



## 2. Economics and Economy Element

The fiscal health of a community is essential to providing a high level of public services and community amenities, while contributing significantly to the quality of life. Economic conditions in the private sector gauge existing trends and opportunities and point towards shifts and transitions in the local economy. All of this affects the prosperity of Pleasant Hill residents and the tax base that supports the delivery of municipal services. The Economics and Economy Element includes goals, policies, and programs related to retention and expansion of existing business sectors as well as diversifying the economy to develop new kinds of businesses in the city.

Goals, policies, and implementation programs in this element are organized under the following headings:

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## Key Terms

**Adaptive Reuse (Reuse).** The practice of converting underutilized buildings from their original or most recent use to a new use.

**Entertainment Businesses.** Establishments that operate facilities or provide services that enable patrons to participate in recreational activities or pursue amusement, hobby and leisure activities; establishments that preserve and exhibit objects and sites of historical, cultural or educational interest; or, establishments that are involved in producing, promoting, or participating in live performances, events or exhibits intended for public viewing.

**Mixed Use.** Mixed Use allows residential, retail, commercial, office and/or public uses with flexible parking and setback requirements (subject to compliance with the Housing Element). Individual Mixed-Use projects are not expected to contain any specific combination of these uses and may only include one land use. The development potential of each Mixed-Use site shall be determined through project review under the provisions of the Planned Unit Development (PUD) Zoning District, or other discretionary land use entitlement process as determined by the City.

**Sphere of Influence (SOI).** An area that includes the probable physical boundaries and service area of a local agency, as determined by the Local Agency Formation Commission (LAFCO) of the county. (See Figure 1-2, in Chapter 1, Introduction)

## 2.1 Commercial Business Retention and Expansion

Pleasant Hill’s largest industries (by employment) include retail trade (20%), health care (23%), government (17%), and leisure and hospitality (13%). The City has an opportunity to cultivate a business mix that serves the evolving range of residents’ needs and desires, while also attracting visitors. Dining and retail establishments are particularly important, not only for generating revenue, but also as centers for community gathering and recreation. It is also important to support the growth of entertainment and other businesses that contribute to an exciting customer experience. Promoting an attractive shopping environment is critical to commercial success as brick-and-mortar retail evolves with the expansion of online sales platforms.

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### E-1

Promote the economic health of the downtown and the city as a whole, particularly through the growth of businesses that generate sales taxes and other revenues for the City. *[Source: Existing General Plan, Economic Strategy Goal 1]*

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#### E-1.1

##### Mixed-use

Encourage mixed-use development downtown and at other sites where appropriate. *[Source: Existing General Plan, Economic Strategy Policy 1A, modified]*

#### E-1.2

##### Annexations

Consider annexation of land in the Sphere of Influence when likely to generate positive fiscal benefits to the City and provide open space, housing, or employment opportunities. *[Source: Existing General Plan, Economic Strategy Policy 1B]*



**E-2**

Facilitate additional retail and commercial opportunities that meet local needs.  
[Source: Existing General Plan, Economic Strategy Goal 3]

**E-2.1**

**Uses Along Contra Costa Boulevard**

Facilitate the improvement and upgrading of older and outmoded uses along Contra Costa Boulevard, including mixed use development where feasible.  
[Source: Existing General Plan, Economic Strategy Policy 3B]

**E-2.2**

**Mix of Retailers**

Support the attraction and development of more local businesses and firms with creative and innovative business concepts in terms of the product sold, shopping experience, and/or the way that the tenant space is used. A mix of local, regional, and national retailers will offer a diversity of product and pricing choices to local residents. Encourage the integration of entertainment and high demand service uses (such as creative studios, consumer-oriented class spaces, and youth attractions) with retail to create attractive shopper environments.  
[Source: Existing General Plan, Economic Strategy Policy 3C, modified]

**E-2.3**

**Retail and Restaurant Uses**

Encourage quality retail and restaurant uses in strategic locations to support the success of mixed-use developments.  
[Source: Existing General Plan, Economic Strategy Policy 3D, modified]

**E-2.4**

**Cultural and Business Activity at Diablo Valley College (DVC)**

Support DVC's desire to create a hub of entertainment, commerce and education that benefits students, residents and the business community alike. [Source: New Policy]

## **2.2 Economic Diversification and Expansion**

The cornerstone for ensuring economic longevity is continued investment in successful local industries. While government and health care will continue to play a central role in the city's economic base, it is important that the City also invests energy into diversifying industries and employment opportunities, particularly jobs suitable for residents who commute out of Pleasant Hill to work. In 2018, more than 80 percent of the City's workforce commuted out of town, mainly to jobs in information technology, finance, and professional and technical services. A more diversified economy provides the potential for successful collaboration, as well as options to ensure that the city is resilient and able to maintain its economic competitiveness in the event of changing climate or economic conditions. The City can leverage strong partnerships with local education and workforce training institutions such as DVC to support business attraction and expansion. City policy should also recognize that economic growth in Contra Costa County and the surrounding region also benefits Pleasant Hill workers by reducing longer commutes.

**E-3**

Create and maintain a dynamic and diverse economic base. *[Source: Existing General Plan, Economic Development Strategy Goal 2]*

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**E-3.1**

**City Serving Retail and Commercial Growth**

Allow for changes to General Plan commercial land use designations provided such changes include effective mitigation of environmental constraints, noise, traffic, and other hazards. Further, in consideration of such changes, the City Council may require the provision of public benefit, including, but not limited to, provision of affordable housing pursuant to the policies in the City’s Housing Element; or, provision of parkland, trails, or other community or recreation facilities or equivalent funding for development of such facilities; or other appropriate public benefit as determined by the City Council.

*[Source: Existing General Plan, Community Development Program 2.5, modified]*

**E-3.2**

**Existing Business Support**

Support existing businesses and encourage them to expand when appropriate.

*[Source: Existing General Plan, Economic Strategy Policy 2B]*

**E-3.3**

**New Businesses**

Prioritize attraction of new businesses that:

- are independent and not affiliated with national chains;
- are innovative and creative in concept in terms of the product being sold and/or the building or space that the business is located within;
- fill unique niches and/or unmet demand;
- augment needed services and/or existing amenities (including recreation, retail and restaurant uses);
- generate net fiscal benefits to the City, such as tax revenues;
- create higher-paying, higher-skill, and/or higher-quality jobs for local residents;
- match the skill levels of the local labor pool;
- have potential to stimulate other private investment in the city;
- are compatible with existing infrastructure and the environment;
- support, participate in, and promote civic activities;
- create minimal negative impact on the surrounding community; and
- require minimal public investment.

*[Source: Existing General Plan, Economic Strategy Policy 2C]*

**E-3.4**

**Light Manufacturing**

Encourage the location of artisanal consumer goods manufacturing in commercial districts through design standards that permit flexible building design, with onsite retail sales as well as offsite distribution. Also encourage incubator light industrial uses in industrial districts. *[Source: New Policy]*



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**E-3.5**

### **Underutilized Parcels**

Facilitate appropriate reuse of underutilized parcels.

*[Source: Existing General Plan, Economic Strategy Policy 2D, modified]*

**E-3.6**

### **Technology Companies**

Encourage the location of firms in growing technology sectors, such as bio-tech, in existing commercial and industrial zones through design standards that achieve appropriate building scale and environmental standards.

*[Source: New Policy]*

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**E-4**

Enlarge the City's revenue base as necessary to sustain and support the community.  
*[Source: Existing General Plan, Economic Strategy Goal 4]*

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**E-4.1**

### **Revenue Base Impacts**

Evaluate and support proposed development to determine whether it would have a positive impact on the City's revenue base. *[Source: Existing General Plan, Economic Strategy Policy 4A]*

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**E-5**

Help local businesses and the City of Pleasant Hill capture visitor dollars that are otherwise lost to the larger regional area, thereby increasing revenue to local businesses and the City. *[Source: Resolution 55-19]*

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**E-5.1**

### **Tourism Industry Development**

The City shall continue to encourage organizations that promote Pleasant Hill as a visitor destination and work with the local business community to ensure that a full range of visitor services, events and attractions is available to maximize the economic benefit from this market. *[Source: Resolution 55-19 and new language]*

## **2.3 Economic Infrastructure**

Modern business activity depends on key communications infrastructure such as broadband capacity and access. As workplace and educational environments adapt to changing conditions, the availability of high-capacity internet in residential neighborhoods in addition to business districts is increasingly critical. Also, changes in personal transportation systems to include electric vehicles, ride sharing services, car/scooter/bike sharing services, and increasing consumer interest in active transportation opportunities will dramatically change the need for transportation infrastructure. The City can improve its economic competitiveness by supporting the installation of future-oriented infrastructure and promoting the high level of services available to both businesses and workers in Pleasant Hill.

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**E-6**

Encourage the development and expansion of critical communications and transportation infrastructure. *[Source: New Goal]*

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- E-6.1 Broadband Network**  
 Encourage the expansion of a high-capacity broadband network in Pleasant Hill and other high-capacity internet technologies as they evolve. *[Source: New Policy]*
- E-6.2 Transportation Systems**  
 Encourage the installation of electric vehicle charging stations, ride sharing hubs, and bike/scooter rental services to support consumer interest in alternative transportation modes. Evaluate the changing needs for parking in commercial and mixed-use districts. Promote expansion of transit services. *[Source: New Policy]*
- E-6.3 Active Transportation**  
 Promote the use of the City’s trail systems to increase pedestrian and bike travel, particularly for local work trips. Develop circulation designs in mixed use districts, including Downtown, to promote pedestrian access and bike/scooter travel. *[Source: New Policy]*

## 2.4 Implementation Programs

Programs	Implements Which Policy(ies)	Responsible	2021 – 2025	2026 – 2030	2031 – 2040	Annual	Ongoing
		Supporting Department(s)					
<p><b>A Allowable Office and Hotel Density</b></p> <p>Encourage the use of allowable development density for office and hotel development, while preserving areas designated for retail uses. <i>[Source: Existing General Plan, Economic Strategy Program 1.1]</i></p>	E-3.1, E-3.5	Planning Division					■
<p><b>B Density Incentives</b></p> <p>Create incentives to encourage higher density and/or mixed-use development in the downtown and at other appropriate sites along transit corridors. <i>[Source: Existing General Plan, Economic Strategy Program 1.2]</i></p>	E-1.1, E-2.1	Planning Division					■



Programs	Implements Which Policy(ies)	Responsible	2021 – 2025	2026 – 2030	2031 – 2040	Annual	Ongoing
		Supporting Department(s)					
<p><b>C Downtown Plan Update</b></p> <p>Review and update Downtown Plan as necessary. <i>[Source: Existing General Plan, Economic Strategy Program 1.3, modified]</i></p>	E-1.1	Planning Division	■	■	■	■	■
<p><b>D Cultural &amp; Business Hub at DVC</b></p> <p>Support DVC’s efforts to create shared use opportunities for the performing arts center and other event venues at DVC. Promote close connections between the business community and the educational resources at DVC. <i>[Source: New Implementation Program]</i></p>	E-2.4	Economic Development Planning Division					■
<p><b>E Plan for a Mix of Uses at Key Opportunity Sites</b></p> <p>Identify the specific types of mixed use development that would be appropriate at key opportunity sites. Develop zoning standards that reflect the locational attributes of the sites. In particular, plans should allow for a compatible mix of office, hotel, retail, entertainment and/or residential uses at the Crossroads and DVC Plaza Shopping Centers, and should include fiscal implications of any proposed net reduction in the square footage of retail floor space that existed at DVC Plaza in December 2020 so that the new development will provide equivalent or superior fiscal or economic benefits to the City. <i>[Source: Existing General Plan, Economic Strategy Program 3.2]</i></p>	E-2.1, E-2.3	Planning Division Economic Development	■				

Programs	Implements Which Policy(ies)	Responsible	2021 – 2025	2026 – 2030	2031 – 2040	Annual	Ongoing
		Supporting Department(s)					
<p><b>F Additional Non-Residential Uses</b></p> <p>Ensure that the City maintains a well-balanced and modern regulatory system that permits additional retail, commercial, entertainment, technology and light industrial uses while mitigating impacts to residential areas, traffic, schools, City services and other environmental conditions. <i>[Source: New Implementation Program]</i></p>	E-2.2, E-3.4, E-3.5	Planning Division					■
<p><b>G Reuse Opportunity Identification</b></p> <p>Identify the reuse potential and feasibility of commercial and light industrial properties that respond to the emerging needs of specific business uses. <i>[Source: Existing General Plan, Economic Strategy Program 2.2]</i></p>	E-3.6	Planning Division <hr/> Economic Development		■			
<p><b>H Work with Key Employers</b></p> <p>Work with the Pleasant Hill Chamber of Commerce and the Downtown Pleasant Hill Shopping Center owner and/or property manager on issues that may impact businesses’ decisions to remain in the city. <i>[Source: Existing General Plan, Economic Strategy Program 2.3]</i></p>	E-3.2	Economic Development <hr/> Planning Division					■





Programs	Implements Which Policy(ies)	Responsible	2021 – 2025	2026 – 2030	2031 – 2040	Annual	Ongoing
		Supporting Department(s)					
<p><b>I Identify Opportunities to Attract New Employers</b></p> <p>Work with real estate and development professionals, as well as workforce development agencies such as DVC, to identify opportunities to bring employers into the city that will diversify the job base. Collaborate with regional economic development entities to support economic growth throughout Contra Costa County. <i>[Source: Existing General Plan, Economic Strategy Program 2.4, modified]</i></p>	E-3.3	Economic Development  Planning Division				■	
<p><b>J Promote City Assets and Visitor Attractions</b></p> <p>Encourage the efforts of the Pleasant Hill Chamber of Commerce, Stay Pleasant Hill Tourism Improvement District, DVC, and any future programs or organizations that market and promote the city’s businesses, city amenities, visitor attractions, ease of access, affordability, and quality of life. Create and maintain an Opportunity Site Map to illustrate key development opportunities. <i>[Source: Economic Strategy Program 2.6, Resolution 55-19]</i></p>	E-2.4, E-3.3	Economic Development  Planning Division					■

Programs	Implements Which Policy(ies)	Responsible	2021 – 2025	2026 – 2030	2031 – 2040	Annual	Ongoing
		Supporting Department(s)					
<p><b>K Support Job-training Programs</b></p> <p>Support the efforts of DVC, Cal State East Bay, and other regional educational institutions to tailor job-training programs to local businesses (including technology, service, retail, finance, insurance, real estate, local government, education, and transportation). <i>[Source: Economic Strategy Program 2.7]</i></p>	E-3.2, E-3.3	<p>Economic Development</p> <hr/> <p>City Manager</p>					■
<p><b>L Periodic Sales Analysis</b></p> <p>Analyze periodically city per capita sales by market category (as compared to statewide averages) to identify trends and sectors that should be targeted for growth. <i>[Source: Economic Strategy Program 4.3]</i></p>	E-2.2, E-3.1	<p>Finance Division</p> <hr/> <p>Economic Development</p>					■
<p><b>M Broadband Network</b></p> <p>Consider support of local internet service providers, educational and health care agencies, and business groups seeking to address network gaps as they are identified. Seek available state and federal grants where appropriate to close any broadband service gaps. <i>[Source: New]</i></p>	E-6.1	<p>Economic Development</p> <hr/> <p>Planning Division</p>					■
<p><b>N Electric Vehicle and Micromobility Charging Stations</b></p> <p>Develop a plan for the location and development of publicly available charging stations for autos and other types of personal electric transportation. <i>[Source: New]</i></p>	E-6.2	<p>Engineering Division</p> <hr/> <p>Planning Division</p>	■				

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