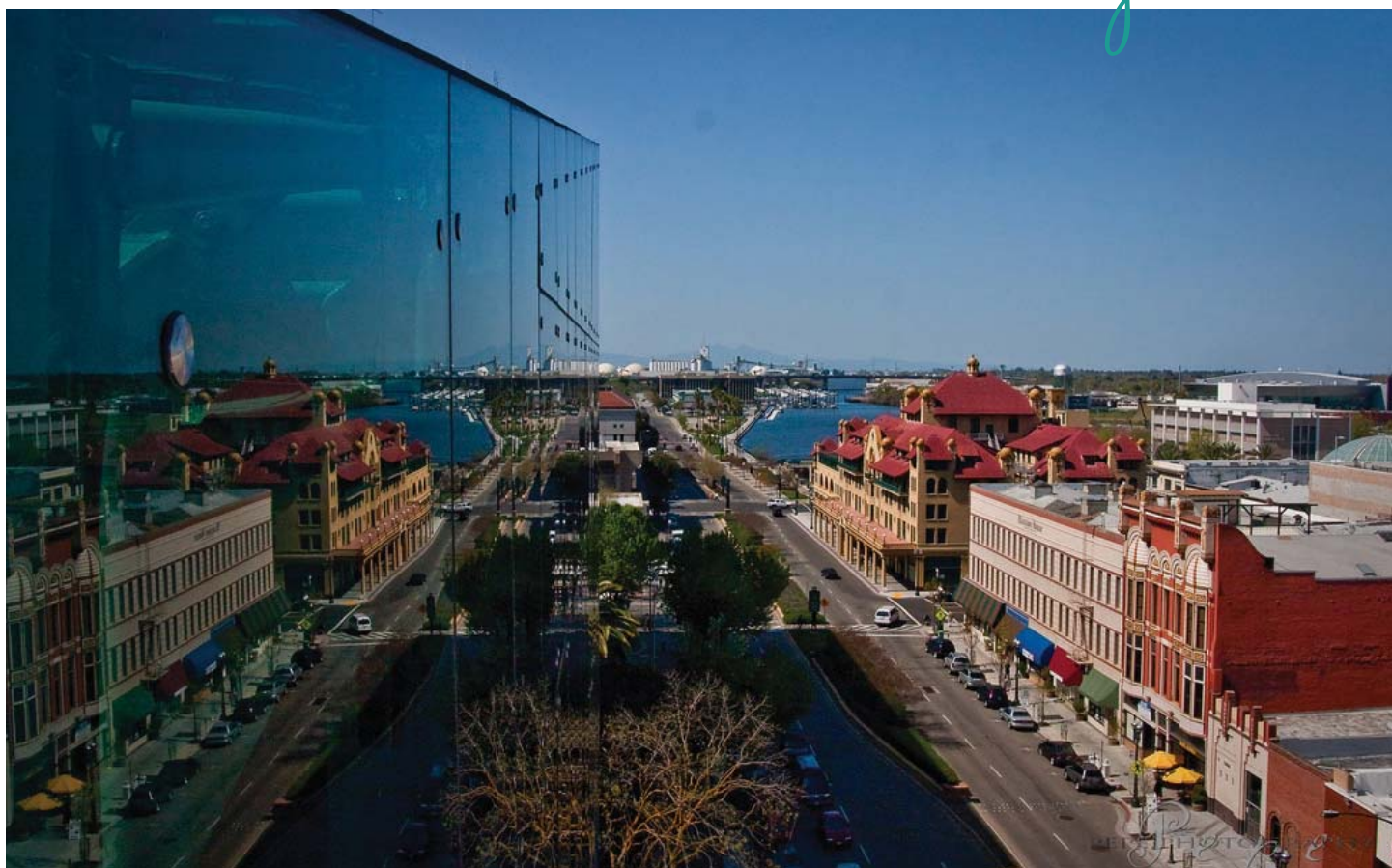


CITY OF STOCKTON

ECONOMIC DEVELOPMENT

Strategic Plan



PREPARED FOR
THE CITY OF STOCKTON

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1 | INTRODUCTION

OVERVIEW: *While the ultimate goal of the Stockton Economic Development Strategic Plan (EDSP) is to expand employment and investment in core local businesses/industries, the Plan recognizes that the long-term success of business retention/expansion, attraction and entrepreneurial development efforts is highly dependent on the strength of a community's basic foundational conditions. Thus, the business development components of the Plan are undergirded by a significant focus on quality of life and other foundational initiatives aimed at creating the workforce, business environment, development capacity and overall community image necessary to facilitate effective economic development programming. Within each of these broad areas of attention, the Plan outlines specific action items for the City of Stockton to implement in partnership with other entities active in local and regional economic development.*

While this Strategic Plan includes substantial focus on expanding the targeted (or “core”) business base, the overall strategic framework is necessarily broad, in recognition of several key challenges that are currently impediments to business attraction in Stockton. These challenges include:

- » Longstanding concerns about crime and public safety;
- » Uneven development/investment patterns among Stockton’s neighborhoods, with the result that sizeable portions of the City are underserved with respect to retail development and other basic commercial services;
- » Chronically high unemployment rates, and concerns about the “job readiness” of unemployed residents;

- » Concerns about the K-12 education system, reflected in measurable community challenges (e.g., the high portion – 26.3% – of the City’s adult residents who are not high school graduates); and
- » Overall image problems stemming from the above issues, and from Stockton’s nationally-visible municipal bankruptcy and housing foreclosure crisis.

At the same time, Stockton has a number of notable strengths (or potential strengths) that this Strategic Plan seeks to leverage. These strong points include:

- » Strategic location within a portion of California that is expected to experience tremendous growth in coming decades;
- » Excellent transportation infrastructure, including inland port, airport, intermodal rail hubs, and major highways (Interstate 5 and State Routes 99, 4, 26, and 88);
- » Well-established strengths in several core industries (most notably agriculture, food processing, construction materials, and warehousing/distribution);
- » A strong base of academic institutions, having some linkages to local industries, with potential additional capacity to strengthen and expand those linkages;
- » Favorable weather and enjoyable quality of life (despite external perceptions to the contrary);
- » Ethnic diversity;
- » The potential to create a vibrant “sense of place” and regional visitor destination in the City’s downtown/waterfront area;

1 | INTRODUCTION

- » The City's opportune position (in terms of both geographic proximity and workforce commute patterns) vis-à-vis the Silicon Valley and the greater San Francisco Bay Area, and the potential to capitalize on that region's increasingly high costs as a place to live and do business; and
- » The potential - based on Stockton's status as a port city and its growing connection to the dynamic Silicon Valley region - to implement business development efforts that are international in scope.

The Strategic Plan is organized in terms of three major groups of initiatives:

CORE ECONOMIC DEVELOPMENT INITIATIVES

Programs directly focused on business retention/expansion, attraction, entrepreneurial development, and related education/workforce development initiatives.

QUALITY OF LIFE INITIATIVES focused on improving Stockton's overall attractiveness to residents, visitors, businesses, and their employees.

FOUNDATIONAL INITIATIVES focused on the core City functions and its relationships to economic development.

Whereas the Strategic Plan is focused on recommended City-led actions for business retention/

expansion, attraction, and related foundational initiatives, the Plan also includes references to other planned or ongoing initiatives that will have a direct bearing on Stockton's capacity to successfully pursue business development. The most significant of these tandem efforts include the following:

- » The City of Stockton's "Marshall Plan on Crime;"
- » City of Stockton General Plan Revision Process;
- » The 2012 Urban Land Institute (ULI) Advisory Services Panel recommendations for Downtown Stockton.

Given that these topics are comprehensively addressed in other policies and documents, they are not addressed in detail in the Economic Development Strategic Plan. However, where appropriate, selected recommendations and implementation concepts from these other documents have been reiterated here in order to highlight their potential importance to the success of the economic development process. This broad framework is in keeping with the vision expressed in the City's Strategic Work Plan for Fiscal Year 2014-2015, whereby the Economic Development Strategic Plan is intended to "influence the culture of the organization" to bring about an across-the-board focus (i.e., across all City functions/departments) on economic development.



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Stakeholders Involved in Strategic Planning Process

The strategic planning process for this document included substantial stakeholder involvement. Throughout the process, the consultant team worked closely with City staff and a Core Steering Committee to develop and refine the recommended initiatives. In addition, the consultants conducted interviews with individual members of the City Council and facilitated three strategic planning workshops with representatives from a broad range of public and private organizations active in local economic and workforce development. Members of the Core Steering Committee and participating City staff are listed below.

Core Steering Committee

Kathy Hart
President, San Joaquin Delta College

Lewis Gale
Dean of Business, University of the Pacific

Steve Escobar
Deputy Port Director, Port of Stockton

Debbie Calli
Properties Manager, Port of Stockton

Mike Ammann
President, San Joaquin Partnership

Shelley Burcham
Vice President, San Joaquin Partnership

Doug Wilhoit
President, Greater Stockton Chamber of Commerce

City Staff

Micah Runner
Economic Development Department, Director

Janice Miller
Economic Development Department, Deputy Director

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Senior Economic Development Analyst

Nicole Wells
Economic Development Analyst

Steve Chase
Community Development Department, Director

Mark Martin
Community Development Department, Assistant Director

Forrest Ebbs
Community Development Department, Deputy Director

Gordon MacKay
Public Works Department, Director

Mel Lytle
Municipal Utilities Department, Director

2 | EXECUTIVE SUMMARY

This Economic Development Strategic Plan (EDSP) lays out an ambitious program to create new investment and employment opportunities in seven core business clusters identified during the background and research phases of the project¹:

- » Manufacturing
- » Food processing
- » Agricultural technologies
- » Energy resources and technologies
- » Office and IT professional services
- » E-commerce and logistics
- » Construction materials

The identified core business clusters generally align with the countywide targets of the San Joaquin Partnership. As described in Appendix A, the city-level analysis completed for the EDSP pinpoints specific components of the area-wide clusters that are likely to be the most productive targets for Stockton.

While the ultimate goal of the EDSP is to directly promote growth of the core business clusters, the Plan recognizes that the long-term success of business retention/expansion, attraction, and entrepreneurial development efforts is highly dependent on the strength of a community's basic foundational conditions.

Thus, the marketing and business development components of the Plan are undergirded by a significant focus on quality of life and other foundational initiatives aimed at creating the workforce, business environment, development capacity, and overall community image necessary to facilitate effective economic development

programming. Within each of these broad areas of attention, the Plan outlines specific action items for the City of Stockton to implement in partnership with other entities active in local and regional economic development.

Stockton EDSP Summary of Processes, Partners, and Outcomes

The following three charts summarize various aspects of the EDSP process and how the processes and benefits are intended to flow through the community and participating partner organizations (only major partner organizations are shown). The charts convey the notion that the EDSP has both measured results and spin-off enhancements for the parties involved.



¹ The analytical process used to identify the seven target clusters is documented in Appendix A.

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EXECUTIVE SUMMARY

STRATEGY OVERVIEW



EXPECTED OUTCOMES

» Programmed, quantifiable results

» Qualitative community enhancements/institutional capacity

CORE ECONOMIC DEVELOPMENT

- » Core business outreach/networking program
- » Business retention/expansion program
- » Business attraction
- » Entrepreneurship/innovation program
- » Business/development incentives

QUALITY OF LIFE

- » Downtown revitalization program
- » Neighborhood revitalization program
- » Focused image and arts/culture programs

FOUNDATIONAL

- » Public safety interface
- » Streamlined City permitting/licensing/regulations
- » Development capacity/site readiness program
- » Infrastructure interface

MEASURED OUTCOMES



CORE ECONOMIC DEVELOPMENT

- » Cluster maps
- » Closer, organized linkages of education and industry
- » Focused, coordinated marketing efforts
- » Number of new/retained jobs in complementary firms
- » Focused inventory of higher education resources for economic development
- » Clearinghouse for local business issues: gaps in addressing needs, etc.
- » Consortium for international trade; export expansion in dollars, volume
- » Systems in place for core-business focus: clearinghouse, funding
- » Number of core-business start-ups
- » Strategic and focused incentive and other business assistance systems in place
- » Number and value of businesses/projects supported



QUALITY OF LIFE

- » New investment in Downtown: number and mix of new businesses
- » Type, extent/value of new desired infrastructure in targeted areas (including that leveraged by new development)
- » New investment in other strategic locations
- » Number and distribution of new improvement districts formed
- » Increased visitations and revenues to city and specific venues



FOUNDATIONAL

- » Crime reduction – Perception of increased safety in public
- » Business and building permit processing times decrease
- » Site sales/leases executed for strategic purposes
- » Capital improvements that are coordinated strategically
- » Economic development strategies that demonstrate institutional coordination

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EXECUTIVE SUMMARY

PARTNERS AND THEIR PRIMARY THEMATIC RELATIONSHIPS

QUALITY OF LIFE INITIATIVES

Business Council
 Community Services Department
 Cultural Heritage Board
 Development Oversight Committee
 Downtown and Infill Developers
 Downtown Stockton Alliance
 Image Commission (needs to be reactivated)
 Local financial institutions
 Neighborhood Services Division – Police Department
 Neighborhood/business groups
 PBID (existing and/or new)
 Private property and business owners
 Redevelopment Successor Agency
 Reinvent Stockton
 Representatives of key arts groups
 (e.g., museum, civic theater, symphony, art league,
 UOP, CSU Stanislaus, Delta College, etc.)
 San Joaquin County
 SJRRC / RTD (funding and available development sites)
 SMG
 Stockton Arts Commission (and smaller arts groups)
 Stockton Ballpark/Ports
 Stockton Convention & Visitors Bureau
 Stockton Forward
 Stockton Marina-Westrec
 Stockton public media organizations

CORE ECONOMIC
DEVELOPMENT INITIATIVES

Café Coop
 California Infrastructure and
 Economic Development Bank
 (IBank)
 California Partnership for the San
 Joaquin Valley (CPSJV), Higher
 Education & Workforce
 Development Work Group
 Central Valley Fund
 Central Valley Partnership
 Chambers of Commerce
 Charter/Private Schools
 Community Partnership for
 Families
 CSU Stanislaus
 Downtown Stockton Alliance
 Huddle
 Miracle Mile Improvement
 District
 Port of Stockton
 San Joaquin Angels
 San Joaquin Business Council
 San Joaquin County
 San Joaquin County WorkNet
 Stockton Metro Airport
 San Joaquin Delta College
 San Joaquin Partnership (SJP)
 School Districts
 SJ County Office of Education
 Small Business Administration (SBA)
 Small Business Development
 Center (SBDC)
 Team California
 University of the Pacific (UOP)

FOUNDATIONAL INITIATIVES

Builders Exchange
 Building Industry Association
 City of Stockton IT Department
 Community Corrections Partnership (CCP)
 Community Development Department
 Manufacturers Industrial Distribution Roundtable (MIDR)
 OVP/Peacekeepers
 Stockton Administrative Services
 Stockton Municipal Utilities
 Stockton Police Department
 Stockton Public Works Department

2 | EXECUTIVE SUMMARY

The framework for implementing the EDSP is summarized below and detailed in the remainder of the document.

Overview of Strategy Categories

The EDSP includes a total of 12 major strategies that are detailed in terms of 67 specific action items. The 12 strategy categories are outlined below.

Major Theme: Core Economic Development Initiatives

- A.** Core business outreach/networking program
- B.** Business retention/expansion program
- C.** Business attraction program
- D.** Entrepreneurship/innovation program
- E.** Business/development incentives

Major Theme: Quality of Life Initiatives

- F.** Downtown revitalization program
- G.** Neighborhood revitalization program
- H.** Focused image and arts/culture programs

Major Theme: Foundational initiatives

- I.** Public safety interface
- J.** Streamlined City permitting/licensing/regulations
- K.** Development capacity / site readiness program
- L.** Infrastructure interface

Implementation Priorities and Timeframes. The 67 action items have been prioritized based on a scale of 1 to 3, with 1 being the highest priority level. The recommended priority levels reflect the input of stakeholders participating in the planning process, as well as recognized best practices for comprehensive economic development programming.

TABLE 1, beginning on page 10 lists the 67 action items and summarizes the recommended priority level for each activity. (Note: the action items are summarized in abbreviated form on the table and explained in greater detail in the next chapter of the document).

City Roles and Funding Needs. As described in more detail in the next chapter, implementation of the EDSP is designed to be led by the City in coordination with a range of partner organizations. For some action items, the City will assume direct responsibility of carrying out the indicated tasks. For other items, the City will function in more of an oversight/coordination capacity. The partnership approach builds on the City's existing, successful

relationships with the other organizations, and will expand the reach and impact of the City's economic development programs by leveraging the resources of other entities.

TABLE 1 classifies the action items in terms of the anticipated level of City involvement and funding commitment. On the matrix, the level of City involvement is indicated according to the following key:

Staff Lead: Indicates an item that is intended to be carried out by the City's economic development staff; many of these activities represent continuation and/or refocusing of existing City programs/services and therefore will not initially require additional staff members to implement.

Coordination: Indicates an item that would primarily be implemented by other entities; City Economic Development staff would serve in a coordination role.

Action items that are likely to require City funding resources are classified according to the following ranges of estimated costs:

\$: Less than \$25,000
(one-time or annually, as noted for each item)

\$\$: \$25,000 to \$50,000
(one-time or annually, as noted)

\$\$\$: \$50,000 to \$100,000
(one-time or annually, as noted)

Many of the recommended action items represent continuations of existing programs administered by the City and other agencies. The detailed Action Item Matrix in Appendix A provides a list of relevant existing programs for each action item. In order to give a sense of whether an action item is a new initiative versus a continuation of an ongoing program, Table 1 categorizes each action item as either "new" or "ongoing/existing." In this regard, it should be noted that even many of the "new" programs have some level of existing program infrastructure; the new/ongoing designations on Table 1 are therefore intended to indicate if an action item is predominantly new or predominantly a continuation of an existing program.

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TABLE 1. ACTION ITEM SUMMARY AND PRIORITIZATION

Group Initiative Action Item	Group Initiative Action Item (Scale 1-3: 1-Highest, 3-Lowest)	City Role / Funding Needs ²	New or Ongoing/ Existing Program
Core Economic Development Initiatives			
A. Core business outreach/networking program			
A.1 Conduct "cluster mapping" process	1	Staff Lead	New
A.2 Facilitate and/or lead "network organizing" meetings	2	Staff Lead	New
A.3 Promote cluster-oriented, local supplier relationships	2	\$\$\$ (one-time) ³	New
A.4 Participate in key industry/trade associations	3	\$ (annually)	Ongoing
A.5 Facilitate group of higher education executives	1	Coordination	New
A.6 "Map" relevant K-12 and higher education resources	1	Staff Lead	New
A.7 Facilitate interaction between business and educators	1	Coordination	Ongoing
B. Business retention/expansion program			
B.1 Support business development groups/processes	1	Coordination	Ongoing
B.2 Expand existing-business visitation program	2	Staff Lead	Ongoing
B.3 Support efforts to promote international trade	3	\$ (annually)	New
B.4 Promote public awareness of career opportunities	3	Coordination	Ongoing
B.5 Support small-business creation programs	2	Coordination	Ongoing
B.6 Include CDBG programs in small business development	1	Coordination	Ongoing
C. Business attraction			
C.1 Align business attraction efforts of City, SJP, and Port	1	Coordination	Ongoing
C.2 Develop City economic development brand/message	1	\$\$ (one-time)	New
C.3 Investigate options for business lead generation	2	\$ (annually)	New
C.4 Participate in key trade shows/real estate forums	3	\$ (annually)	Ongoing
C.5 Target foreign direct investment	3	Coordination	Ongoing
C.6 Coordinate with education/workforce development	1	Coordination	Ongoing

² Scale for budget estimates: \$ - less than \$25,000; \$\$ - \$25,000 to \$50,000; \$\$\$ - \$50,000 to \$100,000.³ Cost estimate assumes development of an interactive, business-to-business networking website.

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TABLE 1. ACTION ITEM SUMMARY AND PRIORITIZATION

Group Initiative Action Item	Group Initiative Action Item (Scale 1-3: 1-Highest, 3-Lowest)	City Role / Funding Needs	New or Ongoing/ Existing Program
D. Entrepreneurship/innovation program			
D.1 Serve as clearinghouse for entrepreneurial programs	1	Staff Lead	Ongoing
D.2 Coordinate program activities with SBDC	2	Coordination	Ongoing
D.3 Identify and support areas suitable for incubators	3	Staff Lead	Ongoing
D.4 Serve as clearinghouse for entrepreneurial funding	2	Staff Lead	Ongoing
D.5 Establish loan guarantee program with local banks	3	Staff Lead	New
D.6 Funding assistance for Downtown entrepreneurs	3	\$ (annually)	New & Existing
D.7 Coordinate with SJP's Greater Silicon Valley initiative	1	Coordination	Ongoing
E. Business/development incentives			
E.1 Define guiding principles for incentive policies	1	Staff Lead	New
E.2 Identify financial/funding resources for incentive program	1	\$ (annually)	Ongoing
E.3 Investigate applicability of "low cost" incentives	2	Staff Lead	New
E.4 Create prototypes of business types eligible for incentives	3	Staff Lead	New
E.5 Consider incentives for non-prototype firms case-by-case	1	Staff Lead	New
E.6 Funding assistance for Downtown entrepreneurs (D.6)	3	\$ (annually)	New & Existing
Quality of Life Initiatives			
F. Downtown revitalization program			
F.1 Developer/property owner meeting to review ULI recommendations	1	Staff Lead	Existing
F.2 Market publicly-owned opportunity sites in Downtown	2	Staff Lead	Existing
F.3 Incentivize housing in Downtown	3	\$ (annually)	New
F.4 Focus grant applications on Downtown area	1	Coordination	Ongoing
F.5 Promote/prioritize downtown as destination for events	2	Coordination	Ongoing
F.6 Funding assistance for Downtown entrepreneurs (D.6)	3	\$ (annually)	New & Existing

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EXECUTIVE SUMMARY

TABLE 1. ACTION ITEM SUMMARY AND PRIORITIZATION

Group Initiative Action Item	Group Initiative Action Item (Scale 1-3: 1-Highest, 3-Lowest)	City Role / Funding Needs	New or Ongoing/ Existing Program
G. Neighborhood revitalization program			
G.1 Prioritize revitalization areas; facilitate "shovel readiness"	2	\$ - \$\$ (one-time, per area) ⁴	New
G.2 Implement retail tenant recruitment program	3	\$ (annually)	New
G.3 Market publicly-owned opportunity sites	2	Staff Lead	Ongoing
G.4 Facilitate formation of BID's or PBID's	3	\$ (one-time, per area) ⁵	New & Existing
G.5 Develop Lien Forgiveness Incentive Program for Residential	2	Staff Lead	Existing
G.6 Align Federal housing funds and Consolidated Plan with EDSP	1	Staff Lead	New
H. Focused image and arts/culture programs			
H.1 Build brand awareness through arts, sports, culture	2	Coordination	Ongoing
H.2 Convene "Arts, Culture and Leisure" Taskforce	1	Coordination	New
H.3 Implement public relations/image enhancement effort	2	\$\$\$ (annually)	New
H.4 Coordinate with CVB efforts to make City a destination	1	Coordination	Ongoing
H.5 Promote expanded use of City venues in waterfront area	2	Coordination	Ongoing
H.6 Target attraction of regional/restaurant development	3	(included in G.2 above)	New
Foundational Initiatives			
I. Public safety interface			
I.1 Support implementation of Marshall Plan	1	Coordination	Ongoing
I.2 Develop brochure reporting strategy on crime reduction	2	\$ (one-time)	New
I.3 Highlight progress in crime reduction in marketing efforts	1	Staff Lead	Ongoing

⁴ This budget estimate assumes that pre-entitlement would be pursued in infill/redevelopment settings where development would be largely exempt from CEQA requirements (per SB 226, CEQA Streamlining for Infill Projects); in other settings, pre-entitlement would be considerably more expensive (as much as \$250,000 for a programmatic environmental impact report in an area requiring a full CEQA process).

⁵ Reflects the estimated cost for an initial feasibility study for a BID or PBID. In addition to the feasibility study, a new BID or PBID would set-up costs of \$30,000 to \$80,000, depending on geographic area, scope, etc. However, the set-up costs can be recovered through the BID assessments and therefore would not be a net cost to the City.

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EXECUTIVE SUMMARY

TABLE 1. ACTION ITEM SUMMARY AND PRIORITIZATION

Group Initiative Action Item	Group Initiative Action Item (Scale 1-3: 1-Highest, 3-Lowest)	City Role / Funding Needs	New or Ongoing/ Existing Program
J. Streamlined City permitting/licensing/regulations			
J.1 Work with development community to address “business friendliness” issues	1	Staff Lead	Ongoing
J.2 Review policies on expedited project reviews, etc.	1	Staff Lead	New
J.3 Develop checklist of business licensing requirements	1	Staff Lead	New
J.4 Develop checklist of permitting requirements	1	Staff Lead	New
J.5 Implement “one-stop” permitting/licensing counter	2	\$ - \$\$ (one-time)	New
J.6 Develop online permitting tools/resources	2	Staff Lead ⁶	Existing
J.7 Highlight business-friendly policies/programs in marketing	1	Staff Lead	Ongoing
K. Development capacity / site readiness program			
K.1 Coordinate with Advantage Stockton property database	1	Staff Lead	Existing
K.2 Review General Plan for commercial/industrial capacity	1	Staff Lead	New
K.3 Explore pre-entitlement options	2	\$ - \$\$ (one-time, per area) ⁷	New
L. Infrastructure interface			
L.1 Align proposed General Plan update with EDSP	1	Coordination	Ongoing
L.2 Align annual C.I.P. process with EDSP	1	Coordination	Ongoing
L.3 Coordinate with Port on infrastructure investments, etc.	1	Coordination	Ongoing
L.4 Coordinate with Airport on infrastructure investments	1	Coordination	Ongoing

⁶ This was budgeted in FY 2014/15 and development is currently underway by the Community Development Department.

⁷ This budget estimate assumes that pre-entitlement would be pursued in infill/redevelopment settings where development would be largely exempt from CEQA requirements (per SB 226, CEQA Streamlining for Infill Projects); in other settings, pre-entitlement would be considerably more expensive (as much as \$250,000 for a programmatic environmental impact report in an area requiring a full CEQA process).

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DISCUSSION AND ACTION ITEMS
BY STRATEGY CATEGORYCORE ECONOMIC DEVELOPMENT
INITIATIVES

A. Core business outreach/networking program

Statement of opportunity/need:

As an important foundation to the City's business development efforts, core business outreach focuses on encouraging networking among businesses in Stockton's most important economic sectors and strengthening the larger business "ecosystem" that supports them.

During the course of this strategic planning process, the consultant team completed an analysis of potential "target industries" for the City's business retention/expansion, attraction, and entrepreneurial development efforts (see below). Since the targeted sectors are not limited to industrial/manufacturing activities, but also include a range of commercial/service sectors, the EDSP refers to them as Stockton's "core businesses."

For the most effective economic development programs, industry targeting extends beyond individual sectors to a broader focus on closely related groups of industries, which are often called "clusters." Agriculture – one of San Joaquin County's principal economic activities – is a prime example of a cluster. It supports a diverse array of business types in Stockton, including crop production, agricultural support firms, food processing/manufacturing, various types of distribution, and a range of professional services.

While business clustering is a market phenomenon, a true cluster is more than the coincidental co-location of complementary firms and sectors in a particular region. A full-fledged cluster involves systematic interaction and networking among the co-located firms. Strategy A is intended to strengthen cluster networks in Stockton and the surrounding region. At its core, cluster networking is a matter of identifying the relevant local "constituents" (primary and support firms, institutional assets, etc.) for each cluster and promoting interaction among them. The actual format of this interaction can be tailored to the preferences of the participants and the level of available resources to support the coordination effort.

Stockton's Core
Business Clusters

The identified core business clusters for Stockton generally align with the countywide targets of the San Joaquin Partnership (see Appendix C – page 41). Seven priority clusters are recommended as the focus of the EDSP:

- » Manufacturing
- » Food processing
- » Agricultural technologies
- » Energy resources and technologies
- » Office and IT professional services
- » E-commerce and logistics
- » Construction materials

As documented in Appendix A, the City-level analysis completed for the EDSP pinpoints specific components of the area-wide clusters that are likely to be the most productive targets for Stockton.

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DISCUSSION AND ACTION ITEMS
BY STRATEGY CATEGORY

It should be strongly emphasized that the recommended focus on core businesses does not mean that other (i.e., non-core) businesses will be neglected in the City's economic development programming. The focus on core clusters is simply a means of maximizing the efficiency of the City's economic development investment by concentrating appropriate resources on the business types most likely to offer long-term growth potential. For some activities, such as marketing to recruit new firms, the nature of the City's programming will necessarily require choices and prioritization of targets (since these efforts tend to be industry-specific). However, many of the actions included in this plan are broader in scope and will directly improve the business climate for all types of business, both core and non-core.

ACTION ITEMS

A.1 Conduct “cluster mapping” process to identify existing firms, infrastructure, and institutional assets relevant to identified core businesses (building on existing resources/databases). Cluster mapping involves taking an inventory (and continually expanding a database) of existing Stockton firms that are relevant to each core business cluster. This is an essential first step in facilitating networking of firms in the core clusters. Firm lists should be segmented in terms of the following components:

- » Core industries
- » Raw materials and industrial inputs
- » Transportation, distribution, and logistics
- » Purchasers and distributors

Priority focus should be on identifying existing core industry firms within the City; to the extent that significant core industry firms are not currently present in Stockton, core firms in the larger (San Joaquin County) region should be mapped (inventoried) as part of the overall cluster.

A.2 Facilitate and/or lead “network organizing” meetings for core businesses, based on potential participants identified during cluster mapping process. The purposes of these meetings would be to facilitate a roundtable discussion about potential networking opportunities within the core business clusters and to identify specific activities the City (and partners) could pursue in order to strengthen local cluster networks.

A.3 Promote cluster-oriented, local supplier relationships via a “Stockton Delivers” campaign. The intent of this campaign would be to expand local supplier capacity (to the extent that local cluster demand is currently exported) and to expand opportunities for existing suppliers to achieve greater capture of local demand (either existing or potential) through buy-local initiatives. In conjunction with the “cluster mapping” process (Action Item A.1), local supplier relationships could eventually be facilitated via a website that identifies available suppliers and potential linkages.

A.4 Participate in key industry/trade associations relevant to core businesses (where appropriate, leverage partnerships to extend reach of City's exposure at events, trade shows, etc.). City should initially focus on associations for site selection/facilities/real estate executives; this activity may evolve over time to include City's participation in trade associations for specific industries (either directly or through partner organizations).

A.5 Establish a City-facilitated group of executive-level representatives of Stockton's higher education institutions. The purposes of this group, which will meet quarterly, will be to “map” higher education resources relevant to business development and to formalize ways in which the institutions can serve as resources for economic development (e.g. offering institutional expertise on specific strategic priorities/issues identified in this plan).

3

DISCUSSION AND ACTION ITEMS
BY STRATEGY CATEGORY

A.6 “Map” K-12 and higher education resources relevant to business development; coordinate with education/workforce development organizations to ensure maximum alignment with City’s business development programs. The intent of this action item is for the City to inventory existing programs and become a clearinghouse for information about educational resources relevant to economic development. Through this coordination role, the City will support improvements to K-12 education responsive to the workforce needs of local employers.

A.7 Establish a system for facilitating interaction/information flow between key business stakeholders and education/workforce system. This action item is intended to ensure opportunities/mechanisms for direct, ongoing interaction between the core business clusters and education/workforce development service providers.

Higher Learning

San Joaquin Delta College provides post-secondary education to the associate degree level, general education, and preparation for transfer to other post-secondary institutions. Major course divisions include the following:

- » Agriculture, Science & Math
- » Applied Science, Business & Technology
- » Arts & Communication
- » Health Sciences
- » Humanities, Social Science, Education, etc.
- » Languages, Library

University of the Pacific has nine schools and colleges, listed below, offering undergraduate to post graduate degrees, accelerated programs, professional certification, and opportunities for adults to re-enter the world of education.

- » College of the Pacific, the Arts and Sciences College
- » Conservatory of Music
- » Gladys L. Benerd School of Ed.
- » Eberhardt School of Business
- » School of Engineering and Computer Science
- » School of International Studies
- » Thomas J. Long School of Pharmacy and Health Sciences
- » Pacific McGeorge School of Law
- » Arthur A. Dugoni School of Dentistry

California State University, Stanislaus-Stockton Center offers upper division courses that earn full academic credit and lead to selected baccalaureate and master's degrees and credentials. Currently, courses are offered in:

- » Psychology
- » Sociology
- » Business
- » Public Administration
- » Criminal Justice (University Extended Education)
- » Social Science Degree Program (University Extended Education)

3

DISCUSSION AND ACTION ITEMS
BY STRATEGY CATEGORY**B. Business retention/ expansion program*****Statement of opportunity/need:***

Initiatives focused on retention/expansion of existing businesses are critical components of a well-balanced economic development program. In addition to being a cost-effective means of creating new jobs, business retention programs represent a powerful message about a community's commitment to business friendliness. This, in turn, creates an economic environment and related image that will allow for much greater success in the arena of new firm attraction. Whereas priority attention should be given to existing firms relevant to the seven core clusters, the indicated programs will also generally benefit (and should be fully accessible to) firms in other sectors as well.

ACTION ITEMS

B.1 Investigate and define City's role for supporting business development groups and processes within Stockton, including options such as activity tracking and other clearinghouse functions, business outreach, survey systems, etc.

B.2 Institute a proactive existing-business visitation program, prioritizing firms in identified core businesses, high revenue producers, and major employers.

B.3 Support public-private efforts to promote international trade, including agricultural exports, and foreign investment, leveraging existing federal and other programs where possible. This effort is currently being lead by the San Joaquin Partnership and the Port of Stockton. The consortium's initial/pilot program will be a forum/workshop on international trade for local manufacturing firms. The City will have the opportunity to sponsor this event. Based on the results of the initial forum, periodic follow-up programs will potentially be scheduled.

B.4 Promote public awareness, via social media, of career opportunities (and related training resources) in identified core businesses.

B.5 Coordinate with SBDC and Delta College to support small-business creation programs that expand business opportunities that are not necessarily within the core business groups targeted by this plan.

B.6 Incorporate existing CDBG programs into small-business development support strategies. (See Appendix A, page 27 for list of existing programs).



3

DISCUSSION AND ACTION ITEMS
BY STRATEGY CATEGORY**C. Business attraction*****Statement of opportunity/need:***

The City of Stockton conducts a portion of its business attraction activities via its membership in the San Joaquin Partnership (SJP). As the countywide economic development corporation, SJP has primary responsibility for generating business “leads” (i.e., for identifying firms in the targeted clusters that are candidates for attraction to San Joaquin County). The SJP is also responsible for managing the initial interface with identified candidate firms. At the appropriate stage in the recruitment process, SJP’s member cities are notified of a firm’s potential interest in locating in San Joaquin County and are given the opportunity to respond to the firm’s information requests regarding available sites, infrastructure issues, city-level incentives, etc.

The EDSP recommends that the City continue to utilize the SJP as its primary vehicle for business attraction. The recommended approach to business attraction focuses on enhancing the City’s ability to effectively respond to the leads generated by SJP’s marketing efforts. While one action item (C.3) relates to the potential for the City to engage in some direct lead-generation activities, it is intended that any such supplemental effort would complement (not compete with) the SJP’s countywide recruitment activities.

ACTION ITEMS

C.1 Align business attraction policies and practices with San Joaquin Partnership (SJP) and Port of Stockton marketing/business attraction activities,

San Joaquin Partnership

The San Joaquin Partnership is a private, non-profit economic development corporation serving all of San Joaquin County. The Partnership’s main focus is business attraction, retention, and expansion into and throughout San Joaquin County and its seven incorporated cities of Stockton, Lodi, Manteca, Lathrop, Tracy, Ripon, and Escalon. The Partnership’s services are available to large-scale office/industrial-space users, through direct client contact or site selection consultants, brokers, corporate real estate executives, and others as requested. (Adapted from <http://www.sanjoaquinusa.org/partners/about-sjp/>.)

including efforts to recruit firms from the Greater San Francisco Bay area.

C.2 Develop economic development brand specific to the City’s business attraction efforts (as distinct from the existing “Celebrate Stockton” brand which is oriented to consumers/visitors). The brand should articulate a compelling message about Stockton’s advantages as a business location; it should also proactively address image issues that are currently a hindrance to business attraction (including crime, the City’s bankruptcy, and local schools). This action item is not intended to involve a formal branding process, but intended to focus on developing a consistent message and selling points for attracting firms to Stockton.

C.3 Investigate options for supplementing (not competing with) the business lead generation process led by SJP, such as advertising in specific trade publications and social media.

C.4 Participate in key trade shows and site selector/real estate executive forums, coordinating with other development partners (e.g., SJP) to maximize return on such investments; actively participate in SJP “mission” and marketing events, consistent with City’s specific business attraction targets; establish process for evaluating the return on investment from trade show investments (while recognizing that effective participation in trade shows requires sustained efforts).

C.5 Incorporate foreign direct investment as a component of attraction policy. This action item is intended to be a coordination effort with existing, external programs (e.g., the Northern California World Trade Center and the EB-5 program administered by the California State Regional Center), allowing Stockton to get greater exposure with foreign investors and funding sources as part of the City’s comprehensive business attraction program.

C.6 Coordinate with education/workforce organizations to encourage customized services for employers targeted for recruitment.

3

DISCUSSION AND ACTION ITEMS
BY STRATEGY CATEGORY**D. Entrepreneurship/innovation program****Statement of opportunity/need:**

Active entrepreneurial development programs, including initiatives to expand access to capital for growing firms, are essential components of comprehensive employment growth and cluster-development efforts.

ACTION ITEMS

D.1 Serve as clearinghouse for entrepreneurial support programs and resources, making clear the distinctions between “small business” development and entrepreneurial support.

D.2 Coordinate entrepreneurship/innovation program activities with the Small Business Development Center (SBDC).

D.3 Identify and support areas/facilities that could serve as formal or de facto incubator(s), such as Cafe Coop and Huddle.

D.4 Serve as clearinghouse for existing funding sources available to support entrepreneurial startups, serving in a coordination role where appropriate to maximize strategic use of available funds. Examples of existing funding sources include Micro Loan, DSELF, RLF, etc.

D.5 Establish loan guarantee program with local banks; investigate opportunities to better leverage existing public sector loan programs.

D.6 For Downtown, establish geographically-focused entrepreneurial start-up funding assistance program (public/private partnership), potentially in concert with the San Joaquin Angels, for preferred business types (also in E.6 and F.6).

D.7 Coordinate policies and practices with SJP’s Greater Silicon Valley initiative.

E. Business/development incentives**Statement of opportunity/need:**

Incentives are critical factors in a city’s ability to effectively compete in the business attraction and entrepreneurial development arenas, and can also

be important components of business retention/expansion programs. Given the City of Stockton’s fiscal constraints, the recommended approach to business/development incentives is intended to maximize the use of non-monetary incentives and, where possible, to utilize non-City funding sources for financial incentives. The overall effectiveness of this approach to incentives will require that the City function in a “clearinghouse” capacity whereby City staff can define customized “packages” of available City and non-City incentives applicable to the needs of a particular firm/project.

ACTION ITEMS

E.1 Define guiding principles for a comprehensive incentive policy for the City. The guiding principles should clarify and communicate conceptual basis for incentives, monetary and non-monetary forms of incentives, relative benefits and costs, etc., as point of reference for both structuring incentives and communicating their purposes, value, etc. The process of developing an incentive policy for the City will necessarily reflect the City’s fiscal constraints and incorporate appropriate input from City decision-makers.

E.2 Identify financial resources/funding mechanisms to support an incentive program.

E.3 Investigate applicability of including “low cost” incentives such as density/parking bonuses, fee structure reductions/waivers for desired business/residential uses, and “in progress” permitting to reduce development time.

E.4 Create prototypes of business types for which incentives are available, applicable to existing as well as new businesses.

E.5 Evaluate specific projects (on a case-by-case basis) that might not fit prototypes, for potential application of incentives.

E.6 For Downtown, establish geographically-focused entrepreneurial start-up funding assistance program (public/private partnership), potentially in concert with the San Joaquin Angels, for preferred business types, such as CDBG funds and Federal/State/Local grants (also in D.6 and F.6).

3

DISCUSSION AND ACTION ITEMS
BY STRATEGY CATEGORY

QUALITY OF LIFE INITIATIVES

F. Downtown revitalization program

Statement of opportunity/need:

Stockton's downtown and the adjacent waterfront area have the potential to be the City's most strategic assets for creating a unique identity and sense of place, effectively positioning Stockton both as a visitor destination and a vibrant, ethnically-diverse business location. A 2012 Urban Land Institute (ULI) study, commissioned by the City, provides a detailed set of recommendations for revitalizing the downtown. While some progress has been made in implementing the ULI recommendations, challenging socioeconomic conditions and concerns about public safety continue to be significant barriers to creating a downtown environment that Stockton businesses, residents, and visitors can enjoy 24/7. Stakeholders involved in the EDSP process generally agree that an aggressive sustained effort aimed at attracting private reinvestment in the downtown area is needed, and that this effort is a high priority not only for improving the functionality of the immediate downtown area, but also for elevating Stockton's overall profile as a desirable business location. Given the vision for a downtown that is a functional, safe, 24-hour neighborhood, the downtown revitalization program should include a focus on appropriate housing types for this environment.

ACTION ITEMS

F.1 Conduct a meeting with members of the development community and property owners to refine implementation strategy for Urban Land Institute (ULI) recommendations; identify key properties and target desired land uses / business types.

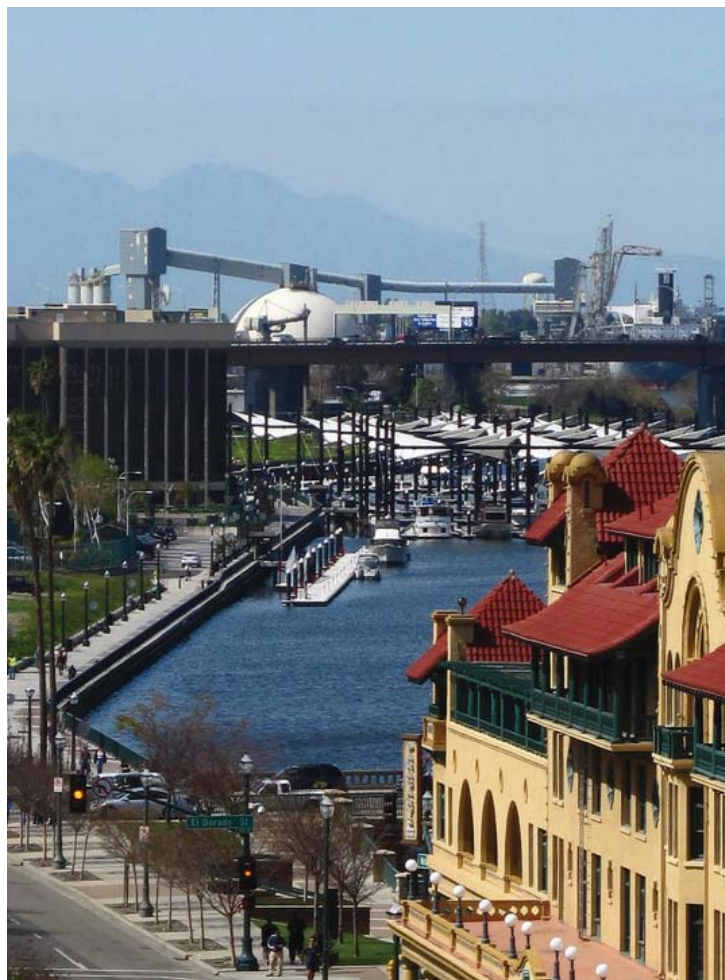
F.2 Market publicly-owned opportunity sites in downtown/waterfront areas and attempt to preserve key properties for preferred business types.

F.3 Incentivize housing in Downtown via focused application of relevant incentives from Strategy E (e.g., parking incentives).

F.4 Continue to focus grant applications (for infrastructure, etc.) on downtown area, based on the following thematic priorities: walkability, livable community, and sustainability.

F.5 Promote/prioritize downtown as a destination for special events (at City-owned and other venues), potentially offering a favorable fee schedule for City-owned downtown facilities (compared to City-owned facilities in other parts of Stockton), ease of permitting, and user-friendly insurance requirements.

F.6 For Downtown, establish geographically-focused entrepreneurial start-up funding assistance program (public/private partnership), potentially in concert with the San Joaquin Angels, for preferred business types (also in D.6 and E.6)



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DISCUSSION AND ACTION ITEMS
BY STRATEGY CATEGORY**G. Neighborhood revitalization program****Statement of opportunity/need:**

In addition to the downtown, other Stockton neighborhoods and commercial corridors are in need of continued revitalization. The City has also applied for Promise Zone designation by the Federal Government that, if granted, will provide grant preferences and access to resources to help implement community revitalization. The recommended neighborhood revitalization program focuses on utilizing existing City resources (e.g., publicly-owned development sites) and implementing aggressive policy tools to incentivize private reinvestment in these areas. The intent of these action items is to streamline the development entitlement process (in terms of both time and cost) to give the targeted areas a competitive advantage in attracting private development. As part of an overall effort to improve neighborhood functionality in these areas, the neighborhood revitalization initiative includes a retail attraction program for underserved areas of the City.

ACTION ITEMS

G.1 Prioritize revitalization of neighborhoods/sub-areas (based on analysis identifying the areas where City investment would achieve the most leverage); facilitate “shovel-ready” development via pre-entitlement, program EIR’s, etc. for key revitalization areas (see also K.3).

G.2 Implement retail tenant recruitment program, focusing on underserved areas of Stockton.

G.3 Market publicly-owned opportunity sites in neighborhood areas and attempt to preserve key properties for preferred business types.

G.4 Facilitate neighborhood-level formation and use of Property Based Improvement Districts (PBID’s) or Business Improvement Districts (BID’s).

G.5 Use Lien Forgiveness Incentive Program (Residential and Commercial) as appropriate to reduce barriers to revitalization.

G.6 Align Federal housing funds and Consolidated Plan with Economic Development Strategic Plan.

H. Focused image and arts/culture programs**Statement of opportunity/need:**

Within the past decade arts and cultural initiatives have increasingly been recognized as integral parts of comprehensive economic development programs. A lifestyle-based approach to economic development reflects the reality that amenity-rich areas tend to be much more successful in developing and retaining the quality workforce needed to support the types of firms typically targeted for recruitment or entrepreneurial development.

In Stockton’s case, there is “disconnect” between its amenities (which are actually quite diverse) and outsider perceptions about the desirability of the community as a place to live and recreate. The existing array of cultural venues, events, and supporting organizations in Stockton provides a tremendous launching point for an image-enhancement campaign supporting tourism, economic development, and overall community livability. The most urgent need at this time is to increase public awareness of Stockton’s cultural richness through greater coordination among the various entities that support these activities locally, while continuing to improve the amenity base as a high-priority focus of the City’s overall economic development vision.

ACTION ITEMS

H.1 Build brand awareness through enhancement of arts, sports, and cultural activities with social media and other marketing efforts.

H.2 Convene “Arts, Culture, and Leisure” taskforce to jointly promote major arts, sports, cultural events and facilities (and develop coordinated calendar/schedule of events); taskforce should have broad representation of executive-level leaders/stakeholders.

H.3 Implement public relations effort focused on image enhancement.

H.4 Coordinate with Visit Stockton (convention and visitors bureau) to identify role of City in efforts to make Stockton a destination: attract new business, remove barriers, support cultural organizations, etc.

H.5 Promote expanded use of existing City venues in waterfront area (potentially a coordination role managed by a single City staff person); promote expansion of commercial services available near venues.

H.6 Target attraction of expanded range of regional/destination-oriented retail/restaurant development.

3

DISCUSSION AND ACTION ITEMS
BY STRATEGY CATEGORY

FOUNDATIONAL INITIATIVES

I. Public safety interface

Statement of opportunity/need:

Stockton's reputation as a high-crime area represents a substantial detriment to economic development progress. Public safety is a fundamental expectation of residents, workers, and business owners. In the absence of a clear, proactive message that "Stockton is a safe place" to live, work, and operate a business, concerns about violent crimes are likely to continue to significantly undermine economic development marketing efforts and be "deal killers" in the business recruitment process.

Appropriately, the City is aggressively addressing this urgent issue through its Marshall Plan on crime. Despite the City's well-known fiscal challenges, voter-approved funding has been implemented to markedly increase police protection in the City. This will be a sustained effort and needs the ongoing support of all City stakeholders. While police protection is naturally outside the purview of the City's Economic Development Department, it is

definitely within the necessary scope of economic development programming to coordinate with the Police Department in order to ensure long-haul community focus on this pivotal issue and to continuously report on progress in crime reduction as part of the City's economic development messaging. Until measurable headway is made in reducing crime and in mitigating related image issues, the City's realistic potentials for economic development success are likely to be significantly hindered.

ACTION ITEMS

- I.1** Support implementation of Marshall Plan to ensure alignment with economic development goals.
- I.2** Develop short brochure/handout summarizing progress made on crime reduction and explaining relationship to Stockton's economic development opportunities.
- I.3** Highlight City's ongoing progress in reducing crime levels in marketing/public relations efforts; include "Marshall Plan" progress as a regular feature in City's economic development newsletter.



Marshall Plan

The Marshall Plan is a systems-based approach to crime reduction that uses proven violence-reduction strategies based on data from within the community, as well as information on best practices to address and prevent crime. It is a collaboration between the City of Stockton, the criminal justice system, faith-based and nonprofit organizations, and businesses and neighborhoods. The intent of the program is to target high-risk persons, places, and situations through a series of sustained programs that address these problems comprehensively. (City of Stockton website)

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DISCUSSION AND ACTION ITEMS
BY STRATEGY CATEGORY**J. Streamlined City
permitting/licensing/regulations****Statement of opportunity/need:**

This strategy is intended to improve Stockton's competitiveness and send a clear message to the development and entrepreneurial communities that "Stockton is ready for business." This group of action items addresses several levels of business friendliness:

- » Streamlined entitlement and permit processing for new development projects;
- » User-friendly policies and practices for permitting of new businesses.

The recommended action items will involve close coordination between the City's Economic Development and Community Development departments, ensuring that Community Development staff (who are often the City's first point of contact with private development projects) are fully knowledgeable about available Economic Development programs and incentives.

ACTION ITEMS

J.1 Work with the Development Community to identify any specific "business friendliness" issues needing attention.

J.2 Review City policies on expedited project reviews, abatement of impact fees, timing of when fees are determined/assessed (relative to developer's implementation cycles), and setting different/preferential fees for revitalization areas.

J.3 Develop (and make easy to find) user-friendly checklist of business licensing requirements for new businesses; facilitate by having licensing staff in Community Development.

J.4 Develop (and make easy to find) user-friendly checklist of permitting requirements for new businesses/developments.

J.5 Implement "one-stop" permitting/licensing counter, including incentive program information; consider the concept of a Welcoming Committee as an extension of the "one-stop" service.

J.6 Develop on-line tools/resources for permitting and other development-related functions.

J.7 Highlight City's business-friendly policies/programs in marketing efforts.

**K. Development capacity / site
readiness program****Statement of opportunity/need:**

This strategy seeks to minimize the City discretionary decisions/actions that are necessary to develop targeted opportunity sites, while still maintaining appropriate development and environmental standards. These recommended policies, aimed at reducing the timeframes and costs of development, are intended to maximize Stockton's competitiveness.

ACTION ITEMS

K.1 Coordinate with Advantage Stockton property database to include publicly-owned opportunity sites (including properties owned by City, Successor Agency, and Port).

K.2 Review land use designations in proposed General Plan revision and modify as necessary to provide sufficient zoning capacity, location options, etc. to accommodate commercial and industrial market demand.

K.3 Explore pre-entitlement options (specific plans, programmatic EIR's, etc.) and other policies to create "shovel ready" development sites.

Stockton Port

The Port of Stockton is now the second busiest inland Port on the Western Coast of the United States, handling approximately three million metric tons of cargo per year. Located in Foreign Trade Zone #231, close to Interstates 5 and 80 and serviced by the BNSF and UP railroads, the Port is an international 35-foot deep-water port with more than 2,000 acres for import/export cargoes such as containers, steel, wind energy, roll-on/roll-off and projects, as well as warehousing, refrigeration, cold storage, and distribution centers. (Port of Stockton, 2013 Annual Report, and www.portofstockton.com)

3

DISCUSSION AND ACTION ITEMS
BY STRATEGY CATEGORY**L. Infrastructure interface*****Statement of opportunity/need:***

Implementation of the EDSP will ultimately affect land use and development patterns in targeted areas of the City. A number of the EDSP strategies reflect this interface with land use issues (e.g., downtown revitalization, neighborhood revitalization, creation of shovel-ready development sites, alignment with the General Plan, etc.). As part of a comprehensive effort to ensure development readiness/friendliness of the targeted areas, it will be essential to ensure that infrastructure capacity is appropriately matched to the anticipated land uses. In addition to the infrastructure needs identified through the interface with land use issues, the “core business” outreach process described under Strategy A will enable the City to better understand industry-specific infrastructure requirements and concerns.

The intent of infrastructure interface strategy is to provide an ongoing information flow between economic development staff and the various entities responsible for infrastructure development, ensuring that infrastructure issues affecting economic development are appropriately addressed and prioritized in facility planning and funding decisions.

ACTION ITEMS

L.1 Align proposed General Plan revision with Economic Development Strategic Plan; recognize coordinating role of ED Strategic Plan in relevant aspects of General Plan implementation.

L.2 Align annual C.I.P. process with Economic Development Strategic Plan to ensure that prioritization of planned infrastructure is consistent with ED priorities.

L.3 Establish relationship-building coordinating practices with Port of Stockton to ensure alignment of economic development initiatives, including international trade, and priorities, and infrastructure investments.

L.4 Coordinate with Stockton Metropolitan Airport to ensure alignment of infrastructure investments with economic development priorities. Future Airport improvement plans should encourage cargo-transport capabilities.



APPENDIX A

Action Item Matrix

Table A-1 (below) shows the Action Items by initiative and initiative group, and includes a list of associated Key Partners and Applicable Programs, where relevant. The table can be extracted as a stand-alone summary document for the EDSP.

TABLE A-1. LIST OF ACTION ITEMS BY STRATEGY/INITIATIVE		
CORE ECONOMIC DEVELOPMENT		
A. Core Business Outreach/Networking Program		
A.1	Conduct "cluster mapping" process to identify existing firms, infrastructure and institutional assets relevant to identified core businesses (building on existing resources/databases)	
KEY PARTNERS		
<ul style="list-style-type: none">San Joaquin Partnership (SJP)University of the Pacific (UOP)Port of StocktonSan Joaquin County WorkNet		
APPLICABLE PROGRAMS		
<ul style="list-style-type: none">SJP employer databaseCity's Business License databaseUOP Business Forecasting Center's (GIS mapping of industry clusters)San Joaquin Valley Agricultural Manufacturing Investment Strategy and Sustainability Plan (currently being prepared under IMCP¹ grant)Executive Pulse systemAdvantage Stockton Mapping Appl.		
A.2	Facilitate and/or lead "network organizing" meetings for core businesses, based on potential participants identified during cluster mapping process. The purposes of these meetings would be to facilitate a roundtable discussion about potential networking opportunities within the core business clusters and to identify specific activities the City (and partners) could pursue in order to strengthen local cluster networks.	
KEY PARTNERS		
<ul style="list-style-type: none">Chambers of CommerceSJPSan Joaquin County WorkNet		
APPLICABLE PROGRAMS		
<ul style="list-style-type: none">Manufacturers Industrial Distribution Roundtable (MIDR)Green Team San JoaquinSan Joaquin Valley Agricultural Manufacturing Investment Strategy and Sustainability Plan		
A.3	Promote cluster-oriented, local supplier relationships (potentially through a web-based business networking platform)	
KEY PARTNERS		
<ul style="list-style-type: none">SJPChambers of Commerce		
APPLICABLE PROGRAMS		
<ul style="list-style-type: none">Stockton Chamber of Commerce's Buy Local Now		

¹ Investing in Manufacturing Communities Partnership (IMCP) grant from the U.S. Department of Commerce.

APPENDIX A

A.4	Participate in key industry/trade associations relevant to core businesses (where appropriate, leverage partnerships to extend reach of City's exposure at events, trade shows, etc.). City should initially focus on associations for site selection/facilities/real estate executives; this activity may evolve over time to include City's participation in trade associations for specific industries (either directly or through partner organizations)		
KEY PARTNERS			
• SJP		• Central Valley Partnership	• Team California
APPLICABLE PROGRAMS		• Various existing associations and trade shows attended by partner organizations	
A.5	Establish City-facilitated group of executive-level representatives of Stockton's higher education institutions. The purposes of this group, which will meet quarterly, will be to "map" higher education resources relevant to business development and to formalize ways in which the institutions can serve as resources for economic development (e.g. offering institutional expertise on specific strategic priorities/issues identified in this plan)		
KEY PARTNERS			
• UOP • Delta College		• California Partnership for the San Joaquin Valley (CPSJV), Higher Education & Workforce Development work group	• CSU Stanislaus
APPLICABLE PROGRAMS		• California Community Colleges economic development program ("Doing What Matters") and associated Sector Navigator and Deputy Sector Navigator personnel	• Resources identified in the forthcoming IMCP strategic plan (regional)
A.6	"Map" K-12 and higher education resources relevant to business development; coordinate with education/workforce development organizations to ensure maximum alignment with City's business development programs. The intent of this action item is for the City to inventory existing programs and become a clearinghouse for information about educational resources relevant to economic development. Through this coordination role, the City will support improvements to K-12 education responsive to the workforce needs of local employers.		
KEY PARTNERS			
• San Joaquin County WorkNet • SJ County Office of Education		• California Partnership for the San Joaquin Valley (CPSJV), Higher Education & Workforce Development Work Group	• Community Partnership for Families • School Districts • Charter/Private Schools
APPLICABLE PROGRAMS		• SJ County Office of Education, Career Path Development program	• "Hire Me First" program (currently in the City of Tracy, now being implemented in Stockton by Chamber and SJC WorkNet)
A.7	Establish system for facilitating interaction/information flow between key business stakeholders and education/workforce system		
KEY PARTNERS			
• SJP • San Joaquin County WorkNet		• San Joaquin Business Council • MIDR	
APPLICABLE PROGRAMS		• Business Team San Joaquin (business retention committee facilitated by San Joaquin County's Employment and Economic Development Department)	• Workforce Investment Board Business Development Committee • Existing internship & work experience programs (UOP, Delta College, CSU Stanislaus, SJC WorkNet, Chambers, trade unions)

APPENDIX A

B. Business Retention/Expansion Program		
B.1	Investigate and define City role for supporting business development groups and processes within Stockton, including options such as identifying gaps in issue coverage, activity tracking and other clearinghouse functions, business outreach, survey systems, etc.	
KEY PARTNERS	<ul style="list-style-type: none"> San Joaquin County WorkNet Chambers SBDC 	
APPLICABLE PROGRAMS		
B.2	Institute a proactive existing-business visitation program, prioritizing firms in identified core businesses and major employers.	
KEY PARTNERS	<ul style="list-style-type: none"> San Joaquin County WorkNet Chambers of Commerce 	
APPLICABLE PROGRAMS	<ul style="list-style-type: none"> Executive Pulse 	
B.3	Support public-private efforts to promote international trade, including agricultural exports, and foreign investment, leveraging existing federal and other programs where possible	
KEY PARTNERS	<ul style="list-style-type: none"> Port of Stockton SBDC Stockton Metro Airport MIDR 	
APPLICABLE PROGRAMS	<ul style="list-style-type: none"> SJP is considering establishing an international trade forum, in collaboration with the Port of Stockton; City should support and participate in the SJP/Port forum rather than have a direct/stand-alone role in promoting international trade Foreign Trade Zone 	
B.4	Promote public awareness of career opportunities (and related training resources) in identified core businesses	
KEY PARTNERS	<ul style="list-style-type: none"> San Joaquin County WorkNet SJ County Office of Education School districts Charter/Private schools 	
APPLICABLE PROGRAMS	<ul style="list-style-type: none"> SCAP— Stockton Chamber Apprenticeship Program BEA – Stockton Chamber Business Education Alliance SJC WorkNet’s Occupational Classroom Training Program CA Dept. of Industrial Relations – Division of Apprenticeship Standards 	
B.5	Coordinate with SBDC, Delta College, to support small-business creation programs that expand business opportunities that are not necessarily within the core business groups targeted by this plan	
KEY PARTNERS	<ul style="list-style-type: none"> Delta College SBDC Chambers of Commerce 	
APPLICABLE PROGRAMS	<ul style="list-style-type: none"> SBDC programs (including one-on-one consulting, trouble shooting, expansion assessment, business planning, marketing plans, financial management, financing assistance, Mystery Shopper program, government procurement, international trade, Women Entrepreneurs, Restore Stockton project) Small Business Micro Loan Program (City) Local Business Preference ordinance (City) 	
B.6	Incorporate existing CDBG programs into small-business development support strategies	
KEY PARTNERS	<ul style="list-style-type: none"> SBDC Downtown Stockton Alliance (DSA) Miracle Mile Improvement District Chambers 	
APPLICABLE PROGRAMS	<ul style="list-style-type: none"> CDBG programs (administered by City, such as Commercial Façade, Micro Loan, DFIP, and Emergency Grant programs) San Joaquin County Economic Development Center and Revolving Loan Fund 	

APPENDIX A

C. Business Attraction		
C.1	Align business attraction policies and practices with San Joaquin Partnership (SJP) and Port of Stockton marketing/business attraction activities, including efforts to recruit firms from the Greater San Francisco Bay area	
KEY PARTNERS		<ul style="list-style-type: none">SJPPort of Stockton
APPLICABLE PROGRAMS		
C.2	Develop economic development brand specific to the City's business attraction efforts (as distinct from the existing "Celebrate Stockton" brand which is oriented to consumers/visitors). The brand should articulate a compelling message about Stockton's advantages as a business location; it should also proactively address image issues that are currently a hindrance to business attraction (including crime, the City's bankruptcy, and local schools). This action item is not intended to involve a formal branding process, but intended to focus developing a consistent message and selling points for attracting firms to Stockton	
KEY PARTNERS		<ul style="list-style-type: none">University of the Pacific (UOP)San Joaquin Partnership (SJP)Port of Stockton
APPLICABLE PROGRAMS		
C.3	Investigate options for supplementing (not competing with) the business lead generation process led by SJP	
KEY PARTNERS		<ul style="list-style-type: none">SJP
APPLICABLE PROGRAMS		
C.4	Participate in key trade shows and site selector/real estate executive forums, coordinating with other development partners (e.g., SJP) to maximize return on such investments; actively participate in SJP "mission" and marketing events, consistent with City's specific business attraction targets; establish process for evaluating the return on investment from trade show investments (while recognizing that effective participation in trade shows requires sustained efforts)	
KEY PARTNERS		<ul style="list-style-type: none">SJPCentral Valley PartnershipPort of StocktonTeam California
APPLICABLE PROGRAMS		<ul style="list-style-type: none">Various existing associations and trade shows attended by partner organizations
C.5	Incorporate foreign direct investment as a component of attraction and expansion policy	
KEY PARTNERS		<ul style="list-style-type: none">Port of StocktonSJP
APPLICABLE PROGRAMS		<ul style="list-style-type: none">EB-5 programNorthern California World Trade Center (existing resource, could become an active partner if Stockton became a member)
C.6	Coordinate with education/workforce organizations to encourage customized services for employers targeted for recruitment	
KEY PARTNERS		<ul style="list-style-type: none">San Joaquin County WorkNetStockton Chamber of CommerceDelta CollegeSchool districts
APPLICABLE PROGRAMS		<ul style="list-style-type: none">Example/model program: Delta College's Psych Tech program (implemented for prison hospital)Stockton Chamber Apprenticeship Program (SCAP)SJC WorkNet's OJT ProgramAB 109 ProgramSJC WorkNet's Occupational Driven Training

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D. Entrepreneurship/innovation program		
D.1	Serve as clearinghouse for entrepreneurial support programs and resources, making explicit the distinctions between "small business" development and entrepreneurial support	
KEY PARTNERS	<ul style="list-style-type: none"> • UOP • Huddle • Café Coop 	<ul style="list-style-type: none"> • Downtown Stockton Alliance • San Joaquin Angels • Delta College, SBDC • Chambers
APPLICABLE PROGRAMS	<ul style="list-style-type: none"> • Sector Navigator/Deputy Sector Navigator personnel (California Community Colleges) 	<ul style="list-style-type: none"> • I-Hub
D.2	Coordinate entrepreneurship/	
KEY PARTNERS	<ul style="list-style-type: none"> • Delta College 	<ul style="list-style-type: none"> • SBDC
APPLICABLE PROGRAMS	<ul style="list-style-type: none"> • SBDC 	<ul style="list-style-type: none"> • Entrepreneur Challenge
D.3	Identify and support areas/facilities that could serve as formal or de facto incubator(s)	
KEY PARTNERS	<ul style="list-style-type: none"> • Huddle • Café Coop 	<ul style="list-style-type: none"> • Downtown Stockton Alliance • SBDC
APPLICABLE PROGRAMS	<ul style="list-style-type: none"> • Huddle co-working office • DSA Technology Incubator 	<ul style="list-style-type: none"> • Café Coop co-working office
D.4	Serve as clearinghouse for existing funding sources available to support entrepreneurial startups, serving in a coordination role where appropriate to maximize strategic use of available funds	
KEY PARTNERS	<ul style="list-style-type: none"> • San Joaquin Angels 	<ul style="list-style-type: none"> • Central Valley Fund • SBDC
APPLICABLE PROGRAMS	<ul style="list-style-type: none"> • Small Business Innovation Research (SBIR) program (federal grant) • Small Business Technology Transfer (STTT) program (federal grant) • San Joaquin Angels (investigate potential for expanding locally-based angel and venture capital funds, in cooperation with SJP) 	<ul style="list-style-type: none"> • EB-5 program • Community development/reinvestment funding programs of local banks • CDBG programs/funds • Federal/State grants
D.5	Establish loan guarantee program with local banks; investigate opportunities to better leverage existing public sector loan programs	
KEY PARTNERS	<ul style="list-style-type: none"> • Local financial institutions • San Joaquin County 	<ul style="list-style-type: none"> • Small Business Administration (SBA) • California Infrastructure and Economic Development Bank (IBank)
APPLICABLE PROGRAMS	<ul style="list-style-type: none"> • SJC Revolving Loan Fund • SBA Grow America Fund 	<ul style="list-style-type: none"> • SBA 504 Loan Program • Statewide Community Infrastructure Program (SCIP)
D.6	For Downtown, establish geographically-focused entrepreneurial start-up funding assistance program (public/private partnership), potentially in concert with the San Joaquin Angels, for preferred business types (also in E.6 and F.6)	
KEY PARTNERS	<ul style="list-style-type: none"> • San Joaquin Angels • Downtown Stockton Alliance 	
APPLICABLE PROGRAMS	<ul style="list-style-type: none"> • Downtown Stockton Enterprise Loan Fund (DSELF) 	<ul style="list-style-type: none"> • Small Business Micro Loan/CDBG • Federal/State grants
D.7	Coordinate policies and practices with SJP's Greater Silicon Valley initiative	
KEY PARTNERS	<ul style="list-style-type: none"> • SJP 	
APPLICABLE PROGRAMS	<ul style="list-style-type: none"> • Greater Silicon Valley initiative (including Silicon Valley TiE) 	<ul style="list-style-type: none"> • I-Hub

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E. Business/Development Incentives		
E.1	Define guiding principles for a comprehensive incentive policy for the City. The guiding principles should clarify and communicate conceptual basis for incentives, monetary and non-monetary forms of incentives, relative benefits and costs, etc., as point of reference for both structuring incentives and communicating their purposes, value, etc.	
KEY PARTNERS		
APPLICABLE PROGRAMS		
E.2	Identify financial resources/funding mechanisms to support incentive program	
KEY PARTNERS		
APPLICABLE PROGRAMS		
<ul style="list-style-type: none">• Use Tax Rebate Program• Office & Industrial Sales Tax Incentive Program• PG&E Enhanced Economic Development Incentive Rate• Property Assess Clean Energy (PACE) Programs• Statewide Community Infrastructure Program (SCIP)• Go-Biz Incentives / California Competes• New Employment Credit (NEC)• Other programs described in State’s incentive booklet• Manufacturing and Research & Development Equipment Exemption (State sales and use tax exemption for equipment purchases)• Recycling Market Development Zone (RMDZ)• Development impact fees (could potentially be augmented to include a specific fee to support relevant economic development activities)• Employment Training Panel (ETP)• Federal/State grants		
E.3	Investigate applicability of including "low cost" incentives such as density/parking bonuses, fee structure reductions/waivers for desired business/residential uses, and “in progress” permitting to reduce development time	
KEY PARTNERS		
<ul style="list-style-type: none">• Community Development Department		
APPLICABLE PROGRAMS		
<ul style="list-style-type: none">• ULI recommendations²• Local Business Preference ordinance• Temporary Public Facilities Fee (PFF) Reduction Program• Nonresidential Fee Deferral Program• Downtown Financial Incentive Program (waives certain fees)• Commercial Facade Improvement Grant Program		
E.4	Create prototypes of business types for which incentives are available, applicable to existing as well as new businesses	
KEY PARTNERS		
<ul style="list-style-type: none">• Community Development Department		
APPLICABLE PROGRAMS		
E.5	Evaluate specific projects (on a case-by-case basis) that might not fit prototypes, for potential application of incentives	
KEY PARTNERS		
APPLICABLE PROGRAMS		
E.6	For Downtown, establish geographically-focused entrepreneurial start-up funding assistance program (public/private partnership), potentially in concert with the San Joaquin Angels, for preferred business types (also in D.6 and F.6)	
KEY PARTNERS		
<ul style="list-style-type: none">• San Joaquin Angels• Downtown Stockton Alliance		
APPLICABLE PROGRAMS		
<ul style="list-style-type: none">• Downtown Stockton Enterprise Loan Fund (DSELF)• Small Business Micro Loan/CDBG		

² 2012 Urban Land Institute (ULI) Panel for Downtown Stockton.

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QUALITY OF LIFE INITIATIVES		
F. Downtown Revitalization Program		
F.1	Conduct meeting with property owners and members of development community to refine implementation strategy for Urban Land Institute (ULI) recommendations; identify key properties and target desired land uses / business types	
KEY PARTNERS		<ul style="list-style-type: none">Downtown Stockton Alliance (and other downtown non-profits)Downtown developersBuilding Industry AssociationFinancing entitiesDowntown property ownersSan Joaquin County (leverage presence of downtown administration building)Stockton Police Department
APPLICABLE PROGRAMS		<ul style="list-style-type: none">See ULI Report dated February 2012 for list of recommendationsGeneral Plan
F.2	Market publicly-owned opportunity sites in downtown/waterfront areas and attempt to preserve key properties for preferred business types	
KEY PARTNERS		<ul style="list-style-type: none">Port of StocktonDowntown Stockton AllianceRedevelopment Successor AgencyPrivate property ownersCultural Heritage Board
APPLICABLE PROGRAMS		
F.3	Incentivize housing in Downtown via focused application of relevant incentives from Strategy E (e.g., parking incentives)	
KEY PARTNERS		<ul style="list-style-type: none">Community Development DepartmentDevelopment community
APPLICABLE PROGRAMS		
F.4	Continue to focus grant applications (for infrastructure, etc.) on downtown area, based on the following thematic priorities: walkability, livable community, sustainability	
KEY PARTNERS		<ul style="list-style-type: none">Public Works DepartmentDowntown Stockton AllianceSJRRRC / RTD (funding and available development sites)
APPLICABLE PROGRAMS		
F.5	Promote/prioritize downtown as a destination for special events (at City-owned and other venues), potentially offering a favorable fee schedule for City-owned downtown facilities (compared to City-owned facilities in other parts of Stockton), ease of permitting, and user-friendly insurance requirements	
KEY PARTNERS		<ul style="list-style-type: none">Downtown Stockton AllianceSMGVisit Stockton (convention & visitors bureau)Community Services DepartmentStockton Marina-WestrecStockton public media organizations
APPLICABLE PROGRAMS		<ul style="list-style-type: none">Entertainment and Assessment Districts
F.6	For Downtown, establish geographically-focused entrepreneurial start-up funding assistance program (public/private partnership), potentially in concert with the San Joaquin Angels, for preferred business types (also in D.6 and E.6)	
KEY PARTNERS		<ul style="list-style-type: none">Downtown Stockton AllianceLocal financial institutionsUOPSan Joaquin Angels
APPLICABLE PROGRAMS		<ul style="list-style-type: none">Downtown Stockton Enterprise Loan Fund (DSELF)Small Business Micro Loan/CDBGPG&E ED Grant

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G. Neighborhood Revitalization Program		
G.1	Prioritize revitalization of neighborhoods/sub-areas based on analysis leveraging the impact; facilitate "shovel-ready" development via pre-entitlement, program EIR's, etc. for key revitalization areas (see also K.4). Re-consider issue of unincorporated County pockets	
KEY PARTNERS <ul style="list-style-type: none">Community Development Department		
<ul style="list-style-type: none">Public Works DepartmentRedevelopment Successor AgencyInfill developersCounty (County pockets)		
APPLICABLE PROGRAMS <ul style="list-style-type: none">Database of completed EIR's with summary of potential projects (needs to be mapped)		
G.2	Implement retail tenant recruitment program, focusing on underserved areas of Stockton	
KEY PARTNERS <ul style="list-style-type: none">Chambers of CommercePBID (existing and/or new)Public Works DepartmentRedevelopment Successor AgencyPrivate property ownersInfill/mixed-use developersNeighborhood/business groups		
APPLICABLE PROGRAMS		
G.3	Market publicly-owned opportunity sites in neighborhood areas and attempt to preserve key properties for preferred business types	
KEY PARTNERS <ul style="list-style-type: none">Redevelopment Successor Agency		
APPLICABLE PROGRAMS		
G.4	Facilitate neighborhood-level formation and use of Property Based Improvement Districts (PBID's) or Business Improvement Districts (BID's)	
KEY PARTNERS <ul style="list-style-type: none">Private property and business owners		
APPLICABLE PROGRAMS <ul style="list-style-type: none">Entertainment and Assessment Districts		
G.5	Develop Lien Forgiveness Incentive Program for residential as appropriate to reduce barriers to revitalization	
KEY PARTNERS <ul style="list-style-type: none">Community Development DepartmentNeighborhood Services Division – Police Department		
APPLICABLE PROGRAMS <ul style="list-style-type: none">Lien Forgiveness Incentive ProgramEmergency Grant Program (to fix serious code violations)		
G.6	Align Federal housing funds and Consolidated Plan with EDSP	
KEY PARTNERS <ul style="list-style-type: none">Community Development Committee (CDC)Infill DevelopersHousing DevelopersHUDDSASBDC		
APPLICABLE PROGRAMS <ul style="list-style-type: none">Emergency Rehab & Commercial Loan ProgramsDAP		

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H. Focused Image and Arts/Culture Programs	
H.1	Build brand awareness through enhancement of arts, sports and cultural activities with social media and other marketing efforts
KEY PARTNERS	<ul style="list-style-type: none"> • SMG/Stockton Thunder • Stockton Marina-Westrec • Downtown Stockton Alliance • Stockton Ballpark/Ports • Stockton Arts Commission (and smaller arts groups) • Delta College • UOP • Visit Stockton
APPLICABLE PROGRAMS	
H.2	Convene "Arts, Culture and Leisure" Taskforce to jointly promote major arts, sports and cultural events and facilities (and develop coordinated calendar/schedule of events); taskforce should have broad representation of executive-level leaders/stakeholders
KEY PARTNERS	<ul style="list-style-type: none"> • Community Services Department • Visit Stockton • Representatives of key arts groups (e.g., museum, civic theater, symphony, art league, UOP, CSU Stanislaus, Delta College, etc.)
APPLICABLE PROGRAMS	<ul style="list-style-type: none"> • Potential collaboration with Visit Stockton and City Arts Commission (new taskforce should have broader focus/representation than existing Commission)
H.3	Implement public relations effort focused on image enhancement
KEY PARTNERS	<ul style="list-style-type: none"> • Business Council • Chambers of Commerce • Image Commission (needs to be reactivated) • Reinvent Stockton • Stockton public media organizations • Stockton Forward
APPLICABLE PROGRAMS	
H.4	Coordinate with Stockton Visit Stockton to identify role of City in efforts to make Stockton a destination: attract new business, remove barriers, support cultural organizations, etc.
KEY PARTNERS	<ul style="list-style-type: none"> • Visit Stockton
APPLICABLE PROGRAMS	
H.5	Promote expanded use of existing City venues in waterfront area (potentially a coordination role managed by a single City person on City staff); promote expansion of commercial services available near venues
KEY PARTNERS	<ul style="list-style-type: none"> • Visit Stockton • Downtown Stockton Alliance • SMG • Stockton Marina-Westrec • Community Services • Stockton Ballpark/Ports
APPLICABLE PROGRAMS	
H.6	Target attraction of expanded range of regional/destination-oriented retail/restaurant development
KEY PARTNERS	<ul style="list-style-type: none"> • Visit Stockton
APPLICABLE PROGRAMS	

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FOUNDATIONAL INITIATIVES		
I. Public Safety Interface		
I.1	Support implementation of Marshall Plan to ensure alignment with economic development goals	
KEY PARTNERS	<ul style="list-style-type: none">Stockton Police DepartmentOVP/Peacekeepers Office of Violence Prevention (OVP) and Peacekeepers Program (part of Marshall Plan)	<ul style="list-style-type: none">Could have broad coalition (faith-based organizations, non-profits, neighborhood groups, neighborhood leaders, business organizations, individual businesses and property owners and building tenants)
APPLICABLE PROGRAMS	<ul style="list-style-type: none">AB 109	
I.2	Develop short brochure/handout summarizing strategy on crime reduction and explaining relationship to Stockton’s economic development opportunities	
KEY PARTNERS	<ul style="list-style-type: none">Stockton Police Department	
APPLICABLE PROGRAM		
I.3	Highlight City’s ongoing progress in reducing crime levels in marketing/public relations efforts; include “Marshall Plan progress” as a regular feature in city’s economic development newsletter	
KEY PARTNERS	<ul style="list-style-type: none">Stockton Police Department	
APPLICABLE PROGRAMS		
J. Streamlined City Permitting/Licensing/Regulations		
J.1	Work with to the Development Community identify any specific "business friendliness" issues needing attention	
KEY PARTNERS	<ul style="list-style-type: none">Residential and commercial developersBuilding Industry Association (BIA)	<ul style="list-style-type: none">MIDR
APPLICABLE PROGRAMS		
J.2	Review City policies on expedited project reviews, abatement of impact fees, timing of when fees are determined/assessed (relative to developer’s implementation cycles), and setting different fees for revitalization areas	
KEY PARTNERS	<ul style="list-style-type: none">Community Development Department	<ul style="list-style-type: none">ChambersBuilding Industry Association (BIA)Builders ExchangeCity IT departmentSJP (for marketing)MIDR
APPLICABLE PROGRAMS	<ul style="list-style-type: none">Downtown Financial Incentive Program (waives certain fees)	<ul style="list-style-type: none">New Construction Impact Fee Deferral Program (nonresidential)Local Business Preference OrdinanceTemporary PFF Reduction ProgramOnline permittingEconomic Review CommitteeImpact Fee Estimates
J.3	Develop (and make easy to find) user-friendly checklist of business licensing requirements for new businesses; facilitate by having licensing staff in Community Development	
KEY PARTNERS	<ul style="list-style-type: none">Administrative Services DepartmentCommunity Development Department	<ul style="list-style-type: none">City IT DepartmentCommunity Development
APPLICABLE PROGRAMS	<ul style="list-style-type: none">Downtown Financial Incentive Program (waives certain fees)	<ul style="list-style-type: none">New Construction Impact Fee Deferral Program (nonresidential)Local Business Preference OrdinanceTemporary PFF Reduction ProgramOnline permittingEconomic Review CommitteeImpact Fee Estimates
J.4	Develop (and make easy to find) user-friendly checklist of permitting requirements for new businesses/developments	
KEY PARTNERS	<ul style="list-style-type: none">Community Development Department	<ul style="list-style-type: none">Administrative ServicesSBDC
APPLICABLE PROGRAMS		

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J.5	Implement "one-stop" permitting/licensing counter, including incentive program information; consider the concept of a Welcoming Committee as an extension of the "one-stop" service.		
KEY PARTNERS		<ul style="list-style-type: none">Administrative ServicesMunicipal UtilitiesPublic Works	
<ul style="list-style-type: none">Community Development Department			
APPLICABLE PROGRAMS		<ul style="list-style-type: none">New Construction Impact Fee Deferral Program (nonresidential)Local Business Preference Ordinance	<ul style="list-style-type: none">Temporary PFF Reduction ProgramOnline permittingEconomic Review CommitteeImpact Fee Estimates
<ul style="list-style-type: none">Downtown Financial Incentive Program (waives certain fees)			
J.6	Develop on-line tools/resources for permitting and other development-related functions		
KEY PARTNERS		<ul style="list-style-type: none">City IT departmentAdministrative ServicesMunicipal Utilities	
<ul style="list-style-type: none">Community Development Department			
APPLICABLE PROGRAMS		<ul style="list-style-type: none">New Construction Impact Fee Deferral Program (nonresidential)Local Business Preference Ordinance	<ul style="list-style-type: none">Temporary PFF Reduction ProgramOnline permittingEconomic Review CommitteeImpact Fee Estimates
<ul style="list-style-type: none">Downtown Financial Incentive Program (waives certain fees)			
J.7	Highlight City's business-friendly policies/programs in marketing efforts		
KEY PARTNERS		<ul style="list-style-type: none">ChambersBuilding Industry Association (BIA)Builders Exchange	
<ul style="list-style-type: none">Community Development Department			
APPLICABLE PROGRAMS		<ul style="list-style-type: none">New Construction Impact Fee Deferral Program (nonresidential)Local Business Preference Ordinance	<ul style="list-style-type: none">Temporary PFF Reduction ProgramOnline permittingEconomic Review CommitteeImpact Fee Estimates
<ul style="list-style-type: none">Downtown Financial Incentive Program (waives certain fees)			
K. Development capacity / Site readiness program			
K.1	Coordinate with Advantage Stockton property database to include publicly-owned opportunity sites (including properties owned by City, Successor Agency, and Port)		
KEY PARTNERS		<ul style="list-style-type: none">Port of StocktonRedevelopment Successor Agency	
<ul style="list-style-type: none">SJP			
APPLICABLE PROGRAMS		<ul style="list-style-type: none">Advantage Stockton website (site selection tool)	
K.2	Review land use designations in new General Plan and modify as necessary to provide sufficient zoning capacity, location options, etc. to accommodate commercial and industrial market demand		
KEY PARTNERS		<ul style="list-style-type: none">Community Development Department	
APPLICABLE PROGRAM		<ul style="list-style-type: none">General Plan update underway	
K.3	Explore pre-entitlement options (specific plans, programmatic EIR's, etc.) and other policies to create "shovel ready" development sites		
KEY PARTNERS		<ul style="list-style-type: none">Redevelopment Successor AgencyPort of Stockton	
<ul style="list-style-type: none">Community Development DepartmentPublic Works Department			
APPLICABLE PROGRAMS			

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L. Infrastructure interface	
L.1	Align proposed General Plan revisions with Economic Development Strategic Plan; recognize coordinating role of ED Strategic Plan in relevant aspects of General Plan implementation
KEY PARTNERS	<ul style="list-style-type: none"> Community Development Department
APPLICABLE PROGRAMS	
L.2	Align annual C.I.P. process with Economic Development Strategic Plan to ensure that prioritization of planned infrastructure is consistent with ED priorities
KEY PARTNERS	<ul style="list-style-type: none"> Public Works Department SJC Worknet and other CEDS partners (County)
APPLICABLE PROGRAM	
L.3	Establish relationship-building coordinating practices with Port of Stockton to ensure alignment of economic development initiatives, including international trade, and priorities, and infrastructure investments
KEY PARTNERS	<ul style="list-style-type: none"> Port of Stockton
APPLICABLE PROGRAMS	
L.4	Coordinate with Stockton Metropolitan Airport to ensure alignment of infrastructure investments with economic development priorities. Future Airport improvement plans should encourage cargo-transport capabilities.
KEY PARTNERS	<ul style="list-style-type: none"> Stockton Metropolitan Airport
APPLICABLE PROGRAMS	

APPENDIX B

Recommended Lead and Partner Entities for Implementation

Table B-1 below shows the recommended lead and partner entities for implementation of each Action Item. The entities referenced on the table include only those with the most Action Item relationships throughout the EDSP, and the last column of the table references the number of other entities, where relevant, involved in that Action Item.

TABLE B-1. ACTION ITEMS BY LEAD (L), COORDINATOR (C) & PARTNER (♦) ENTITIES

	City of Stockton E.D. Department	San Joaquin Partnership (SJP)	Downtown Stockton Alliance	Chambers of Commerce	Port of Stockton	SBDC	Stockton Con. & Visitors Bureau	Stockton Police Department	Community Development Dept.	San Joaquin Angels	University of the Pacific (UOP)	Delta College	Manuf. Ind. Distr. Roundtable (MIDR)	Redevelopment Successor Agency	San Joaquin County	San Joaquin County WorkNet	Other partners (#)
A. Core business outreach/networking program																	
A.1 Conduct "cluster mapping" process	L	♦			♦						♦						♦
A.2 Facilitate and/or lead "network organizing" meetings	L	♦		♦													♦
A.3 Promote cluster-oriented, local supplier relationships	L	♦		♦													
A.4 Participate in key industry/trade associations	♦	L															2
A.5 Facilitate group of higher education executives	C										♦	♦					2
A.6 "Map" relevant K-12 and higher education resources	L															♦	5
A.7 Facilitate interaction between business and educators	C	♦											♦				2
B. Business retention/expansion program																	
B.1 Support business development groups/processes	C																
B.2 Institute existing-business visitation program	L			♦													
B.3 Support consortium to promote international trade	C	L			♦	♦							♦				1
B.4 Promote public awareness of career opportunities	C															L	3
B.5 Support small-business creation programs	C			♦		♦						♦					
B.6 Include CDBG programs in small business development	C																
C. Business attraction																	
C.1 Align business attraction efforts of City, SJP and Port	C	L			♦												
C.2 Develop City economic development brand/message	L	♦			♦						♦						
C.3 Investigate options for business lead generation	L	♦															
C.4 Participate in key trade shows/real estate forums	L	♦			♦												2
C.5 Target foreign direct investment	C	♦			♦												
C.6 Coordinate with education/workforce development	C															L	

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TABLE B-1. ACTION ITEMS BY LEAD (L), COORDINATOR (C) & PARTNER (♦) ENTITIES

	City of Stockton E.D. Department	San Joaquin Partnership (SJP)	Downtown Stockton Alliance	Chambers of Commerce	Port of Stockton	SBDC	Stockton Con. & Visitors Bureau	Stockton Police Department	Community Development Dept.	San Joaquin Angels	University of the Pacific (UOP)	Delta College	Manuf. Ind. Distr. Roundtable (MIDR)	Redevelopment Successor Agency	San Joaquin County	San Joaquin County WorkNet	Other partners (#)
D. Entrepreneurship/innovation program																	
D.1 Serve as clearinghouse for entrepreneurial programs	L		♦			♦				♦	♦	♦					1
D.2 Align focus of local SBDC with Stockton's core businesses	C					♦						♦					
D.3 Identify and support areas suitable for incubators	L		♦			♦											2
D.4 Serve as clearinghouse for entrepreneurial funding	L					♦				♦							1
D.5 Establish loan guarantee program with local banks	L														♦		3
D.6 Funding assistance for Downtown entrepreneurs	C		L							♦							
D.7 Coordinate with SJP's Greater Silicon Valley initiative	C	L															
E. Business/development incentives																	
E.1 Define guiding principles for incentive policies	L																
E.2 Identify financial/funding resources for incentive program	L																
E.3 Investigate applicability of "low cost" incentives	L								♦								
E.4 Create prototypes of business types eligible for incentives	L								♦								
E.5 Consider incentives for non-prototype firms case-by-case	L																
E.6 Funding assistance for Downtown entrepreneurs (D.6)	C		L							♦							

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TABLE B-1. ACTION ITEMS BY LEAD (L), COORDINATOR (C) & PARTNER (♦) ENTITIES

		City of Stockton E.D. Department	San Joaquin Partnership (SJP)	Downtown Stockton Alliance	Chambers of Commerce	Port of Stockton	SBDC	Stockton Con. & Visitors Bureau	Stockton Police Department	Community Development Dept.	San Joaquin Angels	University of the Pacific (UOP)	Delta College	Manuf. Ind. Distr. Roundtable (MIDR)	Redevelopment Successor Agency	San Joaquin County	San Joaquin County WorkNet	Other partners (#)
F. Downtown revitalization program																		
F.1	Developer meeting to review ULI recommendations	L		♦					♦								♦	3
F.2	Market publicly-owned opportunity sites in Downtown	L	♦	♦		♦									♦			2
F.3	Incentivize housing in Downtown	L								♦								1
F.4	Focus grant applications on Downtown area	C		♦														2
F.5	Promote/prioritize downtown as destination for events	C		♦				L										4
F.6	Funding assistance for Downtown entrepreneurs (D.6)	C		L			♦				♦	♦						1
G. Neighborhood revitalization program																		
G.1	Prioritize revitalization areas; facilitate "shovel readiness"	L								♦					♦	♦		2
G.2	Implement retail tenant recruitment program	L	♦		♦										♦			6
G.3	Market publicly-owned opportunity sites	L													♦			
G.4	Facilitate formation of BID's or PBID's	L							♦									
G.5	Develop Lien Forgiveness Incentive Program for residential	L							♦	♦								
G.6	Align Federal housing funds and Consolidated Plan with EDSP	L		♦			♦											
H. Focused image and arts/culture programs																		
H.1	Build brand awareness through arts, sports, culture	C		♦				♦										3
H.2	Convene "Arts, Culture and Leisure" Taskforce	C						♦				♦	♦					1
H.3	Implement public relations/image enhancement effort	L			♦													5
H.4	Coordinate with Visit Stockton efforts to make City a destination	C						L										
H.5	Promote expanded use of City venues in waterfront area	L		♦				♦										1
H.6	Target attraction of regional/restaurant development	L	♦					♦										

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TABLE B-1. ACTION ITEMS BY LEAD (L), COORDINATOR (C) & PARTNER (♦) ENTITIES

		City of Stockton E.D. Department	San Joaquin Partnership (SJP)	Downtown Stockton Alliance	Chambers of Commerce	Port of Stockton	SBDC	Stockton Con. & Visitors Bureau	Stockton Police Department	Community Development Dept.	San Joaquin Angels	University of the Pacific (UOP)	Delta College	Manuf. Ind. Distr. Roundtable (MIDR)	Redevelopment Successor Agency	San Joaquin County	San Joaquin County WorkNet	Other partners (#)
I. Public safety interface																		
I.1	Support implementation of Marshall Plan	C							L									1
I.2	Develop brochure reporting strategy on crime reduction	L							♦									
I.3	Highlight progress in crime reduction in marketing efforts	L							♦									
J. Streamlined City permitting/licensing/regulations																		
J.1	Work with development community to address “business friendliness” issues	L												♦				1
J.2	Review policies on expedited project reviews, etc.	L	♦		♦					♦				♦				3
J.3	Develop checklist of business licensing requirements	L	♦		♦					♦				♦				3
J.4	Develop checklist of permitting requirements	L	♦		♦					♦				♦				3
J.5	Implement “one-stop” permitting/licensing counter	L	♦		♦					♦				♦				3
J.6	Develop online permitting tools/resources	L	♦		♦					♦				♦				3
J.7	Highlight business-friendly policies/programs in marketing	L	♦		♦					♦				♦				3
K. Development capacity / site readiness program																		
K.1	Coordinate with Advantage Stockton property database	L	♦			♦									♦			
K.2	Review General Plan for commercial/industrial capacity	L								♦								
K.3	Explore pre-entitlement options	L				♦				♦					♦			1
L. Infrastructure interface																		
L.1	Align proposed General Plan revision with EDSP	C								L								
L.2	Align annual C.I.P. process with EDSP	C																1
L.3	Coordinate with Port on infrastructure investments, etc.	C				L												
L.4	Coordinate with Airport on infrastructure investments	C																1

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Core Business Cluster (Target Industry) Analysis

As part of the background and research phase of this strategic planning process, The TNDG team completed an analysis to identify potential target industries (or “core business clusters”) for the City of Stockton. The methodology for the target industry analysis is documented below.

Methodology for Target Industry Analysis

- The analysis is based on current, historic and projected employment levels by detailed industry sector. The data source is EMSI – an economic modeling firm highly regarded throughout the United States for developing detailed employment data for small levels of geography (i.e., at the zip code level).
- The EMSI employment data used for the analysis were compiled at the city and county levels, and compared to state and national benchmarks. Since the small-area EMSI data are based on zip code geography, the city-level data were estimated based on aggregations of the zip codes within Stockton. Given that some Stockton zip codes partially extend beyond the city boundaries, the aggregated totals somewhat overstate the number of jobs in the City.
- The EMSI data cover the historic period from 2001 to 2014 and the projection period from 2014 to 2023.
- The employment data are classified according to the North American Industry Classification System (NAICS). For this initial summary report, the data have been evaluated at the 3-digit level of detail. The “universe” of industries at the 3-digit level includes 95 individual sectors. Each of these sectors was evaluated in terms of its existing strength and growth potentials in Stockton. The master list of 3-digit sectors was shortened to exclude retail activities, government employment, and strictly local-serving services (e.g., barber shops), since these types of firms are not generally the primary focus of business attraction efforts.
- The following metrics were used to develop an initial “short list” of 3-digit industries that are potential targets for business retention, expansion or attraction efforts in Stockton:
 - » Absolute numbers of jobs in Stockton in 2001 and 2014.
 - » Location quotient (LQ) analysis – a measure of the concentration or importance of an industry in a local area relative to its concentration/ importance at the state and national levels. An LQ of 1.0 indicates that an industry’s local concentration is exactly on par with the larger area benchmark; an LQ above 1.0 indicates that an industry is more concentrated locally than it is in the larger reference area (i.e., the state or the U.S.); and LQ below 1.0 indicates that an industry is less concentrated locally than it is in the larger reference area.
 - » Shift-share analysis (for the period 2001 to 2014) – whereas a location quotient provides a “snapshot” of an industry’s current strength in the local economy, a shift-share analysis measures an industry’s performance over a period of time. In particular, the shift-share analysis quantifies the “competitive effect” of employment growth (or retraction) – i.e., the portion of local growth that can be attributed to some competitive advantage (or disadvantage) relative to state and national trends for the industry.
 - » Projected growth/retraction rate at the national level – evaluating projected trends at the national level can provide insight into the magnitude of opportunities that may exist for local expansion of an industry; conversely, if an industry is in a declining posture nationally, it can provide an indication of

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retraction pressures facing local firms (and thus potentially signal the need for a strategic focus on business retention).

Initial Short List of Candidate Industries

Among the 95 three-digit sectors considered for this analysis, a total of 50 were included on an initial short list of candidates for targeting in Stockton. The short-listed industries all meet one or more of the following selection criteria:

- A.** Current location quotient (relative to state and/or national benchmark) higher than 1.2.
- B.** LQ higher than 1.2; positive “competitive effect” identified in shift-share analysis; and projected positive growth at the national level.
- C.** National growth expected to be greater than 10% between 2014 and 2013; and local LQ greater than 0.5.
- D.** Local “competitive effect” (as determined by the shift-share analysis) of at least 50 jobs between 2001 and 2014; positive growth projected at the national level; and local LQ greater than 0.5.
- E.** At least 200 jobs in Stockton in 2014.
- F.** Meets one or more of the above criteria at the County level (even if not specifically strong in Stockton).

The above criteria are intended to capture a range of industries that include a mix of: a) existing local strengths that can be retained/expanded in the future; b) national growth sectors that are currently under-represented in Stockton (but have at least enough of a local presence to potentially be viable growth targets); and c) sectors that are important enough locally (in terms of total existing) jobs to deserve strategic attention regardless of external growth expectations.

Table C-1 provides a summary of trends for the 50 short-listed sectors. In order to consolidate the detailed industries into a manageable number of targets for programming purposes, the individual

sectors have been grouped under the following 12 headings:

- » Agriculture and support activities;
- » Energy;
- » Construction;
- » Manufacturing;
- » Wholesale trade;
- » Distribution;
- » Information;
- » Financial services;
- » Professional services;
- » Private educational services;
- » Health care and social assistance;
- » Recreation and tourism.

As noted previously, some of the short-listed industries were included on the initial list based on the strength at the County level, even if they do not currently meet the selection criteria based on Stockton-specific data. County level data for these industries are provided on Table C-2.

Table C-3 compares the 12 major industry groups identified in this analysis with the current target industries of the San Joaquin Partnership. There is a significant degree of overlap/correspondence between the two lists, suggesting that the Partnership’s county-wide targets are generally well-aligned with the Stockton-specific opportunities identified in this study.

Table C-4 provides more detailed data for the 3-digit industry sectors considered for this analysis (including indication of the particular selection criteria met by each sector).

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TABLE C-1. SUMMARY OF TRENDS FOR POTENTIAL TARGET INDUSTRIES – CITY OF STOCKTON

NAICS Code	Description	2001 Jobs	2014 Jobs	2001-14 Job Growth	State Location Quotient	National Location Quotient	2014-23 National % Change	Notes
Agriculture & Support Activities								
111	Crop Production	2,777	2,043	-734	1.30	1.69	-2%	
112	Animal Production	448	410	-38	1.43	0.44	-1%	
115	Support Activities for Agriculture	2,126	2,600	474	1.65	4.74	10%	
Energy								
211	Oil and Gas Extraction	90	349	259	1.19	0.55	37%	
221	Utilities	555	702	147	1.70	1.50	0%	
Construction								
236	Construction of Buildings	1,556	1,359	-197	0.83	0.82	13%	
237	Heavy and Civil Engineering Construction	537	388	-149	0.05	0.03	14%	
238	Specialty Trade Contractors	4,251	3,606	-645	0.78	0.71	10%	
Manufacturing								
311	Food Manufacturing	2,429	2,910	481	2.76	2.32	3%	
312	Beverage and Tobacco Product Manufacturing	94	93	-1	0.25	0.52	7%	See County table (1).
321	Wood Product Manufacturing	1,481	583	-898	3.36	1.75	2%	
322	Paper Manufacturing	446	344	-102	2.36	1.12	-9%	
323	Printing and Related Support Activities	420	286	-134	0.82	0.69	-9%	
325	Chemical Manufacturing	135	229	94	0.41	0.34	1%	See County table (1).
326	Plastics and Rubber Products Manufacturing	412	282	-130	0.94	0.52	0%	See County table (1).
327	Nonmetallic Mineral Product Manufacturing	312	226	-86	0.94	0.65	9%	See County table (1).
332	Fabricated Metal Product Manufacturing	2,045	1,371	-674	1.45	1.12	7%	
333	Machinery Manufacturing	169	178	9	0.32	0.19	2%	See County table (1).
335	Electrical Equipment, Appliances, and Components	62	202	140	0.91	0.64	-3%	
336	Transportation Equipment Manufacturing	1,004	711	-293	0.99	0.56	3%	

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TABLE C-1. SUMMARY OF TRENDS FOR POTENTIAL TARGET INDUSTRIES – CITY OF STOCKTON

NAICS Code	Description	2001 Jobs	2014 Jobs	2001-14 Job Growth	State Location Quotient	National Location Quotient	2014-23 National % Change	Notes
Wholesale Trade								
423	Merchant Wholesalers, Durable Goods	2,657	2,817	160	1.09	1.07	7%	
424	Merchant Wholesalers, Nondurable Goods	1,665	3,626	1,961	1.78	2.01	8%	
425	Wholesale Electronic Markets, Agents and Brokers	50	78	28	0.09	0.10	28%	See County table (1).
Distribution								
482	Rail Transportation	235	209	-26	0.15	0.19	3%	See County table (1).
484	Truck Transportation	2,919	3,720	801	2.52	2.25	10%	
485	Transit and Ground Passenger Transportation	456	398	-58	0.88	0.70	14%	
486	Pipeline Transportation	0	43	43	2.33	1.14	4%	
488	Support Activities for Transportation	454	753	299	1.09	1.30	17%	
491	Postal Service (Private Sector)	0	0	0	0.00	0.00	12%	See County table (1).
492	Couriers and Messengers	721	849	128	1.36	1.22	7%	
493	Warehousing and Storage	733	1,193	460	1.87	1.75	21%	
Information								
511	Publishing Industries (except Internet)	504	489	-15	0.65	0.68	1%	
512	Motion Picture & Sound Recording Industries	118	129	11	0.12	0.36	7%	See County table (1).
515	Broadcasting (except Internet)	186	141	-45	0.42	0.51	8%	See County table (1).
517	Telecommunications	991	551	-440	0.70	0.67	0%	
Financial Services								
522	Credit Intermediation and Related Activities	2,133	1,585	-548	0.82	0.68	7%	
523	Securities, Commodities, and Other Investments	1,171	1,834	663	0.61	0.58	36%	
524	Insurance Carriers and Related Activities	1,974	2,648	674	1.26	1.03	11%	

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TABLE C-1. SUMMARY OF TRENDS FOR POTENTIAL TARGET INDUSTRIES – CITY OF STOCKTON

NAICS Code	Description	2001 Jobs	2014 Jobs	2001-14 Job Growth	State Location Quotient	National Location Quotient	2014-23 National % Change	Notes
Professional Services								
541	Professional, Scientific, and Technical Svcs.	5,172	5,496	324	0.42	0.53	17%	
551	Management of Companies and Enterprises	1,740	1,272	-468	0.76	0.68	11%	
561	Administrative and Support Services	7,598	9,114	1,516	0.94	0.98	18%	
562	Waste Management and Remediation Svcs.	102	421	319	1.29	1.30	14%	
Private Educational Services								
611	Educational Services (Private)	4,075	4,707	632	1.36	1.28	20%	
Health Care and Social Assistance								
621	Ambulatory Health Care Services	4,112	7,919	3,807	1.26	1.19	25%	
622	Hospitals (Private)	2,572	2,428	-144	0.95	0.63	14%	
623	Nursing and Residential Care Facilities	2,678	3,014	336	1.52	1.10	19%	
624	Social Assistance	4,845	8,078	3,233	1.54	2.23	22%	
Recreation and Tourism								
711	Performing Arts, Spectator Sports, & Related	679	909	230	0.38	0.53	15%	
713	Amusement, Gambling, and Recreation Industries	1,155	1,385	230	0.83	0.87	15%	
721	Accommodation	508	611	103	0.38	0.37	10%	

(1) These industries were included on the candidate industry list primarily due to their strength in other parts of San Joaquin County. County-level data for these industries are provided on the next table.

Source: EMSI; The Natelson Dale Group, Inc.

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TABLE C-2. SUMMARY OF COUNTY-LEVEL TRENDS FOR SELECTED INDUSTRIES – CITY OF STOCKTON CANDIDATE INDUSTRY LIST

NAICS Code	Description	2001 Jobs	2014 Jobs	2001-2014 Job Growth	2014 State Location Quotient	2014 National Location Quotient	2014-2023 National % Change
312	Beverage and Tobacco Product Manufacturing	1,022	1,918	896	2.70	5.58	7%
325	Chemical Manufacturing	451	532	81	0.50	0.41	1%
326	Plastics and Rubber Products Manufacturing	1,496	1,277	-219	2.22	1.22	0%
327	Nonmetallic Mineral Product Manufacturing	1,718	1,538	-180	3.36	2.31	9%
333	Machinery Manufacturing	625	554	-71	0.52	0.30	2%
425	Wholesale Electronic Markets, Agents and Brokers	672	1,059	387	0.62	0.67	28%
482	Rail Transportation	472	418	-54	2.60	1.10	3%
491	Postal Service (Private Sector)	0	19	19	2.29	2.09	12%
512	Motion Picture and Sound Recording Industries	263	285	22	0.13	0.41	7%
515	Broadcasting (except Internet)	336	256	-80	0.40	0.48	8%

Source: EMSI; The Natelson Dale Group, Inc.

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TABLE C-3. SUMMARY OF COUNTY-LEVEL TRENDS FOR SELECTED INDUSTRIES – CITY OF STOCKTON CANDIDATE INDUSTRY LIST

Preliminary Candidate Industry Groups for City of Stockton	Correspondence with San Joaquin Partnership Targets							
	Advanced/ Specialized Manufacturing	Medical Equipment & Supplies	Food Processing	Agricultural Technologies	Energy Resources & Technologies	Construction Materials	Office & IT Professional Services	E-Commerce/ Logistics Centers
Agriculture & Support Activities			X	X				
Energy					X			
Construction						X		
Manufacturing	X	X	X	X		X		
Wholesale Trade								X
Distribution								X
Information							X	
Financial Services							X	
Professional Services							X	
Private Educational Services							X	
Health Care & Social Assistance		X					X	
Recreation & Tourism								

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TABLE C-4.
ANALYSIS OF HISTORIC, CURRENT AND PROJECTED STRENGTH OF 3-DIGIT NAICS INDUSTRIES
CITY OF STOCKTON

NAICS Code	Description	2001 Jobs	2014 Jobs	2001-14 Job Growth	2001-14 Competitive Effect	2014 State Location Quotient	2014 National Location Quotient	2014-23 National % Change	SELECTION CRITERIA MET (See key at bottom of table)					
									A	B	C	D	E	F
111	Crop Production	2,777	2,043	-734	-359	1.30	1.69	-2%	X				X	
112	Animal Production	448	410	-38	-5	1.43	0.44	-1%	X				X	
113	Forestry and Logging	0	46	46	42	23.22	0.33	-12%	X					
114	Fishing, Hunting and Trapping	25	0	-25	-13	0.00	0.00	-8%						
115	Support Activities for Agriculture and Forestry	2,126	2,600	474	-23	1.65	4.74	10%	X				X	X
211	Oil and Gas Extraction	90	349	259	150	1.19	0.55	37%			X	X	X	
212	Mining (except Oil and Gas)	14	0	-14	-13	0.00	0.00	13%						X
213	Support Activities for Mining	0	0	0	-7	0.00	0.00	26%						
221	Utilities	555	702	147	183	1.70	1.50	0%	X	X		X	X	
236	Construction of Buildings	1,556	1,359	-197	-24	0.83	0.82	13%			X		X	
237	Heavy and Civil Engineering Construction	537	388	-149	-121	0.05	0.03	14%					X	X
238	Specialty Trade Contractors	4,251	3,606	-645	-455	0.78	0.71	10%			X		X	
311	Food Manufacturing	2,429	2,910	481	565	2.76	2.32	3%	X	X		X	X	
312	Beverage and Tobacco Product Manufacturing	94	93	-1	-5	0.25	0.52	7%						X
313	Textile Mills	0	0	0	-1	0.00	0.00	-17%						
314	Textile Product Mills	29	0	-29	-14	0.00	0.00	-13%						
315	Apparel Manufacturing	0	0	0	4	0.00	0.00	-33%						
316	Leather and Allied Product Manufacturing	0	0	0	4	0.00	0.00	0%						
321	Wood Product Manufacturing	1,481	583	-898	-391	3.36	1.75	2%	X				X	
322	Paper Manufacturing	446	344	-102	53	2.36	1.12	-9%	X				X	

Key to selection criteria:

A - Industry has current location quotient (LQ) higher than 1.2 (relative to California and/or U.S. benchmarks).

B - Current LQ higher than 1.2; positive "competitive effect" for period between 2001 and 2014 (as part of shift-share analysis); positive growth projected at national level for 2014-2023.

C - Projected national growth of 10% or higher for 2014-2023; LQ of at least 0.50.

D - Shift share "competitive effect" of at least 50 jobs between 2001 and 2014; positive national growth projection; LQ of at least 0.50.

E - Industry has at least 200 existing jobs in Stockton.

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TABLE C-4.
ANALYSIS OF HISTORIC, CURRENT AND PROJECTED STRENGTH OF 3-DIGIT NAICS INDUSTRIES
CITY OF STOCKTON

									SELECTION CRITERIA MET (See key at bottom of table)					
NAICS Code	Description	2001 Jobs	2014 Jobs	2001-14 Job Growth	2001-14 Competitiv e Effect	2014 State Location Quotient	2014 National Location Quotient	2014-23 National % Change	A	B	C	D	E	F
F - Industry is strong in other parts of San Joaquin County (based on the same selection criteria used for the City-level analysis).														
323	Printing and Related Support Activities	420	286	-134	23	0.82	0.69	-9%					X	
324	Petroleum and Coal Products Manufacturing	0	0	0	0	0.00	0.00	3%						
325	Chemical Manufacturing	135	229	94	112	0.41	0.34	1%					X	X
326	Plastics and Rubber Products Manufacturing	412	282	-130	-15	0.94	0.52	0%					X	X
327	Nonmetallic Mineral Product Manufacturing	312	226	-86	-11	0.94	0.65	9%					X	X
331	Primary Metal Manufacturing	192	81	-111	-53	0.60	0.25	1%						X
332	Fabricated Metal Product Manufacturing	2,045	1,371	-674	-418	1.45	1.12	7%	X				X	
333	Machinery Manufacturing	169	178	9	38	0.32	0.19	2%						X
334	Computer and Electronic Product Manufacturing	280	125	-155	-47	0.07	0.14	-2%						X
335	Electrical Equipment, Appliance, and Component Mfg	62	202	140	159	0.91	0.64	-3%					X	
336	Transportation Equipment Manufacturing	1,004	711	-293	-91	0.99	0.56	3%					X	
337	Furniture and Related Product Manufacturing	500	107	-393	-190	0.40	0.32	-4%						X
339	Miscellaneous Manufacturing	392	455	63	110	0.66	0.81	0%				X	X	
423	Merchant Wholesalers, Durable Goods	2,657	2,817	160	277	1.09	1.07	7%				X	X	
424	Merchant Wholesalers, Nondurable Goods	1,665	3,626	1,961	1,950	1.78	2.01	8%	X	X		X	X	
425	Wholesale Electronic Markets and Agents and Brokers	50	78	28	0	0.09	0.10	28%						X
481	Air Transportation	37	24	-13	-4	0.07	0.06	2%						
482	Rail Transportation	235	209	-26	-33	0.15	0.19	3%					X	X
483	Water Transportation	0	0	0	-2	0.00	0.00	20%						
484	Truck Transportation	2,919	3,720	801	617	2.52	2.25	10%	X	X		X	X	
485	Transit and Ground Passenger Transportation	456	398	-58	-188	0.88	0.70	14%			X		X	
486	Pipeline Transportation	0	43	43	42	2.33	1.14	4%	X	X				
487	Scenic and Sightseeing Transportation	0	10	10	5	0.24	0.28	19%						

Key to selection criteria:

A - Industry has current location quotient (LQ) higher than 1.2 (relative to California and/or U.S. benchmarks).

B - Current LQ higher than 1.2; positive "competitive effect" for period between 2001 and 2014 (as part of shift-share analysis); positive growth projected at national level for 2014-2023.

C - Projected national growth of 10% or higher for 2014-2023; LQ of at least 0.50.

D - Shift share "competitive effect" of at least 50 jobs between 2001 and 2014; positive national growth projection; LQ of at least 0.50.

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TABLE C-4.
ANALYSIS OF HISTORIC, CURRENT AND PROJECTED STRENGTH OF 3-DIGIT NAICS INDUSTRIES
CITY OF STOCKTON

									SELECTION CRITERIA MET (See key at bottom of table)					
NAICS Code	Description	2001 Jobs	2014 Jobs	2001-14 Job Growth	2001-14 Competitiv e Effect	2014 State Location Quotient	2014 National Location Quotient	2014-23 National % Change	A	B	C	D	E	F
E - Industry has at least 200 existing jobs in Stockton.														
F - Industry is strong in other parts of San Joaquin County (based on the same selection criteria used for the City-level analysis).														
488	Support Activities for Transportation	454	753	299	196	1.09	1.30	17%	X	X	X	X	X	
491	Postal Service (Private Sector)	0	0	0	8	0.00	0.00	12%						X
492	Couriers and Messengers	721	849	128	121	1.36	1.22	7%	X	X		X	X	
493	Warehousing and Storage	733	1,193	460	67	1.87	1.75	21%	X	X	X	X	X	
511	Publishing Industries (except Internet)	504	489	-15	94	0.65	0.68	1%				X	X	
512	Motion Picture and Sound Recording Industries	118	129	11	7	0.12	0.36	7%						X
515	Broadcasting (except Internet)	186	141	-45	-25	0.42	0.51	8%						X
517	Telecommunications	991	551	-440	-75	0.70	0.67	0%					X	
518	Data Processing, Hosting and Related Services	67	14	-53	-51	0.00	0.00	13%						
519	Other Information Services	11	35	24	12	0.07	0.16	20%						
521	Monetary Authorities-Central Bank	0	0	0	0	0.00	0.00	10%						
522	Credit Intermediation and Related Activities	2,133	1,585	-548	-576	0.82	0.68	7%					X	
523	Securities, Commodity Contracts, and Other Financial Investments	1,171	1,834	663	-416	0.61	0.58	36%			X		X	
524	Insurance Carriers and Related Activities	1,974	2,648	674	368	1.26	1.03	11%	X	X	X	X	X	
525	Funds, Trusts, and Other Financial Vehicles	32	50	18	-16	0.12	0.11	41%						
531	Real Estate	4,049	7,080	3,031	239	0.83	1.10	18%			X		X	X
532	Rental and Leasing Services	579	557	-22	41	0.89	0.93	13%			X		X	
533	Lessors of Nonfinancial Intangible Assets	0	0	0	0	0.00	0.00	8%						
541	Professional, Scientific, and Technical Services	5,172	5,496	324	-956	0.42	0.53	17%			X		X	
551	Management of Companies and Enterprises	1,740	1,272	-468	-967	0.76	0.68	11%			X		X	
561	Administrative and Support Services	7,598	9,114	1,516	-248	0.94	0.98	18%			X		X	X
562	Waste Management and Remediation Services	102	421	319	305	1.29	1.30	14%	X	X	X	X	X	
611	Educational Services (Private)	4,075	4,707	632	-1,180	1.36	1.28	20%	X		X		X	

Key to selection criteria:

A - Industry has current location quotient (LQ) higher than 1.2 (relative to California and/or U.S. benchmarks).

B - Current LQ higher than 1.2; positive "competitive effect" for period between 2001 and 2014 (as part of shift-share analysis); positive growth projected at national level for 2014-2023.

C - Projected national growth of 10% or higher for 2014-2023; LQ of at least 0.50.

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TABLE C-4.
ANALYSIS OF HISTORIC, CURRENT AND PROJECTED STRENGTH OF 3-DIGIT NAICS INDUSTRIES
CITY OF STOCKTON

									SELECTION CRITERIA MET (See key at bottom of table)					
NAICS Code	Description	2001 Jobs	2014 Jobs	2001-14 Job Growth	2001-14 Competitiv e Effect	2014 State Location Quotient	2014 National Location Quotient	2014-23 National % Change	A	B	C	D	E	F
D - Shift share "competitive effect" of at least 50 jobs between 2001 and 2014; positive national growth projection; LQ of at least 0.50.														
E - Industry has at least 200 existing jobs in Stockton.														
F - Industry is strong in other parts of San Joaquin County (based on the same selection criteria used for the City-level analysis).														
621	Ambulatory Health Care Services	4,112	7,919	3,807	1,774	1.26	1.19	25%	X	X	X	X	X	
622	Hospitals (Private)	2,572	2,428	-144	-620	0.95	0.63	14%			X		X	
623	Nursing and Residential Care Facilities	2,678	3,014	336	-289	1.52	1.10	19%	X		X		X	
624	Social Assistance	4,845	8,078	3,233	590	1.54	2.23	22%	X	X	X	X	X	
711	Performing Arts, Spectator Sports, Related Industries	679	909	230	-42	0.38	0.53	15%			X		X	
712	Museums, Historical Sites, and Similar Institutions	33	40	7	-1	0.29	0.11	15%						
713	Amusement, Gambling, and Recreation Industries	1,155	1,385	230	-97	0.83	0.87	15%			X		X	
721	Accommodation	508	611	103	75	0.38	0.37	10%					X	

Key to selection criteria:

A - Industry has current location quotient (LQ) higher than 1.2 (relative to California and/or U.S. benchmarks).

B - Current LQ higher than 1.2; positive "competitive effect" for period between 2001 and 2014 (as part of shift-share analysis); positive growth projected at national level for 2014-2023.

C - Projected national growth of 10% or higher for 2014-2023; LQ of at least 0.50.

D - Shift share "competitive effect" of at least 50 jobs between 2001 and 2014; positive national growth projection; LQ of at least 0.50.

E - Industry has at least 200 existing jobs in Stockton.

F - Industry is strong in other parts of San Joaquin County (based on the same selection criteria used for the City-level analysis).

Source: EMSI; The Natelson Dale Group, Inc.

APPENDIX C

Potential Areas of Strategic Focus for Candidate Industries

Table A-5 beginning on the next page discusses potential areas of strategic focus for each candidate industry group.

Recommendations - Core Business Targets and Strategic Positioning

Given the close correlation between the candidate industries identified by TNDG's screening process and the existing targets of the San Joaquin Partnership (SJP), TNDG recommends that the City of Stockton align its core business targeting efforts with SJP's business retention/expansion/attraction program. Table A-6 describes the specific components of each SJP target that are most relevant to Stockton and recommends a potential strategic approach for each cluster.

TABLE C-5. POTENTIAL AREAS OF STRATEGIC GROWTH FOR CANDIDATE TARGET INDUSTRY GROUPS

INDUSTRY GROUP	SUMMARY OF KEY TRENDS/ISSUES	POTENTIAL STRATEGIC FOCUS
Agriculture & Support Activities	<ul style="list-style-type: none"> Crop and animal <i>production</i> have experienced significant employment declines nationally and locally due to technology innovation, and this trend is projected to continue. <i>Support activities</i> for agriculture are a strong growth industry and a core strength for Stockton. 	<p>Agricultural production – focus on retention of existing production activities.</p> <p>Support industries – focus on expansion of existing firms and attraction of new firms.</p>
Energy	<ul style="list-style-type: none"> Oil & Gas Extraction and Utilities have both experienced sizeable recent employment gains in Stockton. Nationally, Oil & Gas Extraction is projected to experience employment growth of 37% over next 10 years. Available growth opportunities in Stockton require further investigation (later in this planning process). 	<p>Investigate opportunities for continued expansion of oil and gas extraction.</p> <p>Investigate opportunities for expansion of utility sectors.</p>
Construction	<ul style="list-style-type: none"> Construction employment in Stockton is growing, but still well below pre-recession peaks. Listed candidate sectors are projected to show strong growth nationally, and Stockton will participate in this growth as economy continues to strengthen. 	<p>Recovery/growth of construction sectors will occur in response to market demand, and does not necessarily warrant targeting effort by City.</p> <p>Limit targeting to key firms needed to fill gaps in Stockton's ability to source construction activities locally.</p>
Manufacturing	<ul style="list-style-type: none"> Consistent with national trends, most manufacturing sectors have experienced reductions in employment due to technology/productivity changes, and other external factors. In addition to the national trend, manufacturing in San Joaquin County 	<p>Strategic approach to manufacturing should include a retention/expansion component as well as an attraction component, with the specific approach tailored to the situation of each targeted sector.</p>

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TABLE C-5. POTENTIAL AREAS OF STRATEGIC GROWTH FOR CANDIDATE TARGET INDUSTRY GROUPS

INDUSTRY GROUP	SUMMARY OF KEY TRENDS/ISSUES	POTENTIAL STRATEGIC FOCUS
	<p>was significantly impacted by the closure of the New United Motors Manufacturing (NUMMI) plant in Fremont in 2010, with nine San Joaquin County automotive manufacturing firms directly affected by this loss.</p> <ul style="list-style-type: none"> • Projected national trends for manufacturing vary depending on the specific activity, with some sectors expected to grow and others projected to continue losing employment. • Beverage manufacturing is projected to be a sizeable growth nationally and is a core strength in San Joaquin County. • Other national growth sectors that have an existing presence in Stockton include Food Manufacturing, Wood Product Manufacturing, Chemical Manufacturing, Nonmetallic Mineral Product Manufacturing, Fabricated Metal Products, Machinery Manufacturing, and Transportation Equipment Manufacturing. 	
Wholesale Trade	<ul style="list-style-type: none"> • The “Electronic Markets” component of wholesale trade (with a connection to e-commerce) is projected to experience employment growth of nearly 30% nationally over the next 10 years. San Joaquin’s established success in attraction e-commerce fulfillment centers can potentially be leveraged to capture a share of this growth. • Wholesale Trade has a strong 	Stockton’s excellent, multi-modal transportation infrastructure should be leveraged to attract additional firms involved in wholesale trade.

APPENDIX C

TABLE C-5. POTENTIAL AREAS OF STRATEGIC GROWTH FOR CANDIDATE TARGET INDUSTRY GROUPS

INDUSTRY GROUP	SUMMARY OF KEY TRENDS/ISSUES	POTENTIAL STRATEGIC FOCUS
	connection to one of Stockton's core industrial strengths – Distribution (described below).	
Distribution	<ul style="list-style-type: none"> • Strong growth sectors nationally. • Core industrial strength in Stockton/San Joaquin County. • Direct connection to Port and other local/ regional infrastructure. • Direct connection to e-commerce. • Provides critical support and growth capacity to other industry groups. 	Stockton's excellent, multi-modal transportation infrastructure should be leveraged to attract additional firms involved in distribution and e-commerce.
Information	<ul style="list-style-type: none"> • Includes national growth sectors. • Some presence locally, but generally under-represented in Stockton compared to national benchmarks. • Feasibility of future expansion in Stockton needs further investigation. 	<p>Investigate opportunities for expansion of Information industries in Stockton.</p> <p>These sectors may be appropriate candidates for incubator facilities in Stockton.</p>
Financial Services	<ul style="list-style-type: none"> • Includes strong national growth sectors • Significant presence and sizeable recent growth in Stockton. • Mix of local-serving and potential "export" activities (e.g., Insurance Carriers). 	<p>Local-serving components will tend to grow in response to overall economic growth in the region.</p> <p>Investigate potential for expansion of Insurance Carriers as an "export" activity (i.e., serving a market beyond local consumers).</p>
Professional Services	<ul style="list-style-type: none"> • Strong national growth sectors. • Sizeable presence locally, but generally under-represented in Stockton compared to national benchmarks. • Aligned with San Joaquin Partnership's target industries. • Aligned with San Joaquin Partnership's Greater Silicon Valley initiative. 	Target new firm attraction in tandem with San Joaquin Partnership's Greater Silicon Valley program.
Private Educational Services	<ul style="list-style-type: none"> • Very strong growth sector nationally. • Strong and growing presence locally. 	Actively leverage presence of prestigious educational

APPENDIX C

TABLE C-5. POTENTIAL AREAS OF STRATEGIC GROWTH FOR CANDIDATE TARGET INDUSTRY GROUPS

INDUSTRY GROUP	SUMMARY OF KEY TRENDS/ISSUES	POTENTIAL STRATEGIC FOCUS
	<ul style="list-style-type: none"> UOP provides high-profile anchor for this cluster, with significant image-enhancing impacts to Stockton the larger region. 	<p>institutions as part of overall image-enhancement effort for Stockton.</p> <p>Target opportunities for expanded access to higher education in Stockton.</p>
Health Care & Social Assistance	<ul style="list-style-type: none"> Very strong growth sector nationally. Strong and fast-growing presence locally. Social Assistance addresses vital needs in community, but can also have negative effect on local image. 	Target attraction of firms needed to assure that full complement of medical services is available locally.
Recreation & Tourism	<ul style="list-style-type: none"> Strong growth industries nationally. Responds both to local (resident) and visitor demand, and provides place-making amenities. Potential opportunity to leverage downtown/waterfront beautification and development. 	City should focus on continuing to improve amenities attractive to visitors.

APPENDIX C

TABLE C-6. RECOMMENDED CORE BUSINESS CLUSTER FOR CITY STOCKTON

SJP TARGET	COMPONENTS MOST RELEVANT TO STOCKTON	RECOMMENDED STRATEGIC FOCUS
Manufacturing	<ul style="list-style-type: none"> • Transportation equipment • Wood products • Chemicals and chemical products • Fabricated metal products • Machinery manufacturing 	Strategic approach to manufacturing should include a retention/expansion component as well as an attraction component, with the specific approach tailored to the situation of each targeted sector.
Food processing	<ul style="list-style-type: none"> • Beverage manufacturing 	Attraction/expansion focus (strong growth sector nationally).
Agricultural technologies	<ul style="list-style-type: none"> • Support activities for agriculture 	Attraction/expansion focus (strong growth sector nationally).
Energy resources and technology	<ul style="list-style-type: none"> • Oil & gas extraction • Utilities 	Investigate opportunities for continued expansion of oil and gas extraction; investigate opportunities for expansion of utility sectors; investigate opportunities for entrepreneurial startups (energy technologies).
Office and IT professional services	<ul style="list-style-type: none"> • Financial services (especially insurance carriers) • Professional services • Information (currently underrepresented in Stockton) 	<p>Primary focus on entrepreneurial development (especially for IT sectors); align with SJP's Greater Silicon Valley initiative to expand presence of Information and technology firms in Stockton. These sectors are appropriate candidates for incubator facilities in Stockton.</p> <p>Investigate opportunities for expansion of Insurance Carriers as an "export" activity (i.e., serving a market beyond local consumers).</p>
E-commerce and logistics	<ul style="list-style-type: none"> • Wholesale trade (especially "Electronic Markets" component) • E-commerce fulfillment centers • Multi-modal distribution facilities 	Stockton's excellent, multi-modal transportation infrastructure should be leveraged to attract additional firms involved in wholesale trade, e-commerce and distribution.
Construction materials	<ul style="list-style-type: none"> • Non-metallic mineral products • Wood products 	Target attraction of key firms needed to fill gaps in Stockton's ability to source construction activities locally.

ECONOMIC DEVELOPMENT *Strategic Plan*



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