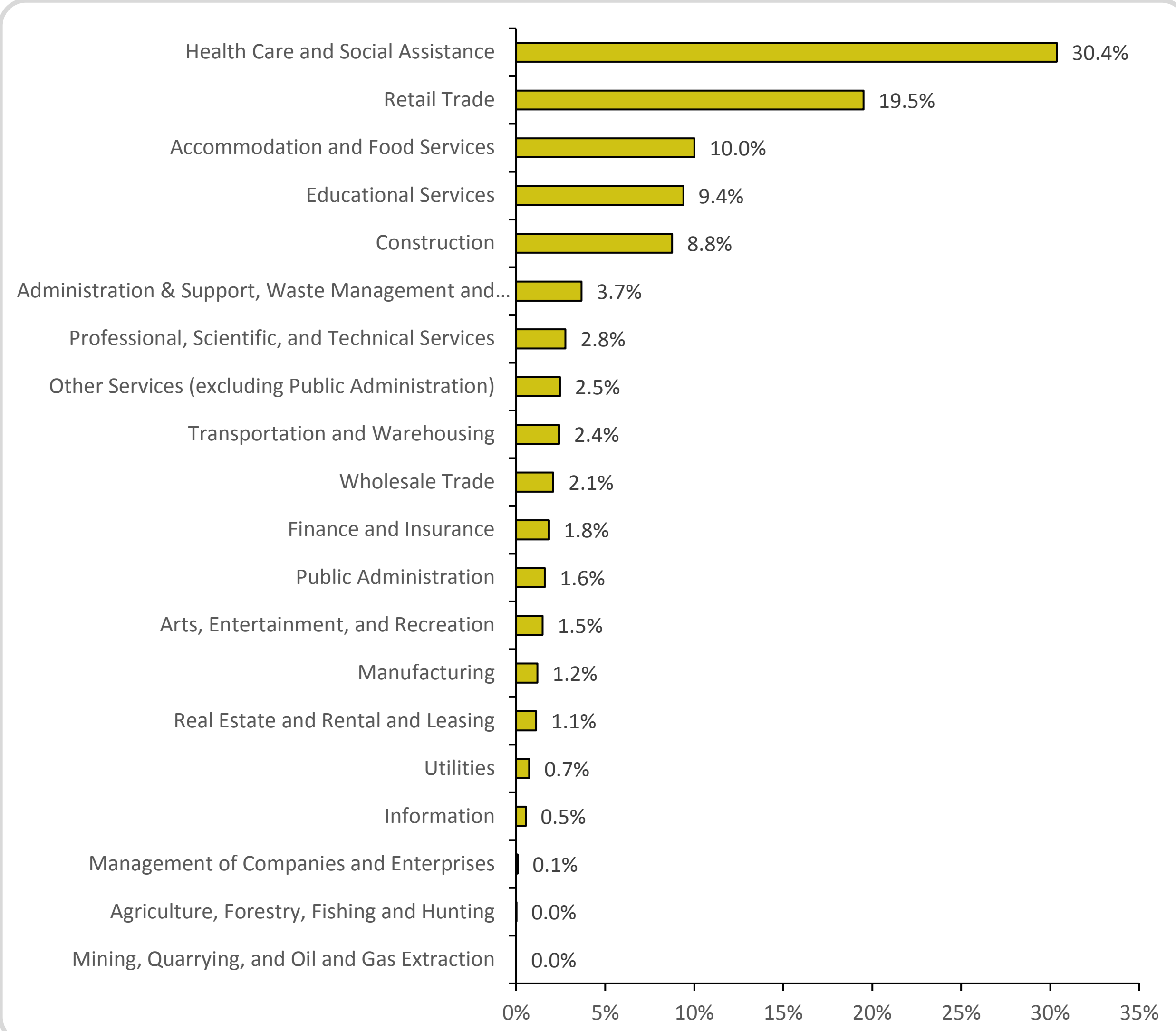
Along with the labor force measures presented in the previous section, the U.S. Census Bureau's LEHD program also provides employment data at various levels of geography, including at the city level. Figure II-7, on the following page, provides the share of employment by industry in Antioch in 2017. The major industry groupings correspond to 2-digit NAICS[6] codes industries. In terms of concentration of industry employment, Antioch is heavily represented in the Retail Trade and Health Care/Social Assistance industries, which account for about one-half (49.9%) of total employment in the City. In addition, the top five industries account for more than three-fourths (78.0%) of total employment in the City.

For comparison purposes, Figure II-8, on page 16, shows the share of employment by industry for the East Bay and California in 2017. As shown in the figure, Antioch had the largest shares of employment in the Retail Trade and Health Care/Social Assistance industries relative to the two benchmark regions. Compared to the East Bay region and the State, Antioch has a much smaller share of employees in the relatively high-paying Professional, Scientific, and Technical Services and Manufacturing industries.

In addition to industry employment data, the Census Bureau's LEHD program also provides the number of jobs for three earnings groups, as shown in Figure II-9 on page 17. As shown in the figure, the City has the highest concentration of jobs with monthly earnings more than $3,333 range (42%). However, the City's share for this earnings range is well below the East Bay (52%) and State (47%) shares. In addition, about one-fourth (25%) of Antioch's jobs have monthly earnings of $1,250 or less, which is well above the East Bay (18%) and State (21%) shares in this income range.

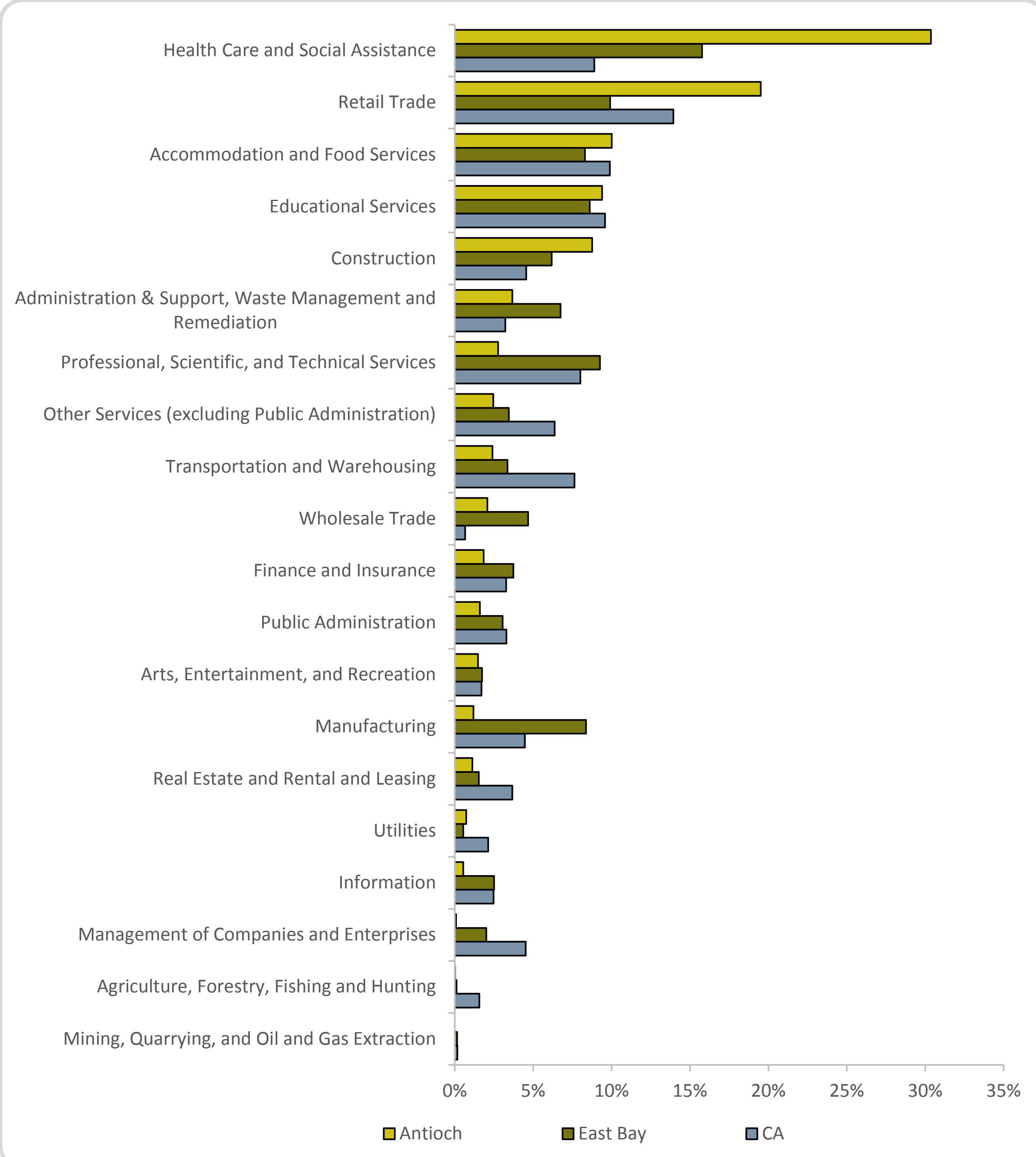
[6] NAICS = North American Industry Classification System.

Figure II-7. Share of Employment by Industry in Antioch, 2017.



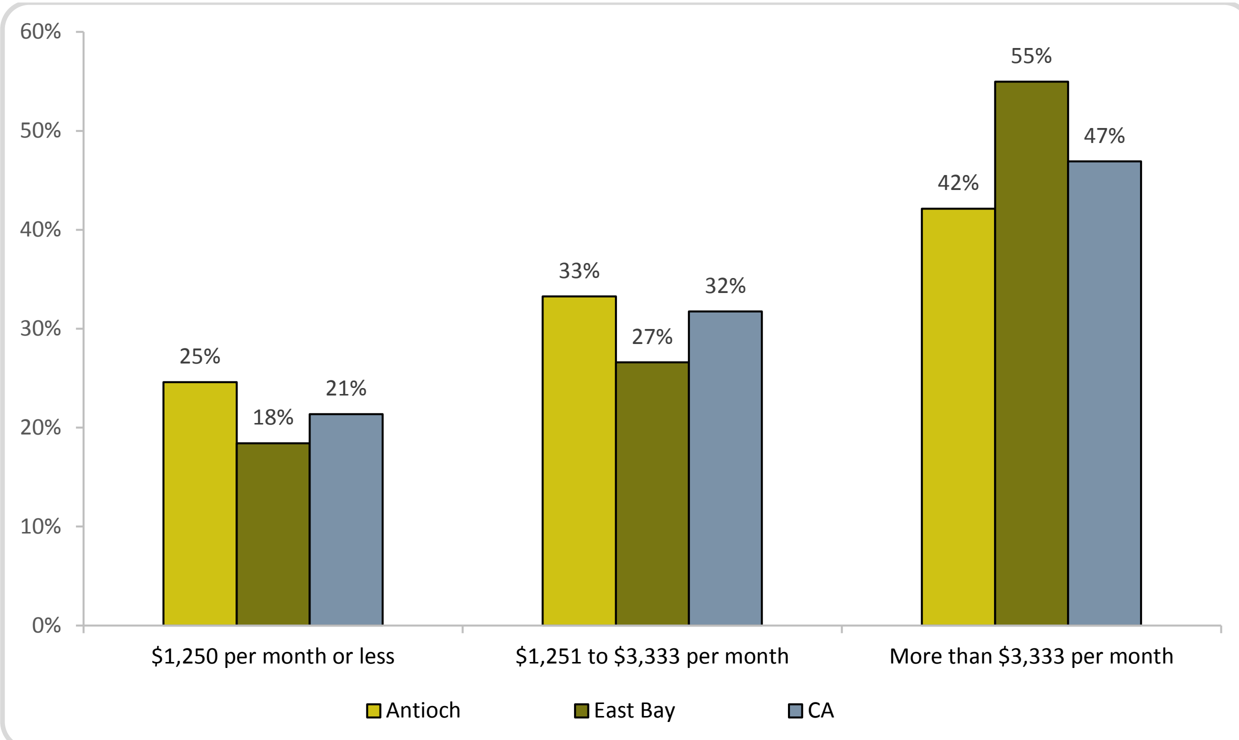
Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics (LEHD) program. Accessed at https://onthemap.ces.census.gov.

Figure II-8. Share of Employment by Industry by Area, 2017



Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics (LEHD) program. Accessed at https://onthemap.ces.census.gov.

Figure II-9. Distribution of Jobs by Area by Monthly Earnings, 2017



Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics (LEHD) program. Accessed at https://onthemap.ces.census.gov.

III. ASSESSED VALUATION, BUILDING PERMIT, AND TAXABLE SALES DATA

This section examines assessed valuation, building permit, and taxable sales data for the City of Antioch compared to appropriate regional benchmarks. Assessed value data for Costa County (incorporated cities and unincorporated portion of the County) is provided by the California State Controller's open data website. The U.S. Census Bureau provides city-level building permit data through its Place Level Residential Building Permit Statistics survey. For taxable sales data, this section evaluates data for Antioch, the East Bay, and the State of California, as provided by the California Department of Tax and Fee Administration (CDTFA).

Assessed Valuation Data

Table III-1, below, shows the net taxable assessed value for selected fiscal years (FY) for Antioch, the remaining cities in the County, and the unincorporated County[7]. As shown in the table, net assessed valuation of property in Antioch has increased by more than $3.6 billion between FY 2010-11 and FY 2018-19. This represents a percentage increase of 51.2% over the base year total, which is above the same-period percentage increase for the remaining cities in the County (47.4%). The $63.8 billion increase for the entire County represented a 45.8% increase during this period.

Table III-1. Net Taxable Assessed Value in Contra Costa County, Selected Fiscal Years (FY)

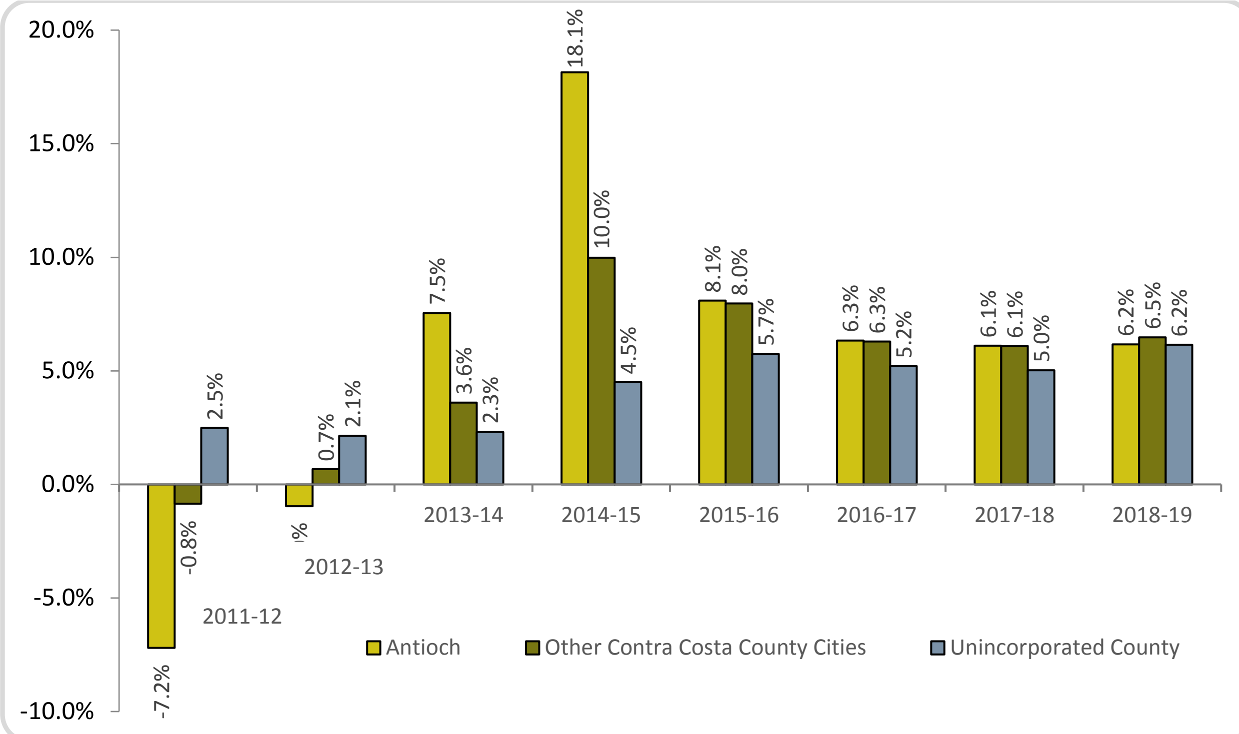
Area	FY 2011	FY 2015 $000s	FY 2019
Antioch	$7,065,568	$8,252,108	$10,684,828
Other Contra Costa Cities	103,720,043	117,964,857	152,900,349
Unincorporated County	28,548,656	31,950,989	39,627,517
Total County	$139,334,267	$158,167,953	$203,212,695

Source: California State Controller, Annual Assessed Value Reports

To further illustrate this trend, Figure III-1, on the following page, shows the annual percentage increase in net taxable assessed value for all three geographies during this period. As shown in the figure, net taxable assessed value in Antioch increased at a faster rate between 2013 and 2015 relative to the other Contra Costa County cities total and the unincorporated County. For the past four fiscal years, the rate of increase in Antioch has been similar to other County cities. Following, Figure III-2 provides the distribution of net taxable assessed value among Contra Costa County incorporated cities. As shown in the figure, Antioch accounts for about 6.5% of the incorporated city total (6th out 19 total cities). The top four cities – San Ramon, Walnut Creek, Concord, and Richmond – account for about than 44% of the total.

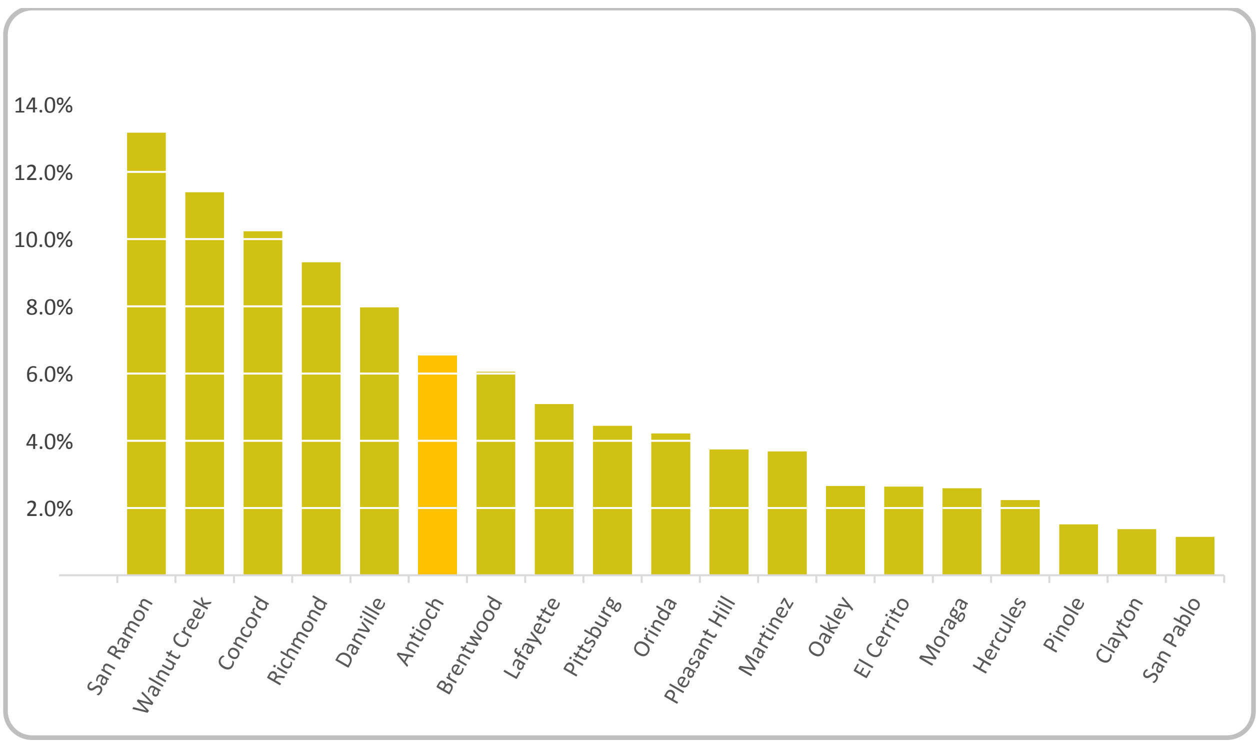
[7] The next taxable assessed value is calculated by subtracting non-reimbursed exemptions and homeowner's exceptions from the gross assessed value.

Figure III-1. Year-over Year Percentage Increase in Net Taxable Assessed Value, FY 2011 to 2019



Source: Contra Costa County Assessor's Office, Annual Assessed Value Reports; TNDG

Figure III-2. Distribution of Taxable Assessed Value in Contra Costa County for Incorporated Cities, FY 2018-19

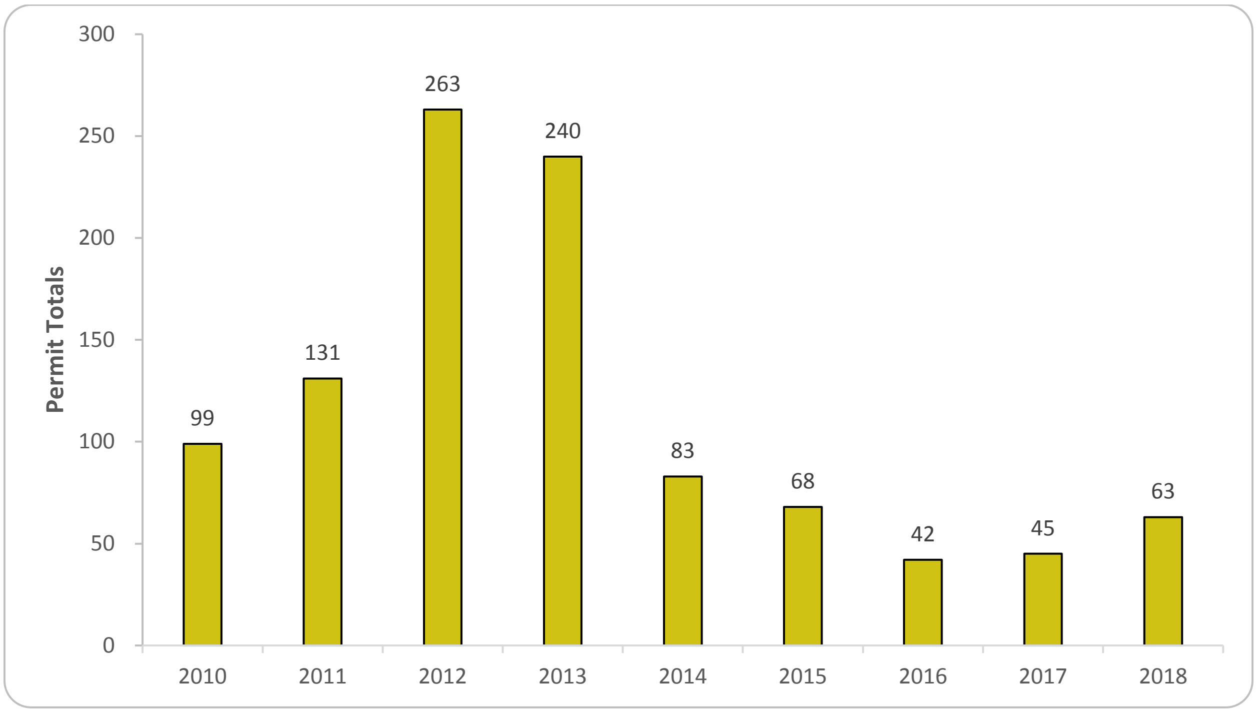


Source: Contra Costa County Assessor's Office, Annual Assessed Value Reports; TNDG

Building Permit Data

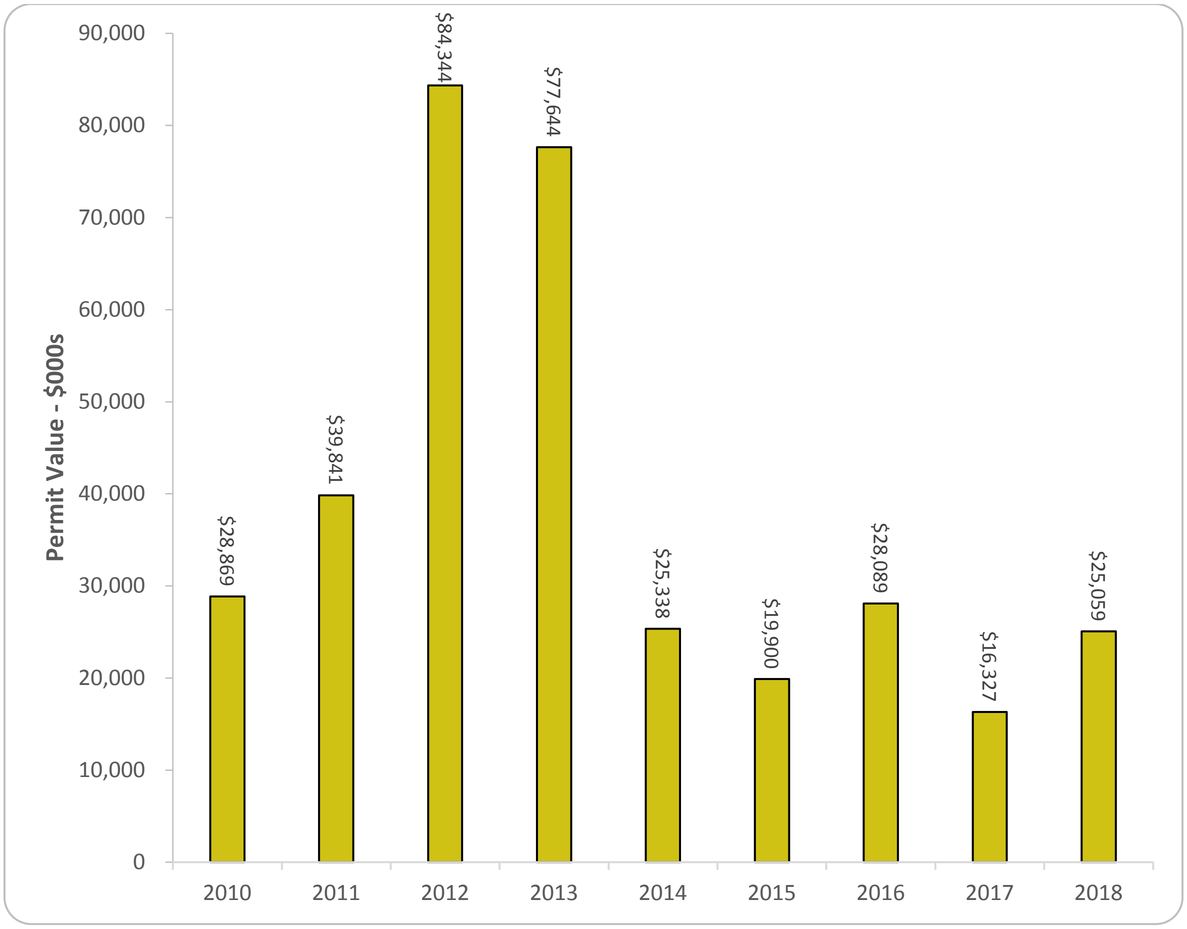
To provide a snapshot of residential construction activity, this section provides a summary on building permit statistics for privately-owned residential construction in Antioch and other cities in Contra Costa County. These data are provided by the U.S. Census Bureau's *Place Level Residential Building Permit Statistics* survey and the City's Development Services Department. See Figure III-3 (below) and Figure III-4 (following page) for residential permit totals and valuation in Antioch between 2010 and 2018. Residential building activity consistently increased between 2011 and 2013, with a significant drop in 2014. Permit totals (and associated value) have remained relatively depressed through 2018.

Figure III-3. Total Private Residential Building Permit Totals, City of Antioch, 2010 to 2018



Source: U.S. Census Bureau, Manufacturing and Construction Division; City of Antioch; TNDG.

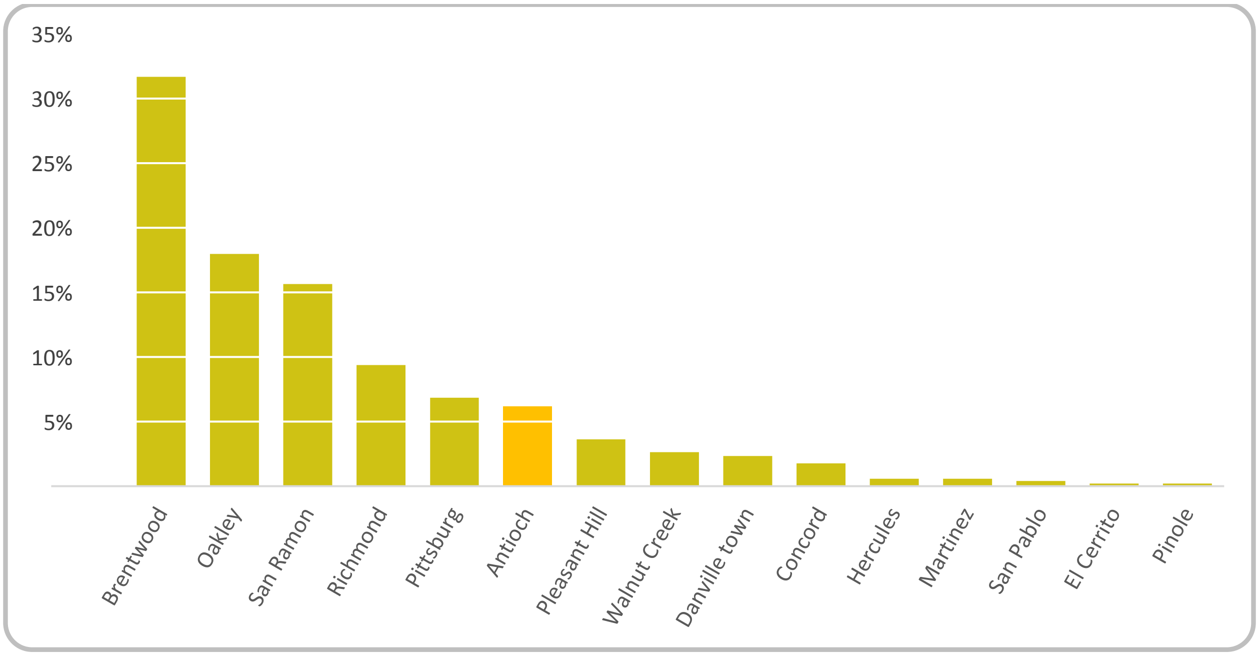
Figure III-4. Total Private Residential Building Permit Valuation, City of Antioch, 2011 to 2018



Source: U.S. Census Bureau, Manufacturing and Construction Division; TNDG.

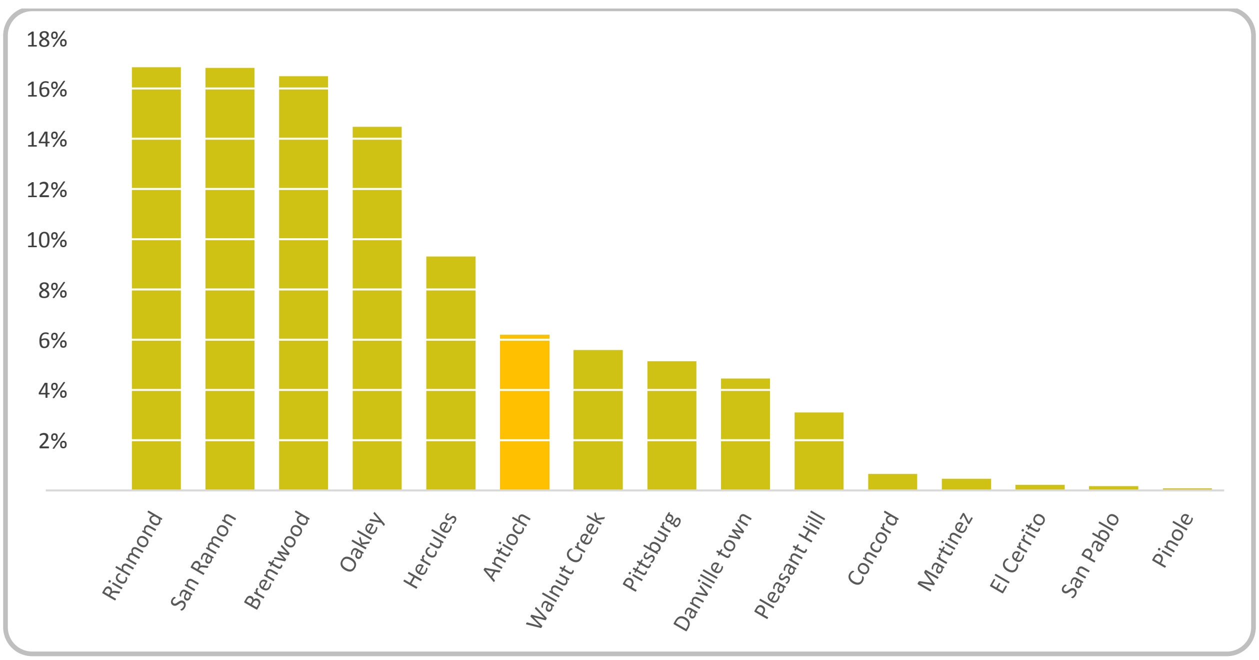
Figure III-5 and Figure III-6, on the following page, shows the distribution of private residential building permit totals and valuation among Contra Costa County incorporated cities in 2018 (the most recent year for which data are available). At 6.2%, Antioch accounted for the sixth-largest share of residential building permits and building permit valuation among Contra Costa County cities.

Figure III-5. Distribution of Private Residential Building Permit Activity in Contra Costa County for Incorporated Cities, 2018



Source: U.S. Census Bureau, Manufacturing and Construction Division; TNDG.

Figure III-6. Distribution of Private Residential Building Permit Valuation in Contra Costa County for Incorporated Cities, 2018



Source: U.S. Census Bureau, Manufacturing and Construction Division; TNDG.

Taxable Sales Data

Table III-2, below, provides retail taxable sales data, as provided by the CDFTA, for the City of Antioch between 2010 and 2017 (the most recent year for which data are available). As shown in the table, City-wide taxable retail sales have increased by about $192.9 million during this period, or by 27%.

Table III-2. Taxable Retail Sales, City of Antioch, 2010-2017

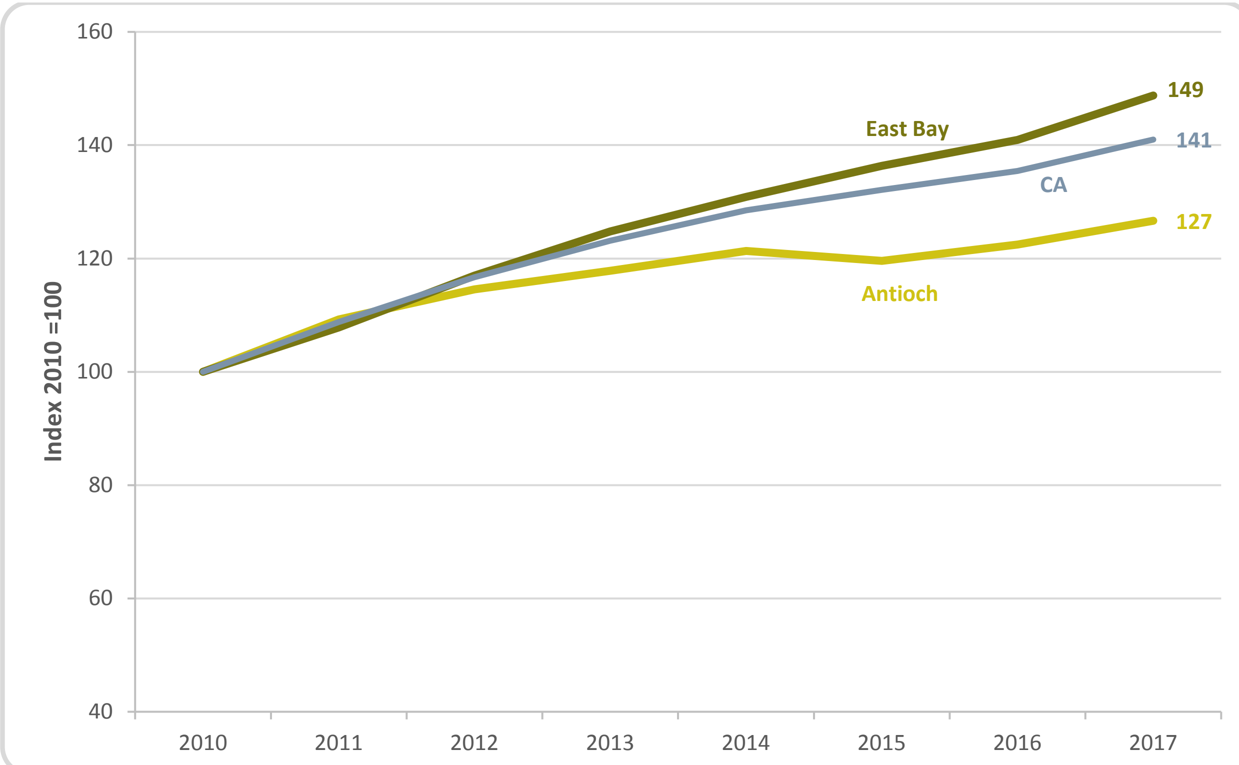
Year	$000s	% Change
2017	916,339	3.4
2016	885,891	2.4
2015	865,191	-1.4
2014	877,641	2.9
2013	852,576	2.9
2012	828,624	4.9
2011	790,153	9.2
2010	723,459	N/A

Source: SBOE; TNDG.

Figure III-7, on the following page, compares Antioch's taxable retail sales performance relative to the East Bay and California. The figure normalizes the base year sales data (2010 = 100) to provide relevant comparisons among the two geographies. As discussed above, the 2017-year value of 127 implies that Antioch's taxable retail sales increased by 27% during this period, which is well below the relative East Bay (+49%) and State (41%) increases.

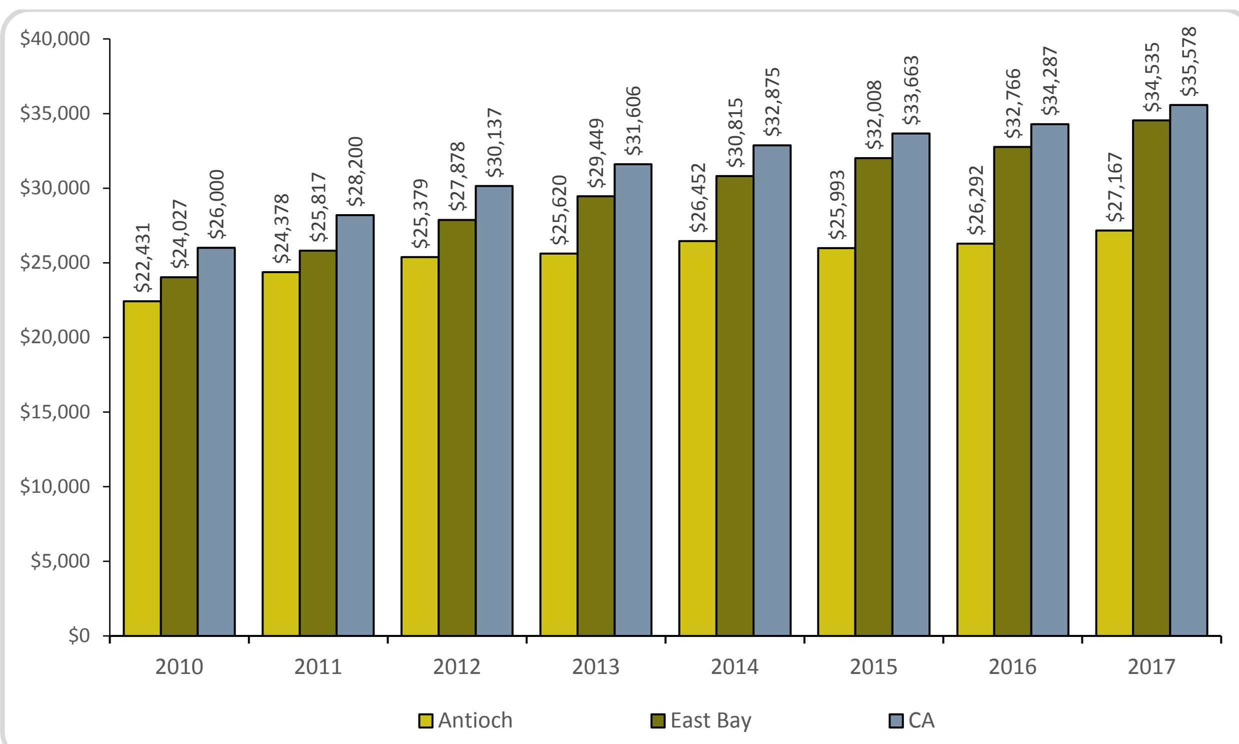
The data also show that Antioch significantly lags the East Bay and the State on a taxable sales per household basis. Figure III-8, on the following page, shows taxable sales per household for all three geographies. Although this measure has slowly risen over this period in Antioch (from $22,431 in 2010 to $27,167 in 2017), taxable sales per household was 79% of the East Bay measure ($34,535) and 76% of the State measure ($35,578).

Figure III-7. Taxable Retail Sales Trends (2010 – 2017), Antioch, East Bay, and California



Source: CDFTA; TNDG

Figure III-8. Taxable Retail Sales/Household (2010 – 2017), Antioch, East Bay, and California



Source: CDFTA; TNDG

APPENDIX A:

SUPPLEMENTAL CENSUS (AMERICAN COMMUNITY SURVEY) DATA FOR ANTIOCH ZIP CODES

Table A-1. Income and Labor Force-related Census Data – Antioch Zip Codes

Census Variable	Antioch	Zip Code 94509	Zip Code 94531
		%	
INCOME DATA			
Household Income Data			
Less than $10,000	4.8	5.5	3.8
$10,000 to $14,999	3.6	4.7	1.7
$15,000 to $24,999	8.3	9.9	5.4
$25,000 to $34,999	8.3	10.1	5.4
$35,000 to $49,999	10.4	11.7	8.2
$50,000 to $74,999	18.2	20.4	14.4
$75,000 to $99,999	13.8	13.3	14.6
$100,000 to $149,999	18.5	14.1	26.0
$150,000 to $199,999	7.9	6.1	11.1
$200,000 or more	6.2	4.2	9.5
Median Household Income	$69,925	$58,823	$93,466
Mean Household Income	$85,001	$73,709	$104,527
Per Capita Income	$27,112	$24,592	$30,996
LABOR FORCE DATA			
Employment Status - Labor Force Participation Rate			
Population 20 to 64 years	74.9	72.8	78.1
Male - 20 to 64 years	79.4	77.0	83.3
Female - 20 to 64 years	70.6	68.7	73.7
EDUCATIONAL ATTAINMENT			
Population 25 to 64 years	75.1	73.1	78.2
Less than high school graduate	63.6	64.4	61.7
High school graduate (includes equivalency)	72.4	72.0	73.1
Some college or associate's degree	78.0	77.2	79.1
Bachelor's degree or higher	80.4	73.9	85.8
Travel Time to Work			
Less than 5 minutes	1.4	1.5	1.1
5 to 9 minutes	5.3	6.7	3.4
10 to 14 minutes	9.5	11.0	7.4
15 to 19 minutes	9.2	10.7	7.1
20 to 24 minutes	7.0	7.6	6.3
25 to 29 minutes	2.7	3.0	2.3
30 to 34 minutes	9.5	9.5	9.4
35 to 39 minutes	2.5	3.3	1.4
40 to 44 minutes	4.2	3.6	5.0
45 to 59 minutes	15.2	14.4	16.2
60 to 89 minutes	17.3	15.3	20.1
90 or more minutes	16.2	13.3	20.1

Source: U.S. Census Bureau, 2012-2017 American Community Survey 5-Year Estimates; TNDG.

Table A-2. Education and Ethnicity/Race related Census Data – Antioch Zip Codes

Census Variable	Antioch	Zip Code 94509	Zip Code 94531
		%	
EDUCATION			
Educational Attainment - Population 18 to 24 years			
Less than high school graduate	17.4	21.2	12.2
High school graduate (includes equivalency)	30.6	29.3	32.4
Some college or associate's degree	46.3	46.8	45.7
Bachelor's degree or higher	5.7	2.8	9.7
Educational Attainment - Population 25 years and over			
Less than 9th grade	6.2	7.4	4.2
9th to 12th grade, no diploma	7.4	8.6	5.5
High school graduate (includes equivalency)	27.1	30.4	21.7
Some college, no degree	29.5	29.4	29.6
Associate's degree	8.8	7.8	10.4
Bachelor's degree	15.0	11.1	21.3
Graduate or professional degree	6.0	5.3	7.3
ETHNICITY/RACE			
Hispanic or Latino Origin			
Not Hispanic or Latino	66.7	62.3	73.6
Hispanic or Latino	33.3	37.7	26.4
Race			
White alone	44.0	49.9	35.0
Black or African American alone	20.1	17.7	23.8
American Indian and Alaska Native alone	0.8	1.2	0.2
Asian alone	10.9	7.2	16.6
Native Hawaiian and Other Pacific Islander alone	1.0	0.7	1.5
Some other race alone	14.2	15.0	12.9
Two or more races	9.0	8.3	10.1

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates; TNDG.

Table A-3. Housing-related Census Data – Antioch Zip Codes

Census Variable	Antioch	Zip Code 94509	Zip Code 94531
		%	
HOUSING			
Occupancy Status - Housing Units			
Occupied	94.6	93.9	96.0
Vacant	5.4	6.1	4.0
Tenure - Occupied Housing Units			
Owner occupied	60.8	55.8	69.5
Renter occupied	39.2	44.2	30.5
Year Structure Built			
Built 2014 or later	0.2	0.2	0.2
Built 2010 to 2013	2.1	2.0	2.4
Built 2000 to 2009	12.5	5.3	25.2
Built 1990 to 1999	23.5	8.9	49.2
Built 1980 to 1989	18.8	18.6	19.2
Built 1970 to 1979	18.8	28.7	1.4
Built 1960 to 1969	10.5	16.3	0.3
Built 1950 to 1959	6.7	9.6	1.7
Built 1940 to 1949	4.4	6.9	0.1
Built 1939 or earlier	2.4	3.6	0.4

Source: U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates; TNDG.

Document 2.2

Executive Summary of Industry Cluster Report

EXECUTIVE SUMMARY

INDUSTRY CLUSTER STUDY
FOR
ECONOMIC DEVELOPMENT BASELINE
AND STRATEGIC PLANS

Prepared for:
City of Antioch

April 22, 2020

PREPARED BY:

THE NATELSON DALE GROUP, INC.
YORBA LINDA, CA • www.natelsondale.com
O: 714.692.9596 • F: 714.692.9597

Contents

Tables

Introduction

This document provides an abbreviated summary of industry growth/retraction trends in the City of Antioch ("City"), comparing the local economy's recent and longer-term performance to regional and national benchmarks.

The study evaluates the City's economy in terms of industry "clusters." Clusters are groups of inter-related industry sectors whose growth potentials within a region tend to be closely aligned. The tendency of individual industries to co-locate in clusters reflects linkages through supply-chain relationships, as well as commonalities in terms of workforce requirements and infrastructure needs. The concept of industry clusters is an effective framework for economic development programming since it reflects a holistic understanding of the regional economic conditions driving the growth or retraction of individual sectors.

Definitions and Focus of Cluster Study

The clusters analyzed in this study are based on definitions (i.e., industry groupings) from the U.S. Cluster Mapping Project, an economic development initiative led by Harvard Business School's Institute for Strategy and Competitiveness.

Per the North American Industry Classification System (NAICS), the U.S. economy includes a total of approximately 1,100 individual industry sectors. The U.S. Cluster Mapping Project assigns each of these sectors to unique clusters based on the types of linkages described above. Nationally, the Cluster Mapping Project recognizes a total of 67 clusters, with 16 classified as "local" clusters and 51 classified as "traded" clusters.

Total current (2019) employment in the City is estimated at 24,069 jobs. Of this total, 23,462 jobs are in industries that are included in either a local or traded cluster. The local clusters currently represent a total of 21,253 jobs in the City, while the traded clusters account for 2,309 jobs in the City.

Whereas local and traded clusters are both critically important components of a balanced economy, they have distinct roles and characteristics, and these distinctions can be helpful in terms of planning economic development programs. Some of these distinctions are summarized as follows:

- ***Local clusters*** typically form the core of a region's economy; they primarily provide goods and services for the local (resident) population. They tend to account for the majority of jobs in a region (in the case of the City, local clusters represent 88% of total jobs), and support a high quality of life by ensuring the availability of a diverse range of goods and services.

- ***Traded clusters*** are "export-oriented" in the sense that they include industries that are engaged in producing goods and services for end customers outside the region (in this case, outside of the City). Although traded clusters represent only 9% of the jobs in the City, they are still important from an economic development perspective given that they tend to have higher wages and higher "multiplier impacts" compared to local clusters. That is, they have a strong potential to inject new dollars into the local economy and thereby serve as "drivers" for broader economic growth.

Existing Important Clusters in Antioch and East Bay

Table 1, beginning on the next page, lists all local and traded clusters that had 100 or more jobs in Antioch in 2019, and provides the following information about each listed cluster:

- Total number of jobs in Antioch in 2019 (the latest full year for which data are available)
- Location quotient (compared to U.S. benchmark) in 2019. The location quotient (LQ) measures how concentrated/important an industry cluster is in a region compared to national benchmarks. An LQ value greater than 1.0 indicates that a cluster is more concentrated in the region than it is nationally. This is generally regarded as an indication that the region has a comparative advantage relative to a particular cluster, although (especially for local clusters) an LQ below 1.0 can indicate a potential growth opportunity.
- Average annual wage in Antioch
- Change in the number of jobs for the most recent five-year period, 2014-2019

Table 2 provides comparable data for the East Bay region (Alameda and Contra Costa counties). For the East Bay region, the summary table lists all local and traded clusters that had 2,000 or more jobs in 2019.

Table 3 summarizes cluster job growth/retraction performance in Antioch and in the East Bay region compared to national trends. This part of the study is based on a "shift-share" analysis for each cluster that estimates an "expected" job change based on national trends. If Antioch (or the East Bay) has higher job growth (or experiences less severe job losses) compared to the expected change, it indicates that the City (or East Bay) has performed better than national trends. Conversely, if Antioch/East Bay has less job growth (or experiences more severe job losses) compared to the expected change, it indicates that the city/region has performed worse than national trends.

TABLE 1. SUMMARY CHARACTERISTICS AND TRENDS, ANTIOCH'S LARGEST INDUSTRY CLUSTERS (LIST INCLUDES ALL CLUSTERS WITH MORE THAN 100 JOBS IN 2019)

Cluster	Traded / Local	Antioch Jobs in 2019	Location Quotient in 2019	Average Annual Wage[1]	Change in Jobs 2014-2019
Health Services	Local	4,875	1.61	$91,027	746
Hospitality Establishments	Local	2,849	1.32	$23,070	407
Real Estate, Construction, and Development	Local	2,674	1.37	$69,245	608
Education and Training	Local	2,420	1.75	$53,436	-80
Retailing of Clothing and General Merchandise	Local	1,674	2.24	$29,405	-55
Community and Civic Organizations	Local	1,532	1.65	$22,168	267
Personal Services (Non-Medical)	Local	894	1.36	$35,008	5
Food and Beverage Processing and Distribution	Local	891	1.22	$34,752	21
Motor Vehicle Products and Services	Local	890	1.21	$52,082	172
Commercial Services	Local	832	0.54	$51,554	2
Business Services	Traded	561	0.35	$63,779	15
Utilities	Local	433	2.20	$136,021	35
Logistical Services	Local	399	0.83	$45,967	65
Household Goods and Services	Local	395	1.21	$41,394	33
Distribution and Electronic Commerce	Traded	308	0.32	$106,392	90
Financial Services	Local	280	0.58	$98,003	6
Construction Products and Services	Traded	220	1.28	$105,578	35
Education and Knowledge Creation	Traded	204	0.25	$71,209	-20
Entertainment and Media	Local	197	0.83	$28,621	-36
Hospitality and Tourism	Traded	174	0.29	$43,531	2
Marketing, Design, and Publishing	Traded	105	0.36	$70,157	-8

Source: U.S. Cluster Mapping Project; Chmura Economics; The Natelson Dale Group, Inc. (TNDG).

Table 2. Summary Characteristics and Trends, East Bay's Largest Industry Clusters (list includes all clusters with more than 2,000 jobs in 2019)

Cluster	Traded / Local	East Bay Jobs in 2019	Location Quotient in 2019	Average Annual Wage[1]	Change in Jobs 2014-2019
Health Services	Local	136,075	0.88	$85,976	11,094
Real Estate, Construction, and Development	Local	110,920	1.11	$77,090	17,889
Hospitality Establishments	Local	108,584	0.99	$25,217	16,968
Business Services	Traded	104,488	1.26	$126,108	4,860
Commercial Services	Local	73,087	0.93	$58,399	8,437
Community and Civic Organizations	Local	66,269	1.40	$28,337	11,062
Education and Training	Local	62,795	0.89	$58,026	3,855
Education and Knowledge Creation	Traded	60,811	1.47	$93,136	4,620
Distribution and Electronic Commerce	Traded	45,582	0.92	$83,203	3,534
Food and Beverage Processing and Distribution	Local	40,106	1.08	$42,813	488
Personal Services (Non-Medical)	Local	35,692	1.06	$34,587	4,914
Retailing of Clothing and General Merchandise	Local	33,693	0.88	$29,413	540
Logistical Services	Local	33,156	1.35	$60,281	7,836
Motor Vehicle Products and Services	Local	30,719	0.82	$55,142	3,778
Information Technology and Analytical Instruments	Traded	28,864	2.67	$147,612	9,030
Hospitality and Tourism	Traded	20,435	0.67	$64,846	3,057
Financial Services	Local	18,245	0.74	$93,910	941
Household Goods and Services	Local	16,838	1.01	$46,723	1,762
Automotive	Traded	16,669	1.95	$109,487	10,746
Utilities	Local	14,233	1.42	$119,879	(2,166)
Marketing, Design, and Publishing	Traded	14,055	0.94	$102,814	1,517
Financial Services	Traded	11,294	0.68	$135,368	(1,196)
Food Processing and Manufacturing	Traded	11,023	1.15	$60,457	2,264

Cluster	Traded / Local	East Bay Jobs in 2019	Location Quotient in 2019	Average Annual Wage[1]	Change in Jobs 2014-2019
Entertainment and Media	Local	10,540	0.87	$38,448	(540)
Insurance Services	Traded	10,332	0.92	$141,754	4,178
Transportation and Logistics	Traded	8,988	0.56	$79,686	2,332
Construction Products and Services	Traded	7,880	0.90	$101,831	1,921
Performing Arts	Traded	6,544	1.18	$39,011	51
Medical Devices	Traded	5,191	2.17	$130,802	1,041
Oil and Gas Production and Transportation	Traded	4,788	0.85	$176,944	(633)
Industrial Products and Services	Local	4,540	0.94	$72,031	(382)
Biopharmaceuticals	Traded	3,976	1.62	$134,556	987
Water Transportation	Traded	3,811	1.34	$158,812	64
Communications Equipment and Services	Traded	3,657	1.49	$129,526	(1,558)
Production Technology and Heavy Machinery	Traded	3,281	0.41	$99,550	32
Metalworking Technology	Traded	2,716	0.68	$65,842	486
Lighting and Electrical Equipment	Traded	2,683	1.00	$84,032	482
Printing Services	Traded	2,476	0.67	$58,223	(561)
Plastics	Traded	2,259	0.42	$56,986	103
Video Production and Distribution	Traded	2,236	0.93	$159,802	13
Downstream Chemical Products	Traded	2,149	0.94	$149,600	387

Source: U.S. Cluster Mapping Project; Chmura Economics; TNDG.

TABLE 3. JOB GROWTH/RETRACTION PERFORMANCE COMPARED TO NATIONAL TRENDS FOR ANTIOCH'S LARGEST INDUSTRY CLUSTERS (LIST INCLUDES ALL CLUSTERS WITH MORE THAN 100 JOBS IN 2019), CITY OF ANTIOCH AND EAST BAY

Cluster	Traded / Local	2015-19 Growth Performance based on Shift Share Analysis	
		Antioch	East Bay
Health Services	Local	Better	Worse
Hospitality Establishments	Local	Better	Better
Real Estate, Construction, and Development	Local	Better	Better
Education and Training	Local	Worse	Better
Retailing of Clothing and General Merchandise	Local	Worse	Better
Community and Civic Organizations	Local	Better	Better
Personal Services (Non-Medical)	Local	Worse	Better
Food and Beverage Processing and Distribution	Local	Worse	Worse
Motor Vehicle Products and Services	Local	Better	Better
Commercial Services	Local	Worse	Better
Business Services	Traded	Worse	Worse
Utilities	Local	Better	Worse
Logistical Services	Local	Better	Better
Household Goods and Services	Local	Better	Better
Distribution and Electronic Commerce	Traded	Better	Worse
Financial Services	Local	Worse	Worse
Construction Products and Services	Traded	Better	Better
Education and Knowledge Creation	Traded	Worse	Better
Entertainment and Media	Local	Worse	Better
Hospitality and Tourism	Traded	Worse	Better
Marketing, Design, and Publishing	Traded	Worse	Better

Source: U.S. Cluster Mapping Project; Chmura Economics; TNDG.

"Candidate" Clusters for Antioch's Target Industry Program

The following two tables (Tables 4 and 5) provide important existing clusters for the two geographic areas evaluated in this analysis: City of Antioch and the East Bay region. For each area, clusters are shown in the table if they are in the top 10 for at least one of the three variables:

1. 2019 Location Quotient (LQ)
2. Number of jobs in 2019
3. Job growth between 2014 and 2019

TABLE 4. TOP 10 CLUSTERS FOR KEY VARIABLES: LQ, JOBS, AND JOB GROWTH, ANTIOCH

Cluster	2019 LQ	2019 Jobs	2014-19 Jobs Added
Local Retailing of Clothing and General Merch.	2.2	1,674	-55
Local Utilities	2.2	433	35
Environmental Services	1.9	40	25
Local Education and Training	1.7	2,420	-80
Local Community and Civic Organizations	1.7	1,532	267
Local Health Services	1.6	4,875	746
Water Transportation	1.5	81	41
Local Real Estate, Construction, and Development	1.4	2,674	608
Local Personal Services (Non-Medical)	1.4	894	5
Local Hospitality Establishments	1.3	2,849	407
Local Food and Beverage Processing and Distrib.	1.3	220	35
Local Motor Vehicle Products and Services	1.2	891	21
Local Commercial Services	1.2	890	172
Distribution and Electronic Commerce	0.8	399	65
Local Logistical Services	0.5	832	2
Construction Products and Services	0.3	308	90

Source: U.S. Cluster Mapping Project; Chmura Economics; TNDG.

= Top 10 cluster for specified variable

TABLE 5. TOP 10 CLUSTERS FOR KEY VARIABLES: LQ, JOBS, AND JOB GROWTH, EAST BAY

Cluster	2019 LQ	2019 Jobs	2014-19 Jobs Added
Information Tech. and Analytical Instruments	2.7	28,864	9,030
Medical Devices	2.2	5,191	1,041
Automotive	2.0	16,669	10,746
Biopharmaceuticals	1.6	3,976	987
Communications Equipment and Services	1.5	3,657	-1,558
Education and Knowledge Creation	1.5	60,811	4,620
Local Utilities	1.4	14,233	-2,166
Local Community and Civic Organizations	1.4	66,269	11,062
Local Logistical Services	1.4	33,156	7,836
Water Transportation	1.3	3,811	64
Business Services	1.3	104,488	4,860
Local Real Estate, Construction, and Development	1.1	110,920	17,889
Local Food and Beverage Processing and Distrib.	1.1	40,106	488
Local Personal Services (Non-Medical)	1.1	35,692	4,914
Local Hospitality Establishments	1.0	108,584	16,968
Local Commercial Services	0.9	73,087	8,437
Distribution and Electronic Commerce	0.9	45,582	3,534
Local Education and Training	0.9	62,795	3,855
Local Health Services	0.9	136,075	11,094

Source: U.S. Cluster Mapping Project; Chmura Economics; TNDG.

= Top 10 cluster for specified variable

Table 6, on the following page, provides a preliminary list of candidate clusters for the City of Antioch's industry targeting program (i.e., business retention, expansion and attraction). The preliminary candidate clusters are based on two strategic approaches to industry targeting:

1. ***Build on Antioch's existing core strengths.*** In some cases (e.g., health services), the core clusters represent strong continuing growth opportunities that could be the focus of business expansion/attraction efforts. In other cases (e.g., the retail industry), the existing core clusters are currently recognized nationally as non-growth or declining industries (in these cases, the City's industry targeting efforts would appropriately focus on retention/repositioning).

2. ***Tap into dominant East Bay clusters that are not currently well represented in Antioch.*** This strategic approach would seek to leverage Antioch's competitive strengths to capture increasing shares of projected East Bay employment growth. This component of the City's business attraction/marketing program would focus on the Antioch's unique "selling points" relative to the larger Bay Area economy (including the city's waterfront location, a resident workforce that includes large numbers of commuters potentially eager to work closer to home, and the availability of developable land suitable to land-intensive industries). In developing the preliminary list of candidates for the "tap into dominant East Bay clusters" strategy, the consultant has focused on clusters meeting the following criteria:

    a. Traded clusters (local clusters are addressed in the other strategic approach);
    b. Clusters that experienced a net gain in jobs between 2014 and 2019;
    c. Clusters primarily oriented towards private business investment (in contrast to clusters that are substantially composed of public sector / nonprofit employment).[1]

On page 11, Table 7 summarizes key characteristics for the candidate clusters identified in Table 6. The characteristics include annual average wages, projected 10-year job growth (for the larger East Bay and Bay Area regions), and additional qualitative criteria.

[1] Based on this criterion, the preliminary list excludes the "Local Community and Civic Organizations" clusters. Whereas civic organizations are clearly critical to a healthy local economy, they are not typically part of an industry attraction effort. As appropriate, the need to leverage or expand the roles of these organizations in Antioch will be addressed in other components of the overall Economic Development Strategic Plan.

TABLE 6. PRELIMINARY LIST OF CANDIDATE CLUSTERS FOR ANTIOCH'S INDUSTRY PROGRAM

Strategic Approach	Local-serving Clusters	"Traded" Clusters
Build on (or facilitate repositioning of) Antioch's existing core strengths	• Health services • Retail/personal services • Hospitality • Local real estate and construction services • Food and beverage processing/distribution • Local utilities	• Construction products (manufacturing) • Water transportation • Environmental services (waste management) • Distribution/electronic commerce
Tap into dominant East Bay industry clusters that are not currently well represented in the city		• IT and analytical instruments • Medical devices mfg. • Automotive mfg. • Biopharmaceuticals • Education and knowledge creation • Business services

Source: TNDG

Table 7. Characteristics of Candidate Clusters

Candidate Cluster	Local or Traded Cluster?	Average (1) Annual Compensation	Projected 10-Year Job Growth (net number of new jobs)		Does this cluster leverage Antioch's core competitive advantages?		
			East Bay	Bay Area	Waterfront	Workforce/ Commute	Industrial Capacity
Antioch's existing clusters:							
Health services	Local (2)	$85,976	24,000	70,000		X	
Retail/personal services	Local	$29,413	Job losses	Job losses			
Hospitality	Local	$25,217	19,000	61,000			
Real estate and construction	Local	$77,090	12,000	44,000		X	
Food and beverage processing/distribution	Local	$42,813	300	1,200		X	X
Utilities	Local	$119,879	Job losses	Job losses		X	X
Construction products mfg.	Traded	$101,831	1,000	3,000		X	X
Water transportation	Traded	$158,812	600	800	X	X	
Environmental services	Traded	$78,566	120	200	X		X
Distribution/electronic commerce	Traded	$83,203	2,700	11,000	X	X	X
East Bay clusters:							
IT and analytical instruments	Traded	$147,612	2,400	16,000		X	X
Medical devices mfg.	Traded	$130,802	1,200	No net growth		X	X
Automotive mfg.	Traded	$109,487	8,000	9,000		X	X
Biopharmaceuticals	Traded	$134,556	<100	2,000		X	X
Education and knowledge creation	Traded	$93,133	7,000	28,000		X	
Business services	Traded	$126,108	15,000	112,000		X	

(1) Average compensation based on averages for East Bay subregion.

(2) Although the Health Services cluster is typically considered a local cluster, Antioch's facilities serve the larger region to some extent.

Source: TNDG

Framework for Citywide Economic Development Strategy

Note to Summit Meeting Participants:

The attached document provides a preliminary framework for a citywide Economic Development Strategic Plan for Antioch. *The document is a work in progress, with some details purposely left blank at this time.*

The strategic plan program areas outlined in the document represent a comprehensive, citywide approach to supporting Antioch's competitiveness. The citywide framework will later be expanded to include detailed action plans for high-priority subareas (employment centers).

A total of 14 programs are grouped into three overarching categories:

> **Category 1: City administrative actions:** Actions the City can undertake largely on its own without necessarily having to commit substantial additional resources.
>
> **Category 2: Substantial investment or creative use of limited resources:** these are items that may require capital investments or other major resource commitments. Alternatively, to the extent funds are restricted, programmatic focus might shift toward low-cost design solutions.
>
> **Category 3: External partner focus:** the City may have primarily a convening or other facilitating/coordinating role, encouraging partners to, potentially, align pursuit of their own interests with those of the City.

The programs in the three categories, taken together, constitute a cross-section of levels of effort, involvement of both internal (City) and external entities, and subject matter.

Preparation for Next Week's Meeting. *At the June 3rd Summit meeting, the consultant team will provide an overview each of the 14 recommended programs to the meeting participants. Consequently, attendees need not familiarize themselves with the full contents of the document ahead of the meeting; the document is provided now primarily for reference. For those interested in a quick orientation to the document prior to our meeting, pages 1 through 3 provide a summary of the contents.*

Document 2.3

Draft Citywide Framework for Antioch EDSP

DRAFT
FRAMEWORK FOR CITYWIDE ECONOMIC DEVELOPMENT STRATEGY

Cover Photo Credit: “View of Antioch from Black Diamond Mines Regional Preserve” by LPS.1 – Own work. Licensed under CC BY 4.0 via Wikipedia.com – https://en.wikipedia.org/wiki/Antioch,_California#/media/File:Antioch_California.jpg

Prepared for:

City of Antioch

May 27, 2020

Prepared by:

THE NATELSON DALE GROUP, INC.
YORBA LINDA, CA • www.natelsondale.com
O: 714.692.9596 • F: 714.692.9597

Strategic context for Antioch's economic development program

Scope and Intent of this Plan. Antioch – by virtue of its strategic position within the dynamic Bay Area economy and its capacity for new growth – has impressive economic development potentials. At the same time, the community faces a range of challenges (including crime, homelessness, aging commercial/industrial areas, and concerns about the quality of the public education system) which, if not systematically addressed, will tend to create significant "headwinds" for the City's economic development efforts. The Economic Development Strategic Plan (EDSP) outlined below is intended to balance a focus on leveraging Antioch's positive attributes (through core economic development functions such as marketing, business retention/expansion/attraction, and entrepreneurial development) with appropriate attention to the community's foundational challenges.

Given that the challenges facing older cities tend to be firmly entrenched and require substantial resources to fix, it is not realistic to expect that they be fully solved in a few years. Nor is it *necessary* that they be fully resolved in order for Antioch to make progress in attracting targeted new development (even in the most economically vibrant cities, positive and negative conditions often coexist). However, Antioch's long-term success in economic development will be substantially enhanced by a comprehensive program that aggressively pursues new development/business opportunities while also charting a course for measurably improving foundational conditions over time.

The EDSP provides a ***citywide framework*** for Antioch's economic development programming over the next 5-10 years. During the next stage of the planning process, area-specific strategies will be formulated for the high-priority employment centers that will be the initial focus of the City's implementation efforts.

Big-picture Themes. Antioch shares many of the opportunities and challenges that suburban cities in dynamic urban regions have in common:

- The city's original, historic economic function is less relevant today.
- A principal driver of growth in the city and surrounding cities is housing development for a workforce largely focused on jobs concentrated more towards the urban core. This has the following two effects:
    1. The city is constantly in catch-up mode with respect to maintaining a jobs/housing balance.
    2. Retail development serving growing populations tends to follow the path of new residential development, and new shopping areas can out-compete existing locations.
- Given its location within the larger region (and its strategic position relative to regional workforce commute patterns), the city is competitive for a range of economic activity, *all other things being equal*, which means that a comprehensive approach is generally desirable if not necessary to help ensure the attractiveness of the community currently and into the future – especially with respect to surrounding cities that are facing the same challenges/opportunities and also attempting to successfully address them.
- Historic areas in the community are unique assets but also tend to require ongoing investment and other special attention to maintain their relevancy.

A simplified summary of Antioch's current strategic situation is summarized in the diagram below:

Assets establish **Strong Potentials**:
- Location in region
- Workforce
- Land/growth capacity
- Waterfront access

To address **Chronic Problems**:
- Blight
- Crime
- Homelessness
- Education system

By applying **Strategic Actions** and, immediately, **Systematic Communication** to clarify and correct misconceptions

Overview of strategy/program categories

The strategic plan citywide program areas outlined below represent a comprehensive approach to supporting Antioch's competitiveness. A total of 14 programs are grouped into three overarching categories:

Category 1: City administrative actions: Actions the City can undertake largely on its own without necessarily having to commit substantial additional resources. These include:

1. Development streamlining
2. Diversify economy (industry/cluster targeting program)
3. Existing business retention/expansion
4. Marketing / business attraction

Category 2: Substantial investment or creative use of limited resources: these are items that may require capital investments or other major resource commitments. Alternatively, to the extent funds are restricted, programmatic focus might shift toward low-cost design solutions. These include:

5. Crime reduction efforts
6. Blight reduction efforts
7. Programs to reduce homelessness
8. Other Quality of Life initiatives - including coordinating how City entities such as the Recreation Department, Marina and others maintain a Quality of Life programmatic and marketing orientation
9. Placemaking (e.g., downtown)
10. Targeted infrastructure investment

Category 3: External partner focus: the City may have primarily a convening or other facilitating/coordinating role, encouraging partners to, potentially, align pursuit of their own interests with those of the City. These include:

11. K-12 Education
12. Workforce development
13. Entrepreneurial development
14. Leverage philanthropic resources

The programs in the three categories, taken together, constitute a cross-section of levels of effort, internal and external entities, and subject matter.

CATEGORY 1: CITY ADMINISTRATIVE ACTIONS

The concept behind this group of strategic program areas is that they are processes that the City could design and implement largely independent of other entities.

Development Streamlining

The question of whether a city can improve its development approval processes, and should do so to increase their attractiveness to developers, is often much debated in the course of strategic planning processes. The issue tends to get to the heart of the relative "business friendliness" perception of the community, primarily on the part of outsiders. This perception in turn is often a matter of how the city compares to surrounding communities that are potentially competing for the same kind of development. These questions do not necessarily need to be settled within an economic development strategic planning process; it can be sufficient to simply review current conditions and consider adjustments, at least some of which may be relatively straightforward to put in place.

Some cities use expressions of their commitment to business friendliness as part of their economic development promotional materials. Key elements of such a program recently implemented by the City of Menifee in southern California served as a potential model for Antioch and are reproduced here (City of Menifee website, and the City has also produced a brochure in which their development process flow is branded "Streamline Menifee"). In addition to the branding, the strength of the program is based on the City's commitment to complete each stage of project approval within specified timeframes.

POTENTIAL MODEL PROGRAM FOR ANTIOCH: MENIFEE'S COMMITMENT TO BUSINESS PROSPECT ASSISTANCE AND DEVELOPMENT STREAMLINING

Business Liaison Services: The Office of Economic Development offers a prospect a reliable single point of contact through every stage of the development process.

Site Selection Assistance: City staff will assist in compiling a list of possible business sites for a prospect, provide advice on zoning codes, and provide feedback about the need for additional permitting measures related to any particular location.

Accelerated Plan Check: a "*Rapid Response Team*" that serves as a project partner during any and all phases of the site selection, due diligence, entitlement, permitting, and construction processes. If an issue arises, the Rapid Response Team collaborates with the City's' Development Divisions to help resolve.

Strategy Group Action Item	City lead	Partners, coord. agencies	Priority level/City role
1. DEVELOPMENT STREAMLINING			
A. Analyze current development approval processes and approval tracking systems (including processes used by both Community Development and Public Works) and investigate options for expediting approvals (for example expanded use of program-level environmental impact reports; online permitting portals, giving applicants the option of hiring 3rd party certification of construction documents submitted for plan review, etc.).		Building Industry Association of the Bay Area CD-P	
B. Review City user and processing fees and processes; evaluate options to create Economic Development incentive packages through adjustments to fees and processes, focused on cluster/industry targets.		CD-P	
C. Tie whatever development streamlining procedures are put in place (and/or economic development incentive packages for industry targets) to a system for expediting in-City business relocations and expansions (through entitlements, permitting, etc.), as part of a Business Attraction and Business Retention and Expansion (BRE) program.			
D. Consider methods by which approval systems can be more advantageous to developers, for example by deferring impact fee collection until a Certificate of Occupancy is issued.		CD-P CD-B	

Initial observations regarding the pandemic's influence on strategies: Competition among cities for what might be, for a time, limited development activity could make this issue more relevant and increase the importance of the City implementing highly visible development streamlining initiatives. Municipalities have an added incentive to work with the business community to help businesses recover from the coronavirus shutdowns. These efforts, and the messages about such efforts, can be integrated with development streamlining measures.

Diversify Economy

In Summit workshop meetings for this EDSP, participants expressed a desire to target certain industries for expansion in the City, including some with minimal or no representation in Antioch at present. These interests are expressed in the strategic program category outlined below. The means of achieving greater diversification of the economy are discussed in subsequent program categories of Existing Business Retention/Expansion, and Marketing/Business Attraction.

Strategy Group Action Item	City lead	Partners, coord. agencies	Priority level/City role
2. DIVERSIFY ECONOMY (INDUSTRY/CLUSTER TARGETING PROGRAM)			
A. Refine and prioritize cluster/industry targeting preferences identified in the EDSP, based on factors such as: 1) the nature of the existing cluster in the city, 2) complementarity or the potential for synergistic interrelationships with other clusters, existing economic activity in the city, etc., 3) presence of the cluster/industry within the East Bay, and 4) potential for physically accommodating typical prospect firms.	ED	East Bay Economic Development Alliance	
B. Compile an initial prospect list, taking into consideration factors such as: 1) existing presence in the East Bay or larger Bay Area region, especially where locations would be expected to have become overly expensive, and 2) firms that may be underrepresented or absent in the region but need to be here because of the strength or expansion of related industries.	ED		

Existing Business Retention/Expansion (BRE)

A BRE program, once established as part of an economic development strategic plan, will also feed into the further development and ongoing updating of ED strategic plans. In this regard, strategies and actions that are helpful for existing firms are likely to also be relevant to prospective employers.

BRE tends to be the more visible form of local economic development activity, and so by default becomes a form of self-promotion for ED while also serving the primary purposes for which the outreach is conducted. BRE can therefore be recognized as a key mechanism for balancing ED programs directed towards attracting *new* businesses, which is especially important for cities that have determined a critical need for diversifying their economy through recruitment efforts.

Common objectives of a BRE program include:

- Identify any needs for business assistance.
- Connect businesses with available support resources.
- Probe businesses' sense of locational advantages and disadvantages of being in Antioch. These findings can then be related to the process of refining/updating industry targets.
- Identify any needs for coordinating operational or expansion requirements with local regulatory bodies.

Major outputs from a BRE program include:

- Discovering community-level issues that may be helping or hindering a particular business, group of businesses or entire industry/cluster, or a geographic concentration of businesses.
- Discovering issues outside the community's purview affecting the health of businesses, in response to which the community could consider a range of responses, from offering remedial action to generating contingency plans in the face of possible downsizing or loss of such businesses. This is particularly important for the pandemic and post-pandemic period.

Strategy Group Action Item	City lead	Partners, coord. agencies	Priority level/City role
3. EXISTING-BUSINESS RETENTION AND EXPANSION			
A. Business Outreach. Utilize online surveys, business site visits and other typical economic development tools to design and initiate/expand communication with existing firms. These tools can be generated in-house or adapted from systems developed by others, which may offer some advantage of standardization and the ability (potentially) to compare results across other geographic areas.	ED	Antioch Chamber of Commerce Association of Manufacturers; SFMade	
A. Design the operational plan for implementing the program in consideration of budget and staffing, coordination with other economic development functions and strategic priorities, and similar considerations.	ED		
B. Establish and maintain a contact database and integrated system for recording and compiling results of the outreach processes, maintaining contact and update schedules, and other details.	ED		

Initial observations regarding the pandemic's influence on strategies: This function (and the visibility of the City's messaging about it) is especially important now. Local businesses that have been sidelined by the pandemic are likely to need additional assistance in restoring their operations, so many might be more receptive to this sort of outreach than they would otherwise be.

Marketing / business attraction

Marketing program design and activities related to economic development can be integrated into existing marketing initiatives underway in Antioch. The marketing framework can include, as an ancillary function, promoting the idea of an increasingly diversified economy for Antioch to existing residents, calling their attention to the general advantages of diversification and to specific advantages including having expanded employment options for youth and for the existing and anticipated future workforce.

The City of Antioch is currently in the process of designing and implementing a comprehensive branding/marketing program for its economic development initiatives. It is anticipated that this ongoing effort will be refined and refocused based on the strategic priorities identified in the EDSP.

Strategy Group Action Item	City lead	Partners, coord. agencies	Priority level/City role
4. MARKETING			
A. Develop marketing materials that reflect the comprehensive nature of planning and economic development programs within the City; closely coordinate economic development marketing with key partners.		East Bay Economic Development Alliance; Antioch Chamber of Commerce	
B. Incorporate City's mission concepts related to sustainability, quality-of-life, and citizen values into marketing materials. This would include reference to the pending update of the 2011 *Community Climate Action Plan*, the 2020 *Climate Action & Resilience Plan*, with specific reference to the added resilience measures.		CalRecycle	
C. Coordinate messages to jointly promote real estate development/revitalization along with industry targeting (for both local-serving and traded businesses).	ED		
D. Continue to update and expand as appropriate the City's economic development website page, which is already a comprehensive information resource as well as promotional tool, incorporating information such as key results of the economic development strategic planning process. Emphasis on the following two topics would be particularly appropriate: 1) how selected industry targets fit into the overall evolving economy of the city, and 2) the relationship of regional economic development partners, programs, etc. to city programs.	ED	IS	
E. Review marketing programs and materials used by economic development partners, as well as key competitors, locally and regionally, for message-consistency with Antioch programs/materials.	ED	East Bay Economic Development Alliance; Antioch Chamber of Commerce	

Initial observations regarding the pandemic's influence on strategies: The same issue cited above pertaining to the potential for increased competition among cities increases the relevance of this strategy program area.

Given the comprehensive effort and content of the *Northern Waterfront Economic Development Initiative Strategic Action Plan,*[1] relevant strategies from that document are included throughout this set of citywide strategies intended for inclusion in the EDSP. For this particular strategy group (Marketing) these strategies include the following:

- Establish a ***Competitive Economic Development Incentive Program*** that includes utility rebate/rate reduction programs from PG&E, sales and use tax exclusions, hiring credits, workforce training and job placement programs, FAR bonuses, deferral or waiver of fees, expedited permitting, and business tax exemptions.
- Establish and implement an ***Industrial Development Bond Program*** by leveraging existing programs offered by the East Bay EDA, CALED, California Infrastructure and Economic Development Bank, and other entities.
- Actively market the Contra Costa County ***Recycling Market Development Zone*** (which includes all of Antioch) low-interest loan program.

[1] Produced under the direction of the Northern Waterfront Economic Development Ad Hoc Committee of the Contra Costa County Board of Supervisors and the Contra Costa County Department of Conservation and Development. Craft Consulting Group, 2019.

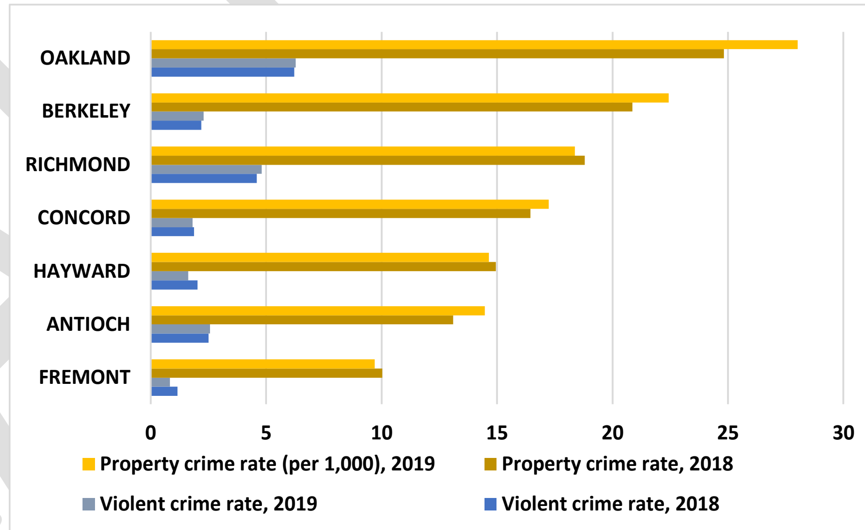
CATEGORY 2: SUBSTANTIAL INVESTMENT OR CREATIVE USE OF LIMITED RESOURCES

The program areas grouped under this heading may require capital investment or other substantial resource commitments. Alternatively, to the extent funds are restricted, programmatic focus might shift toward low-cost design solutions.

Crime

Antioch compares favorably in 2019 crime rate figures for East Bay cities (over 100,000 population, for which data are available), as shown in the figure below. Compared to California cities in general, however, the East Bay region cities have generally high crime rates, suggesting that they would benefit by programs that coordinate efforts in crime prevention/reduction across jurisdictions.

Antioch compares favorably in 2019 crime rate figures for East Bay cities (over 100,000 population, for which data are available), as shown in the figure below. Compared to California cities in general, however, the East Bay region cities have generally high crime rates, suggesting that they would benefit by programs that coordinate efforts in crime prevention/reduction across jurisdictions.



The "crime image" of many cities can be a function of perception more than actual data, so public relations and marketing efforts that tend to correct these erroneous perceptions are justifiable.

Strategy Group Action Item	City lead	Partners, coord. agencies	Priority level/City role
5. CRIME REDUCTION			
[Proposed actions pertaining to crime reduction will be drafted in close coordination with the Police Department, recognizing the multifaceted aspects of this issue.]			

Initial observations regarding the pandemic's influence on strategies: Economic and social stress brought about by the pandemic could result in increased crime, so the issue is particularly relevant at this time.

Blight reduction efforts

The challenges typically associated with urban blight take on many dimensions in Antioch: aging residential and commercial neighborhoods, obsolescent land uses, homelessness, and crime associated with such conditions. Addressing blight can both ameliorate these conditions and also add to the quality of life in Antioch.

From the standpoint of overall City administration, blight reduction efforts would be an integral function of the Code Enforcement Division, and also the Building Inspection Division in their capacity of reviewing older structures in the city for health and safety hazards, and Environmental Resources would potentially also have a role, by supporting property owners' efforts to increase efficiency in energy and other resource use, thereby providing another avenue by which property can be upgraded.

Strategies supporting the revitalization/redevelopment of buildings and neighborhoods also promote blight reduction. Attempts to revitalize areas of the city must recognize the additional challenges brought about by the fact that the retail industry is changing in fundamental ways.

Some of these changes are influencing the design of new retail centers and the viability of certain types of existing centers, particularly the traditional enclosed regional mall. Methods of reinvigorating these malls include: 1) redesigning and reconfiguring them into more contemporary formats, which often includes attempting to convert malls into something more like traditional main streets; 2) introducing different kinds of uses, such as offices, residential, hotels, or institutional uses, which may occur at higher densities; 3) changing the retail focus, for example from traditional department store anchors to discount department or other "big-box" stores.

Strategy Group Action Item	City lead	Partners, coord. agencies	Priority level/City role
6. BLIGHT REDUCTION, INCLUDING REAL ESTATE REVITALIZATION/REDEVELOPMENT			
A. Investigate the potential for coordinating responsibilities within the three City entities having a role in blight reduction (Code Enforcement, Building Inspection, and Environmental Resources) to increase their focus on specific areas, properties, or neighborhoods where improvements can have implications for achieving economic development objectives. This team might be informally organized but could have a specific title, such as Blight Response Team. Areas for focusing these efforts would need to be identified, prioritized, etc. to maximize the effectiveness of this action.		CD-B CD-C CD-E CD-P	
B. Inventory older commercial areas that may be suitable for, and benefit by, revitalization, giving additional attention to the presence of Opportunity Zones in areas so designated, and to their potential to attract additional capital.			
A. If resources permit, investigate and document options for repurposing sites and areas such as Somersville Mall. Options need to be considered in the context of whether or not some of these options could result in competition with Downtown. Another consideration is whether older commercial areas can be repurposed to produce uses that might be lacking in the community. For example, small spaces for startup companies may be in short supply and repurposed older buildings can be relatively cost-effective.		CD-P	
D. Review planning and zoning policies related to mixed-use development, and/or other regulations, guidelines, etc. that could encourage creative redevelopment projects, and incorporate appropriate concepts into revitalization area plans or (for example) special overlay districts that might be created relative to revitalization opportunities.		CD-P	
E. Establish an outreach program to real estate developers active in Antioch and the region to assess interests in property revitalization while also directly promoting the community's revitalization assets.	ED	Building Industry Association of the Bay Area	
F. As appropriate, contact the owners of commercial properties that might benefit from revitalization efforts to assess interest and potential	ED	Commercial real estate brokers	

Strategy Group Action Item	City lead	Partners, coord. agencies	Priority level/City role
6. BLIGHT REDUCTION, INCLUDING REAL ESTATE REVITALIZATION/REDEVELOPMENT			
partnerships or other forms of public support to achieve revitalization / redevelopment goals.			
G. Create and market incentives for redevelopment/revitalization of older properties (potentially including non-financial incentives such as expedited entitlements and permit processing).	ED	CD-P	

Initial observations regarding the pandemic's influence on strategies: Less-than-optimal economic conditions could increase the potential for blighted areas to expand or otherwise further downgrade, so strategic actions could be geographically targeted, prioritized, and implemented with this particular consideration at the forefront.

Relevant strategies from the *Northern Waterfront Economic Development Initiative Strategic Action Plan* include the following:

- Foster ***Distinctive Communities with a Strong Sense of Place.***
- Protect and ***Restore Sensitive Wildlife Habitat and Wetlands.***
- Develop a ***Network of Interconnected Trail Systems and Bicycle Routes*** along the Northern Waterfront. (page 7)

Programs to Reduce Homelessness

Homelessness is a national problem, but some regions and some individual cities feel compelled to address the problem; although truly effective solutions are generally elusive. To address the problem in terms of the causes of homelessness, regionwide if not statewide (and national if possible) approaches are almost certain to be more effective than those attempted by individual cities. Resources can be pooled, and city-specific locations may generally be irrelevant to most homeless persons.

There are a limited number of nonprofit organizations addressing homelessness in the region, some of which focus on specific clientele such as veterans, some are providing services only and some provide emergency and/or transitional housing. A *partial* list includes the following organizations:

- Bay Area Rescue Mission, Richmond. Services include emergency and transitional housing, meals, and life coaching.
- Abode Services, Fremont. Abode Services' mission is to end homelessness by assisting low-income, un-housed people, including those with special needs, to secure stable, supportive housing; and to be advocates for the removal of the causes of homelessness (serving Alameda, Santa Clara, Santa Cruz, San Mateo, and Napa counties).
- Homeless Action Center, Oakland, primarily provides legal and other advisory services to marginalized populations

- East Oakland Community Project, provides emergency and transitional housing and support services
- Operation Dignity, Oakland. Operation Dignity serves homeless and at-risk veterans, their families, and the communities they live in, by providing emergency, transitional, and permanent housing; comprehensive outreach and support services, and a strong peer community
- Swords to Plowshares – East Bay, Oakland. Services provided by this group that are key to addressing homelessness include the following:

    - Health & Social Services: Frontline Drop-in Center provides critical care to help homeless and low-income veterans improve their health, wellness and long-term stability. The Drop-in Center can be a gateway to the organization's continuum of care, the holistic model upon which service delivery is based.
    - Supportive Housing: Stabilization and supportive housing programs, combined with a continuum of care, provides homeless veterans with the stability and support they need to rebuild their lives.

- Stand Down on the Delta is a periodic event held at the fairgrounds in Antioch intended to provide veterans with medical and personal services as well as guidance on home purchasing.[2]

[2] *East Bay Times*: https://www.eastbaytimes.com/2019/09/16/stand-down-on-the-delta-coming-to-antioch-for-at-risk-vets/

Strategy Group Action Item	City lead	Partners, coord. agencies	Priority level/City role
7. REDUCE HOMELESSNESS			
A. Define a relevant region for doing so and inventory existing organizational and other resources involved in the goal of reducing homelessness, through general programmatic social support, actual provision of housing, or working in the arena of promoting or providing affordable housing, compiling results in a database that addresses type of support, geographic areas of focus, nature of funding, and similar details.		Bay Area Rescue Mission, Richmond; Abode Services, Fremont; Homeless Action Center, Oakland; East Oakland Community Project; Operation Dignity, Oakland; Swords to Plowshares – East Bay; Stand Down on the Delta	
B. Using the compiled database, identify existing strengths and deficiencies, and gaps, in how this issue is being addressed in the region, programmatic or geographic areas where additional support might be most effective in leveraging existing resources, and similar considerations.		East Bay Economic Development Alliance;	
C. Based on the information compiled, investigate the potential for regional coalitions or other joint efforts pertaining to homelessness, and propose such efforts as appropriate where they are lacking and appear to have some possibility of succeeding.			
D. Review City plans and policies that potentially impact homelessness in Antioch, or in neighboring communities, review these in the context of other information assembled (as described above), and recommend plan/policy or investment changes as appropriate		CD-P	

Initial observations regarding the pandemic's influence on strategies: The pandemic will almost certainly add to the problem of homelessness, both in terms of numbers of people affected and also the severity of their social assistance needs, so short-term remedies might be more important than long-term solutions in the immediate future.

Other Quality of Life Initiatives

A key aspect of this strategic program category is to recognize that improvements to quality-of-life can come about through programs that may have a specific other "practical" focus. By maintaining attention on these kinds of interrelationships, some focus on the possibilities for enhancing quality of life will be sustained. The somewhat nebulous concept of enhancing quality of life is especially important in Antioch, given the evidence of certain negative images on the part of some non-residents and residents alike that have taken hold.

Assets and administrative areas within the city that have a direct relationship to quality of life assets and initiatives include: The Recreation Department and Parks & Landscaping, Streets, and The Marina within the Public Works Department. To the extent practical, the programs and activities within these different entities that have a quality of life component can be coordinated in a way that maintains a focus on both effective implementation and maximizing economic development potential associated with these assets.

Strategy Group Action Item	City lead	Partners, coord. agencies	Priority level/City role
8. QUALITY OF LIFE ENHANCEMENTS			
A. Activities in this category need to be closely coordinated with the Placemaking section, where part of the intent is to make improvements that enhance identity of the community in concert with assets that improve quality of life through, for example, creating public open spaces/landmarks, and recreational areas.		CD-P	
B. To the extent practical, coordinate the programs and activities within the different City entities that have a quality of life component (Recreation Department and Parks & Landscaping, Streets, and The Marina) to establish a focus on both effective implementation and on maximizing economic development potential associated with these assets.	ED	Rec PW-P PW-Mar	
C. In other planning processes for the City, explicitly incorporate and recognize quality of life components.			
D. Include quality-of-life programs, along with planned, emerging, and developed related assets, within Antioch marketing materials, recognizing the value of this kind of positive messaging to offset certain existing negative perceptions.			

Initial observations regarding the pandemic's influence on strategies: The configuration and use of public areas could change significantly and on a long-term basis as a result of the pandemic experience, so the possibility of such changes needs to be closely monitored along with the potential need for design and other updates to existing and planned public spaces. Some commentators on the long-term effects of the pandemic have noted that suburbs may be more favored than urban cores, for both residential and economic activity. The perception of the City's quality of life will be important deciding factors for potential business and workforce relocatees.

Placemaking (e.g., Downtown)

Similarly to quality-of-life considerations, placemaking can accompany – that is, be integrated into – other strategies that have been put in place to serve primarily utilitarian purposes. Also, placemaking relates directly to efforts to address entrenched issues such as blight, crime and homelessness; improve public education; and otherwise enhance quality of life.

Strategy Group Action Item	City lead	Partners, coord. agencies	Priority level/City role
9. PLACEMAKING			
A. Within the framework of activities related to blight reduction, identify and cultivate the potential for revitalizing areas to serve as a focus for the community: for welcoming visitors and providing public spaces, landmark structures, and generally enhancing quality of life.		CD-P	
B. Consider expanding the range of special events in the city, focusing on events that have strong potentials to reinforce placemaking efforts. Promote/prioritize placemaking locations as a destination for these events, potentially offering expedited permitting, and user-friendly insurance requirements, for example.		Antioch Chamber of Commerce	
C. Market publicly owned sites, as available (e.g. in Downtown/waterfront areas), with the intent to preserve key properties for preferred business types or residential projects.			
D. Recognize and encourage as appropriate the role of housing in locations with placemaking potential, to add to the local consumer base and also general liveliness of the area. Include consideration of how unique places can be locations for housing that might not be as accepted in regular, established residential neighborhoods.		CD-P	
E. Focus grant opportunities (for infrastructure, etc.) on areas with placemaking potential, based on, as appropriate, thematic priorities such as the following: walkability, livable community, and sustainability.		PW-CI PW-S PW-P	
Placemaking specific to Downtown			
F. The City's *5-Year Capital Improvement Program 2019-2024* includes many projects specific to the Downtown area. These efforts can be continued and expanded upon in future years, with particular focus on interrelating such projects for maximum synergistic effect.		PW-CI	
G. Identify and promote actions to encourage the placemaking potential of the Downtown area within the framework of the Downtown Area Plan.		PW-Mar	
H. Consider the viability of establishing a geographically focused entrepreneurial start-up funding assistance program (public/private partnership) specific to Downtown for targeted or otherwise preferred business types.	ED	(See Entrepreneurial Development strategies)	

Initial observations regarding the pandemic's influence on strategies: The same issues mentioned in relation to quality-of-life apply to placemaking as well.

Targeted Infrastructure Investment

Transportation is a major infrastructure element in most communities, and transportation systems in Antioch and their integration into the community are still evolving. Creative thinking related to transportation should involve at least the following considerations:

- The transit service represented by the BART line extension and new station may help attract younger workers, who seem to be more amenable to this type of commuting.
- Self-driving cars and trucks (and recreational vehicles, etc.) will change many aspects of the relationship between transportation and land use, and therefore between where people live and where they work, shop, recreate, etc.

The nature, extent, and pace of this change are unknown at this time, but policymakers can closely monitor the technological, policy, and other trends that will foreshadow what we should expect to be an imminent major overhaul in how transportation services are provided. Effects could be felt in, for example: 1) a change in the general attractiveness of the region to the extent it is, or is perceived to be, more, or less, accessible; 2) the greater flexibility in working with areas targeted for revitalization if parking space and access requirements are significantly reduced; 3) the need to repurpose certain auto-oriented uses (e.g. parking garages) in order to maintain basic functionality.

Strategy Group Action Item	City lead	Partners, coord. Agencies	Priority level/City role
10. INFRASTRUCTURE DEVELOPMENT COORDINATION			
A. Coordinate with other City departments and other utility/service providers to: 1) ensure that core resources are adequate to accommodate targeted cluster and other development/business growth, generally for locations where these activities would be expected to locate; and 2) coordinate remedial actions as available/feasible.	ED	BART Tri Delta Transit PW-W PW-Eng	
B. Review the existing Capital Improvements Plan (CIP) to identify planned projects particularly supportive of economic development efforts as outlined in the EDSP, and for opportunities to re-prioritize such projects, as appropriate. Include consideration of how certain improvements can also contribute indirectly to economic development efforts based on enhancing attractiveness of the community, quality-of-life, etc. (e.g. alternative transportation options).	ED	PW-CI	
C. Prioritize projects in future CIP updates based on the EDSP and its "trajectory" of implementation.	ED	PW-CI	
D. Given the rapid changes in transportation-related technology, as one example, monitor ongoing technology-driven changes in infrastructure requirements, for all infrastructure types and create "technology infrastructure" improvements plan that anticipates to the extent possible changes in infrastructure requirements and prioritizes critical investments in response to such changes. This action will likely also involve coordination with regional transportation planning organizations and other regional infrastructure entities.		Metropolitan Transportation Commission (MTC); PW-S	
E. As an expansion of the preceding, Antioch could choose to position itself as a leader in creating strategies for adapting to the onset of autonomous vehicles. This can not only enhance functionality of the community, but also serve as a way for Antioch to distinguish itself from an economic development strategic point of view.	ED	CD-P PW-CI	

Initial observations regarding the pandemic's influence on strategies: The pandemic experience could, to varying degrees, exert another influence on the evolution of transportation systems already subject to change as noted above. Experiences of other cities can be monitored as one way of remaining current on this topic.

CATEGORY 3: EXTERNAL PARTNER FOCUS

Economic development partners for Antioch include Contra Costa County and the East Bay Economic Development Alliance. The East Bay EDA ". . . serves as the regional voice and networking resource for strengthening the economy, building the workforce and enhancing the quality of life in the East Bay (Alameda and Contra Costa Counties)." The organization's initiatives are directed by the committees of: Business & Employer Resources, Economic Development Directors' Council, International Trade & Investment, Land Use & Infrastructure, and Marketing & Public Relations. Resources provided by East Bay EDA include, along with other relevant reports:

- An interactive map displaying a wide range of business resources: https://eastbayeda.org/region/
- The *East Bay Economic Outlook Report*, an annual overview of the economy, industry sectors, and related information.
- *2020* [annual] *East Bay Book of Lists*, which includes lists of top-ranking businesses and other relevant information.
- *2019 East Bay Manufacturing*, summarizing manufacturing sector data, major manufacturing employers, and industry resources.

K-12 Education

Although school districts operate independently of municipalities, their role in a community's success can be profound. Also, school districts can sometimes find ways to innovate, for example by adopting STEM/STEAM programs that are already developed, and that become cost-effective ways to support local economic development.

Strategy Group Action Item	City lead	Partners, coord. Agencies	Priority level/City role
11. K-12 EDUCATION			
A. Identify and find ways to support innovative educational and work-orientation programs undertaken by the school districts, and encourage programs that synchronize with economic development and quality of life goals in Antioch.	ED	All school districts	
B. Prepare profiles of: 1) workforce skills needed by existing major employers and target industries in Antioch, and 2) the Antioch resident workforce.			
C. "Map" K-12 curricula and other assets as these relate to regional higher education resources relevant to business development (BRE plus industry targeting) in Antioch, plus the City's resident workforce.			
D. Explore the potential for convening and institutionalizing coordination mechanisms by which school district personnel, representatives of higher education, and key employers can work together to align education with current and evolving workforce needs.	ED	All school districts Regional community colleges and universities	
E. Establish appropriate metrics for annually measuring the extent to which Antioch-area students are prepared for careers in relevant local/targeted industries and otherwise have appropriate higher education and general career opportunities. Find metrics that allow comparisons with other California students.			

Workforce Development

Mismatches between the workforce-skills requirements of local industries and the locally available workforce and workforce training resources are common throughout the country, in some cases in spite of focused efforts to align these two conditions. Some of the dimensions of this challenge include the following:

- The rapid pace of change in workforce requirements, with increasing use of automation across virtually all industries, means that workers face the challenge of frequently updating their existing skills or even cross-training into other skill sets. Meanwhile education/training institutions attempt to keep their teaching expertise up-to-date and also obtain new technology essential for training purposes – some while facing the usual budget constraints of public institutions.

- Employers in manufacturing and other blue-collar sectors, throughout the US, frequently express concern about the US educational system's (K-12) focus on college preparation when there are many well-paying technical jobs that require training and general job preparation that differ from most university curricula. High school students tend to be unaware of these opportunities, and in some places manufacturing organizations and individual firms conduct special outreach programs to help remedy this.

Workforce resources

- Contra Costa Community College District, headquartered in Martinez, has three community colleges in the region:
- ***Contra Costa College (CCC)***, San Pablo, which has programs that include the Center for Science Excellence, the green Automotive Services program, the Nursing program, and the Culinary Arts program.
- ***Diablo Valley College (DVC)***, in Pleasant Hill and San Ramon, claims to be among the top transfer pathways to UC Berkeley.
- ***Los Medanos College (LMC)*** has its main campus in Pittsburg, with a center in Brentwood. Key features include the only honors program certified as part of the UCLA Transfer Alliance, and programs in Engineering, Nursing, Communication Studies, Child Development, Instrumentation Technology, Mathematics, and Process Technology (among others). The college also has a CalWORKs program.

Adult Education Centers in the region include:

- Brentwood Liberty Adult Education Center,
- Pittsburg Adult Education Center, and
- Mt. Diablo Adult Education

An Antioch-based education/training resource is Opportunity Junction, with career training in Healthcare and Administration. Its Certified Nursing Assistant (CNA) training program is conducted in partnership with Mt. Diablo Adult Education (Concord) and Ombudsman Services of Solano & Contra Costa (Pleasant Hill). The organization also provides internships and job placement assistance, classes in life skills, and staffing services for employer partners.

Strategy Group Action Item	City lead	Partners, coord. agencies	Priority level/City role
12. WORKFORCE DEVELOPMENT			
A. ***Workforce Development Coordination.*** Establish a system for and implement coordination with local / regional educational / workforce-development organizations. An initial goal would be to assess the match between the full range of available workforce training resources and the City's business development efforts and industry targeting. This action can also be informed by the results of retention / expansion (BRE) processes and other findings related to employer outreach.	ED	Contra Costa College; Diablo Valley College; Los Medanos College; Opportunity Junction; Brentwood Liberty Adult Ed. Center; Pittsburg Adult Education Center; Mt. Diablo Adult Education	
B. Identify workforce development programs that can also be positioned as "incentives" in marketing and industry targeting efforts.	ED		

Initial observations regarding the pandemic's influence on strategies: Employment disruptions brought about by the pandemic should increase the demand for alternative employment options and retraining will be necessary for at least some of those options to be realized.

Entrepreneurial Development

As with most regions across the country with relatively vibrant economies, existing entrepreneurial support organizations are situated in various Bay Area locations, but tend to be concentrated within the "premium" tech-employment locations rather than the outer suburbs. There may be opportunities to both expand entrepreneurs' access to supportive facilities and their programs and raise the profile of Antioch as an entrepreneurial hub.

Examples of incubators in region

- iValley Innovation Center, San Ramon, is an Innovation advisory and startup engagement platform for Financial Services and host of FintechTalk, an event to link Silicon Valley with Financial Services. [From webpage description]
- BRIIA (Bishop Ranch Intelligence Innovation Accelerator), San Ramon. BRIIA gives early-stage entrepreneurs the resources to start and grow companies that are fueled by machine learning, artificial intelligence, natural language processing and related technologies. [Webpage description]
- GE Digital Foundry, San Ramon. The Digital Industrial Foundries are innovative spaces—located in San Ramon, Shanghai, and Paris—where customers can learn how to put the Industrial Internet to work by participating in introduction & awareness sessions, digital transformation consultations, and the co-development of new solutions. [Webpage description]

Strategy Group Action Item	City lead	Partners, coord. agencies	Priority level/City role
13. ENTREPRENEURIAL DEVELOPMENT			
A. Investigate extent to which existing entrepreneurial-development programs / facilities in the region meet the needs of actual or prospective entrepreneurs in Antioch, recognizing that different types of support are needed by local-consumer startups and startups in tech or other traded cluster activities.	ED	iValley Innovation Center; BRIIA (Bishop Ranch Intelligence Innovation Accelerator; GE Digital Foundry; Community Colleges	
B. Explore ways the City can maximize its coordination with the business model of the most accessible / relevant incubator operators in the region and their tenant focus.	ED		
C. Confirm the relevance of tying into an existing networking system / program directed towards entrepreneurs (e.g. 1 Million Cups, which combines grassroots organizing with a national network and has a Bay Area presence in San Francisco only at this point), as a means of expanding entrepreneurs' awareness of one another and relevant resources.	ED	1 Million Cups	

Initial observations regarding the pandemic's influence on strategies: Employment disruptions from the pandemic may result in more people than usual attempting to pursue entrepreneurial options.

Relevant strategies from the *Northern Waterfront Economic Development Initiative Strategic Action Plan* include the following:

Encourage development of *Makerspaces [and /or Shared Co-Workspaces]* that combine shared facilities and equipment with business assistance and subject matter experts . . . (page 6)

- Actively *Recruit New Startups* by partnering with local universities and research labs to recruit companies acquiring technology and intellectual property for commercialization . . . (page 7)
- *Leverage Existing Assets* such as the *GOMENTUM STATION* autonomous-vehicle test bed facility in Concord to attract advanced transportation technology companies (page 7).

(GoMentum Station in Concord, California claims to be the nation's largest secure facility dedicated to connected and automated vehicle testing.)

Other relevant strategies from the *Northern Waterfront Economic Development Initiative Strategic Action Plan* that specifically address incubators include the following (page 12):

- Investigate the feasibility of establishing an *Advanced Manufacturing Incubator/Accelerator*
- Explore the opportunity for development of a *Commercial Kitchen/Food Business Incubator* like Kitchen@812 in Pinole.
- Investigate the feasibility of *Launching a Non-profit Cleantech Accelerator.*

Leverage Philanthropic Resources

The philanthropic information resource Candid[3] lists over 400 grant-making foundations in the San Francisco metropolitan region. Twenty-seven of these are in the 13 East Bay cities of: Berkeley, Concord, Danville, Dublin, Fremont, Lafayette, Moraga, Oakland, Orinda, Pleasanton, Richmond. San Ramon, and Walnut Creek. Of these, the top 10 organizations in terms of total giving for the most recent year data are available are the following:

- Wayne & Gladys Valley Foundation
- East Bay Community Foundation
- The Larry Ellison Foundation
- College Futures Foundation
- Kenneth Rainin Foundation
- Dornsife Family Foundation
- The Clorox Company Foundation
- Quest Foundation
- Y & H Soda Foundation
- Simpson PSB Fund

Combined assets of this group total in excess of $2 billion.

[3] Candidco.com, an organization formed from the merging of Foundation Center and GuideStar.

Strategy Group Action Item	City lead	Partners, coord. agencies	Priority level/City role
14. LEVERAGE PHILANTHROPIC RESOURCES			
Review Antioch social, economic, physical, etc. needs and strategic objectives, or existing programs, and identify those that could potentially find additional support from philanthropic organizations.	ED	CD-P	
Using Candid or some other resource, screen and compile a database on organizations that could potentially help support Antioch social or economic objectives/programs.	ED		
Using the compiled database, submit grant applications or conduct outreach or other follow-up as appropriate.			

Initial observations regarding the pandemic's influence on strategies: Funds from philanthropic organizations will probably be in high demand as one way of attempting to mitigate pandemic-related problems.

LEGEND for Antioch City Government

Department	Abbreviation
Administration	Admin
Animal Services	AS
Community Development	CD
Building Division	CD-B
Code Enforcement Division	CD-C
Environment Resources	CD-E
Planning Division	CD-P
Economic Development	ED
Finance	Fin
Water Services	WS
Human Resources	HS
Information Systems	IS
Recreation Department	Rec
Police	PD
Public Works	PW
Capital Improvements	PW-CI
Engineering Division	PW-Eng
GIS	PW-GIS
Marina	PW-Mar
Parks	PW-P
Streets	PW-S
Water Distribution	PW-W

Document 2.4

Briefing to City Council, Prioritizing Employment Centers (09-22-2020)

CITY OF ANTIOCH
ECONOMIC DEVELOPMENT BASELINE
AND STRATEGIC PLANS

STATUS BRIEFING FOR CITY COUNCIL

September 22, 2020

THE NATELSON DALE GROUP, INC.
YORBA LINDA, CA • www.natelsondale.com
O: 714.692.9596 • F: 714.692.9597

Table of Contents

Overview of Process

The overall process for the Antioch Economic Development Baseline and Strategic Plans is summarized in the following points. This briefing package touches on all of these points, although topics are organized here in a slightly different order.

- Provide ***background research*** about Antioch's current economic conditions
- Identify ***industry clusters*** that Antioch could potentially target for future expansion and attraction
- Complete an analysis of area-specific conditions and development capacities for each of Antioch's distinct ***employment centers***
- Assess a range of ***"foundational issues"*** (including infrastructure, workforce, housing, quality of life, development environment) and recommend strategies
- Prepare ***strategic Action Plans (citywide programs and area-specific implementation strategies)*** based on the consultants' research and local stakeholder input

Summary of Research Findings

Economic and demographic profile summary

Census-based demographic and resident economic data. Topics address current conditions related to households, housing units, race/ethnicity, and characteristics of the resident labor force (commute times, educational attainment). Key points are summarized below, and generally include comparisons to the East Bay[1] and the State of California:

- In terms of household income ranges, Antioch's largest share of households (18.5%) are in the $100,000 to $149,999 range. Median household income in Antioch ($69,925) is in line with the State and below the East Bay median ($86,767). In contrast, Antioch's *average* (as distinct from then median) household income level ($85,001) is slightly below the State's and well below the East Bay's ($116,959).
- The labor force data show that three-fourths (74.9%) of Antioch's residents in the 20 to 64-age population are in the labor force. This share is slightly below the East Bay (78.9%) and State (76.4%) figures. The largest difference in Labor force participation rates by educational attainment is in the *bachelor's degree or higher* category. Among residents in this category, Antioch's labor force participation rate (80.4%) is about 5 percentage points below the East Bay (85.5%) and State (85.3%) rates.
- In terms of travel times to work, Antioch's residents tend to have longer commutes than their East Bay or California counterparts. Among the 12 categories of commute time intervals for Antioch working residents reported by the Census, the category with the highest percentage (17.3%) is the range of 60 to 89 minutes, which is above the East Bay (13.5%) and State (8.0%) figures. Further, almost two-thirds

[1] The East Bay region consists of Alameda and Contra Costa Counties.

(64.9%) have commute times of 30 minutes or more. Comparable figures for the East Bay and State's labor forces are 53.4% and 42.4%, respectively.

- For the 18 to 24-age population, Antioch underperforms in terms of educational attainment compared to the East Bay region and the State. For this age group, about 17.4% of Antioch residents are in the *less than high school graduate* category, compared to 11.0% and 12.3% for the East Bay and State, respectively. For the age group "25 years and over," about 21.0% of the City's population has a bachelor's degree or a graduate or professional degree. This share is well below the shares for the East Bay (43.1%) and the State (32.6%).
- One-third of Antioch's population (33.3%) is of Hispanic/Latino origin, which is above the East Bay (23.6%) but below the State (38.8%) shares. In terms of race, the "Black or African American alone" category is a higher proportion in Antioch (20.1%), relative to the East Bay (10.1%) and the State (5.8%). The "Asian alone" racial category is relatively low in Antioch (10.9%) relative to the East Bay (23.7%) and the State (14.1%).

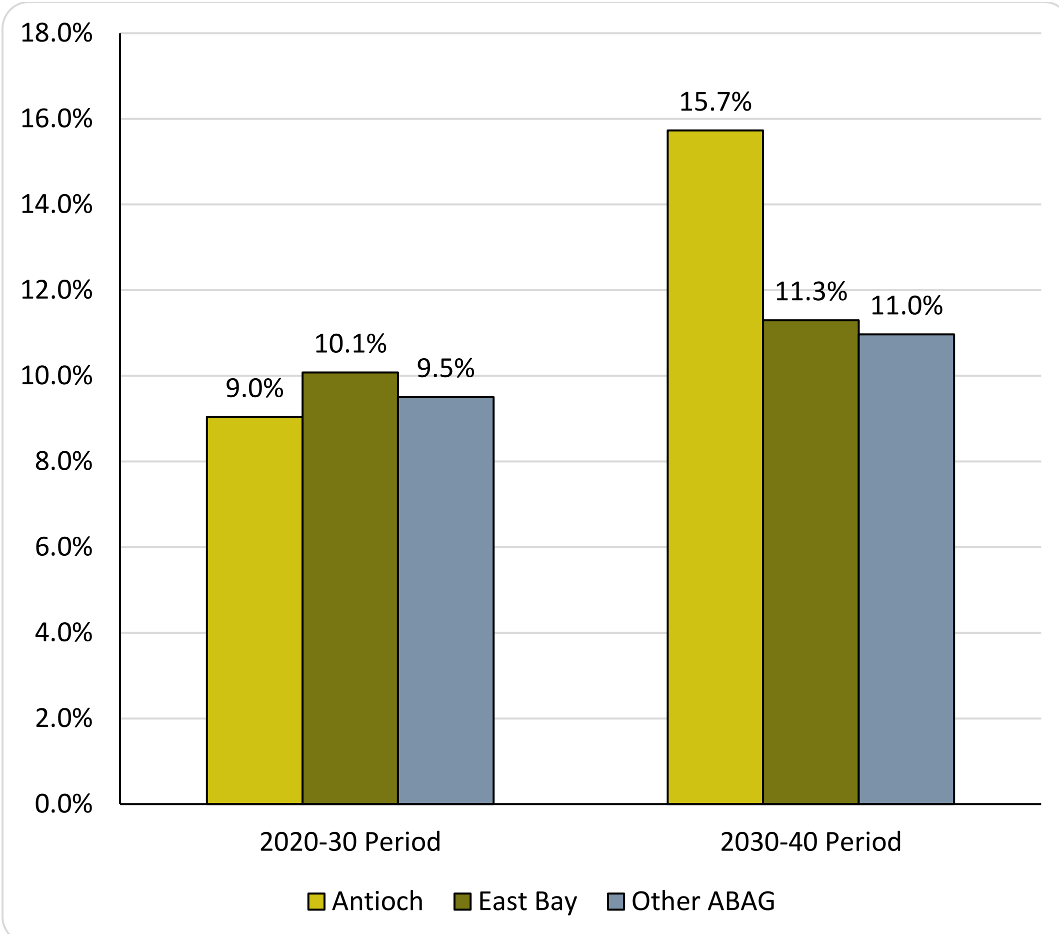
Housing. Antioch has relatively few vacant housing units (94.6% are occupied). This share is in line with the East Bay figure (95.3%) and slightly above the State figure (92.1%). Antioch also has a slightly higher share of owner-occupied housing units, about 60.8% of the total, relative to the East Bay (58.1%) and the State (54.5%). Antioch's housing stock is also relatively new: about 38.3% of the City's total have been built since 1990. This figure is much higher than the comparable East Bay (21.9%) and State (24.5%) shares.

Forecasts

The charts below demonstrate that Antioch's population is projected to grow at a similar rate as the East Bay and remaining ABAG counties, from 2020-2030, and at a considerably higher rate for 2030-2040. Employment growth in Antioch is also projected to occur at a higher rate than the regions, for the entire time period of 2020 through 2040.[2]

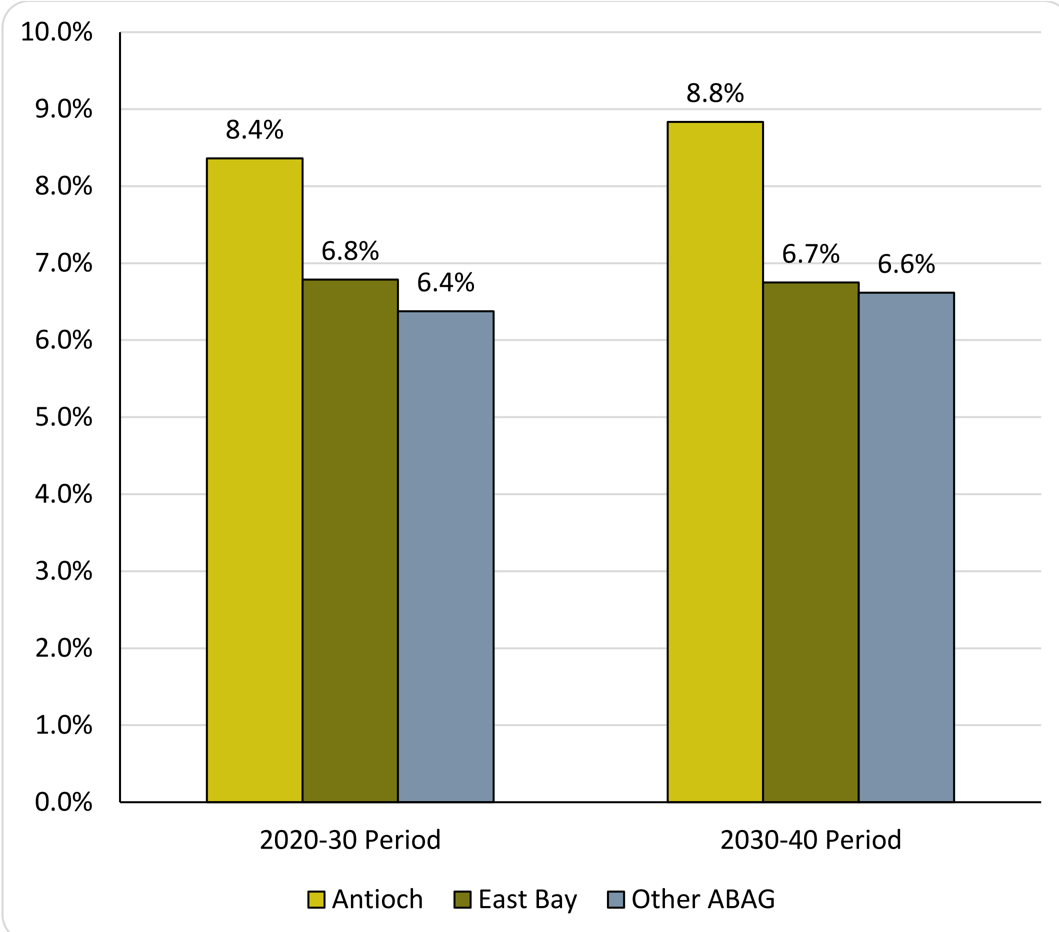
[2] The ABAG region overall includes the following nine counties: Alameda, Contra Costa (the East Bay), Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.

FORECAST PERCENT OF POPULATION CHANGE, ANTIOCH AND REGIONS



Source: ABAG Plan Bay Area 2040; TNDG.

FORECAST PERCENT OF EMPLOYMENT CHANGE, ANTIOCH AND REGIONS



Source: ABAG Plan Bay Area 2040; TNDG.

The following table shows existing and projected jobs/housing ratios for Antioch, the East Bay region, and the remaining ABAG counties. The table shows that Antioch has a considerably lower jobs/housing balance than the East Bay and remaining ABAG counties. According to the ABAG forecasts, Antioch's jobs/housing ratio is projected to slightly decrease through 2040.

ABAG REGIONAL GROWTH FORECAST FOR JOBS/HOUSING RATIO: ANTIOCH AND REGIONS

Region	Jobs / Households		
	2020	2030	2040
Antioch	0.67	0.67	0.64
East Bay	1.25	1.23	1.20
Other ABAG Counties	1.53	1.50	1.46

Source: ABAG Plan Bay Area 2040; TNDG.

Labor force, employment

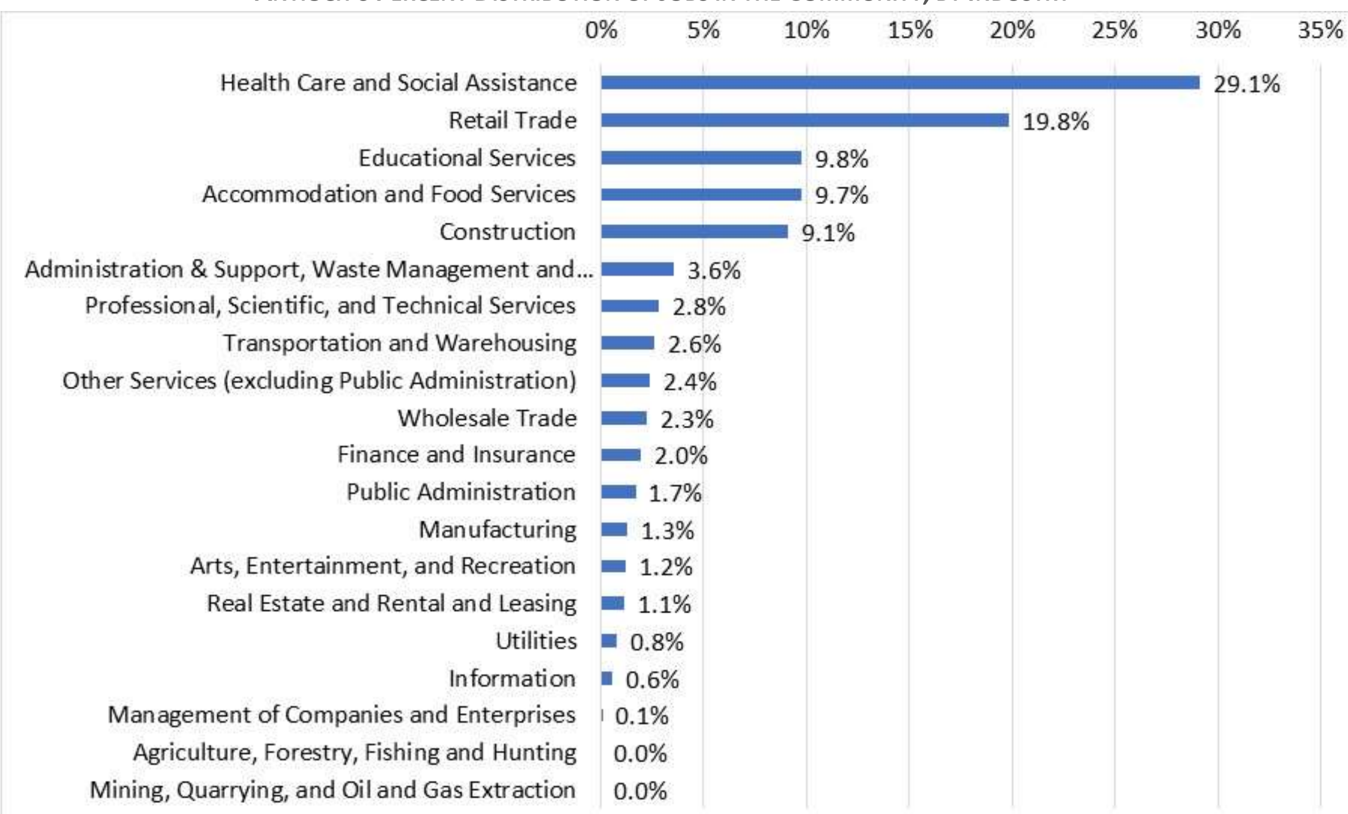
During the recovery from the Great Recession (between 2010 and 2015), Antioch's unemployment rates were significantly above those in the East Bay and in California, reaching a high of 14.8% in 2010 (while the East Bay was only 10.9%). During the past three years, this gap has narrowed; Antioch's 2018 unemployment rate (4.1%) was similar to the State (4.2%) but still above the East Bay rate (3.1%).

During the period of 2009-2018 (which includes in the early years a period of job losses) Antioch's labor force grew more slowly (0.5%) compared to the East Bay (1.1%) and the State (0.7%).

Antioch has a relatively large share of its labor force that both *lives* and *works* in the City. At 10.6%, Antioch's measure of labor force locational "efficiency" ranks 5th among the 19 cities in the County. The average labor force efficiency measure for cities in Contra Costa County is 7.8% (these numbers might seem to suggest a relative *inefficiency* in terms of where people live and work, but these low percentages are fairly typical among suburban communities across the US).

Antioch has only about half the jobs located in the City as the City has resident workers. For those jobs located in the City, the share of employment by industry in 2017 is shown in the following figure, which indicates that Antioch is heavily represented in the Retail Trade and Health Care/Social Assistance industries. These two sectors alone account for about one-half of total City-based jobs.

ANTIOCH'S PERCENT DISTRIBUTION OF JOBS IN THE COMMUNITY, BY INDUSTRY



Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics (LEHD) program. Accessed at https://onthemap.ces.census.gov.

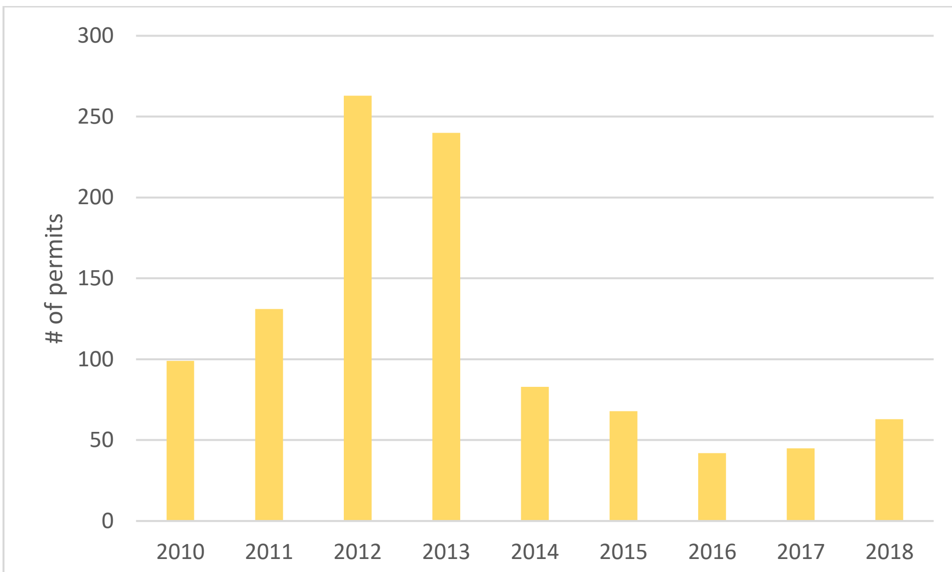
Assessed valuation

Net assessed valuation of property in Antioch increased by more than $3.6 billion over the period FY 2010-11 to FY 2018-19. This represents a percentage increase of 51.2%, higher than the same-period percentage increase for the entire County (45.8% increase).

Building permits

Residential building activity in Antioch consistently increased/remained high between 2011 and 2013, with a significant drop in 2014. Permit totals (and associated value of permitted projects) have remained relatively depressed through 2018. In 2018, with 6.2% of residential building permits County-wide, Antioch ranked sixth in number of permits among 15 Contra Costa County cities (with Brentwood having over 30% of the County's total permits that year).

TOTAL PRIVATE RESIDENTIAL BUILDING PERMITS, CITY OF ANTIOCH, 2010 TO 2018



Source: U.S. Census Bureau, Manufacturing and Construction Division; City of Antioch; TNDG.

Taxable sales

Between 2010 and 2017 taxable retail sales for the City of Antioch increased by $192.9 million, or by 27%, well below the increases in the East Bay (49%) and State (41%). Taxable sales data also show that Antioch significantly lags the East Bay and the State on a taxable-sales-per-household basis, and the gap has widened since 2010. Antioch's taxable sales per household in 2017 were 79% of the East Bay sales-per-household measure ($34,535) and 76% of the State measure ($35,578). In contrast, Antioch's taxable sales per household figure was 86% of the State figure in 2010.

Summary of Industry Cluster Analysis

This section documents an assessment of Antioch's economy in terms of industry "clusters," which forms the basis for recommending potential target industries. Clusters are groups of interrelated industry sectors whose growth potentials within a region tend to be closely aligned. The tendency of individual industries to co-locate in clusters reflects linkages through supply-chain relationships, as well as commonalities in terms of workforce requirements and infrastructure needs. The concept of industry clusters is an effective framework for economic development programming since it reflects a holistic view of the regional economic conditions driving the growth or retraction of individual sectors. (The clusters analyzed in this study are based on definitions (i.e., industry groupings) from the U.S. Cluster Mapping Project, an economic development initiative led by Harvard Business School's Institute for Strategy and Competitiveness.)

Clusters are classified under the two headings of "local" and "traded."

- ***Local clusters*** typically form the core of a region's economy; they primarily provide goods and services for the local (resident) population. They tend to account for the majority of jobs in a region (in the case of Antioch, local clusters represent 88% of total jobs), and support quality of life by providing a diverse range of goods and services.
- ***Traded clusters*** are "export-oriented" in the sense that they include industries that are engaged in producing goods and services for end-use customers located outside the City. Although traded clusters represent only 9% of the jobs in Antioch, they are important from an economic development perspective given that they tend to have higher wages and higher "multiplier impacts" compared to local clusters. That is, they have a strong potential to inject new dollars for circulation within the local economy and thereby serve as "drivers" for broader economic growth.

Table A below[3] lists all local and traded clusters that had 100 or more jobs in Antioch in 2019, and provides the following information about each listed cluster:

- Total number of jobs in Antioch in 2019 (the latest full year for which data are available)
- Location Quotient (compared to the U.S. as the benchmark area) in 2019. The location quotient (LQ) measures how concentrated/important an industry cluster is in a location (Antioch) compared to the benchmark area. An LQ value greater than 1.0 indicates that a cluster is more concentrated in the location than it is nationally (with the nation as the benchmark). This is generally regarded as an indication that the location has a comparative advantage relative to a particular cluster, although (especially for local clusters) an LQ below 1.0 can indicate a potential growth opportunity
- Average annual wage in Antioch
- Change in the number of jobs for the most recent five-year period, 2014-2019

Table B summarizes cluster job growth/retraction performance in Antioch and in the East Bay region compared to national trends. This information is based on a "shift-share" analysis for each cluster that estimates an "expected" job change based on national trends. If Antioch (or the East Bay) has higher job growth (or

[3] Tables are numbered in this section only for convenience of the reader.

experiences less severe job losses) compared to the expected change, it indicates that the City (or East Bay) has performed better than national trends. Conversely, if Antioch/East Bay has less job growth (or experiences more severe job losses) compared to the expected change, it indicates that the city/region has performed worse than national trends.

Table A. Summary Characteristics and Trends, Antioch's Largest Industry Clusters (list includes all clusters with more than 100 jobs in 2019)

Cluster	Traded / Local	Antioch Jobs in 2019	Location Quotient in 2019	Average Annual Wage	Change in Jobs 2014-2019
Health Services	Local	4,875	1.61	$91,027	746
Hospitality Establishments	Local	2,849	1.32	$23,070	407
Real Estate, Construction, and Development	Local	2,674	1.37	$69,245	608
Education and Training	Local	2,420	1.75	$53,436	-80
Retailing of Clothing and General Merchandise	Local	1,674	2.24	$29,405	-55
Community and Civic Organizations	Local	1,532	1.65	$22,168	267
Personal Services (Non-Medical)	Local	894	1.36	$35,008	5
Food and Beverage Processing and Distribution	Local	891	1.22	$34,752	21
Motor Vehicle Products and Services	Local	890	1.21	$52,082	172
Commercial Services	Local	832	0.54	$51,554	2
Business Services	Traded	561	0.35	$63,779	15
Utilities	Local	433	2.20	$136,021	35
Logistical Services	Local	399	0.83	$45,967	65
Household Goods and Services	Local	395	1.21	$41,394	33
Distribution and Electronic Commerce	Traded	308	0.32	$106,392	90
Financial Services	Local	280	0.58	$98,003	6
Construction Products and Services	Traded	220	1.28	$105,578	35
Education and Knowledge Creation	Traded	204	0.25	$71,209	-20
Entertainment and Media	Local	197	0.83	$28,621	-36
Hospitality and Tourism	Traded	174	0.29	$43,531	2
Marketing, Design, and Publishing	Traded	105	0.36	$70,157	-8

Source: U.S. Cluster Mapping Project; Chmura Economics; The Natelson Dale Group, Inc. (TNDG).

TABLE B. JOB GROWTH/RETRACTION PERFORMANCE COMPARED TO NATIONAL TRENDS FOR ANTIOCH'S LARGEST INDUSTRY CLUSTERS (LIST INCLUDES ALL CLUSTERS WITH MORE THAN 100 JOBS IN 2019), CITY OF ANTIOCH AND EAST BAY

Cluster	Traded / Local	2015-19 Growth Performance based on Shift Share Analysis	
		Antioch	East Bay
Health Services	Local	Better	Worse
Hospitality Establishments	Local	Better	Better
Real Estate, Construction, and Development	Local	Better	Better
Education and Training	Local	Worse	Better
Retailing of Clothing and General Merchandise	Local	Worse	Better
Community and Civic Organizations	Local	Better	Better
Personal Services (Non-Medical)	Local	Worse	Better
Food and Beverage Processing and Distribution	Local	Worse	Worse
Motor Vehicle Products and Services	Local	Better	Better
Commercial Services	Local	Worse	Better
Business Services	Traded	Worse	Worse
Utilities	Local	Better	Worse
Logistical Services	Local	Better	Better
Household Goods and Services	Local	Better	Better
Distribution and Electronic Commerce	Traded	Better	Worse
Financial Services	Local	Worse	Worse
Construction Products and Services	Traded	Better	Better
Education and Knowledge Creation	Traded	Worse	Better
Entertainment and Media	Local	Worse	Better
Hospitality and Tourism	Traded	Worse	Better
Marketing, Design, and Publishing	Traded	Worse	Better

Source: U.S. Cluster Mapping Project; Chmura Economics; TNDG.

Table C summarizes key facts about important existing clusters in Antioch. Clusters were included in the table if they are in the top 10 for at least one of the following three variables:

1. 2019 Location Quotient (LQ)
2. Number of jobs in 2019
3. Job growth between 2014 and 2019

TABLE C. TOP 10 CLUSTERS IN ANTIOCH FOR KEY VARIABLES: LQ, JOBS, AND JOB GROWTH

Cluster	2019 LQ	2019 Jobs	2014-19 Jobs Added
Local Retailing of Clothing and General Merch.	2.2	1,674	-55
Local Utilities	2.2	433	35
Environmental Services	1.9	40	25
Local Education and Training	1.7	2,420	-80
Local Community and Civic Organizations	1.7	1,532	267
Local Health Services	1.6	4,875	746
Water Transportation	1.5	81	41
Local Real Estate, Construction, and Development	1.4	2,674	608
Local Personal Services (Non-Medical)	1.4	894	5
Local Hospitality Establishments	1.3	2,849	407
Local Food and Beverage Processing and Distrib.	1.3	220	35
Local Motor Vehicle Products and Services	1.2	891	21
Local Commercial Services	1.2	890	172
Distribution and Electronic Commerce	0.8	399	65
Local Logistical Services	0.5	832	2
Construction Products and Services	0.3	308	90

Source: U.S. Cluster Mapping Project; Chmura Economics; TNDG.

= Top 10 cluster for specified variable

Table D on the following page provides a preliminary list of candidate clusters for the City of Antioch's industry targeting program (i.e., business retention, expansion and attraction). The preliminary candidate clusters are based on two strategic approaches to industry targeting:

1. ***Build on Antioch's existing core strengths.*** In some cases (e.g., health services), the core clusters represent strong continuing growth opportunities that could be the focus of business expansion/attraction efforts. In other cases (e.g., the retail industry), the existing core clusters are currently recognized nationally as non-growth or declining industries (in these cases, the City's industry targeting efforts would appropriately focus on retention/repositioning).
2. ***Tap into dominant East Bay clusters that are not currently well represented in Antioch.*** This strategic approach leverages Antioch's competitive strengths to capture increasing shares of projected East Bay employment growth. This component of the City's business attraction/marketing program would focus on the Antioch's unique "selling points" relative to the larger Bay Area economy (including the City's

waterfront location, a resident workforce that includes large numbers of commuters potentially eager to work closer to home, and the availability of developable land suitable to land-intensive industries). In developing the preliminary list of candidates for the "tap into dominant East Bay clusters" strategy, the consultant has focused on clusters meeting the following criteria:

a. Traded clusters (local clusters are addressed in the other strategic approach);
b. Clusters that experienced a net gain in jobs between 2014 and 2019;
c. Clusters primarily oriented towards private business investment (in contrast to clusters that are substantially composed of public sector/nonprofit employment).[4]

TABLE D. PRELIMINARY LIST OF CANDIDATE CLUSTERS FOR ANTIOCH'S TARGET INDUSTRY PROGRAM

Strategic Approach	Local-serving Clusters	"Traded" Clusters
Build on (or facilitate repositioning of) Antioch's existing core strengths	• Health services • Retail/personal services • Hospitality • Local real estate and construction services • Food and beverage processing/distribution • Local utilities	• Construction products (manufacturing) • Water transportation • Environmental services (waste management) • Distribution/electronic commerce
Tap into dominant East Bay industry clusters that are not currently well represented in the city		• IT and analytical instruments • Medical devices mfg. • Automotive mfg. • Biopharmaceuticals • Education and knowledge creation • Business services

Source: TNDG

Table E summarizes key characteristics for the candidate clusters identified in TableD. The characteristics include annual average wages, projected 10-year job growth (for the larger East Bay and Bay Area regions), and additional qualitative criteria.

[4] Based on this criterion, the preliminary list excludes the "Local Community and Civic Organizations" clusters. Whereas civic organizations are clearly critical to a healthy local economy, they are not typically part of an industry attraction effort. As appropriate, the need to leverage or expand the roles of these organizations in Antioch will be addressed in other components of the overall Economic Development Strategic Plan.

TABLE E. CHARACTERISTICS OF CANDIDATE CLUSTERS

Candidate Cluster	Local or Traded Cluster?	Average (1) Annual Compensation	Projected 10-Year Job Growth (net number of new jobs)		Does this cluster leverage Antioch's core competitive advantages?		
			East Bay	Bay Area	Waterfront	Workforce/ Commute	Industrial Capacity
Antioch's existing clusters:							
Health services	Local (2)	$85,976	24,000	70,000		X	
Retail/personal services	Local	$29,413	Job losses	Job losses			
Hospitality	Local	$25,217	19,000	61,000			
Real estate and construction	Local	$77,090	12,000	44,000		X	
Food and beverage processing/distribution	Local	$42,813	300	1,200		X	X
Utilities	Local	$119,879	Job losses	Job losses		X	X
Construction products mfg.	Traded	$101,831	1,000	3,000		X	X
Water transportation	Traded	$158,812	600	800	X	X	
Environmental services	Traded	$78,566	120	200	X		X
Distribution/electronic commerce	Traded	$83,203	2,700	11,000	X	X	X
East Bay clusters:							
IT and analytical instruments	Traded	$147,612	2,400	16,000		X	X
Medical devices mfg.	Traded	$130,802	1,200	No net growth		X	X
Automotive mfg.	Traded	$109,487	8,000	9,000		X	X
Biopharmaceuticals	Traded	$134,556	<100	2,000		X	X
Education and knowledge creation	Traded	$93,133	7,000	28,000		X	
Business services	Traded	$126,108	15,000	112,000		X	

(1) Average compensation based on averages for East Bay subregion.

(2) Although the Health Services cluster is typically considered a local cluster, Antioch's facilities serve the larger region to some extent.

Source: TNDG

Stakeholder Input and Draft Citywide Strategies

Summit Meeting 1, March 4

Stakeholder attendees at this meeting were asked to provide input on the following three topics:

- City's Assets and Opportunities for Economic Development
- Potential Threats to Economic Progress
- City Roles in Improving Economic Vitality: business friendliness, preferred industry targets, etc.

To record this input, the participating stakeholders were divided into three groups to brainstorm and discuss the three topics. Summaries of the discussions by topic are provided under the relevant headings below.

Antioch's Assets and Opportunities for Economic Development

- Underutilized retail space.
- Some underutilized space in good locations, such as the vacant AMC theater at the Deer Valley Shopping Center on Lone Tree Way.
- Small businesses can go into some surplus retail space, which can be more affordable.
- In Antioch, an unusually high percentage of businesses own their own buildings (which can give them a vested interest in continuing operation in the community).
- Power plant property is for sale, probably slated for redevelopment (can be positioned as opportunity site for development).
- Antioch has a highly competent City staff.
- Firms in Antioch can recruit workers readily (based on proximity to places of residence), which is another reason to create job opportunities through development and other means.
- Vacant commercial properties, especially the large-area spaces, represent opportunities, which then become missed opportunities until they are converted to productive uses. The fact that some of these spaces may ultimately be less expensive for tenants may not be sufficient to secure a deal.
- Antioch has some advantage in its affordable housing stock.
- The Bay Area's workforce is here (many Antioch residents commute to tech and other skilled jobs in major Bay Area employment centers).
- Younger population (trainable workers), potentially attractive to employers.
- Room (land) for expansion.
- Recently designated Federal Opportunity Zones can potentially enhance Antioch's attractiveness to developers/investors.
- Antioch's location on the Sacramento-San Joaquin River Delta provides significant potentials both for industrial and recreational activities:
    - Deep water port
    - Waterfront area has the potential to be an active commercial/industrial hub

    - Antioch Rivertown and marina can support expanded recreational/visitor-oriented uses (among other potential opportunities, the idea of implementing ferry service between Antioch and Pittsburg is currently being discussed).
- Other major recreational amenities can set Antioch apart:
    - Open space areas / hiking trails
    - Sports center.
- Airport (Byron Airport in unincorporated County area).
- Los Medanos College (community college with campuses in Pittsburg and Brentwood).
- Good CTE (career and technical educations) programs in Antioch schools.
- ETP contract (new program of Opportunity Junction).
- BART station (with nearby land available for development).
- Major logistics center is being developed in Oakley, immediately adjacent to Antioch (the “Contra Costa Logistics Center” will ultimately total 2 million square feet of industrial buildings and support as many as 2,800 permanent jobs).
- Famous/important residents: Murgic family; KCBS newscaster.
- Strong quality of life (QOL) attributes: waterfront, parks (open space, trails, etc.).
- Strong rail-based transportation infrastructure: heavy rail, BART.
- Availability of unincorporated land in City’s sphere of influence; potential for future development.
- Opportunity by virtue of lack of existing executive-level (upscale) housing in City (necessary for high-wage workers to be attracted to the City); although the lack of this type of housing is currently a disadvantage, it represents a potential market opportunity for Antioch in the future.
- Opportunity by virtue of lack of senior housing; big future market opportunity given demographic trends.
- Potential for physical redevelopment of Somersville Towne Center (has limited future viability as a traditional regional mall).
- (Pittsburg is a good model for downtown revitalization, although much of that development was made possible via redevelopment tools that are no longer available).

Threats to Antioch’s Economic Development Progress

- Shortage of available, user-ready office and industrial space.
- Neighborhood residents can object to re-purposing/redevelopment uses that stray too far from prior retail uses.
- Some obsolescent industrial: warehouses without sufficient clear heights.
- Fully functioning large-scale retail is limited.
- Young people find limited opportunities in Antioch, and so go elsewhere. Educational institutions, including technical schools and programs with an entrepreneurial focus, could help stem this. They also need to be able to find places to live that are affordable and appealing to them.

- Low-paying jobs, in hospitality etc., are relatively plentiful in Antioch, are also those most vulnerable to a recession.
- Local school district is the lowest-performing in the County. However, scores are not the whole story, and some schools have notable programs.
- Private schools are part of the education-quality issue; but there is infighting among public and private schools.
- Philanthropic support is lacking in Antioch, partly because of the limited number of big businesses with ties to the City.
- Absentee property owners are not motivated to lease vacant buildings (City should consider implementing a vacancy tax).
- Crime (both a perception and a reality) affects the City's resource needs and the overall community image; one issue is the inability to prosecute shoplifters due to the polices of the County DA's Office.
- Homelessness is a pervasive issue in Antioch (this issue has significant implications both for the City's resource needs and the community's image).
- Unsupervised children getting into trouble (they need more after school activities)
- No Bachelor's Degrees are available in Antioch.
- Lack of major employers – nothing has replaced lost waterfront jobs (Antioch should attract firms to take advantage of "reverse commute" opportunities, e.g., firms in Marin County).
- "Through commuters" impact City roads and services but do not contribute to tax base.
- Lower wage levels for jobs based in Antioch (makes it hard to attract workers, or at least offsets potential advantages associated with the relatively affordable housing).
- Negative image issues, including:
  - Crime
  - Homelessness
  - Public safety
  - Perceived lack of transparency of City government
  - Old/new Antioch divide
  - Racial intolerance
  - Loss of historic jobs
  - Zip code distinctions/disparities
  - Placemaking challenges (e.g., limited/inconsistent evening hours of downtown businesses are a potential impediment to positioning the downtown as a destination).
- "Disconnected" geographic sub-region in City in terms of demographic strength and economic development levels:
  - Unequal development levels throughout City
  - Difficult to create "sense of community" given diversity of conditions geographically in the City.
- Significant homeless and transient population in the City:
  - Real problem in terms of elevated crime rates
  - Image problem in attracting new businesses.

- Relatively low levels of education relative to other Bay Area cities:
    - Need more college graduates
    - Key to a qualified workforce.
- Blighted areas/buildings create a disincentive for new investment in the City.

Potential City Roles in Advancing Antioch's Economic Potentials

- Apparent nearby models that might appear to work for Antioch need careful scrutiny: Walnut Creek downtown had some success based on medical functions bringing traffic, but is now struggling; so, City perhaps forced concept that was overly limiting.
- Antioch could be more creative, even bold, in addressing retail opportunities and challenges in particular areas. The numerous issues associated with some of these areas tend to require an active City involvement, if not total control, in order to capture underlying value.
- Brokers have trouble attracting prospects to some of these underutilized properties. Troubled areas could benefit by an overlay master-use permit type of mechanism in order to expedite development. This was done at Delta.
- Overlays are one way that the City could trade discretionary approvals for giving greater certainty to the development community. City councils tend to favor discretionary approvals, but developers do not like this. The simpler, more explicit the rules for developers, the better.
- Pittsburg has been able to make some progress in education and support systems for at-risk youth. Antioch needs these kinds of programs.
- Development fees and related processes should be structured so that people can easily get answers to their development questions. The timing of approvals, etc. can be more important than the dollar amounts of the fees. Jurisdictions need to be sensitive to the fact that developers have limited windows of time in which to pull all aspects of a deal together. Pre-application meetings particularly should be implemented quickly.
- Cities can offer the option of having developers retain outside third parties to expedite approvals, at developers' expense. These costs can be dollars well spent.
- The City can improve the coordination among development-approving entities.
- The City can experiment with revising the rules for target areas (i.e., making the process quicker and/or less expensive in these locations), which can also help convince tenants of the attractiveness of a location.
- Educational uses can be acceptable alternatives (to neighborhood residents) when converting underperforming retail.
- Address crime (through a very transparent process that builds community buy-in).
- Support changes being made at the County DA's Office (allowing for fuller prosecution of shoplifting and other chronic crimes).
- Enhance opportunities for Antioch residents to participate in community life and civic decisions (having a large proportion of residents with long commutes can make it difficult to engage residents through traditional meetings, etc.).

- Apply Measure W revenues to community safety and economic development priorities (implement a community-based, consortium approach to deciding how these funds are allocated).
- Review City fee structures to ensure business friendliness (e.g., shopping center has to pay $500 to host a private special event even if it has no measurable impact on City services).
- Partner with non-profit sector for community and economic development program delivery.
- Reduce elevated levels of crime and homelessness; necessary for attracting new investment in the community.
- Identify key opportunity sites that are suitable for new development or redevelopment (e.g., development of new business park).
- Use City's powers or resources to enforce code violations (e.g., absentee landlords who let commercial/industrial buildings fall into disrepair).
- Evaluate potential City incentives or other grants for physical improvements to existing buildings (e.g., façade improvement grants).
- Improve levels of overall business friendliness (e.g., make sure zoning and General Plan goals are aligned); others indicated that the City has made great strides in recent years in improving business friendliness.
- Implement "digital census" for business license system:
  - Would allow City to get a more complete understanding of types of businesses in the City
  - Would enhance City's ability to identify needs of existing businesses.

Industry Types that Could Potentially be Targeted for Attraction

- Ideal employer prospects are those with 25 or fewer employees, especially if local workers are available, rather than larger firms. However, multipliers such firms generate are always a consideration.
- Jobs that pay well will also be an important component of retaining youth.
- Industries to bring to the City can include specialized trade schools and extension campuses of existing institutions.
- The business centers that exist around Antioch in other communities can be inventoried to see what they have been able to attract, and these might be viable targets (as industry types and also specific firms that might be enticed to Antioch).
- Target industries (attraction):
  - Testing labs
  - Trade school
  - IT/high tech
  - 3D printing.
- Target industries (retention/expansion):
  - Health care – connect to testing labs
  - Social services
  - Nursing/CNA jobs
  - Senior care.

Draft strategies – including initial observations on potential pandemic influences on strategies

The diagram below is a simplified summary of Antioch's current strategic situation:

Assets establish **Strong Potentials**:

- Location in region
- Workforce
- Land/growth capacity
- Waterfront access

To address **Chronic Problems**:

- Blight
- Crime
- Homelessness
- Education system

By applying **Strategic Actions** and, immediately, **Systematic Communication** to clarify and correct misconceptions

Big-Picture Strategy Themes: Antioch shares some opportunities and challenges typical of suburban cities in dynamic urban regions:

- Some of Antioch's **historic economic functions are less relevant** today.
- Housing needed for workforce now **commuting towards the urban core**.
    - Always in **catch-up mode** to maintain jobs/housing balance.
    - Retail development **follows** new residential development.
- With its location, Antioch is competitive for a range of economic activity, but has **neighbors also competing**.
- Historic areas are **unique assets** but also require **ongoing investment**.

"Global" Implications of Pandemic Potentially Affecting Antioch:

- Outlying areas of metro regions could be more attractive for both living and working.
- Growing, evolving communities will tend to be more adaptable to possible re-designs of urban formats such as shopping centers, places of public assembly, etc.
- Access to open space in general will likely be more valued by residents.

Program Areas, Citywide. The strategic plan citywide program areas outlined below represent a comprehensive approach to supporting Antioch's competitiveness. A total of 14 programs are grouped into three overarching categories:

Category 1: City administrative actions: Actions the City can undertake largely on its own without necessarily having to commit substantial additional resources. These include:

1. Development streamlining
2. Diversify economy (industry/cluster targeting program)
3. Existing business retention/expansion
4. Marketing / business attraction

Category 2: Substantial investment or creative use of limited resources: These are items that may require capital investments or other major resource commitments. Alternatively, to the extent funds are restricted, programmatic focus might shift toward low-cost design solutions. These include:

5. Crime reduction efforts
6. Blight reduction efforts
7. Programs to reduce homelessness
8. Other Quality of Life initiatives - including coordinating how City entities such as the Recreation Department, Marina and others maintain a Quality of Life programmatic and marketing orientation
9. Placemaking (e.g., downtown)
10. Targeted infrastructure investment

Category 3: External partner focus: The City may have primarily a convening or other facilitating/coordinating role, encouraging partners to, potentially, align pursuit of their own interests with those of the City. These include:

11. K-12 Education
12. Workforce development
13. Entrepreneurial development
14. Leverage philanthropic resources

The programs in the three categories, taken together, constitute a cross-section of: a) levels of effort, b) internal and external entities, and c) subject matter.

Summit Meeting 2, April 29

Meeting 2 participants were polled, during a Zoom meeting, to elicit their reactions to: 1) Potential target clusters, which had been shared with them through TNDG's *Industry Cluster Analysis*, summarized in the **Cluster Report Summary** section of this document, above; and 2) priorities for Antioch's Economic Development Program. The meeting session combined a remote polling system, Poll Everywhere, which participants accessed through their smartphones. Participants provided input on two major topics. First, the group was polled on 16 prospective target clusters within the three categories of:

1) Antioch "local" clusters,
2) Antioch "traded" clusters, and
3) East Bay traded clusters

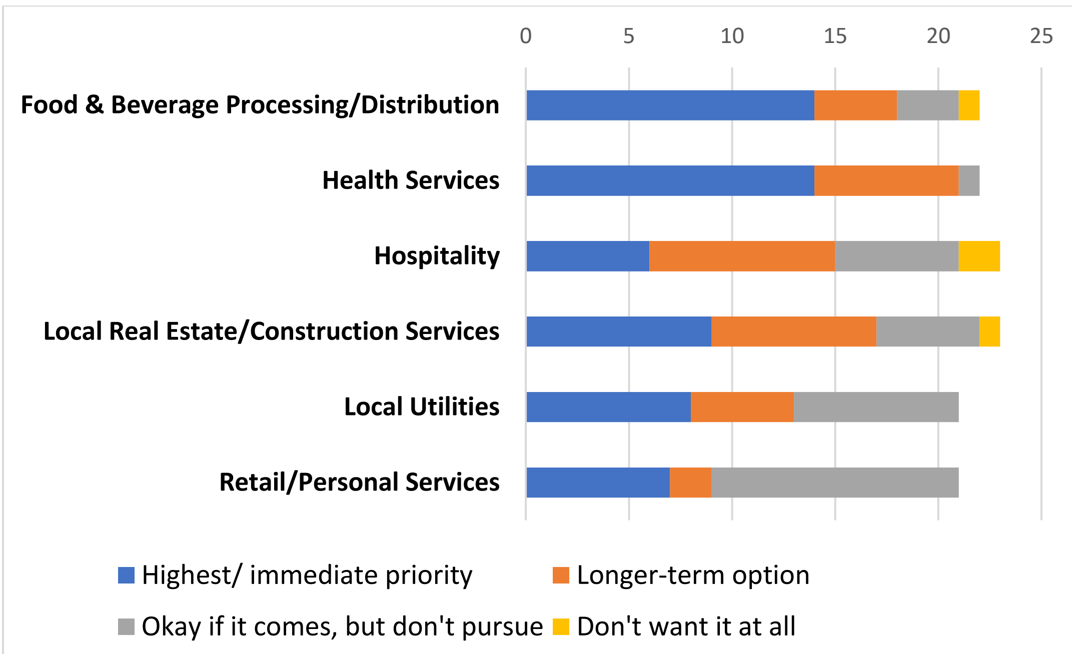
Second, the group addressed 13 economic development functions, organized within the three headings of: 1) Core economic development functions, 2) Foundational elements – physical environment/land use, and 3) Foundational elements – social.

For each topic, participants selected among four choices:

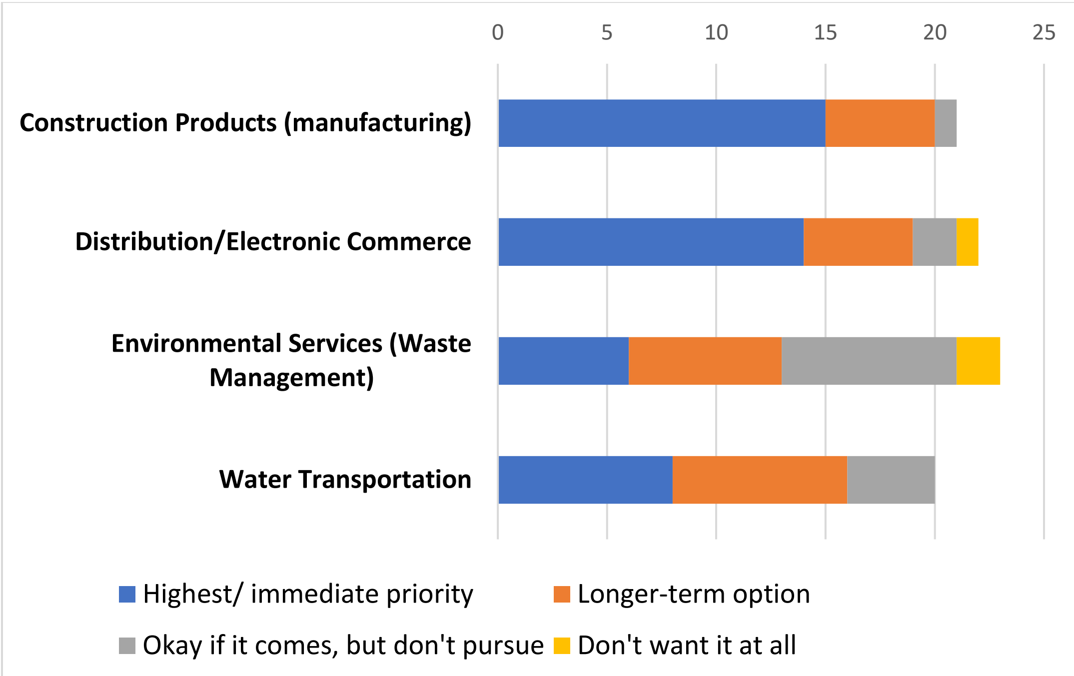
1) Highest/immediate priority
2) Longer-term option
3) "Okay if it comes, but don't invest City resources in pursuing it"
4) "Don't want it at all"

Results of these exercises are shown below in the following series of four "stacked bar" charts, which show the cumulative number of "votes" applied to each topic by choice option:

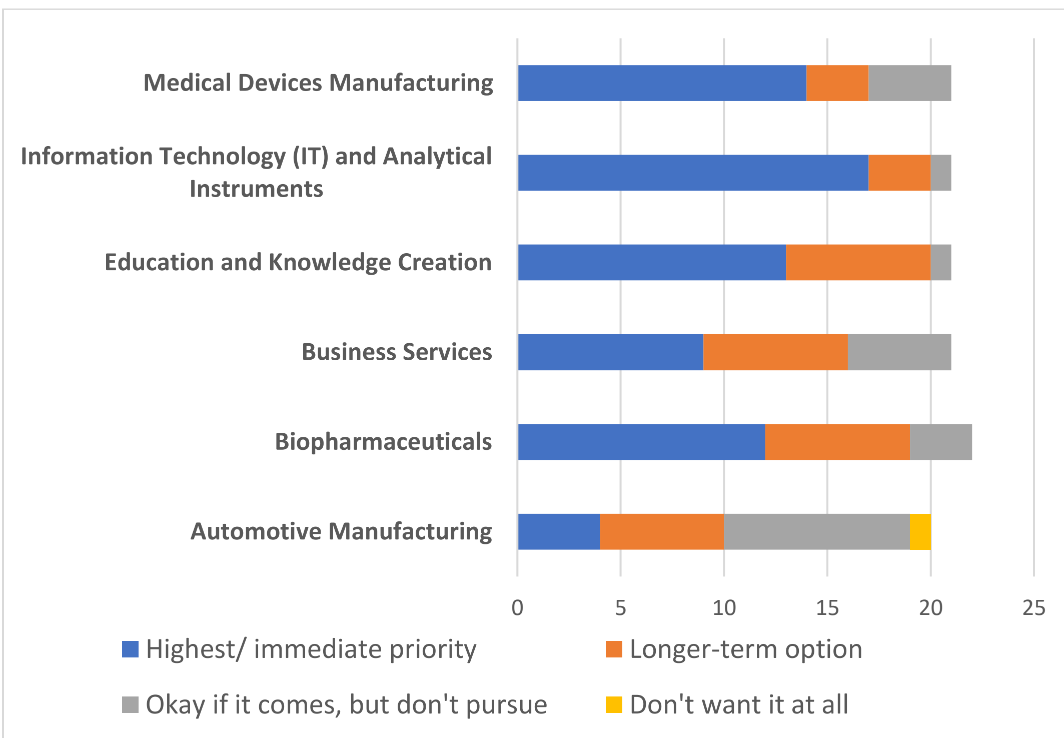
ANTIOCH LOCAL CLUSTER PREFERENCES



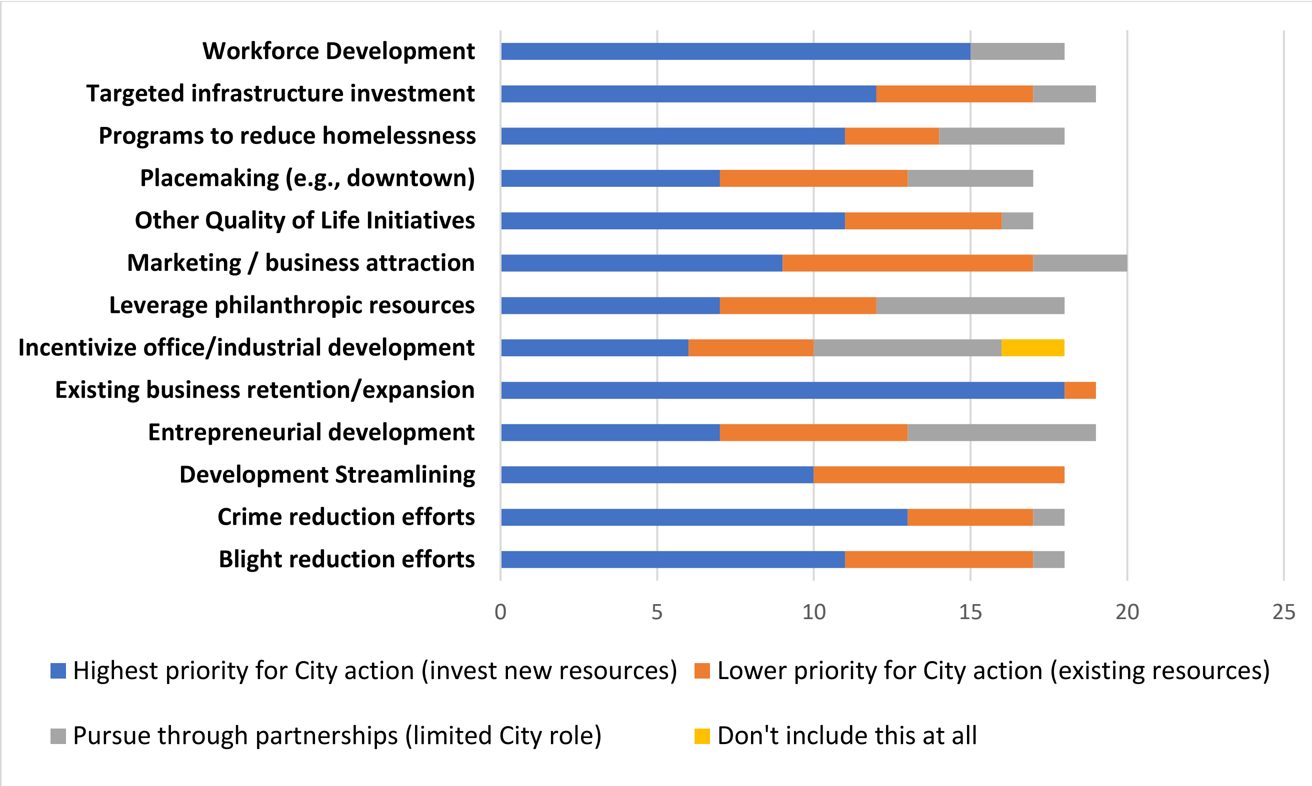
ANTIOCH TRADED CLUSTER PREFERENCES



EAST BAY TRADED CLUSTER PREFERENCES



Economic Development Program Preferences



Summit Meeting 3, June 3.

Key points raised by participants in response to a review of draft strategies include the following:

- K-12 education is important enough to be a strategy topic on its own; or perhaps the topic is K-16. Education is part of residents being able to negotiate a "whole lifecycle" within Antioch, beyond traditional education/training paths.
- [Participants] will expand on the list of potential partners for economic development.
- Business retention is a key component of successful economic development in Antioch, and there is unrealized potential in making existing local businesses more successful. This is in line with the concept of "economic gardening." The City could be a clearinghouse of resources for small business.
- Marketing a community like Antioch embodies special challenges and opportunities: all stakeholders need to have a clear sense of the message; one focus should be "what makes Antioch different from other cities in the region."
- Strategies could include creative ways of encouraging development, including for example making it more expensive for people to sit on developable properties. Regional brokers and local landowners need to be involved in generating strategies for development and redevelopment. Strategies can coordinate with the City's current initiative to undertake a study of vacant and underutilized properties throughout the City.
- Homelessness is a serious problem most likely made worse by the pandemic, and must involve both decisive action by the City and regional partners in addressing.

Discussion with Chief Brooks, Antioch Police Department

Because of the particular sensitivity of urban policing issues today, TNDG coordinated with Economic Development staff to conduct a key informant interview with Chief Brooks, to explore ways by which the strategic plan could relate most meaningfully to law enforcement in the community. The conversation focused on integrating relevant policing issues into other strategies. One of the key points was that the strategic emphasis should be on both recognizing the severity of certain issues and methods of enhancing communication with the public. It was noted that the City of Stockton may have relevant models for this, which TNDG has investigated and incorporated into draft strategies.

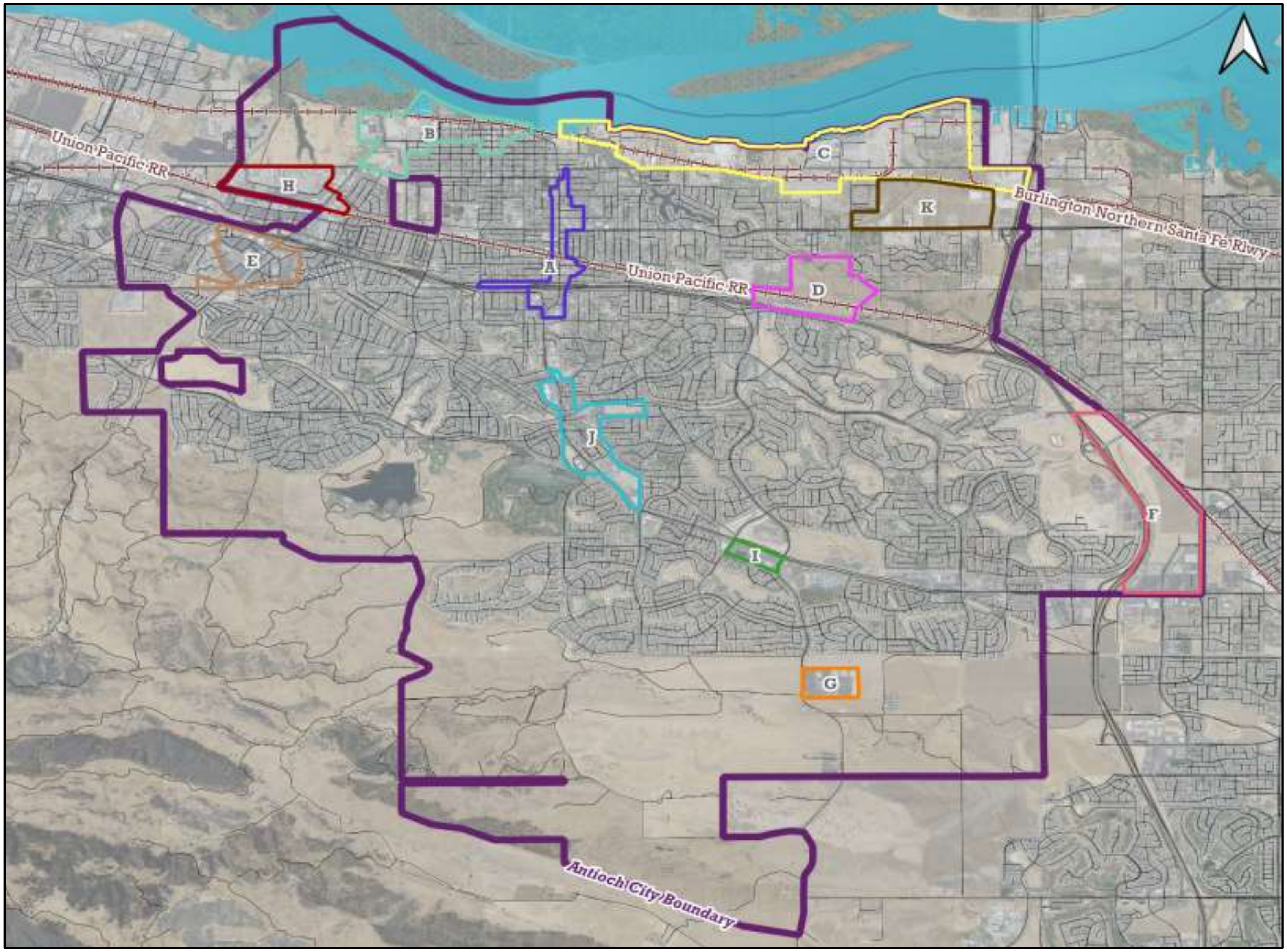
Development Focus Areas and Selection of Two Areas for Detailed Strategy Development

Summary of Focus Area evaluations

The Natelson Dale Group identified and evaluated the following 11 focus areas within Antioch with the intent, as per this project's scope of work, of prioritizing two sites that would each maximize the potential for near-term economic and fiscal impact from development or revitalization/repurposing. Strategies for the two sites would be coordinated within the overall economic development strategic planning process. The focus areas are listed below and shown on the following map.

A - A Street Interchange
B - Marina/Downtown
C - Wilbur Avenue / Eastern Waterfront
D - Hillcrest Station Area
E - Somersville
F - Lone Tree / Slatten Ranch
G - Kaiser / Sand Creek
H - Costco Area
I - AMC Theater Area
J - Sutter Delta Hospital Area
K - East 18th Street Specific Plan area

EVALUATED DEVELOPMENT FOCUS AREAS



Source: TNDG

These focus areas had been previously identified, in various forms and in some cases revised, in planning and other study documents for the City over a period of many years. TNDG worked closely with Economic Development staff to refine area boundaries, assemble relevant data from various sources and prepare methods for evaluating these properties.

In the evaluation process, each line item shown in the matrix below was qualitatively assessed by the consultants for each of the 11 areas, data permitting. These assessments were subsequently given numerical scores based on a scale unique to each line item, and the scores were then summed for all areas within a single matrix, as shown below:

AREA SCORES

Area Evaluation Matrix											
	Numeric Score (-3 to +3) from Area Scoring Sheets										
Criterion / Area Label	**A**	**B**	**C**	**D**	**E**	**F**	**G**	**H**	**I**	**J**	**K**
Physical conditions:											
Nature and scale of development opportunity/capacity based on physical characteristics	2	2	2	2	1	2	2	2	1	1	1
Broadband service speeds	3	3	1	0	0	2	0	2	0	2	2
Market demand:											
Local market demand conditions, trends	2	3	0	2	0	3	3	2	1	1	1
Global (industry) conditions affecting potentials	2	2	0	2	0	0	3	0	-1	2	1
Challenges/opportunities assumed to affect market competitiveness:											
Level of investment needed to activate capacity, dollars	-1	-1	-2	-2	-2	0	-2	0	-1	-1	0
Level of investment needed to activate capacity, administrative/ partnering	-1	-2	-1	-2	-2	-1	-1	0	-1	-1	0
Federal Opportunity Zone	0	0	3	3	3	0	0	0	0	0	3
Other special designations	0	-3	0	0	0	-1	0	0	0	0	-2
Local (neighborhood level) conditions affecting potentials	1	1	1	3	-2	3	3	2	1	0	-1
Influence of adjacent-area development / land uses	-1	0	3	2	3	3	3	2	1	1	-1
Existing conditions affecting market competitiveness:											
Private investment underway or planned	2	1	2	0	3	0	1	3	0	0	2
Public investment underway or planned	0	3	0	0	0	0	0	0	0	0	0
Area is focus of public sector studies or strategic focus	0	3	1	1	1	1	2	0	0	0	3
Current employment mix represents diversification in desired clusters (traded, etc.)	2	1	0	0	0	1	2	2	1	1	2
Performance measures - objectives served:											
Mitigates present or impending blight	1	3	3	0	3	0	0	0	1	1	1
Encourages employment in locally prominent clusters	2	2	2	2	2	2	3	3	2	2	1
Encourages employment in regionally prominent clusters	0	2	0	2	2	2	3	2	1	1	1
Enhances competitive position with respect to neighboring communities	0	3	2	2	2	3	3	2	1	0	1
TOTAL SCORE BY AREA	***14***	***23***	***17***	***17***	***14***	***20***	***25***	***22***	***7***	***10***	***15***

In the next phase of the evaluation process, the 11 areas were divided into two categories:

- Areas A, B, C, E, H, I, J, and K were assigned to the category "Investment in blight reduction," which referred to the fact that these areas included properties that would require redevelopment/revitalization efforts
- Areas D, F, and G were assigned to the category "greenfield development"

Additional "summary" scores were applied to the focus areas within these two categories, based on the following:

- Capacity/cost to develop: Capacity rating is based on size of area plus vacant land as a proportion of total. Costs assumed to be generally higher for redevelopment, so the likely scale of projects is a factor.
- Potential economic and fiscal impact: Size of area and likely scale of individual projects are factors.
- Potential to encourage other development: Potential impact of the project based on visibility, likely scale of typical project.
- Complexity and cost to plan and initiate: Probable range of options, availability of interested parties, etc.

The results of this process are summarized in the two tables below:

BLIGHT REDUCTION GROUP

	Focus 1: Investment in blight reduction							
Criterion / Area Label	A	B	C	E	H	I	J	K
Rank of Area Scores by focus category (1 = highest)	4	1	3	4	2	6	5	4
Capacity / cost to develop	Moderate/ mod	Mod/ high	Mod/ high	Mod/ high	Mod/ mod	Mod/ mod	Mod/ mod	Low/ mod
Criterion score, capacity	2	2	2	2	2	2	2	3
Criterion score, cost	2	3	3	3	2	2	2	2
Potential economic and fiscal impact	Moderate	Mod	High	Mod-Hi	Mod	Mod	Mod	Mod
Criterion score	3	3	1	2	3	3	3	3
Potential to encourage other development	Moderate	High	High	High	Mod	Mod	Mod	Mod
Criterion score	2	1	1	1	2	2	2	2
Complexity and cost to plan and initiate	Low	Mod	High	Low	Low	Low	Mod	Mod
Criterion score	1	2	3	1	1	1	2	2
Sum of criterion scores (lowest = best)	10	11	10	9	10	10	11	12
Area notes key			Note 2	Note 2				

A - A Street Interchange
B - Marina/Downtown
C - Wilbur Avenue / Eastern Waterfront
D - Hillcrest Station Area
E - Somersville
F - Lone Tree / Slatten Ranch
G - Kaiser / Sand Creek
H - Costco Area
I - AMC Theater Area
J - Sutter Delta Hospital Area
K - East 18th Street Specific Plan area

GREENFIELD GROUP

	Focus 2: greenfield development		
Criterion / Area Label	D	F	G
Rank of Area Scores by focus category (1 = highest)	3	2	1
Capacity / cost to develop	High/ high	High/ low	Mod/ low
Criterion score, capacity	1	1	2
Criterion score, cost	3	1	1
Potential economic and fiscal impact	High	High	Mod
Criterion score	1	1	3
Potential to encourage other development	High	High	Low
Criterion score	1	1	3
Complexity and cost to plan and initiate	High	Low	Low
Criterion score	3	1	1
Sum of criterion scores (lowest = best)	9	5	10
Area notes key	Note 1		

Area notes:

1. Development costs for this area associated with the need to access developable land via a bridge could potentially be offset by grant funds, which could make this location the most desirable of greenfield options.

2. Projects in this area are likely to be relatively sizable in scale, given the existing development conditions, parcel sizes, etc.

Selection of 2 areas for additional strategy development

Following additional discussions with Economic Development staff, one area was selected from each of the two categories of "blight reduction" and "greenfield development" for additional strategic focus, based primarily on the summary scores:

1. Somersville Mall (Area E), for blight reduction, and
2. Slatten Ranch (Area F), for greenfield development

Key characteristics of the two sites are shown below:

TWO SELECTED PROPERTIES

Characteristic	**Somersville Mall** (Area E)	**Slatten Ranch** (Area F)
Estimated Existing Jobs	1,788	1,417
Total Acres	128.0	315.5
Jobs/Acre	14.0	4.5
Relative Size (jobs)	Mid-sized	Mid-sized
Relative Size (acres)	Mid-sized	Large
Relative Job Density (jobs/acre)	Medium	Medium
Building Density	Medium	Low
Highest employment (top 3) in:		
	Health Care	Retail
	Retail	Accommodation/Food Svc
	Accommodation/Food Svc	Other Services

Selecting an area from each of the two categories was in keeping with one of the principles of the economic development strategic planning process, namely to expedite immediate development options within the community (greenfield development) and also tackle longer-term challenges associated with area revitalization, including a focus on the concept that successful revitalization could benefit the community generally.

Document 2.5

Antioch Stategy and Target Cluster Review with Pandemic
(memorandum dated 03-16-2021)

M E M O R A N D U M			
TO:	Kwame Reed Economic Development Director City of Antioch	**DATE:**	March 16, 2021
FROM:	Roger Dale, Managing Principal The Natelson Dale Group, Inc. (TNDG)	**FILE:**	#4115
SUBJECT:	**Antioch Strategy and Target Cluster Review with Pandemic**		

This memo summarizes the results of a review of two aspects of the *Antioch Economic Development Baseline and Strategic Plans* in light of the Covid-19 pandemic, namely:

1. Recommended economic development strategies, and
2. Candidate target clusters

The Matrix of strategic considerations and potential effects heightened by pandemic below addresses potential positive or negative implications of pandemic effects on each strategy category, along with key strategy topics that would likely be instrumental in focusing strategic efforts. The table includes a column showing key interrelationships among strategy categories.

The Recap of summary characteristics – candidate clusters in *Antioch Industry Cluster Study* (April 2020) summarizes key aspects of candidate clusters from TNDG's previous study referenced, and is included here for context. These candidate clusters are then reviewed in the table, Reinterpretation of target cluster considerations, reflecting potential pandemic implications. This table summarizes: 1) how the pandemic could affect global demand for the industries in each cluster, 2) how jobs within the cluster that are based in Antioch could be affected, and 3) how the pandemic might affect the relationship between the cluster and Antioch's position in the East Bay. The final table provides generalized Conclusions regarding overall viability of target clusters.

P.O. Box 489, Yorba Linda, CA 92885
www.natelsondale.com
Phone: (714) 692-9596. Fax: (714) 692-9597

Matrix of strategic considerations and potential effects heightened by pandemic – Key Items to Drive Strategy Focus

Strategy category	Positive/negative implications of Effects	Special considerations	Relates to:
A. Public revenue effects with changing (mainly projected) land-use patterns	Decreases in some types of employer facilities and increases in others will affect property taxes Residential development may be encouraged, increasing property and sales taxes	Antioch has been fortunate to have an advantageous retail business mix that has largely weathered the pandemic	D
B. Public cost effects			
Services obligations	Changing land use mix will affect	The City will want to preempt any potential to become fiscally disadvantaged in this pivotal period	
Public investment needs	Reprioritizing	Identify opportunities to shift as certain areas/uses become more, or less, important. For example, fiber optics needs could increase to support remote workers, and this is a challenging infrastructure element for the City to plan for and otherwise expedite because of multiple service providers, and other issues. Relates to Priority Development Focus Area (DFA) #2 (1)	A
C. Public planning/development effects			
General and specific plans, and zoning	Documents may need to be changed to maximize competitive development conditions within changed development environment. Changing development market conditions may increase the need for repurposing existing buildings. For example, offices and hotels might need to convert to housing, retail distribution functions, event/meeting spaces, kitchens for deliveries only, etc.	The timing of the General Plan process now underway is particularly fortuitous. Placemaking and other quality-of-life considerations take on additional importance. Relates to DFA 1, 2	D, G, H

Strategy category	Positive/negative implications of Effects	Special considerations	Relates to:
Public improvements	May need re-prioritizing	Look for ways to maximize development potential of certain areas, with key investments (for example in fiber optics). Relates to DFA 2	A, B, G, H
D. Private development opportunities	Demand for general office space will probably decline; shared office space needs may expand. Firms with offices in major cities may want satellite offices in suburbs where employees are concentrated. Demand for housing may increase, along with the need for greater diversification of housing types, costs, etc. Options for working remotely will be aided by ongoing continuing advancement and expansion of communication tools for doing so. Live/work projects may experience greater demand	The City's transition to form-based zoning will expedite development, and coordinating the production of blanket EIRs would also help. The City can encourage developments that creatively respond to housing's evolution as a place of work. Relates to DFA 1, 2	F, G, H
E. Public policy adaptations		The City can take special efforts to monitor changing conditions in workplaces, etc.	D
Marketing: For economic development as well as generally	Existing efforts will need revisiting	Adjust marketing messages to changing local trends as they emerge	C, D, F, G, H
Development Approval processing	Competition among cities for what might be, at least for a time, limited development activity could make this issue more relevant and increase the importance of the City implementing highly visible development streamlining initiatives, and other steps to maximize approval transparency	Added flexibility will help City to adapt to changing land use demands, etc. Municipalities also have an added incentive to work with the business community to help businesses recover from the coronavirus shutdowns	D

<table>
<tr><th>Strategy category</th><th>Positive/negative implications of Effects</th><th>Special considerations</th><th>Relates to:</th></tr>
<tr><td>Economic development</td><td>City is already desirable residential base; employers may be persuaded to co-locate with employees</td><td>What defines best practices could evolve rapidly and continuously for a time. Incentives might focus more on workforce support; for example, along with retraining (due to traditional influences such as industry change, etc.), some workers may need supplemental guidance adapting to work-from-home environments</td><td>D, F, G, H, I</td></tr>
<tr><td>Existing business retention/expansion</td><td>Local businesses that have been sidelined by the pandemic are likely to need additional assistance in restoring their operations, so many might be more receptive to this sort of outreach than they would otherwise be</td><td>This function (and the visibility of the City's messaging about it) is especially important now</td><td>D, G, H, I</td></tr>
<tr><td>Business attraction</td><td>The potential for increased competition among cities to attract/retain business operations increases the relevance of this strategy program area. As the suburban region in general grows, the challenge of distinguishing advantages within individual cities increases</td><td>Firm's traditional ways of thinking about the value of particular locations will almost certainly have to change; for example, is the "prestige" of a certain city's business address still relevant, when people understand that most workers are not actually there?</td><td>D, G, H</td></tr>
<tr><td>Workforce development</td><td>Employment disruptions brought about by the pandemic should increase the demand for alternative employment options, and retraining will be necessary for at least some of those options to be realized</td><td rowspan="2">Institutional partnering to encourage creative responses to these conditions will likely take on a higher priority. The City has data indicating small-business repositioning has occurred presumably in response to the pandemic. The City could also take on the role of functioning as a clearinghouse for entrepreneurial support systems</td><td></td></tr>
<tr><td>Entrepreneurial development</td><td>Employment disruptions from the pandemic may result in more people than usual attempting to pursue entrepreneurship</td><td></td></tr>
<tr><td>Leverage philanthropic resources</td><td>Funds from philanthropic organizations will probably be in high demand as one way of attempting to mitigate pandemic-related problems</td><td>Potential funders can be out made aware of the opportunities for providing support within Antioch</td><td>A, B, E, F, G, H, I</td></tr>
<tr><td></td><td></td><td></td><td></td></tr>
</table>

Strategy category	Positive/negative implications of Effects	Special considerations	Relates to:
F. Perception of value/marketing implications			
Locational characteristics			
On cross-commuting circuit, between Bay Area and Central Valley	Continues to represent an advantage, even at reduced levels of commuting	Documenting changes in commuting and work-from-home habits will continue to present a challenge, given its evolution in response to the pandemic in the short-term and possible long-term consequences; but real estate firms such as Redfin can provide current information on origins and destinations of home searchers and purchasers	D, E
Situated among competitive suburbs	Neighboring communities' growth still enhances attractiveness of the overall region	City can continue to assess opportunities at a regional level, which might emerge as region grows and Antioch becomes more central to this growth. Relates to DFA 1, 2	D, E, I
Institutions of higher learning in region	Part of attraction for resident workers; can be leveraged to support entrepreneurs	Regional growth may create opportunities for additional/enhanced institutions in Antioch. Relates to DFA 1, 2	E, I
With less commuting (work from home), travel congestion is reduced	City's accessibility is enhanced	This could be a major plus, given that some commuting will probably continue, even for those primarily working from home	D
G. Community assets			
Physical assets			
Opportunity Zones	Pandemic has been a factor in extending the time period for investors to make use of this incentive program.	Relates to DFA 2 and also portions of the waterfront area and the Hillcrest Station area	
Downtown	The configuration and use of public areas could change significantly and on a long-term basis, and public areas become more important in general, as a result of the pandemic experience; expanded	The advent of such changes can be monitored along with the potential need for design and other updates to existing and planned public spaces. Perceptions of	C, D, H, I
Riverfront	The configuration and use of public areas could change significantly and on a long-term basis, and public areas become more important in general, as a result of the pandemic experience; expanded	The advent of such changes can be monitored along with the potential need for design and other updates to existing and planned public spaces. Perceptions of	C, D, H, I

Strategy category	Positive/negative implications of Effects	Special considerations	Relates to:
Marina	demand for outdoor activities will be advantageous for Antioch	the City's quality of life will be important deciding factors for potential business and workforce relocatees	
Broadband	Home-based workers will absolutely require high-level broadband service	Broadband conditions in Antioch are somewhat uneven at present. Relates to DFA 2	C, D, E
Healthcare facilities	Healthcare facilities become even more important with both the current pandemic and heightened awareness of potential future threats		E, F
Access to open space	Expanded demand for outdoor activities will be advantageous for Antioch		D, F
Sports center	Expanded demand for outdoor activities will be advantageous for Antioch		D, F
Water supply capacity	Strength of the local water supply is likely to become more important as regions and communities place a higher priority on resiliency and self-reliance	Desalinization plant, though not specifically related to the pandemic, offers unique competitive advantage that can potentially mitigate "lost opportunities/advantages" due to the pandemic	D, H
Developable land, greenfield and re-developable	Developable land remains a competitive advantage within the largely built out Bay Area; however, land use patterns are likely to shift, and land uses such as office space, which would have otherwise been supported by Antioch's central location within a large labor pool, will likely need to be rethought as strategic targets	As with most cities, Antioch will continue to face pressure to change job-focused zones to residential uses, so must be prepared to maintain an appropriate stock of employment land uses. Relates to DFA 1, 2	D, H
Economic/demographic assets			
Resident workforce in diversified industries, mostly out-commuting	A long-term shift in favor of remote work (which now seems likely) will potentially undermine Antioch's "reverse commute" selling point and this will influence the industries that Antioch is well positioned to attract		D, E, F

Strategy category	Positive/negative implications of Effects	Special considerations	Relates to:
Relative affordability of housing	Affordable housing remains a strategic advantage within the high-priced Bay Area; however, a trend towards remote work will effectively expand the range of other communities that are affordable options for Bay Area workers (i.e., if they can work remotely, they may opt to leave the Bay Area altogether)	One marketing challenge for Antioch (and other suburban communities) is to position the community as a desirable alternative to both the large Bay Area cities and to abandoning the Bay Area	D, E, F
H. Assets that could be enhanced or expanded			
Downtown grid circulation pattern	The pandemic experience could exert additional influence on the evolution of transportation systems, already subject to change due to emerging technologies, to for example expand options for local alternative modes given reduced commuting flows and increased home-centered experiences	Experiences of other cities can be monitored as one way of remaining current on this topic. Relates to DFA 2	A, B, C, D
Alternative mobility (slow streets, etc.)			
Port	With potential connections to e-commerce and logistics, and with a rail line present, the port could be a very strategic asset for Antioch; is Antioch's port suitable for these activities, or what would be needed to make it so, including appropriate jurisdictional control or oversight?	The port at Antioch is lacking recognition and official designation within the Bay Area port system. Potential for re-activating the power generation facility near waterfront could also be a very strategy asset/competitive advantage for Antioch	A, B, C, D
Water-based recreation facilities and services	Expanded demand for outdoor activities will be advantageous for Antioch		A, B, C, D
Development focus areas	In general, the pandemic is likely to decrease demand for retail and office space and increase demand for industrial space. Since Antioch is already anticipating the need to repurpose surplus retail facilities, it can be in a position of being proactive about accommodating expanded industrial demand	From the perspective of the development community, housing is likely to be a prime candidate for repurposed commercial land. Antioch will need to continually monitor and balance housing demand with other development opportunities (e.g., industrial) in light of the long-standing jobs/housing imbalance. Relates to DFA 1, 2	A, B, C, D, F

Strategy category	Positive/negative implications of Effects	Special considerations	Relates to:
Rail line	May be important in relation to potential expanded port operations		
Energy production facility	The pandemic has heightened the awareness of resiliency in infrastructure, among other things, which could play a role in expanding energy production in Antioch	Alternatively, this facility may be most productive by being repurposed	
I. Implications of challenging conditions			
Crime and crime perception	Economic and social stress brought about by the pandemic could result in increased crime, at least in the short term, so the issue is particularly relevant at this time	This issue becomes more challenging to address with the added fiscal constraints brought on by the pandemic	A, D, F
Blight reduction efforts	Less-than-optimal economic conditions could increase the potential for blighted areas to expand or otherwise further downgrade	Strategic actions could be geographically targeted, prioritized, and implemented with this particular consideration at the forefront. Relates to DFA 2	A, D, F
Programs to reduce homelessness	The pandemic will almost certainly add to the problem of homelessness, at least in the short run, both in terms of numbers of people affected and also the severity of their social assistance needs	Short-term remedies might be more important than long-term solutions, which in reality require multijurisdictional coordination, for the immediate future. The *San Diego Community Action Plan on Homelessness* could be a source of guidance for long-term strategies, including their "systems level" comprehensive approach to addressing issues directly and indirectly related to homelessness	A, D, F
K-12 systems	The pandemic has exposed our collective and individual vulnerabilities, resulting in an increased awareness of social equity. Strong public education becomes increasingly critical to ensuring that all members of the community are empowered to thrive in a changing world	Places that demonstrate leadership in this will gain a competitive advantage	A, D, F

Strategy category	Positive/negative implications of Effects	Special considerations	Relates to:
Competitive neighboring communities	Overall, the impacts of the pandemic on Antioch's competitive position are a "mixed bag," with some factors affecting Antioch negatively and some factors potentially having a positive impact. These shifting competitive influences heighten the need for Antioch to distinguish itself to better stand out in what will likely be an increasingly competitive development environment	Be aware of potential for bias favoring "new" development, which could entice consumers to locations outside the City	D, E, F, G, H

1. Priority Development Focus Areas (DFAs): 1 = Slatten Ranch; 2 = Somersville Mall

Recap of summary characteristics – candidate clusters in Antioch Industry Cluster Study (April 2020)

Candidate Cluster	Local or Traded Cluster?	Average (1) Annual Compensation	Projected 10-Year Job Growth (net new jobs)		Does this cluster leverage Antioch's core competitive advantages?		
			East Bay	Bay Area	Waterfront	Workforce/ Commute	Industrial Capacity
Antioch's existing clusters:							
Health services	Local (2)	$85,976	24,000	70,000		X	
Retail/personal services	Local	$29,413	Job losses	Job losses			
Hospitality – non-food; sports/fitness venues	Local	$25,217	19,000	61,000			
Restaurants, other food services	Local						
Real estate and construction	Local	$77,090	12,000	44,000		X	
Food and beverage processing/distribution	Local	$42,813	300	1,200		X	X
Utilities	Local	$119,879	Job losses	Job losses		X	X
Construction products mfg.	Traded	$101,831	1,000	3,000		X	X
Water transportation	Traded	$158,812	600	800	X	X	
Environmental services	Traded	$78,566	120	200	X		X
Distribution/electronic commerce	Traded	$83,203	2,700	11,000	X	X	X
East Bay clusters:							
IT and analytical instruments	Traded	$147,612	2,400	16,000		X	X
Medical devices mfg.	Traded	$130,802	1,200	No net growth		X	X
Automotive mfg.	Traded	$109,487	8,000	9,000		X	X
Biopharmaceuticals	Traded	$134,556	<100	2,000		X	X
Education and knowledge creation	Traded	$93,133	7,000	28,000		X	
Business services	Traded	$126,108	15,000	112,000		X	

(1) Average compensation based on averages for East Bay subregion.

(2) Although the Health Services cluster is typically considered a local cluster, Antioch's facilities serve the larger region to some extent.

Reinterpretation of target cluster considerations, reflecting potential pandemic implications

Candidate Cluster	Pandemic implications		
	Global Demand	Jobs Based in Antioch	Antioch's Position in Region
Antioch's existing clusters:			
Health services	Aging population and anticipation of future pandemics increase demand	Local strength (which pandemic does not diminish)	Antioch's centrality to the East Bay increases over time (due to both ongoing trends and likely pandemic effect of dispersing workforce away from historic centers)
Retail/personal services	Retail downsizing through e-commerce (which pandemic has accelerated); personal services remain location-specific	Positive long-term; the more the resident workforce works from home, the more likely they are to purchase goods and services locally as opposed to their workplaces; this positive effect may offset the ongoing trend towards consolidation of retail demand/facilities	
Hospitality – non-food; sports/fitness venues	Aversion to crowding may continue past pandemic; increasing recreational isolation	Follows trends generally; but work-from-home could increase the appeal of local outdoor recreation (i.e., pandemic potentially has both positive and negative impacts on Antioch's competitiveness)	Antioch has base of outdoor recreational venues (which are likely to be more attractive in the future due to pandemic)
Restaurants, other food services	Demand grows with population increase; but venue types may change	Boosted by work-from-home	Antioch's centrality to the East Bay increases over time (due to both ongoing trends and likely pandemic effect of dispersing workforce away from historic centers)
Real estate and construction	Demand grows with population increase; but commercial space demand may decrease	Some offsetting, generally positive	
Food and beverage processing/distribution	Demand grows with population increase; pandemic likely to increase demand for locally sourced food and beverage products	Positive for artisanal, specialty	
Utilities	Demand grows with population increase, and need for resilience will necessitate additional investment	Most of Antioch's existing employment in this cluster is concentrated in the Wired Telecommunications Carriers Industry (which represents an opportunity not only to create jobs but also to expand Antioch's telecommunications infrastructure)	

Candidate Cluster	Pandemic implications		
	Global Demand	Jobs Based in Antioch	Antioch's Position in Region
Construction products mfg.	Demand grows with population increase; but commercial space demand may decrease and be repurposed	Offsetting influences, positive on balance	
Water transportation	Bulk transport tends to be more efficient, and technologies could evolve to increase this (pandemic's effect of increasing demand for logistics businesses could be a basis for leveraging Antioch's unique water transportation potentials)	Port asset could be activated	Extensive waterfront, with variety of land uses
Environmental services	Demand grows with population increase; need for more efficiency will require investment; pandemic is likely to induce an across-the-board focus on resilient "systems," including waste management, etc.	Global demand increases combined with Antioch's capacity for "heavy industrial" activities (which other Bay Area communities are less likely to have) should make this a promising cluster for Antioch	Antioch's centrality to the East Bay; waterfront potential
Distribution/electronic commerce	Demand grows with population increase; pandemic has clearly accelerated demand for e-commerce and related logistics activities		
East Bay clusters:			
IT and analytical instruments	Demand grows with population increase; evolving technologies add to demand; remote work, social distancing, etc. increase demand for software and hardware	Antioch residents may find expanded home-based employment opportunities in IT (although the firms would not necessarily be located in Antioch). For manufacturing-oriented IT jobs (less suited for remote work), Antioch's resident workforce should remain an attractive asset for prospective firms	Minimal existing strength in Antioch. In terms of business attraction targets, manufacturing activities should remain viable for Antioch (because they are less susceptible to disruption by a shift to remote work). For business types experiencing a shift to remote work, business attraction to Antioch becomes more challenging
Medical devices mfg.	Demand grows with population increase; evolving technologies add to demand; increasing focus on improved health care systems (in response to pandemic) should generally enhance demand	For manufacturing jobs (less suited for remote work), Antioch's resident workforce should remain an attractive asset for prospective firms	

Candidate Cluster	Pandemic implications		
	Global Demand	Jobs Based in Antioch	Antioch's Position in Region
Automotive mfg.	Pandemic could have effect of increasing demand for personal automobiles, and electric vehicle production in California could increase in general; but autonomous vehicles will reduce overall demand for personal autos	Offsetting influences per global demand; for manufacturing jobs (less suited for remote work), Antioch's resident workforce should remain an attractive asset for prospective firms	
Biopharmaceuticals	Demand grows with overall population and aging population increase; evolving technologies add to demand; increasing focus on improved health care systems (in response to pandemic) should generally enhance demand	For manufacturing jobs (less suited for remote work), Antioch's resident workforce should remain an attractive asset for prospective firms	
Education and knowledge creation	Demand grows with population increase; evolving technologies add to demand for retraining to update skills and to replace skills made obsolete	Potentially offsetting effects in terms of demand for new facilities/employment: pandemic generally increases demand for flexible education systems; but services may increasingly be delivered in a virtual format	Opportunities may emerge in future, with East Bay regional growth, but it is possible these will be fulfilled virtually and thus not create local demand for new facilities/jobs
Business services	Demand grows with population increase; evolving technologies add to demand	Services are a "mixed bag" in terms of susceptibility of impacts from remove work: some activities can be readily fulfilled by remote workers, whereas some require face-to-face interaction	Antioch's centrality to the East Bay increases over time; however, for service types that might have previously been attracted to Antioch as a means of seeking less expensive office facilities, the attraction may be diminished by the pandemic (since these firms are likely to reduce their use of office space overall)

Conclusions regarding overall viability of target clusters

<table>
<tr><th>Candidate Cluster</th><th>Updated “Verdict” on Viability as a Target Cluster</th></tr>
<tr><td colspan="2">Antioch’s existing clusters:</td></tr>
<tr><td>Health services</td><td>Remains viable (and global demand should be even stronger than before pandemic)</td></tr>
<tr><td>Retail/personal services</td><td>Remains viable, but still should be regarded as a “consolidating” industry (requiring special attention to the needs of specific sub-clusters that are most likely to grow or decline in the future)</td></tr>
<tr><td>Hospitality – non-food; sports/fitness venues</td><td>Remains viable, especially given Antioch’s strength/capacity as it relates to outdoor recreational options</td></tr>
<tr><td>Restaurants, other food services</td><td>Remains viable, as Antioch becomes more central to East Bay and more Antioch residents work locally (remotely or otherwise)</td></tr>
<tr><td>Real estate and construction</td><td>Remains viable, as Antioch becomes more central to East Bay</td></tr>
<tr><td>Food and beverage processing/distribution</td><td>Remains viable, as more Antioch residents work locally, and industry generally shifts towards more localized production</td></tr>
<tr><td>Utilities</td><td>Remains viable, although it is noted that most of Antioch’s existing employment in this cluster is concentrated in one specific industry (Wired Telecommunications Carriers); viability of expanding other local utility industries needs to be further investigated</td></tr>
<tr><td>Construction products mfg.</td><td>Remains viable (jobs are generally not subject to remote work, so Antioch’s potential attractiveness as a manufacturing/heavy industrial location remains a strength)</td></tr>
<tr><td>Water transportation</td><td>Remains viable, based on Antioch’s unique waterfront location (and global demand should be even stronger than before pandemic)</td></tr>
<tr><td>Environmental services</td><td rowspan="2">Remains viable (jobs are generally not subject to remote work, so Antioch’s workforce and physical capacity for these types of heavy industrial activities remain strong selling points)</td></tr>
<tr><td>Distribution/electronic commerce</td></tr>
<tr><td colspan="2">East Bay clusters:</td></tr>
<tr><td>IT and analytical instruments</td><td>Remains viable (with global demand expected to be stronger), subject to the following countervailing conclusions:
Antioch’s workforce and physical development capacity will continue to make it attractive as a potential manufacturing location
Business types (e.g., software development) experiencing a shift to remote work may no longer have a cost-based motivation to seek locations in Antioch</td></tr>
<tr><td>Medical devices manufacturing</td><td rowspan="3">Remains viable (due to potential increases in global demand and low susceptibility to remote work)</td></tr>
<tr><td>Automotive manufacturing</td></tr>
<tr><td>Biopharmaceuticals</td></tr>
<tr><td>Education and knowledge creation</td><td>Antioch’s position likely diminished by pandemic (potential shift towards virtual delivery of educational services will reduce need for new facility-based operations)</td></tr>
<tr><td>Business services</td><td>Viability depends on specific business type: Some components of this cluster (i.e., business types not subject to remote work), remain viable; however, for service types that might have previously been attracted to Antioch as a means of seeking less expensive office facilities, the attraction may be diminished by the pandemic</td></tr>
</table>

Document 2.6

Opportunity Brief –
Lone Tree / Slatten Ranch Employment Center

Opportunity Brief
LONE TREE / SLATTEN RANCH EMPLOYMENT CENTER
Antioch, CA

Overview

As part of a citywide economic development initiative, the City of Antioch has identified the Lone Tree / Slatten Ranch area as a top priority for future development as a major employment center.

Profile of the Lone Tree / Slatten Ranch Area

Location / boundaries:	See Figure 1 (boundaries) and Figure 2 (regional location).
Developable area:	Total area of 315.5 acres, of which 140 acres is currently undeveloped
Existing land uses:	Mostly vacant/undeveloped land; southern portion of area includes the Slatten Ranch Shopping Center, which anchors Antioch's most vibrant regional retail area.
Surrounding built environment:	This site abuts (and includes a portion of) a vibrant concentration of regional retail facilities (including Slatten Ranch Shopping Center, Empire Shopping Center, Empire Crossings and Lone Tree Plaza) that straddles the Antioch/Brentwood boundary. Key retail anchor tenants include: Target, Bed Bath & Beyond, Barnes & Noble, JC Penney, Best Buy, Office Depot, WinCo, The Home Depot, Kohl's, Michaels, Petco, Trader Joe's, Lowe's and 24 Hour Fitness.
Existing zoning:	S-P/Regional Retail/Employment Generating Lands
Infrastructure:	The site has excellent transportation infrastructure for freight/distribution and for workforce and customer access. The site fronts the SR4 Highway and is immediately adjacent to a Union Pacific Railroad line.

City's Vision/Goals for this Area

The undeveloped portion of this site is ideally suited for a range of industrial and/or business park uses, potentially including the following tenant/business types:

- Manufacturing (e.g., Value Added Advanced Manufacturing or MakerTech within 3 blocks of interchange; potential areas of focus would include Drones/Robotics and Value Added Food Manufacturing)
- Logistics (both warehouse and Just-in-Time) within 3 blocks of interchange
- Wholesale trade for value-added industries (e.g., value added food industries, biosynthetic construction materials, agricultural products from East County and Central Valley)
- R&D facilities (e.g., life science, biosynthetic building materials)
- University/community college field stations related to onsite R&D activities
- Ancillary commercial uses (e.g., restaurants and services oriented to the daytime population)
- Business hotel (needs to be within one block of and visible from highway interchange)
- Possible "Innovation Zone" where office, MakerTech, R&D and entrepreneurial uses can be intermixed in an overlay zoning designation to create collaborative workplaces

Antioch's Market Position

Future development opportunities in Antioch will be strongly enhanced by Antioch's unique market position, which includes the following features that are advantages over competitor cities in Northern California and out of state:

- Available land for large industrial development projects (competitively priced compared to Highway 880 Corridor)
- Relatively affordable land for adaptive reuse for warehouse and manufacturing compared to inner SF Bay
- Business friendly City with manufacturing/logistics friendly policies (including flexible zoning for various types of industrial/manufacturing uses)
- Large resident/regional workforce to support business growth
- Waterfront / port facilities
- Opportunity to create joint venture programs for Buchannan and Byron Airports, developing the repair, maintenance, and AI software support ecosystems
- Opportunity to create a competitive niche related to anticipated buildout of Concord Naval Station over next ten years (develop the repair, maintenance and AI software support ecosystems for major employers and educational institutions that locate in Concord)
- Affordable East Bay residential location with attractive open space areas, BART station, and waterfront recreational amenities

City's Strategic Investments and Incentives

The City anticipates making the following resources/incentives available to facilitate development of targeted land uses:

- Direct City investment in marketing / tenant attraction
- Packaging of workforce training and other available incentives (including Federal, State and Contra Costa County resources) for targeted tenants
- Development of employer co-sponsored training programs with Los Medanos Community College, Cal State, and nearby universities (e.g., University of Davis for biosynthetic and or advanced food manufacturing)
- Strategic infrastructure investments (with priorities to be determined in consultation with property owners)
- Facilitation of infrastructure financing mechanisms for property owners
- Specific Plan preparation (if needed)
- Fast tracking of any necessary zoning changes
- Expedited entitlement/permitting (including waived fees and streamlined CEQA documentation)
- Potential investment in people movers between Amtrak, BART and Bus Stations (i.e., proposed Glydways program)
- Leveraging alliances with neighboring East County cities and service districts, creating regional cooperation in the areas of housing, transportation, telecommunication, educational and workforce development programs.
- Potential positioning of Bryon Airport as a drone freight distribution center

Figure 1. Lone Tree/Slatten Ranch Employment Center

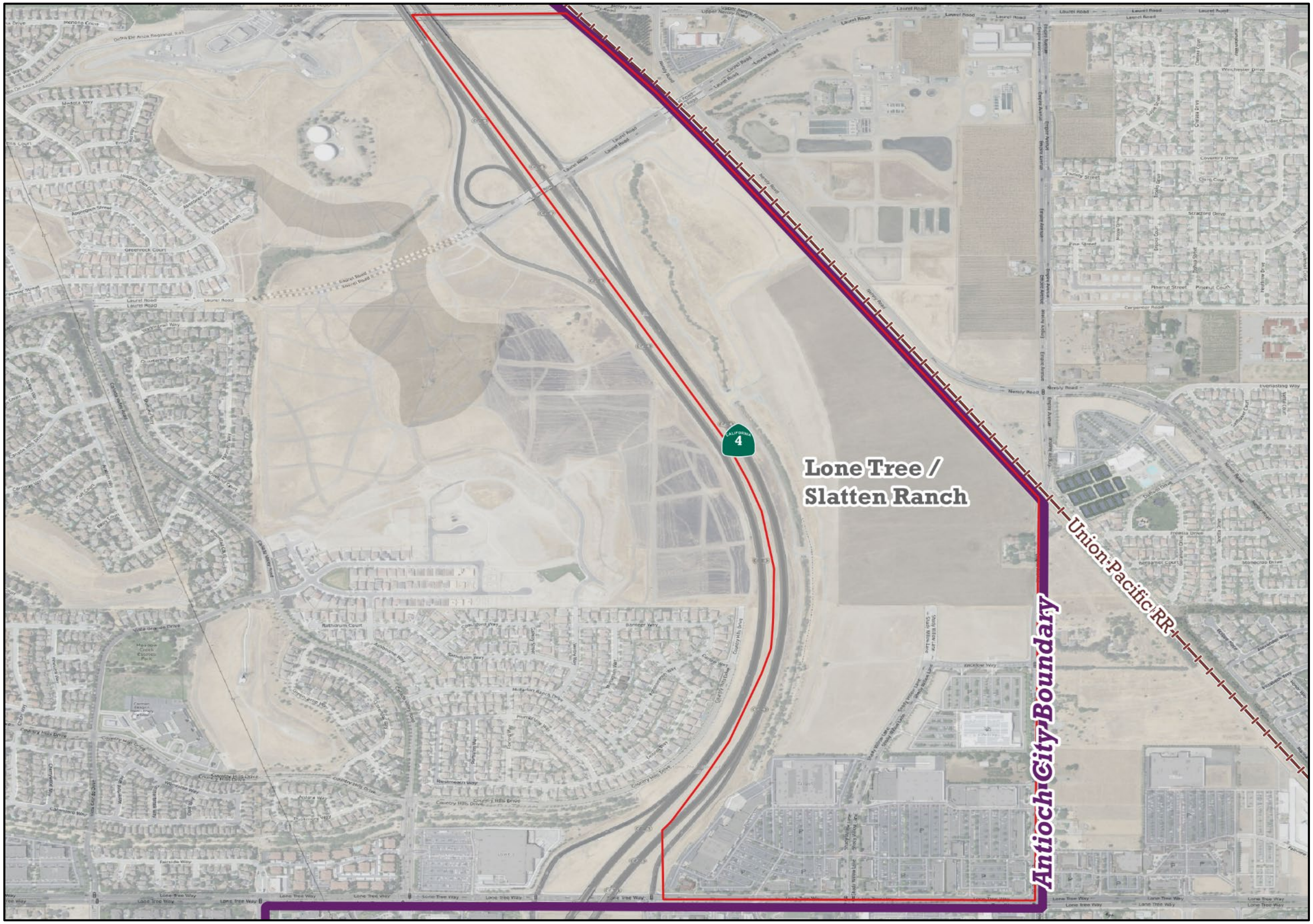
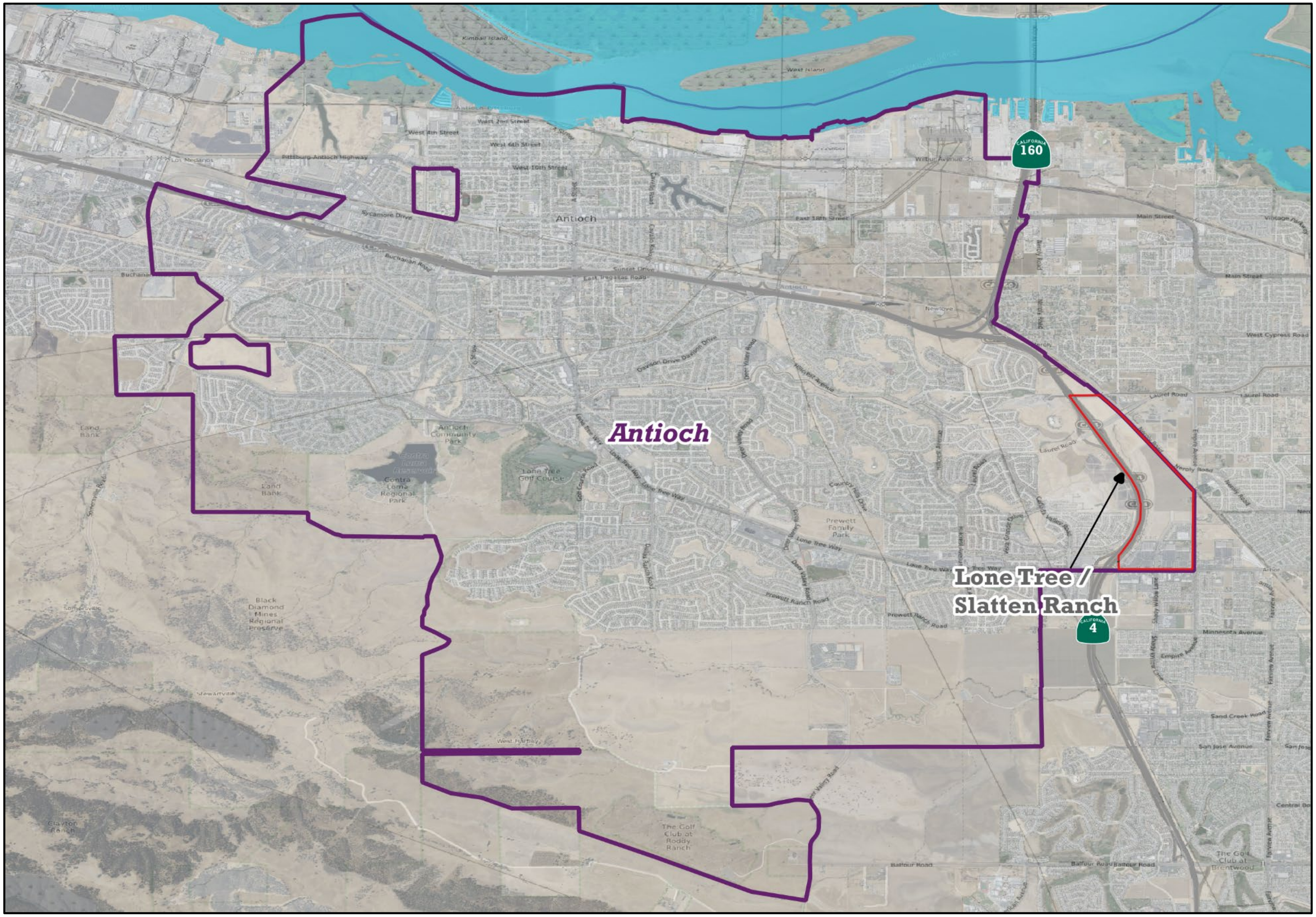


Figure 2. Regional Location Map



Document 2.7

Opportunity Brief –
Somersville Employment Center

Opportunity Brief
SOMERSVILLE EMPLOYMENT CENTER
Antioch, CA

Overview

As part of a citywide economic development initiative, the City of Antioch has identified the Somersville area as a top priority for future development/redevelopment as a major employment center. This opportunity brief provides an overview of anticipated market potentials and available development incentives applicable to this area.

Somersville Employment Center

Location / boundaries:	See Figure 1 (boundaries) and Figure 2 (regional location).
Developable area:	Total area of 128.0 acres
Existing land uses:	The majority of the land within this area (approximately 145 acres) is currently developed with an older/obsolescent regional shopping mall (Somersville Towne Center), which represents a major redevelopment opportunity within Antioch. Properties around the periphery of the mall are mostly developed with low-density commercial buildings. Business types present in the area include retail/food service, health care and financial services firms. The overall commercial vacancy rate in the Somersville employment center (including the mall and the peripheral buildings) is 32%.
Surrounding built environment:	This site is mostly surrounded by residential neighborhoods offering a range of housing products/types.
Existing zoning:	C-3/Regional Commercial
Infrastructure:	The site has excellent regional access based on its adjacency to the SR4 Highway / Somersville Road interchange.

City's Vision/Goals for this Area

The Somersville area is ideally suited for repositioning as a mixed-use "village," whereby the former regional mall would be transformed into a new town center or walkable village retail center. Under this scenario, obsolete department store buildings would be demolished and the inner mall area would be preserved with viable retail tenants. Development around the remaining retail core could include:

- Workforce housing (townhomes and apartments)
- Neighborhood-oriented commercial uses (e.g., grocery, entertainment, fitness facilities, medical clinics and financial institutions)
- Employment-generating industrial uses (including manufacturing and R&D)
- Business hotel

The village concept is intended to attract workers to relocate to Antioch from the inner SF Bay Area who would work at the waterfront, BART station area other local employment centers.

Antioch's Market Position
Future development opportunities in Antioch will be strongly enhanced by Antioch's unique market position, which includes the following features that are advantages over competitor cities in Northern California and out of state:

- Available land for large industrial development projects (competitively priced compared to Highway 880 Corridor)
- Relatively affordable land for adaptive reuse for warehouse and manufacturing compared to inner SF Bay
- Business friendly City with manufacturing/logistics friendly policies (including flexible zoning for various types of industrial/manufacturing uses)
- Large resident/regional workforce to support business growth
- Waterfront / port facilities
- Opportunity to create joint venture programs for Buchannan and Byron Airports, developing the repair, maintenance, and AI software support ecosystems
- Opportunity to create a competitive niche related to anticipated buildout of Concord Naval Station over next ten years (develop the repair, maintenance and AI software support ecosystems for major employers and educational institutions that locate in Concord)
- Affordable East Bay residential location with attractive open space areas, BART station, and waterfront recreational amenities

City's Strategic Investments and Incentives

The City anticipates making the following resources/incentives available to facilitate development of targeted land uses:

- Federal Opportunity Zone program (designated area includes Somersville)
- Potential expansion of City's cannabis overlay zone
- Direct City investment in marketing / tenant attraction
- Packaging of workforce training and other available incentives (including Federal, State and Contra Costa County resources) for targeted tenants
- Development of employer co-sponsored training programs with Los Medanos Community College, Cal State, and nearby universities (e.g., University of Davis for biosynthetic and or advanced food manufacturing)
- Strategic infrastructure investments (priorities to be determined with property owners)
- Facilitation of infrastructure financing mechanisms for property owners
- Specific Plan preparation (if needed)
- Fast tracking of any necessary zoning changes
- Expedited entitlement/permitting (including waived fees and streamlined CEQA documentation)
- Potential investment in people movers between Amtrak, BART and Bus Stations
- Leveraging alliances with neighboring East County cities and service districts, creating regional cooperation in the areas of housing, transportation, telecommunication, educational and workforce development programs.
- Potential positioning of Bryon Airport as a drone freight distribution center.

Figure 1. Somersville Employment Center

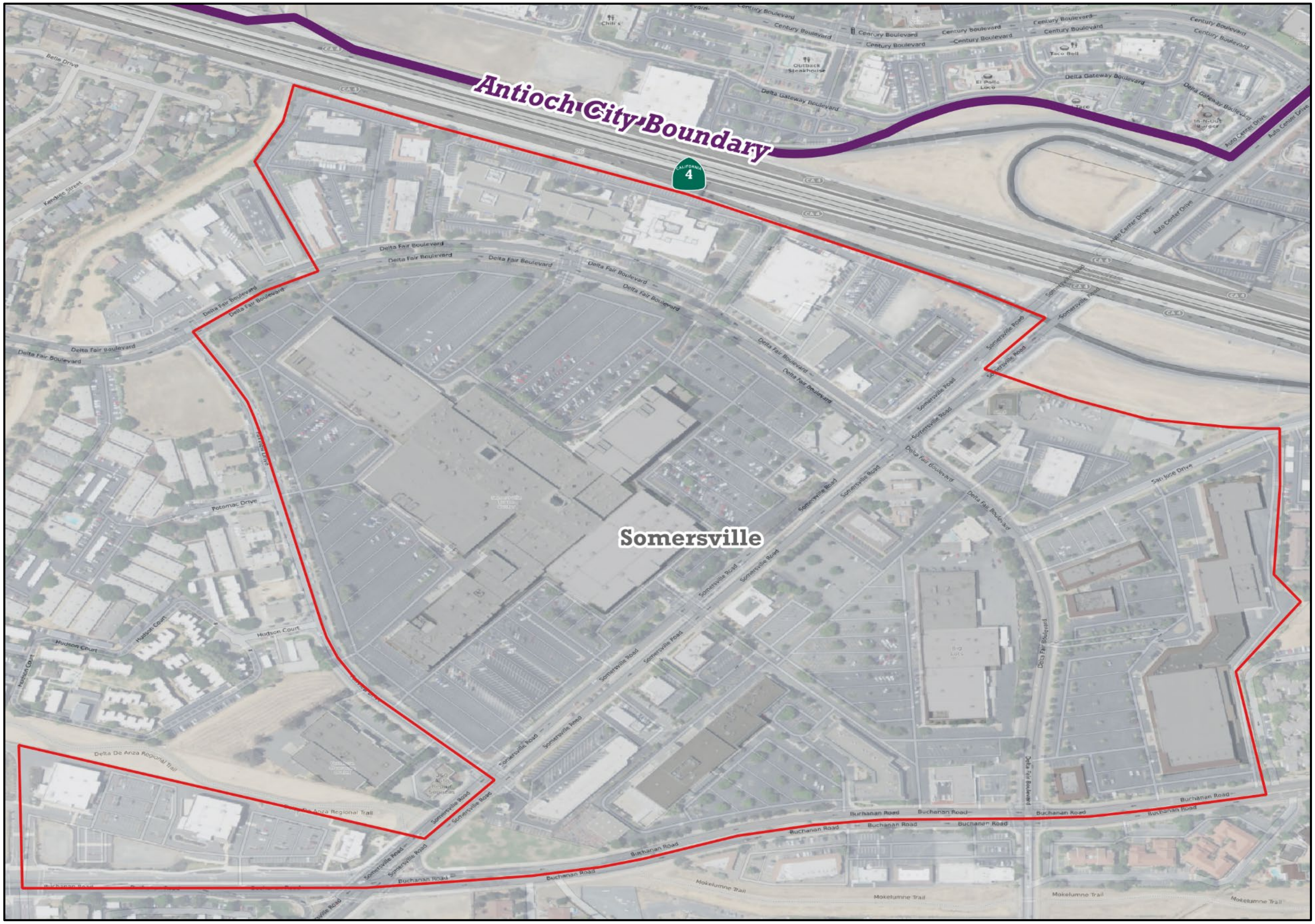


Figure 2. Regional Location Map