



City of San Ramon Economic Development Strategic Plan

2011

Acknowledgements

City Council

Mayor H. Abram Wilson
Vice Mayor Scott Perkins
Councilmember Carol Rowley
Councilmember David Hudson
Councilmember Jim Livingston



Economic Development Advisory Committee

Devon Powers (Chair)
Chad Johnson (Vice-Chair)
Jason Gong
Geoffrey Johnson
Greg Lonie
Joe Nelson
Walt Trembley
Rick Domanski
Lou Dagan
Yvonne Wood (Term through 2010)
John Dickenson (Term through 2010)

City of San Ramon Staff

Herb Moniz	City Manager
Marc Fontes	Economic Development Director
Joe Tanner	Administrative Analyst
Juanita Davalos	Office Specialist

Consultant

Simon Alejandrino	Vice President
Bay Area Economics	

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Introduction



Purpose of the Economic Development Strategic Plan (EDSP)

The EDSP is a living document that establishes direction for San Ramon's short and long-term economic development. The Plan identifies goals, strategies, and implementation actions for the City to pursue as it enacts business retention, expansion, and attraction efforts, supports a fiscally healthy government, realizes key development projects across the City, and makes San Ramon a better place to live and work. In addition, the EDSP is the primary tool for the implementation of the Economic Development Element of the City's General Plan, and is referenced therein.

EDSP Overview

The EDSP is organized into Goals, Strategies, and Implementation Actions.

Goals are overarching, broad statements regarding the City's economic development priorities. These are as follows:

- Goal A: Maintain and Expand Existing Firms and Attract New Employers to San Ramon
- Goal B: Maintain and Strengthen San Ramon's Fiscal Vitality
- Goal C: Maintain and Enhance San Ramon's High Quality of Life
- Goal D: Implement Key Planning and Development Projects

Strategies are policies and methods for achieving the Goals.

Implementation Actions include specific initiatives that the City should undertake to enact the Strategies and achieve its Goals. The EDSP also includes an Implementation Plan, which identifies a timeline and responsible agency for realizing the actions identified in the EDSP.

The Goals, Strategies, and Implementation Actions in the EDSP were based on input and data from the following:

- San Ramon Economic Development Strategic Plan, 2005
- Interviews with local stakeholders conducted throughout 2010
- San Ramon Economic Trends and Opportunities Report, 2010 (see Appendix A)
- San Ramon Supportable Retail Space Analysis, June 2009
- Economic Development Element, City of San Ramon General Plan
- Review and input from the San Ramon Economic Development Advisory Committee (EDAC) throughout 2010
- Community workshops held in October 2010

Goal A: Maintain and Expand Existing Firms and Attract New Employers to San Ramon



San Ramon benefits from a strong and diverse employment base, with jobs distributed among various business sectors. This variety has helped San Ramon ride out shifts in the national and regional economies. The City should build upon and diversify its current economic base by retaining, expanding, and attracting firms in key business sectors. Opportunities may also arise to attract more jobs as firms restructure and consolidate their operations. In addition, the City should also enact strategies to maintain and support its major employers, while encouraging growth among mid-sized firms, small businesses, and start-ups.

Strategies

1. *Continue to improve and expand upon the City’s retail base, focusing in particular on region-serving retail offering comparison shopping goods.*

Although San Ramon has several successful neighborhood and community shopping centers, the City’s affluent households, large daytime worker population, and rapid growth rate indicate strong market support for additional retail space. Interviews with national and regional retailers confirm this conclusion. In particular, strong demand exists for stores with apparel, home furnishings, and other comparison shopping goods. Currently, San Ramon residents leave the City to purchase these items, leading to a significant amount of retail “leakage.” New region-serving retail stores in San Ramon would help recapture some of these lost sales. At the same time, existing shopping centers could be enhanced through improvements in design and tenant mix. These steps would improve local shopping opportunities in San Ramon, help attract shoppers from outside the City, diversify the local economy, and generate additional annual sales tax revenue for the City.

2. *Capitalize on growth in the green/clean technology industry, and aim to retain, grow, and attract firms in this sector.*

The clean technology industry in California is growing faster than the economy as a whole.¹ The East Bay houses 1,100 clean tech companies employing 30,900 workers, making it the second-largest clean tech employment base, compared to San Diego, Silicon Valley, Los Angeles, Inland Empire, and Upper San Joaquin Valley. Moreover, the East Bay is ranked third in clean tech innovation in the State, after Los Angeles and Silicon Valley, based on the number of patents, venture capital investments, small business tech grants, startups, and “gazelle” companies (i.e., rapidly growing firms).

¹ *Innovating the Green Economy in CA Regions*. Center for Community Innovation, UC Berkeley. 2010.

Contributing to these trends, the i-GATE Innovation Hub program, Innovation Tri-Valley Plan, Livermore Valley Open Campus (LVOC), Sandia and Lawrence Livermore National Laboratories (LLNL) all aim to establish the Tri-Valley as a center for clean tech innovation.

The City should tap into these efforts to promote local job growth. Most clean tech start-ups require low-cost industrial and flex space, a relatively rare product type in San Ramon. Some existing underutilized buildings may have the potential to convert to this type of space. However, more mature firms with administrative and management headquarters often require the type of Class A office space found throughout San Ramon.

3. *Retain, expand, and attract firms that make up San Ramon's economic base, including businesses in the Information sector, Professional, Scientific, and Technical Services sector, the Health Care industry, and the Accommodation & Food Services industry.*

Together, these sectors represent the core of San Ramon's economy, making up approximately 45 percent of the City's total jobs. Moreover, the Accommodation and Food Services industry and Health Care sectors have shown strong growth, increasing by 35% and 28% respectively between 2003 and 2008. The City should continue to support the retention, expansion, and attraction of firms in these sectors. As shown by recent leasing activity at Bishop Ranch, opportunities for job attraction may occur as firms consolidate and restructure their workforce in response to the economic downturn. As an example of this effort, the City has supported the Tri-Valley Convention and Business Bureau by helping establish an independent funding source through the Tourism Business Improvement District.

4. *Support small business development and expansion in San Ramon.*

As of 2005, small firms in San Ramon with up to 25 employees and medium-size firms with 26 to 75 workers made up the bulk of employers and collectively represent almost 36 percent of total jobs in the City. In addition to providing steady employment for a significant share of the local economy, small businesses have the potential to expand and thrive in the right environment. In fact, Innovation Tri-Valley identifies a concentration of "gazelles" in the Tri-Valley, defined as new rapidly growing firms.²

These start-ups are sparked by the kind of entrepreneurialism and innovation associated with communities such as San Ramon, with high educational attainment and household incomes and a well-established set of existing firms. Businesses can emerge as established professionals create new ventures and spin-off existing companies. Bishop Ranch and other office projects also offer space to serve smaller companies, as well as the potential for partnership, collaboration, and synergy between new and established firms. Resources such as the San Ramon Chamber of Commerce, the San Ramon Public Library, the Contra Costa County Small Business Development Center, the Tri-Valley Business Council, the East Bay Economic Development Alliance, and the East Bay Innovation Group all create a supportive environment for small business start-ups and expansion.

5. *Continue to enhance and promote the City's business-friendly environment, including an efficient, equitable, and predictable permitting process.*

The City of San Ramon should continue to promote a culture of business support among its staff. City employees should be well-informed and willing to assist firms with their concerns and needs, particularly staff that interface with the public for licenses, permits,

² *Innovation Potential in the Tri-Valley*. Innovation Tri-Valley Initiative. July 22, 2010.

planning, and other business services. In addition, the City's fee schedule and permitting process should be efficient and cost competitive with neighboring communities. The City should also continue to collaborate with the San Ramon Valley Fire District on their role in the permitting process and the services they provide to the business and development community.

6. *Provide adequate land use designations to accommodate planned development, with business and commercial areas complementing residential and public uses.*

A mix of these uses helps support a healthy jobs-housing balance in the City, facilitates a day and night-time economy, and can help limit auto trips. Furthermore, a diversity of land uses allows for a variety of business sectors to locate in San Ramon. The City is currently working on the North Camino Ramon Specific Plan with this goal in mind.

7. *Continue to reinforce and participate in regional economic and workforce development efforts.*

Workforce development occurs through a network of public and private educational systems that span K-12 schools, community colleges, four-year institutions, advanced degree programs, and training initiatives. In the Tri-Valley, workforce planning and implementation is led by Diablo Valley College, the Contra Costa and Alameda Workforce Investment Boards (WIBs). At the same time, several regional economic development efforts span the Tri-Valley and East Bay. As noted above, these include a concentrated initiative by Innovation Tri-Valley and other stakeholders to establish the region as a center for clean technology and energy efficiency-related research, development, and employment. The City of San Ramon should continue to support and participate in all these efforts.

Implementation Actions

Business Retention, Expansion, and Attraction

- A. Assemble and promote a **City Business Incentive Package** that highlights the benefits of locating in San Ramon. These strengths include a highly qualified workforce, high household incomes, a range of housing options, low business fees and taxes, excellent municipal services, a well-run City government, and the generally high quality of life in the City. In addition, the Package should contain information on educational, training, and business development resources, and local government contacts. In particular, information on local venture capital, start-up funding, grant, and financing resources should be highlighted, with the appropriate contact information for each source.
- B. Create **marketing materials** to support firm attraction, and regularly update the City website with information regarding population, household income, education, and employment trends in San Ramon. Coordinate with Bishop Ranch on this marketing initiative to help in their efforts to attract tenants.
- C. Continue to collaborate with the **existing network of business services** in San Ramon and the region, and direct new firms to these services through informational materials such as the Business Incentive Package (described above) and the City website. Business services include the San Ramon Chamber of Commerce, the San Ramon Public Library, the Contra Costa County Small Business Development Center, the Tri-Valley Business Council, the East Bay Economic Development Alliance, and the East Bay Innovation Group. Each of these groups should cross-market their respective programs.

- D. Encourage the development of underused properties or older office/industrial facilities as **low-cost flex-space** to attract start-up firms in the clean technology sector.
- E. Continue to **partner with commercial real estate brokers and property managers** to provide property and marketing information to potential businesses looking to locate in the region, and a clear understanding of the entitlement process. Outreach to brokerage and property management services could occur through distribution of the Business Incentive Package described in Implementation Action A.
- F. Maintain ongoing **communication with local venture capital groups, angel investor groups (e.g., Keiretsu Forum), entrepreneur assistance programs (e.g., Tri-Valley Innovation Network), and local banks** to identify any businesses looking to expand or relocate in the area and to encourage investment in the community. Use these contacts as another avenue for distributing the Business Incentive Package and other marketing materials.
- G. Establish **ongoing communication with existing businesses**, particularly larger employers. (e.g., through special meetings with City staff, an annual summit, or both). The Chamber of Commerce and other business leaders should play an active role in this process. Consider hosting a **San Ramon Economic Development roundtable**, inviting members of the local business community to understand market trends, their needs, and how the City can continue to support local employers.
- H. Continue to **monitor leasing activity** among retail and larger office users in San Ramon, noting when leases are set to expire, as firms often use this as an opportunity to reconsider their location. The City should pro-actively contact these firms and help assure that they remain in San Ramon.
- I. Establish a **communication plan with small businesses** in San Ramon, working through the City's business license database to assemble a contact list. An initial program might be to conduct a survey of small businesses in San Ramon to understand their needs and how the City can support their growth.
- J. Consider **contracting with local firms** for public services when feasible. Establish a list of local vendors that receive Requests for Proposals when they are issued by the City.
- K. Encourage and facilitate **partnerships between the St. Mary's College, Sacramento State University, University of San Francisco and UC Davis Executive MBA programs and local firms**. These could include a coordinated effort to tailor the programs to address the needs of San Ramon employers and business sectors.
- L. Collaborate with Bishop Ranch to support **social and networking opportunities for local employers**. Bishop Ranch representatives report that these events improve the quality of life of their tenants, help spark business-to-business activity, and position Bishop Ranch as a full-fledged community, rather than just a conventional business park. These events could be organized around holidays, sports and recreation, and dining and entertainment.

Retail Development

- M. Continue to support the planning and construction of the **San Ramon City Center** project. To the extent possible, the City should provide technical assistance to the

developer on the permitting process and install the necessary supporting infrastructure to allow the development to proceed as quickly as possible, once plans are submitted.

- N. Pursue the attraction of **region-serving retail in the North Camino Ramon area**, and plan for this use through the Specific Plan process.
- O. Organize and implement a **marketing campaign to encourage residents to shop in San Ramon**, possibly in partnership with the Chamber of Commerce and other local business interests, such as local shopping center owners. The campaign could occur as an insert in regular City mailings such as the Recreation Guide. The City can also distribute materials on a quarterly basis via its email broadcast list. Streetscape and design elements (e.g., banners, signage) can also be installed to celebrate San Ramon and encourage residents to shop locally.
- P. Maintain ongoing **communication (e.g., through an annual meeting) with owners and operators of existing San Ramon shopping centers**. Discuss creative strategies and approaches for the centers to work with the City to improve operations, such as signage, circulation, and center design. A retail specialist could participate in this process to recommend improvements.
- Q. Engage retail brokers and other industry specialists to **identify tenants for new and existing shopping centers** in San Ramon. Tenants should fill unmet retail needs within the local and regional market. San Ramon and its surroundings are best characterized as an affluent family-oriented community in a very strong regional market; retail options in the City should look to serve this demand.
- R. Continue to **track retail industry trends** through conferences, industry publications, and communication with industry representatives, such as brokers and developers.

Land Use Planning and Development

- S. Maintain a **streamlined, efficient, and predictable City permitting process**. The permitting process should be prepared to handle specialized tenant improvements in health care and other technical industries to support growth in these sectors. Furthermore, City fees should be competitive with neighboring cities, while effectively recovering costs. Additionally, continue to coordinate with the San Ramon Valley Fire District to help ensure an efficient and predictable permitting process while preserving public safety goals.
- T. Establish **General Plan and zoning designations** that allow for a blend of complementary uses throughout the City. In particular, these designations should allow sufficient sites for the key industries outlined above, namely Clean Technology, Information, Professional, Scientific, and Technical Services, and Health Care sectors.
- U. Continue to update the City's **zoning regulations** and other plans and policies as necessary to allow progressive and efficient floor-to-area-ratios (FARs), parking standards, and other development regulations in accordance with the General Plan.

Regional Economic and Workforce Development

- V. Collaborate with Diablo Valley College San Ramon Campus, UC Davis, St. Mary's College of California, Sacramento State University, and University of San Francisco campuses in San Ramon, the Workforce Development Board, and others, to strategize on **workforce development efforts** and services for local businesses seeking employee training. To the extent possible, educational programs at these institutions should be linked with San Ramon's key industries, while considering other vital sectors in the Tri-Valley region as well. These efforts should include training for expanding industries as well as well-established service trades.

- W. Continue to participate in the planning and implementation of the **i-GATE Innovation Hub program and Innovation Tri-Valley Plan**, which together seek to establish the Tri-Valley as a center for clean technology and energy efficiency-related research, development, and employment. i-GATE's major initiatives include supporting an energy technology incubator, supporting the **Livermore Valley Open Campus (LVOC)**, developing graduate level academic facilities, programs in the Tri-Valley, and marketing the region as a technology hub. As part of this implementation action, the City should keep abreast of development at the LVOC and activities at **Sandia and Lawrence Livermore National Laboratories (LLNL)** to leverage these resources into local economic development in San Ramon. For example, the City could hold quarterly meetings with representatives from the LVOC, Sandia, and LLNL to look for potential economic development partnerships (e.g., space location for technology transfer firms). As part of this communication, San Ramon could report blocks of available space to the labs to help promote the City as a potential location for partner firms. This relationship would also benefit the labs as evidence to federal funding agencies of their efforts to promote economic development.

- X. Explore **partnerships with St. Mary's College, Sacramento State University, and UC Davis' Executive MBA programs, the Tri-Valley Business Council, and East Bay Economic Development Alliance** to develop a program to "retrain" workers with greater educational attainment to become entrepreneurs in emerging sectors, such as the clean technology industry.

Goal B: Maintain and Strengthen San Ramon's Fiscal Vitality



Like many local California jurisdictions, San Ramon has experienced fiscal challenges in recent years, with costs outpacing revenues during the ongoing economic downturn. Declines in property and sales taxes, rising retirement and medical insurance rates, and the State's budgetary deficit, have all affected the San Ramon

General Fund. However, thanks to a conservative fiscal policy and a relatively stable local economy, the City has managed to weather these concerns better than most California jurisdictions. The EDSP presents strategies to maintain and strengthen the City's fiscal position, and allow continued provision of high quality municipal services.

Strategies

1. Retain, expand, and attract retail sales tax revenue-generating businesses to San Ramon.

As noted in Goal A, local demographics suggest strong potential for additional retail space in San Ramon. The City should pursue the development of additional retail space to generate more sales tax revenue, while maintaining its existing retail base.

2. Consider the fiscal impact of land use decisions during planning initiatives, such as the North Camino Ramon Specific Plan and the City's General Plan.

Land use planning decisions have fiscal impacts on the City, affecting revenues from sales tax, property tax, and other sources, as well as the demand on municipal services. The City should conduct fiscal impact analyses of major land use plans to consider the effects of these programs on municipal finances.

3. Leverage new development to generate service fees for the City, and ensure that these fees are commensurate with the cost to entitle and approve projects.

New residential and commercial development generates fees that allow the City to continue providing high-quality services. Fees should be set to a level that allows cost-recovery, while remaining competitive with neighboring jurisdictions.

4. Ensure that new development covers the associated operating and capital costs it generates.

New residential and commercial development generates costs to the City in the form of infrastructure improvements and greater demands on local services. The City should assure that these costs are effectively addressed so that development "pays its own way," while remaining sensitive to financial feasibility considerations and development costs.

5. Enhance the City's Business-to-Business ("B2B") sales tax revenue.

Given the dynamic nature of B2B sales, the City should not rely on them for consistent ongoing revenue. Nevertheless, they play a vital role in the City's finances. As such, steps should be taken to optimize local B2B sales by encouraging local firms to report San Ramon as the point-of-sale for their transactions. Communicating with local firms

on this issue also helps the City gain a better understanding of technology, business, and regulatory trends that impact B2B sales.

6. *Maintain an operating reserve consistent with the City's reserve policy.*

The City's conservative fiscal policies, including its operating reserve, have allowed San Ramon to weather the economic downturn better than most California jurisdictions. This performance has also allowed the City to maintain a strong AAA bond rating, and access more affordable debt for capital projects. The City should maintain its goal of a 50% reserve against General Fund expenditures.

Implementation Actions

- A. Pursue additional **region-serving retailers** to San Ramon, particularly those that generate high levels of taxable sales.
- B. Actively identify and implement **opportunities to maximize sales tax generating uses** on infill properties. The City has recently worked with landowners to make more efficient use of sites and successfully create opportunities for more sales tax generating uses. The City should continue to look for these opportunities as they arise.
- C. **Identify and monitor major retail and B2B sales tax generators** in the City. Maintain ongoing communication with these firms to help maintain their presence in San Ramon.
- D. Assure that **new assessment districts** effectively cover operational and capital costs of new development, to the extent possible.
- E. Continue to apply for **regional, state, and federal grants** for capital projects in San Ramon.
- F. Strategies and Implementation Actions related to the retail sector under **Goal A** would also contribute to the City's fiscal health by generating additional retail sales tax revenue. These include efforts to maintain existing retailers, such as Actions M, N, and Q under Goal A.

Goal C: Maintain and Enhance San Ramon's High Quality of Life



San Ramon offers a high quality of life, with clean and safe neighborhoods, an extensive series of parks and trails, a range of housing options, multiple recreation opportunities sponsored by the City, and an attractive natural setting. The City's well-educated professional population and an excellent public school system further enhance the San Ramon's appeal. Local campuses for Diablo Valley College, Sacramento State University, UC Davis Extension, and the University of San Francisco, St. Mary's College, as well as classes through the City Park and Recreation Department, also offer ongoing career training and lifelong learning opportunities for local workers and residents. The EDSP supports all these factors, recognizing that a high quality of life is a key element of successful local economic development.

Strategies

1. Continue to provide and improve high-quality public services and facilities for the community, including recreational and cultural amenities.

San Ramon's well-maintained streets, modern community facilities and parks, well-managed City government, public library, and Performing Arts Center, all contribute to the high quality of life in San Ramon. These factors make San Ramon an attractive place to live, work, and invest. The City should continue its commitment to the maintenance, improvement, and expansion of community facilities, and seek support from other public and private institutions to further improve services.

2. Offer a range of housing types affordable to various income groups and the San Ramon workforce.

San Ramon, like the rest of the Bay Area, has seen home values weaken in recent years. However, these declines have been far less than the rest of the County. Between 2006 and 2009, the median home sale price in San Ramon fell by 27% to \$690,000, compared to a 59% decline countywide. Nonetheless, despite these trends, the City's home prices still remain largely out of reach to moderate-income households.

The availability of affordable housing plays a major role in employers' locational decisions, and helps them recruit and retain employees. The lack of affordable housing also contributes to longer commutes and increased congestion, as local workers are forced to live in more distant areas due to high housing costs. A range of housing prices would allow new buyers and renters to enter the San Ramon housing market, settle into the community, and stay in the City as their housing needs change.

- 3. Continue to work with the local school district to support San Ramon's high quality public education system, and provide shared facilities that serve both community members and students.***

The San Ramon Valley Unified School District (SRBUSD) is widely recognized for its high academic standards and excellent student performance. Academically, SRVUSD currently ranks 6th among all unified school districts in California, and is the highest ranking unified school district in the state with enrollments of 9,000 or more.³ The City supports this success by continuing to work closely with the District in facilities planning, and collaborating on shared facilities when appropriate. Furthermore, efforts should be made to phase school development in time with new housing development to avoid overcrowding at existing schools.

- 4. Enhance shopping opportunities for comparison goods in San Ramon, which is already well-served by convenience retail in local shopping centers.***

As noted in Goal A, demand exists for region-oriented comparison shopping in San Ramon. Local access to these goods would allow residents to shop in the City, supporting taxable sales and limiting the need to travel to neighboring communities for their retail needs.

- 5. Broaden San Ramon's dining and entertainment options.***

Stakeholders report a limited number of high-end dining options in San Ramon, including high-end family-oriented restaurants. High-quality restaurants, including chain stores and independent operators, can offer evening entertainment for young couples and adults, attractive dining options for business travelers and meetings, and can generate foot traffic at new and existing shopping centers. Given the right site, a well-targeted restaurant could flourish in San Ramon, thanks to the City's high incomes, large baby-boomer population, and professional workforce.

- 6. Strive for a sustainable city by promoting transit and non-auto transportation options, transit- and pedestrian-oriented development, and energy efficiency measures in public and private buildings.***

Cities throughout the nation and region are recognizing the important of sustainability measures as a way to reduce environmental impacts and signal a progressive attitude to employers and residents. These measures also help improve the local quality of life by reducing energy consumption and congestion, enhancing the streetscape, and offering various transportation alternatives for residents. The City's Climate Action Plan exemplifies these efforts in San Ramon.

- 7. Work closely with the community when planning major new development projects.***

The City should continue to engage the local community in planning initiatives such as the City's General Plan and the North Camino Ramon Specific Plan. In addition, the City should encourage developers to pro-actively involve the San Ramon community in planning major projects. These efforts help address local needs and concerns at the early stages of the process, and can help build support for a project or plan.

- 8. Support community- and business-led initiatives to improve the local quality of life.***

The City should continue to assist the local organizations (e.g., San Ramon Rotary Club, San Ramon Historic Foundation) and businesses in their initiatives to make San Ramon a better place to live, work, visit, and invest.

³ California Academic Performance Index, 2008, as cited in www.srvusd.k12.ca.us/district/overview/

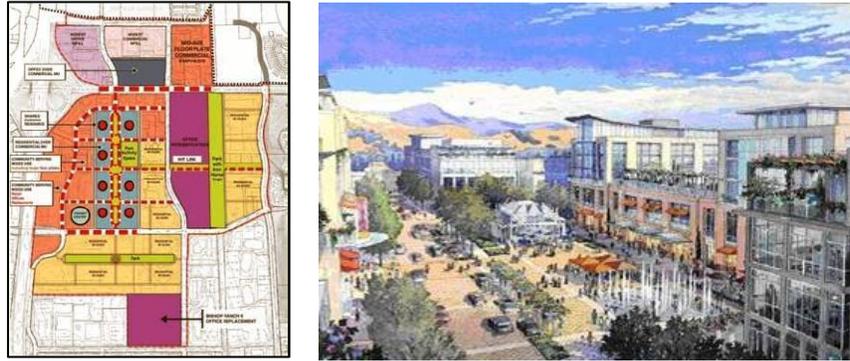
Implementation Actions

Many of the strategies above are addressed through the City's 2008 Parks and Community Services Master Plan, 2009-2014 Housing Element, and Climate Action Plan. These documents contain detailed descriptions of City programs and actions that support recreation and cultural amenities, affordable and workforce housing, and greenhouse gas reduction, respectively. The EDSP references the relevant documents below, and lists additional implementation actions that the City should pursue to maintain and enhance the City's high quality of life.

- A. Continue to implement and update the City's **Parks and Community Services Master Plan**.
- B. Continue to put into practice the projects and programs identified in the City's **Housing Element**.
- C. Finalize and execute the City's **Climate Action Plan**.
- D. Partner with the County, the Chamber of Commerce, local commercial property managers, and others to **encourage local employers to tap into the Bay Area Green Business Program**, which helps companies adopt green business practices and become certified as Bay Area Green Businesses. For example, the City, Chamber, TVBC, and/or shopping center managers could host a workshop for local firms to learn about and take advantage of the program.
- E. Continue to work with the **San Ramon Valley Unified School District** on the development and maintenance of shared facilities to enhance educational and recreational opportunities for community members. Examples of shared facilities include sports and recreational uses, theaters, and libraries.
- F. Continue to work with developers to plan for and construct **community facilities and services in conjunction with new housing development in Dougherty Valley and the Northwest Specific Plan Area**.
- G. Urge developers to initiate **public participation plans** early in the development process. Assist with the outreach for these efforts via the City's website and local print and electronic publications.
- H. Continue to support efforts to expand and increase public transit service, consistent with **San Ramon's Transit Plan** (adopted in 2005). These include, but are not limited to, the expansion of express bus service, increase fixed route service and implementation of local neighborhood transit service. In addition, San Ramon supports efforts to improve transit infrastructure along the I-680 corridor, including implementation of the I-680 Transit Corridor Improvements as identified in Measure J. These initiatives improve the local quality of life, and support business attraction and retention efforts by promoting alternate forms of transportation for local employees.
- I. Continue to provide **technical assistance and marketing support to community-led events** such as CarboLoad, Primo's Run for Education, the San Ramon Historic Foundation Victorian Tea, and others.

- J. Strategies and Implementation Actions related to the retail sector under **Goal A** would also contribute to the City's quality of life by broadening options for comparison goods, dining, and entertainment.

Goal D: Implement Key Planning and Development Projects



San Ramon has a number of planning and development projects underway. These larger efforts, coupled with infill opportunities throughout San Ramon, will add new homes, businesses, and retail and entertainment options, contributing to the community's overall vitality.

Strategies

- 1. Complete City Center and establish it as the “heart” of San Ramon.**
The City Center development is fully-entitled and pending. Once complete, the development will provide a residents and workers a central gathering place and a lively mixed-use environment with retail and entertainment options. As noted in Goal A, the City should provide technical assistance to the developer on the permitting process and install the necessary supporting infrastructure to allow the development to proceed as quickly as possible, once plans are submitted.
- 2. Continue to develop and implement the North Camino Ramon Specific Plan (NCRSP).**
The NCRSP vision is for a mixed-use district with a blend of retail, service retail and employment housing, in proximity to new and existing jobs. The NCRSP will create a long range plan that emphasizes retail development, embodies the smart growth principles for a live-work, transit-oriented, pedestrian and bicycle-friendly neighborhood with a sense of identity and community, and will meet the future needs of the City of San Ramon residents. The City should continue to develop the Plan and initiate any implementing actions once complete.
- 3. Continue to develop Dougherty Valley as a well-served neighborhood with strong links to the rest of San Ramon.**
The Dougherty Valley Plan calls for the area to be fully served by public facilities and resident amenities, including retail. While much of the area has been built out, a number of facilities remain incomplete, particularly the Dougherty Valley Village Center at the southern end of the Valley. The City will continue to work with the County and master developers to achieve the buildout of the Plan.
- 4. Complete the buildout of the Northwest Specific Plan.**
The Specific Plan area encompasses over 350 acres of largely undeveloped land adjacent to the existing City limits on the east and west sides of Bollinger Canyon Road. The City has approved the Faria Preserve project which consists of 786 residential units, a community park, house of worship, and educational site.

5. *Continue to identify opportunities for infill and redevelopment throughout the City.* San Ramon contains a number of low-density underused commercial properties primarily in the City's Redevelopment Project Area. Over the long term, these sites and adjacent properties could be reused to support the development of housing, employment space, and other new, compact, mixed-use development. The City and its Redevelopment Agency should work with property owners to facilitate this process, particularly in the Crow Canyon Specific Plan Area

Implementation Actions

- A. Continue **Bollinger Canyon Road improvements** to facilitate access to Dougherty Valley and City Center.
- B. Continue to prepare the **North Camino Ramon Specific Plan**, with a goal of completion in Spring 2011.
- C. Continue to support the planning and development of the **Norris Canyon HOV on/off-ramp**.
- D. Continue to **work with the County and Shapell Homes** to oversee the design and construction of the remaining Dougherty Valley residential units and the Dougherty Valley Village Center.
- E. Continue to support the **Northwest Specific Plan** master developer in efforts to secure the necessary Regional permits and implement the Plan.
- F. Continue the planning and development process for **9000 Alcosta Boulevard** as a 70-unit affordable senior housing development.
- G. Continue the planning and development process for the **Alcosta Medical Arts**, a 40-unit senior housing development at the 9200 block of Alcosta Boulevard.
- H. Continue to execute the San Ramon **Redevelopment Plan, the Crow Canyon Specific Plan, and the Agency's Five-Year Implementation Plan**.
- I. Continue to support **private efforts to consolidate and develop underused properties** throughout the City.

Implementation Plan

This section details the timing, priority, and responsible parties for implementation of each of the actions listed under Goals A through D.

While all the implementation actions play a vital role in supporting the City's economic development, the "Primary," "Secondary," and "Tertiary" priority designations help City staff allocate time and resources efficiently. Staff will pro-actively implement "Primary" actions as immediate objectives with an approximate 18-month timeframe. Staff will address "Secondary" items pro-actively, but in a less immediate fashion, with an 18-36 month timeframe. Lastly, staff will respond to "Tertiary" items reactively, taking advantage of opportunities as they present themselves.

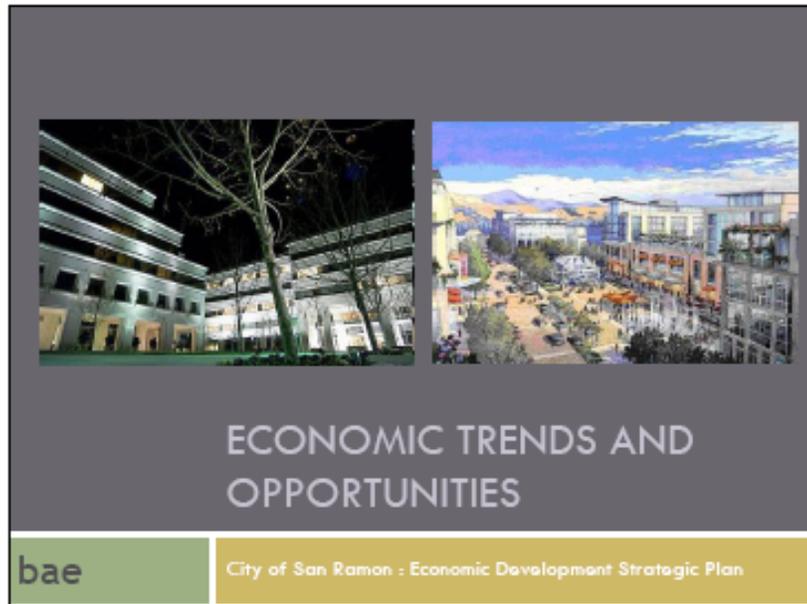
Goal	Implementation Action	Timeframe	Priority (Primary, Secondary, Tertiary)	Lead/Support
Goal A: Maintain and Expand Existing Firms and Attract New Employers to San Ramon				
Goal A	A. Assemble and promote a City Business Incentive Package	Complete in 2011	Primary	Lead: City ED Dept. Support: City Planning Dept.
Goal A	B. Create marketing materials	Complete in 2011	Primary	Lead: City ED Dept.
Goal A	C. Continue to collaborate with the existing network of business services	Ongoing	Primary	
Goal A	D. Encourage the development of underused properties or older office/industrial facilities as low-cost flex-space, if feasible.	Ongoing	Tertiary	Lead: City Planning/Redevelopment Agency Support: City ED Dept.
Goal A	E. Continue to partner with commercial real estate brokers and property managers	Ongoing	Secondary	Lead: City ED Dept. Support: Retail brokers, property managers, developers
Goal A	F. Maintain ongoing communication with local venture capital groups, angel investor groups, entrepreneur assistance programs, and local banks	Ongoing	Secondary	Lead: City ED Dept. Support: Local investor groups and lenders
Goal A	G. Establish ongoing communication with existing businesses, particularly larger employers	Quarterly meeting to be scheduled.	Primary	Lead: City ED Dept. Support: Chamber of Commerce
Goal A	H. Continue to monitor leasing activity among retail and larger office users	Ongoing	Secondary	Lead: City ED Dept. Support: Retail brokers and property managers
Goal A	I. Establish a communication plan with small businesses	Ongoing. Consider Economic Development Summit in 2011 or 2012.	Primary	Lead: City ED Dept. Support: Local business organizations
Goal A	J. Consider contracting with local firms for public services	Ongoing	Tertiary	Lead: Various City departments
Goal A	K. Encourage and facilitate partnerships between local Executive MBA programs and local firms	Beginning in 2011	Tertiary	Lead: City ED Dept. Support: Local employers and St. Mary's College, USF, Sacramento State University, and UC Davis' Executive MBA programs
Goal A	L. Collaborate with Bishop Ranch to support social and networking opportunities for local employers	Work with Bishop Ranch representatives with this purpose in mind in 2011.	Secondary	Lead: City ED Dept. Support: Sunset Dev't
Goal A	M. Continue to support the planning and construction of the San Ramon City Center project	Ongoing	Primary	Lead: City Planning, Engineering, and ED Depts. Support: Sunset Dev't
Goal A	N. Pursue the attraction of region-serving retail in the North Camino Ramon area	Ongoing	Primary	Lead: City ED Dept. Support: Retail brokers and developers, City Planning Dept.

Goal	Implementation Action	Timeframe	Priority (Primary, Secondary, Tertiary)	Lead/Support
Goal A	O. Organize and implement a marketing campaign to encourage residents to shop in San Ramon	Initiate with 2010 holiday season and expand in 2011	Primary	Lead: City ED Dept. Support: Chamber, Local shopping center managers
Goal A	P. Maintain ongoing communication with owners and operators of existing San Ramon shopping centers	Ongoing	Primary	Lead: City ED Dept. Support: Local shopping center managers
Goal A	Q. Engage retail brokers and other industry specialists to identify tenants for new and existing shopping centers	Ongoing	Secondary	Lead: City ED Dept. Support: Retail brokers and developers
Goal A	R. Continue to track retail industry trends	Ongoing	Secondary	Lead: City ED Dept. Support: Retail brokers and developers
Goal A	S. Maintain a streamlined, efficient, and predictable City permitting process	Ongoing	Primary	Lead: City Planning Dept. Support: City ED Dept.
Goal A	T. Establish General Plan and zoning designations that allow for a blend of complementary uses	Ongoing. Aim to adopt General Plan 2030 and North Camino Ramon Specific Plan in 2011.	Primary	Lead: City Planning Dept./Redevelopment Agency Support: City ED Dept.
Goal A	U. Continue to update the City's zoning regulations and other plans and policies as necessary	As needed.	Secondary	Lead: City Planning Dept.
Goal A	V. Collaborate with secondary education campuses in San Ramon, the Workforce Development Board, and others, to strategize on workforce development efforts	2012	Secondary	Lead: City ED Dept. Support: Workforce dev't organizations and secondary education institutions
Goal A	W. Continue to participate in the planning and implementation of the I-GATE Innovation Hub program and Innovation Tri-Valley Plan	Ongoing	Primary	Lead: City ED Dept. Support: Innovation Tri-Valley
Goal B: Maintain and Strengthen San Ramon's Fiscal Vitality				
Goal B	A. Pursue additional region-serving retailers to San Ramon	Ongoing	Primary	Lead: City ED Dept. Support: Retail brokers and developers
Goal B	B. Actively identify and implement opportunities to maximize sales tax generating uses on infill properties	Ongoing	Tertiary	Lead: City Planning Dept. Support: City ED Dept.
Goal B	C. Identify and monitor major retail and B2B sales tax generators	Quarterly Reports	Secondary	Lead: City ED Dept. Support: City Finance Dept.
Goal B	D. Continue to apply for regional, state, and federal grants for capital projects	Ongoing	Secondary	Lead: Various City Depts.
Goal C: Maintain and Enhance San Ramon's High Quality of Life				
Goal C	A. Continue to implement and update the City's Parks and Community Services Master Plan	Refer to Plan for implementation timeline.	Primary	Lead: City Parks and Community Services Dept. Support: City Planning Dept.

Goal	Implementation Action	Timeframe	Priority (Primary, Secondary, Tertiary)	Lead/Support
Goal C	B. Continue to put into practice the projects and programs identified in the City's Housing Element	Refer to Housing Element for implementation timeline.	Primary	Lead: City Planning Dept. Support: City Redevelopment Agency
Goal C	C. Execute the City's Climate Action Plan	Reference Plan for implementation timeline.	Primary	Lead: City Planning Dept. Support: City Public Services Dept.
Goal C	E. Continue to work with the San Ramon Valley Unified School District on the development and maintenance of shared facilities	Ongoing	Secondary	Lead: City Parks and Community Services Dept. Support: San Ramon Valley Unified SD
Goal C	F. Continue to work with developers to plan for and construct community facilities and services in conjunction with new housing development	Ongoing	Secondary	Lead: City Planning Dept. Support: City Public Services Dept. and Parks and Community Services Dept.
Goal C	G. Urge developers to initiate public participation plans early in the development process	Ongoing	Tertiary	Lead: City Depts.
Goal C	H. Continue to support efforts to expand and increase public transit service, consistent with San Ramon's Transit Plan	Ongoing	Primary	Lead: City Planning Dept.
Goal C	I. Continue to provide technical assistance and marketing support to community-led events	Ongoing	Tertiary	Lead: City ED Dept.
Goal D: Implement Key Planning and Development Projects				
Goal D	A. Continue Bollinger Canyon Road Improvements	Complete by 2013.	Secondary	Lead: City Planning Dept. Support: City Public Services Dept.
Goal D	B. Continue the North Camino Ramon Specific Plan approval process	Complete by 2011.	Primary	Lead: City Planning Dept.
Goal D	C. Continue to support the planning and development of the Norris Canyon HOV on/off-ramp	Initiate construction in 2016. Complete by 2018.	Secondary	Lead: City Planning Dept. Support: City Public Services Dept.
Goal D	D. Continue to work with the County and Shapell Homes to oversee the design and construction of Dougherty Valley	Ongoing	Primary	Lead: City Planning Dept.
Goal D	E. Continue to support the Northwest Specific Plan master developer	Ongoing	Secondary	Lead: City Planning Dept.
Goal D	F. Continue the planning and development process for 3000 Alcosta Boulevard	Complete by 2013.	Secondary	Lead: City Planning Dept. Support: City Redevelopment Agency
Goal D	G. Continue the planning and development process for the Alcosta Medical Arts	Complete by 2013.	Secondary	Lead: City Planning Dept. Support: City Redevelopment Agency

Goal	Implementation Action	Timeframe	Priority (Primary, Secondary, Tertiary)	Lead/Support
Goal D	H. Continue to execute the San Ramon Redevelopment Plan, the Crow Canyon Specific Plan, and the Agency's Five-Year Implementation Plan	Ongoing	Primary	Lead: City Planning Dept. and City Redevelopment Agency
Goal D	I. Continue to support private efforts to consolidate and develop underused properties	Ongoing	Tertiary	Lead: City Planning Dept. Support: City ED Dept.

Appendix A: Economic Trends and Opportunities Report



Contents

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- Population and Employment Trends
- Educational and Business Development Resources
- Real Estate Market Overview
- Overview of the Clean Tech Sector

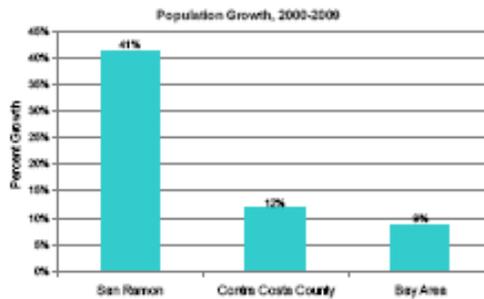




POPULATION AND EMPLOYMENT TRENDS

Demographic Trends

- San Ramon had 63,200 residents in 2009
- Strong population growth between 2000-2009



- Strong growth projected to continue through 2030

San Ramon: +34%, County: +17%, Bay Area: +19%

Source: US Census, 2000; CA Dept of Finance, 2008; Association of Bay Area Governments (ABAG), Projection 200

Demographic Trends

San Ramon has

- A large share of family households
- Higher household incomes than the County or Bay Area
- Higher homeownership rate than the County or Bay Area

	San Ramon	Contra Costa Co	Bay Area
Household Type, 2009			
Family	71%	70%	65%
Non-Family	29%	30%	35%
Homeownership Rate, 2009	71%	70%	58%
Median HH Income, 2009	\$117,212	\$78,815	\$76,862

Source: Census, 2009

San Ramon Employment Trends

San Ramon contained approximately 33,700 jobs in 2008

- 8% increase since 2003

Information sector plays major role in local economy

- 6,200 jobs (18% of total)
- Slight decline since 2003 (-2.5%)

Professional, Scientific, and Tech Services also vital

- 3,500 jobs (10% of total)
- 7% growth since 2003

Manufacturing third largest sector

- 10% of total



Source: CA Employment Development Department, 2009

San Ramon Employment Trends

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- Other sectors experiencing strong growth, adding 600+ jobs between 2003 and 2005**
 - Accommodation and Food Service (2,500 jobs, 8% of total)
 - Health Care and Social Assistance (2,900 jobs, 9% of total)

- Finance and Insurance has largest losses**
 - 2,100 jobs in 2008 (6% of total)
 - 900 jobs lost since 2003 (30% decline)

- Moderate job growth projected in San Ramon through 2030**
 - San Ramon: 25% increase to 49,600 jobs
 - Tri-Valley: +39%
 - County: +37%
 - Bay Area: +36%

Source: CA Employment Development Department, 2009; AAMI, 2009.

Regional Employment Trends

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- East Bay continues to struggle with unemployment during current recession***
 - East Bay unemployment rate, May 2010: 11.0%
 - California: 11.9%
 - Nation: 9.3%

- Bay Area business leaders express confidence about economic improvement**
 - In June 2010 survey of 500 CEOs, 58% think conditions are better than 6 months ago; 63% expect improvement over next 6 months

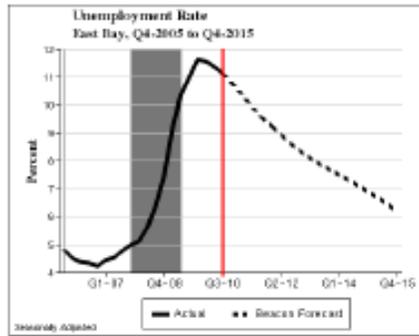
- Job market shows some signs of improvement**
 - Total unduplicated online job ads in the five-county San Francisco-Oakland area increased by 40 percent this May compared to last May
 - Number of new online job ads in May rose by 38 percent compared to last year (includes all ads not in previous reference period)

*East Bay = Marin, Alameda and Contra Costa Counties
Source: CA Employment Development Department, 2010; Bay Area Council, 2010; The Conference Board, 2010.

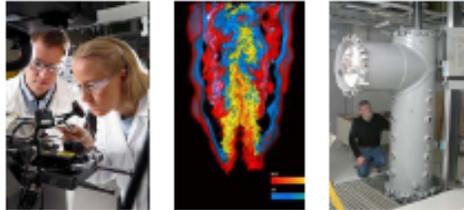
Regional Employment Trends

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- Nonetheless, recovery is expected to be a gradual process
 - ▣ East Bay unemployment forecasted to remain above 10% through Q2 2011*
 - ▣ East Bay unemployment not expected to fall below 8% until 2013*



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EDUCATIONAL,
WORKFORCE, & BUSINESS
DEVELOPMENT RESOURCES

Innovation Engines

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- **i-GATE: Innovation for Green Advanced Transportation Excellence**
 - Application for iHUB designation submitted by City of Livermore and Sandia Labs, in partnership with LLNL, local jurisdictions, educational institutions, venture capital, industry representatives, research institutions, and economic development organizations
 - Approved by State in February 2010 as 1 of 6 iHUBS in California
 - Creates a network of resources to promote entrepreneurship and economic development around clean transportation and energy technologies
 - iHUB designation will assist in applying for State and federal economic development funds, marketing, business attraction, venture capital investment
 - Action Plan currently being prepared for State review

- **Livermore Valley Open Campus**
 - 110-acre facility being planned
 - Aims to promote collaboration between private sector, academia, and National Labs
 - Anchored by Sandia Hub for Innovation in the Transportation and Energy Community (HITEC) and LLNL International Center for High Energy Density Science

Innovation Engines

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- **Innovation Tri-Valley**
 - Partnership between public sector, business, and education
 - Aim to attract businesses to the region, create an "eco-system" of innovation in the Tri-Valley, and generate/attract public funding for economic development
 - Steering committee includes:
 - Sybase
 - Adept
 - Sandia National Laboratories
 - The Hertz Foundation
 - Chevron
 - Livermore Chamber of Commerce
 - Las Positas College
 - Lawrence Livermore National Laboratory
 - Wente Vineyards



Innovation Engines

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□ East Bay Economic Development Alliance

- Provide an array of resources to assist the East Bay business community
- Promote the East Bay as a locale for businesses
- Represent local business interests in local and regional policy matters



□ Tri-Valley Business Council

- Similar role as EDAA, with a more specific focus on the Tri-Valley
- Established the Tri-Valley Innovation Network, which links entrepreneurs, advisors, funders, and National Laboratories with goal of virtual incubator for the Tri-Valley



□ East Bay Innovation Group (eBig)

- Membership-based forum providing lectures, workshops, speakers, training sessions, networking events and other topical activities around technology sector

Workforce Development

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□ Diablo Valley College

- Workforce development initiatives around 25 educational programs covering a broad range of industries and fields
- In process of developing programs for the energy and health sectors

□ Contra Costa and Alameda County Workforce Investment Boards (WIBs)

- Business-led public bodies, appointed by county Board of Supervisors, responsible for coordinating workforce development policy and programs in the county

□ CA State Employment Training Panel (ETP)

- Provides financial assistance to California businesses to support customized worker training
- In December, ETP awarded over \$6 million in training funds to private firms
- East Bay received four of the seventeen grants for a total of \$1.6 million
- Recipients included Amyris Biotechnologies (Emeryville), Bayer Healthcare (Berkeley, Richmond, Solyndra (Framont), and Kaiser Foundation Hospitals

Small Business Development Resources

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- San Ramon Chamber of Commerce**
- Contra Costa Council Business Portal**
 - Online business directory
- Contra Costa County Business Portal**
 - Online resource for small business owners and entrepreneurs
- SCORE- East Bay Chapter**
 - Free and low-cost individual advice for entrepreneurs
- Contra Costa Small Business Development Center**
 - Free business management consulting, training and information services
- East Bay Small Business Development Center**
 - Experts offer classes, consulting services and business planning resources
- Contra Costa County Library**
 - Small business assistance resources

San Ramon Educational Resources

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- Diablo Valley College**
 - General education classes for pre-transfer college students
- St. Mary's College**
 - Executive MBA Program
- University of San Francisco**
 - Undergraduate degrees and Teaching Credentials
- UC Davis**
 - Executive MBA Program
- Sacramento State University**
 - Executive MBA Program
- Corporate partnerships**
 - e.g., Chevron contributions to Cal High





REAL ESTATE MARKET OVERVIEW

Housing Market



- San Ramon median sales price for single-family homes over twice County median
- Less dramatic price declines compared to County, 2006-2009
- San Ramon -27%
- County -59%

Source: DataQuest, 2010

Housing Market

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San Ramon Median Sales Price **\$690,000**

Contra Costa County Income Limits, 4-person HHs

Income Category	HH Income	Max. Affordable Sales Price
Low (80% AMI)	\$60,250	\$275,000
Median (100% AMI)	\$80,500	\$372,500
Moderate (120% AMI)	\$107,150	\$448,800

City of San Ramon Median Income

Income Category	HH Income	Max. Affordable Sales Price
Median	\$117,200	\$488,700

- Median sales price is well above affordable sales price for many households
 - Based on State-defined income limits and conventional financing terms
 - Assumes 30% of gross income spent on principal, interest, taxes, insurance

Source: CH2D, 2008; DMMA, 2002; BPL, 2010

Retail Market

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- Approximately 1.3 million sf of retail space in San Ramon
- City well served by neighborhood retail
- City also lies within trade areas of regional centers
 - Regional centers: Broadway Plaza, Stoneridge Mall
 - Power centers: Hacienda Crossings, Metro 580



Source: Terraconics, 2009

Retail Market

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- San Ramon shows solid lease rates**
 - Mid-Year 2009: 7.6%
 - Mid-Year 2010: 7.1%
 - Average asking rate, in-line stores (NNN): \$3.00/sf

- South Contra Costa County* shows declining vacancies**
 - Mid-Year 2009: 6.3%
 - Mid-Year 2010: 5.6%
 - Average asking rate, in-line stores (NNN): \$3.04/sf

- Eastern Alameda County** has even greater vacancy rates**
 - Mid-Year 2009: 12.1%
 - Mid-Year 2010: 11.4%
 - Average asking rate, in-line stores (NNN): \$2.04/sf

*South County = Fremont, Danville, San Ramon
**East County = Dublin, Pleasanton, Livermore
Source: Transitions, 2010

Retail Market

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- Local brokers report that San Ramon still commands strong lease rates**
 - \$3+ / sq. ft. NNN in most centers
 - Shops at Bishop Ranch has rates as high as \$4/sq. ft. NNN

- Brokers state that despite higher vacancies than in the past, San Ramon remains a strong retail market**
 - Particular interest from small restaurants
 - Market generally comparable to Danville and Pleasanton, stronger than Dublin



Retail Market

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Summary of 2009 Retail Demand Analysis

- San Ramon and its Trade Area can support a significant amount of retail space over the next 10 to 15 years**
 - San Ramon has significant leakage in comparison goods categories
 - Up to 1.0 million sq. ft. from local demand, plus 1.2 million sq. ft. from Trade Area demand
 - Particular demand in General Merchandise, Apparel, Household and Home Furnishings, and Eating and Dining categories
- However, a major amount of competitive retail exists and is planned for the area**
- Given this competition, San Ramon must take a strategic approach to developing new Trade Area-serving retail**

Retail Market

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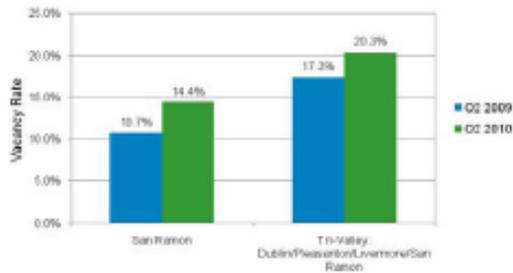


- San Ramon's retail nodes can complement one another, with the majority serving local residents and employees, and a select few serving the Tri-Valley region
- Interviews with retailers suggest San Ramon has capacity to attract unique regional retailers that avoid direct competition with other Tri-Valley centers

Office Market

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Office Vacancy in San Ramon and Tri-Valley



- **San Ramon has 12 million square feet of office space**
 - Includes approx. 9 million sq. ft. of Class A space
 - Largest share of total Tri-Valley office space (44%)
- **Tri-Valley as a whole had higher vacancies than 2009, but has stabilized at 20%**

Source: City of San Ramon, 2010; Cassidy Turley/RT Commercial, 2010

Office Market

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- **San Ramon has higher rents than rest of Tri-Valley (Q2 2010)**
 - San Ramon - \$1.92/ sq. ft. (full-service)
 - Tri-Valley Average - \$1.81/ sq. ft. (full-service)
- **Notable San Ramon Lease Transactions in 2009:**
 - Bank of the West: 240K sq. ft.
 - Robert Half International: 234K sq. ft.
 - Paychex North America: 33K sq. ft.
 - Liberty Mutual Holding Co: 28k sq. ft.



Source: Cassidy Turley/RT Commercial, 2009; Office International, 2010

Office Market

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□ Bishop Ranch reports:

- Relatively stable occupancy rates over the last decade
- Competition is from other cities on the I-680 and I-580 corridors
- However, as an advantage, San Ramon has a more skilled workforce than eastern Alameda and northern Contra Costa counties
- Bishop Ranch has smaller and more numerous tenants than in previous years
 - In 2000: ~270 firms. In 2010: ~500 firms
 - ~1/4 of firms are "jumbo" tenants
 - ~1/4 are mid-sized firms with about 20k sq. ft.
 - ~1/2 are small firms with up to 5k sq. ft.
- In response, Bishop Ranch plays a more active property management role, creates more networking opportunities for tenants, and offers smaller, more flexible work spaces
- Firms are increasingly front-office locations, with growth in technology and software industries, including medical technology

Local Planning Initiatives

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□ General Plan 2030

- In final stages, with Final EIR certified by Council
- Includes new Air Quality and Greenhouse Gas Element

□ North Camino Ramon Specific Plan

- Expected completion Spring 2011
- Focus on region-serving retail with complementary residential and commercial uses

□ City Center

- Fully entitled, but delayed by economic recession
- Infrastructure improvements on Bollinger Canyon Rd underway

□ Northwest Specific Plan

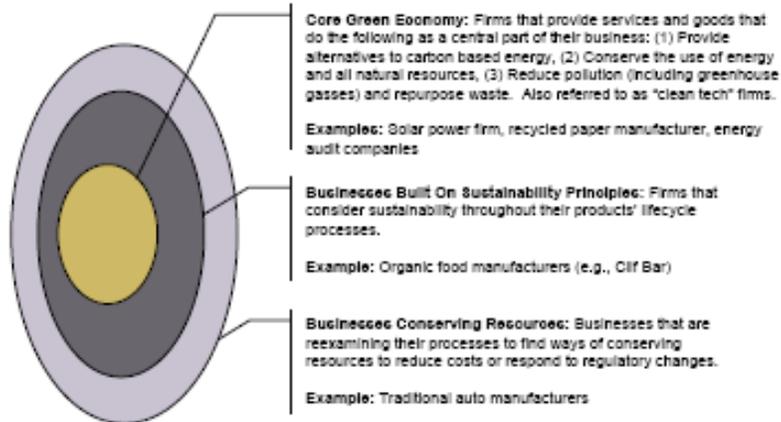
- 786 of 830 units approved by City
- Developer still seeking CA Resources Agency permits





CLEAN TECHNOLOGY & THE GREEN ECONOMY

Overview of the Green Economy



Core Green Economy

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15 Segments of the Core Green Economy

- Energy Generation
- Energy Efficiency
- Transportation
- Energy Storage
- Air and Environment
- Recycling and Waste
- Water and Wastewater
- Agriculture
- Research and Advocacy
- Business Services
- Finance and Investment
- Advanced Materials
- Green Building
- Manufacturing and Industrial
- Energy Infrastructure

Source: Wood 10, 2008

Green Economy in California

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Green Economy Trends in California

	Green Firms			All Firms		
	1990	2008	% Change	1990	2008	% Change
Establishments	5,861	12,263	109%	1,178,090	2,380,875	102%
Jobs	122,994	163,616	33%	14,560,383	18,023,171	24%
Avg. Establishment Size	21.0	13.4	-36%	12.4	7.6	-39%
Total Sales (billions \$)	11.9	21.4	80%	1,403.2	2,061.3	47%
Sales per Worker (\$)	97,104	130,534	34%	96,373	114,370	19%

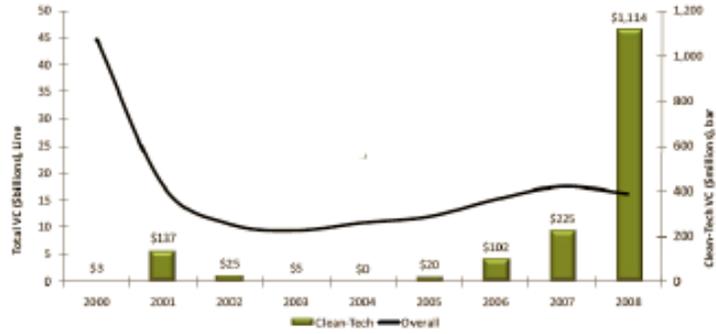
- The green economy is growing more rapidly than the economy as a whole
 - More growth in establishments, jobs, sales
 - As shown in the following slides, the industry is receiving more venture capital investment and has more "gazelles" than the economy as a whole*

*Gazelles = firms with sales in top 20% for 3-year period, compared to other firms in sector
Source: "Innovating the Green Economy in CA Regions," Center for Continuing Innovation, UC Berkeley, 2010.

Green Economy in California

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Venture Capital Investments in Clean Tech and Overall, CA, 2000-2008

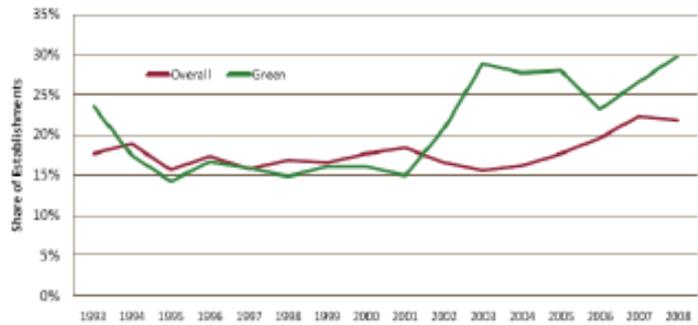


Source: Tracking the Green Economy in CA Regions, Center for Community Innovation, UC Berkeley, 2008

Green Economy in California

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Gazelles as Share of all Establishments, CA, 1993-2008



Source: Tracking the Green Economy in CA Regions, Center for Community Innovation, UC Berkeley, 2008

East Bay Green Economy Jobs

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- East Bay houses 1,100 clean tech companies, employing 30,900 people*
 - 2nd most firms and 2nd largest employment base, compared to San Diego, Silicon Valley, Los Angeles, Inland Empire, Upper San Joaquin Valley
- East Bay ranked #3 in clean tech innovation in the State, after Los Angeles and Silicon Valley
 - Innovation measured by patents, VC investments, small business tech grants, startups, and "gazelle" companies (i.e., rapidly growing firms)
 - East Bay has:
 - 20% of State's clean tech patents, compared to 8% across all other sectors
 - 16% of clean tech VC funding, compared to 10% overall
 - 8% of green startups, compared to 7% overall
 - 11% of green gazelles, compared to 7% overall

* East Bay defined as Alameda and Contra Costa Counties
Source: *Measuring the Green Economy in CA Regions*, Center for Community Innovation, UC Berkeley, 2010

East Bay Green Economy Jobs

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	Green Employment						Green Establishments										
	1990 LQ		2000 LQ		2008 LQ		Region AAGE		State AAGR		Region Avg. Est. 2005-08		State Avg. Est. 2005-08				
	1990 LQ	2000 LQ	2008 LQ	1990 LQ	2000 LQ	2008 LQ	1990 LQ	2000 LQ	2008 LQ	2005	2008	1990-08	2005-08				
Energy Research and Services	12,457	12.1	13,899	10.1	15,377	10.6	3.2%	1.7%	46	14	70	1.3	87	1.2	176.7	3.0%	4.7%
Environmental Services	1,476	1.2	2,932	1.4	3,432	1.7	5.1%	2.0%	102	11	412	1.1	472	1.1	7.2	5.0%	5.9%
Green Building	1,209	1.6	1,220	1.5	1,674	3.7	7.7%	2.3%	73	0.9	55	0.8	89	0.9	41.3	1.2%	1.4%
Green Manufacturing	785	0.6	828	0.5	847	0.5	-1.1%	0.0%	40	0.6	50	0.7	59	0.7	11.0	2.3%	2.0%
Green Transportation	3,035	1.5	6,034	2.2	3,686	1.5	1.1%	0.8%	57	1.0	84	0.9	111	0.8	33.0	4.0%	5.8%
Recycling / Remediation	4,174	2.5	4,862	2.0	4,100	1.8	-0.6%	1.1%	181	1.0	232	0.9	282	1.0	14.5	2.7%	3.3%
Total Green	23,112	19,784	24,876	1.7%	1.6%	579	905	1,322	26.0	3.0%	4.2%						

- East Bay heavily focused on Energy Research and Services, due to presence of national labs, as shown by location quotient (LQ) calculation
- Strong employment growth in Environmental Services and Green Building, compared to State as a whole

Source: *Measuring the Green Economy in CA Regions*, Center for Community Innovation, UC Berkeley, 2010

Venture Capital Trends

37

- Clean tech represents a major component of VC investment**
 - \$2.6 billion invested in US clean tech firms in 2009
 - \$1.2 billion in SF Bay Area

- Venture capital investment down from peak in 2008**
 - 50% decline in dollars, 16% decline in deals

- Solar, transportation, and energy efficiency sectors received greatest investment in N. America**
 - Energy efficiency - \$593.3 million (e.g., Silver Springs Networks in Redwood City)
 - Energy generation - \$654.6 million (e.g., Nordic Windpower Holdings in Berkeley)
 - Transportation - \$362.7 million (e.g., Tesla in San Carlos)

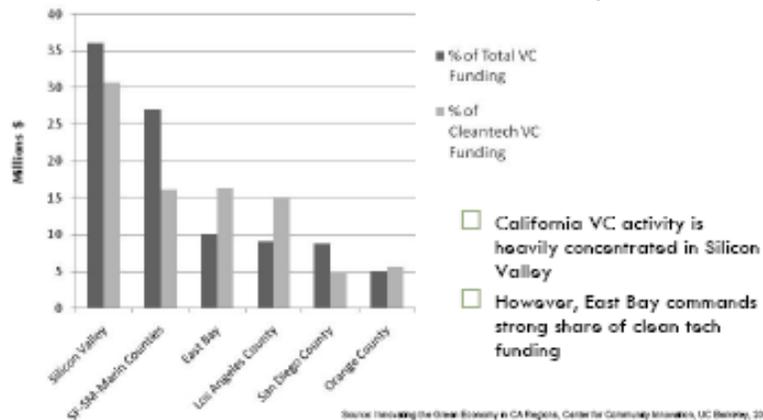


Source: Ernst & Young, 2010

Venture Capital Trends

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Distribution of Venture Capital Investments, CA Regions, 2000-2008



Source: Tracking the Green Economy in CA Regions, Center for Community Innovation, UC Berkeley, 2010

Clean Tech Location Preferences

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- **Firms tend to cluster near:**
 - Venture capital
 - Research universities for access to labor and technology
 - Other firms in sector
- **Clean tech start-ups across all subsectors generally lean to single-story flex buildings**
 - Interested in existing infrastructure (typically mechanical and electrical systems) that can be leveraged and reused in R&D and fabrication processes
 - Properties also typically have lower rent
- **Less availability of flex space in San Ramon, compared to inner East Bay and Silicon Valley**
- **San Ramon's Class A space appeals to more mature firms for HQ and front office functions**

Source: Arco Long Leasing, 2009

Clean Tech Location Preferences

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- **Example of mature firm with multiple space needs: Solyndra (Fremont)**
 - Thin film photovoltaics for commercial rooftops
 - Office headquarters lease in Fremont
 - Temporary demonstration factory – 120,000 sf in Milpitas
 - Oct. 2009 – Leased 506,500 sf former HP building in Palo Alto Industrial Park
 - 12 yr, \$45 M lease
 - 1,000 permanent jobs
 - \$535 M loan guarantee from DOE, + \$198 M in venture capital
 - Approximately \$0.60/psf per month rent
- **Clean tech sector growth in San Ramon has potential but will be gradual**
 - Capitalize on strong clean tech sector in East Bay
 - i-GATE and Innovation Tri-Valley will facilitate growth in energy subsector
 - DVC efforts to expand energy field workforce also promotes growth



Appendix B: Data Tables

Table 1: Population and Household Trends, 2000-2009

	2000	2009 (est) (a)	% Change 2000-2009
San Ramon			
Population	44,722	63,230	41.4%
Households	16,944	24,245	43.1%
Average Household Size	2.63	2.60	
Household Type (b)			
Families	71.7%	71.0%	
Non-Families	28.3%	29.0%	
Tenure			
Owner	71.3%	70.9%	
Renter	28.7%	29.1%	
Contra Costa County			
Population	948,816	1,061,325	11.9%
Households	344,129	387,147	12.5%
Average Household Size	2.72	2.71	
Household Type (b)			
Families	70.4%	70.4%	
Non-Families	29.6%	29.6%	
Tenure			
Owner	69.3%	69.7%	
Renter	30.7%	30.3%	
Bay Area (c)			
Population	6,783,760	7,377,288	8.7%
Households	2,466,019	2,656,468	7.7%
Average Household Size	2.69	2.63	
Household Type (b)			
Families	64.7%	64.8%	
Non-Families	35.3%	35.2%	
Tenure			
Owner	57.7%	57.8%	
Renter	42.3%	42.2%	

Notes:

(a) 2009 estimates for population, households, and household size provided by California Department of Finance. 2009 estimates for household type and tenure provided by Claritas.

(b) A family is a group of two people or more related by birth, marriage, or adoption and residing together.

(c) The nine-county Bay Area includes Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma counties.

Sources: Claritas, 2000 and 2009; California Department of Finance, 2009; BAE, 2010.

Table 2: Household Income Distribution, 2009

Household Income	San Ramon	Contra Costa	Bay Area (a)
	% of Total	County	% of Total
	% of Total	% of Total	% of Total
Less than \$15,000	2.3%	6.8%	7.8%
\$15,000 to \$24,999	2.2%	5.9%	6.2%
\$25,000 to \$34,999	2.2%	6.5%	6.7%
\$35,000 to \$49,999	5.9%	10.9%	11.0%
\$50,000 to \$74,999	13.0%	17.6%	17.3%
\$75,000 to \$99,999	14.4%	14.8%	14.2%
\$100,000 to \$149,999	26.1%	19.7%	18.8%
\$150,000 to \$249,999	24.7%	12.1%	12.3%
\$250,000 to \$499,999	6.9%	3.8%	3.7%
\$500,000 and over	2.3%	1.9%	1.9%
Total	100.0%	100.0%	100.0%
Median Household Income	\$117,212	\$78,815	\$76,862
Per Capita Income	\$54,718	\$37,300	\$37,259

Notes:

(a) Bay Area includes Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma counties.

Sources: Claritas, 2009; BAE, 2010.

Table 3: Population and Household Projections, 2010 to 2030

San Ramon (a)			
	2010	2030	% Change 2010 - 2030
Population	63,500	85,200	34.2%
Households	23,660	30,760	30.0%

Contra Costa County			
	2010	2030	% Change 2010 - 2030
Population	1,090,300	1,273,700	16.8%
Households	392,680	461,330	17.5%

Population by Age	Number Percent		Number Percent		% Change 2010 - 2030
19 years and under	285,500	26.2%	315,100	24.7%	10.4%
20 - 44 years	362,200	33.2%	414,800	32.6%	14.5%
45 - 64 years	288,900	26.5%	286,000	22.5%	-1.0%
65 and over	153,700	14.1%	257,800	20.2%	67.7%
Totals	1,090,300	100.0%	1,273,700	100.0%	16.8%

Bay Area (b)			
	2010	2030	% Change 2010 - 2030
Population	7,341,700	8,719,300	18.8%
Households	2,667,340	3,171,940	18.9%

Population by Age	Number Percent		Number Percent		% Change 2010 - 2030
19 years and under	1,805,200	24.6%	2,002,700	23.0%	10.9%
20 - 44 years	2,587,300	35.2%	2,980,100	34.2%	15.2%
45 - 64 years	1,930,200	26.3%	1,950,300	22.4%	1.0%
65 and over	1,019,000	13.9%	1,786,200	20.5%	75.3%
Totals	7,341,700	100.0%	8,719,300	100.0%	18.8%

Notes:

(a) "Population by Age" information is not available at the city-level.

(b) Bay Area includes Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma counties.

Sources: ABAG Projections, 2009; BAE, 2010.

Table 4: Employment Projections, San Ramon and Contra Costa County, 2010 to 2030

San Ramon (a)					
Employment Sector	2010		2030		% Change
	Number	Percent	Number	Percent	2010 - 2030
Agriculture, Natural Resources	490	1.2%	370	0.7%	-24.5%
Manufacturing, Wholesale, Transportation	5,180	13.0%	5,170	10.4%	-0.2%
Retail	3,400	8.5%	3,870	7.8%	13.8%
Financial & Professional Service	11,830	29.7%	15,260	30.8%	29.0%
Health, Education, Recreational Service	7,520	18.9%	9,830	19.8%	30.7%
Other (b)	11,430	28.7%	15,120	30.5%	32.3%
Total	39,850	100.0%	49,620	100.0%	24.5%

Contra Costa County					
Employment Sector	2010		2030		% Change
	Number	Percent	Number	Percent	2010 - 2030
Agriculture, Natural Resources	2,550	0.7%	2,550	0.5%	0.0%
Manufacturing, Wholesale, Transportation	52,800	14.0%	67,890	13.1%	28.6%
Retail	43,870	11.6%	60,710	11.7%	38.4%
Financial & Professional Service	85,510	22.7%	117,310	22.7%	37.2%
Health, Education, Recreational Service	131,420	34.9%	184,460	35.7%	40.4%
Other (b)	60,670	16.1%	83,990	16.2%	38.4%
Total	376,820	100.0%	516,910	100.0%	37.2%

Bay Area (c)					
Employment Sector	2010		2030		% Change
	Number	Percent	Number	Percent	2010 - 2030
Agriculture, Natural Resources	24,520	0.7%	25,470	0.5%	3.9%
Manufacturing, Wholesale, Transportation	717,180	20.6%	913,960	19.3%	27.4%
Retail	347,400	10.0%	491,310	10.4%	41.4%
Financial & Professional Service	766,860	22.1%	1,076,540	22.7%	40.4%
Health, Education, Recreational Service	1,120,700	32.2%	1,529,930	32.3%	36.5%
Other (b)	499,180	14.4%	701,520	14.8%	40.5%
Total	3,475,840	100.0%	4,738,730	100.0%	36.3%

Notes:

(a) Due to ABAG reporting geography, the City of San Ramon lists employment for a subregion that includes San Ramon.

(b) The "Other" sector includes construction, information, and government jobs.

(c) Bay Area includes Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma counties.

Sources: ABAG, Projections, 2009; BAE, 2010.

Table 5: San Ramon Employment Data, 2003-2008

Industry	Q3 2003 (a)		Q3 2008 (a)		Q3 2003- Q3 2009	
	Number	Percent	Number	Percent	Total Change	Percent Change
	Agriculture, Forestry, Fishing & Hunting	(b)	NA	45	0.1%	NA
Mining	(b)	NA	(b)	NA	NA	NA
Utilities	(b)	NA	(b)	NA	NA	NA
Construction	1,397	4.5%	1,390	4.1%	(7)	-0.5%
Manufacturing	2,444	7.8%	3,472	10.3%	1,029	42.1%
Wholesale Trade	1,795	5.8%	1,525	4.5%	(271)	-15.1%
Retail Trade	2,623	8.4%	2,771	8.2%	148	5.7%
Transportation & Warehousing	722	2.3%	740	2.2%	17	2.4%
Information	6,366	20.4%	6,207	18.4%	(160)	-2.5%
Finance & Insurance	3,033	9.7%	2,132	6.3%	(901)	-29.7%
Real Estate Rental & Leasing	595	1.9%	826	2.4%	231	38.8%
Professional, Scientific & Technical Skills	3,310	10.6%	3,548	10.5%	238	7.2%
Management of Companies & Enterprises	258	0.8%	233	0.7%	(25)	-9.8%
Admin. Support, Waste Mgmt & Remediation	1,543	4.9%	2,144	6.4%	601	38.9%
Educational Services	149	0.5%	300	0.9%	151	101.8%
Health Care & Social Assistance	2,300	7.4%	2,942	8.7%	642	27.9%
Arts, Entertainment & Recreation	648	2.1%	577	1.7%	(71)	-11.0%
Accommodation & Food Services	1,871	6.0%	2,523	7.5%	653	34.9%
Other Services	799	2.6%	699	2.1%	(101)	-12.6%
Non-Classified	(b)	NA	149	0.4%	NA	NA
Federal Government (c)	(b)	NA	(b)	NA	NA	NA
State Government (c)	(b)	NA	(b)	NA	NA	NA
Local Government (c)	822	2.6%	876	2.6%	54	6.5%
Total (b)	31,220	100.0%	33,734	100.0%	2,515	8.1%

Notes:

(a) Third quarter data averaged over three months (July-September)

(b) Employment was suppressed by EDD due to the small number of firms reporting in this category. Total employment includes jobs in these categories.

(c) Government employment includes workers in all sectors, not just public administration. For example, all public school staff are in the Government category.

Sources: California Employment Development Department, 2010; BAE, 2010