



SUBJECT: Report on Economic Development and Innovation Center Efforts from 2022-2024

DEPARTMENT: City Manager's Office

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TITLE/RECOMMENDATION

Receive update from staff regarding development of the Innovation Center and the City's Economic Development efforts.

FISCAL IMPACT

Not applicable.

BACKGROUND

In January 2022, the City Manager's Office strategically staffed its economic development team by hiring a new Assistant City Manager, and Economic Development Manager, followed by a new Senior Analyst in 2023. This initiative aimed to implement a pro-active and comprehensive approach to Brentwood's economic growth, with a particular focus on the Innovation Center, formerly known as PA-1.

The Innovation Center represents Brentwood's most significant opportunity for large-scale, mixed-use development. Envisioned as a dynamic town center, this project is designed to:

1. Create a hub for major employment opportunities
2. Expand commercial offerings
3. Reduce commute times
4. Enhance Brentwood's regional competitiveness

On April 9, 2024, the City Council requested a comprehensive update on the City's economic development activities, with a particular focus on the Innovation Center.



CITY COUNCIL AGENDA ITEM NO. H.2
07/23/2024

The attached report provides a detailed overview of Brentwood's economic development landscape, addressing the following key areas:

- 1. Purpose of Economic Development in Brentwood:** Economic development is a critical driver of community growth and prosperity. While local governments rarely own land within their boundaries, they wield significant influence through land use policies and zoning regulations. These tools shape the landscape for development and business attraction, setting the foundation for economic growth. Brentwood's economic development team leverages a comprehensive understanding of the City's position in the regional market to maximize its potential. This strategic approach ensures that Brentwood's economic development efforts are targeted, effective, and aligned with the long-term interests of the community.
- 2. Key Initiatives and Achievements:** Since 2022, Brentwood's Economic Development team has made significant strides in fostering growth and attracting businesses. Key achievements include advancing the Innovation Center development, with Costco approval and infrastructure improvements; implementing a successful Economic Development Grant Program; enhancing downtown revitalization through partnerships and business recruitment; supporting the Agricultural Enterprise Program; and attracting new developments like the La Quinta and Hawthorne Hotel, Lazy Dog, and Barnes & Noble. The team has also been proactive in responding to various RFPs from Cal GO-BIZ, including Fortune 500 companies, maintaining communication with property owners, and marketing the city at regional and national conferences. These efforts have elevated Brentwood's profile, positioning it as an attractive destination for diverse businesses and development opportunities, while addressing challenges such as limited commercial space and the need for infrastructure improvements.
- 3. Challenges and Obstacles:** While the attached report primarily highlights the economic development efforts undertaken since 2022, it is crucial to acknowledge the significant challenges Brentwood faces in achieving its economic goals. Some of these challenges include geographic location, limited site readiness, unproven employment base with what is currently located here, regional office market dynamics, infrastructure gaps, financial constraints, and more. By acknowledging these challenges, Brentwood can develop targeted strategies to address each obstacle, leveraging its strengths and unique positioning to overcome these hurdles and foster sustainable economic growth.



- 4. Future Opportunities and Growth Prospects:** Brentwood's economic landscape is poised for significant growth, with opportunities outweighing constraints. To capitalize on this potential, the Economic Development team is pursuing a multifaceted strategy to position Brentwood as a dynamic, forward-thinking city ready to embrace new economic opportunities while maintaining its unique character and quality of life.

The primary objective of this report is to offer the City Council a thorough analysis of staff's recent economic development efforts. By offering this in-depth assessment, the report seeks to equip the City Council with crucial insights to inform strategic decision-making and shape Brentwood's future economic development policies. This analysis will serve as a foundation for refining existing programs, exploring new initiatives, and aligning the city's economic vision with its long-term goals for sustainable growth and community prosperity.

CITY COUNCIL STRATEGIC INITIATIVE

The FY 2022/23 – FY 2024 Strategic Plan identifies the following:

1. Encourage private re-investment through the sale of Successor Agency and City owned real properties
2. Incentivize higher tier, unique business and development to the Brentwood Boulevard and Downtown areas
3. Enhance retail recruitment awareness and prioritize activities that display the City's efforts inducing new retail-commercial development

PREVIOUS ACTION

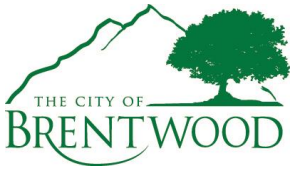
Not applicable.

ENVIRONMENTAL DETERMINATION

Not applicable.

ALTERNATIVE OPTION(S)

Not applicable.



ATTACHMENT(S)

1. Economic Development in Brentwood: Achievements, Challenges, and Future Opportunities