

POLICY DOCUMENT: PART 3

ECONOMIC DEVELOPMENT ELEMENT

The global, national, and regional economy has experienced dramatic changes in the last several decades. The U.S. economy has evolved from an emphasis on manufacturing to one increasingly based on innovation, creativity, technology, information, and global trade. These changing economic conditions provide both challenges and opportunities for the Hayward economy. With its centralized Bay Area location and a variety of economic, community, and transportation assets, Hayward possesses a strong foundation to develop a robust, diversified, and stable economy with a diverse range of employment, shopping, and cultural opportunities for local residents.

The Economic Development Element contains goals and policies to improve the local economy of Hayward by diversifying the economic base, supporting entrepreneurship and innovation, expanding employment opportunities through business retention and expansion programs, and collaborating with local colleges to develop a college-town economy and culture. The Economic Development Element also includes goals and policies to improve the image and reputation of Hayward so that it is recognized as the most desirable and business-friendly place to locate and conduct business in the East Bay.

For Hayward to reach its full economic potential, the City must address the related challenges of crime and public safety, traffic congestion, underperforming public schools, and community blight. For these reasons, several other General Plan elements contain goals and policies that directly and indirectly support economic development, including the Education and Lifelong Learning Element, Land Use and Community Character Element, Mobility Element, and Community Safety Element.

Goal 1 A Diversified and Robust Economy

Local economies that are dependent on a limited number of business sectors are generally vulnerable to fluctuating business cycles and economic downturns. When business cycles enter a period of decline, communities suffer from lay-offs and decreased spending within the local economy. This causes other supporting businesses to suffer, causing further economic decline, the loss of tax revenue, and decreased funding for important city services. Communities that have a diversified economic base generally have a more stable economy that is less vulnerable to fluctuating business cycles and recessions. A diversified economic base also creates a range of local jobs within a variety of different business sectors, which gives residents more opportunities to find new or better jobs. This goal and its supporting policies strive to diversify and stabilize the local economy to increase the number of quality job opportunities for Hayward residents, and to improve access to local goods and service.

GOAL ED-1

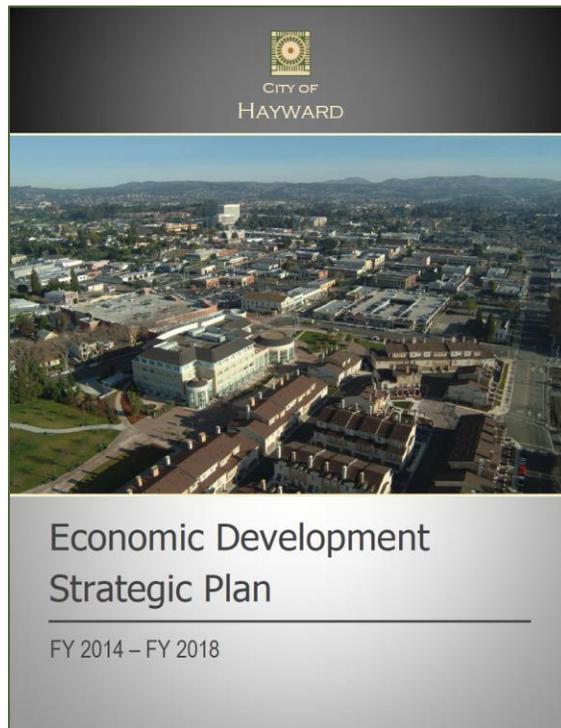
Diversify the economic base of Hayward to support a robust and stable economy with a diverse range of employment, shopping, and cultural opportunities for local residents.
[Source: New Goal; GPUTF, Public]

ED-1.1 Regional Economic Diversification

The City shall coordinate with other cities, counties, businesses, labor organizations, and other economic development and research organizations to help diversify and expand the economic base of the greater East Bay. *[Source: New Policy, City Staff] (CSO/JP/IGC)*

ED-1.2 Economic Development Strategic Plan

The City shall maintain and implement an Economic Development Strategic Plan that identifies short- and mid-term goals and strategies to diversify and expand the Hayward economy. *[Source: New Policy, City Staff] (MPSP)*



The City's first Economic Development Strategic Plan was adopted in 2013.

ED-1.3 Commercial and Industrial Development

The City shall encourage commercial and industrial development by ensuring the availability of suitable sites for development and providing appropriate zoning. *[Source: Existing Policy, modified] (RDR/PI)*

ED-1.4 Emerging and Growing Business Sectors

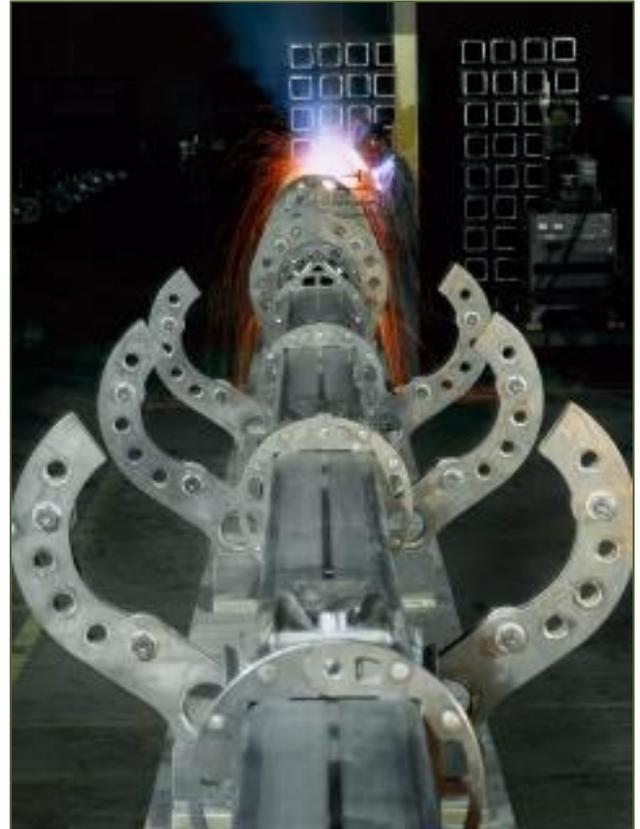
The City shall establish business attraction efforts that focus on small and medium-sized businesses within emerging and growing business sectors. *[Source: Existing Policy, modified] (CSO)*

ED-1.5 Knowledge- and Innovation-Based Industry Clusters

The City shall encourage the establishment and expansion of knowledge- and innovation-based industry clusters to increase the number of professional, scientific, and technical service jobs within the local economy, and to attract venture capital funding to Hayward. *[Source: New Policy, City] (CSO)*

ED-1.6 Advanced and Specialized Manufacturing

The City shall encourage the establishment and expansion of advanced and specialized manufacturing businesses to counter declining employment trends in traditional industrial manufacturing. *[Source: New Policy; City Staff] (CSO)*



Specialized manufacturing in Hayward. Courtesy of ConXtech and the Hayward Chamber of Commerce.



Warehouse and distribution facilities in Hayward. Courtesy of Plastikon, Inc. and the Hayward Chamber of Commerce.

ED-1.7 Clean and Green Industry Cluster

The City shall encourage the establishment of a clean and green technology cluster to create a more sustainable industrial base. *[Source: New City Policy; City Staff] (MPSP/JP/IGC)*

ED-1.8 International Business and Trade

The City shall develop relationships, partnerships, and programs to promote international business and trade opportunities in Hayward. *[Source: New Policy; City Staff] (IGC/JP/MPSP/PI)*

ED-1.9 Culturally Diverse Businesses

The City shall encourage the development of specialty businesses that reflect the diverse ethnic and cultural groups of the Hayward community. *[Source: New Policy; PC/CC] (RDR/PI)*

ED-1.10 Opportunity Sites

The City shall promote key retail, office, and manufacturing opportunity sites, as identified in the City’s Economic Development Strategic Plan, General Plan, and other specific plans and master plans. *[Source: Existing Policy, modified; EDSP] (PI)*

ED-1.11 Local-Serving Retail

The City shall encourage the establishment and expansion of commercial businesses that increase local spending within Hayward and provide needed goods and services to local residents and businesses. *[Source: New Policy; EDSP; Public, GPUTF] (CSO)*

ED-1.12 Neighborhood Commercial

The City shall consider the integration of quality neighborhood commercial businesses and developments within residential areas to support the concept of “complete neighborhoods.” *[Source: New Policy, GPUTF, Public] (RDR)*



Example of a neighborhood commercial development that provides services to nearby residents.

ED-1.13 Regional-Serving Retail

The City shall encourage private-sector investment to physically upgrade existing regional shopping centers and to create new centers at key retail opportunity sites. *[Source: New Policy; GPUTF; Public; CC/PC] (CSO)*



The Southland mall is the city’s main regional shopping center.

ED-1.14 Hospitality and Entertainment Business Clusters

The City shall encourage the development of a hospitality and entertainment business cluster within Downtown Hayward and other appropriate locations to improve opportunities for shopping, dining, arts and entertainment, lodging, business conventions, and cultural events. *[Source: New Policy; GPUTF; Public] (MPSP/JP)*

ED-1.15 Industrial Technology and Innovation Corridor

The City shall protect the viability of the Industrial Technology and Innovation Corridor as its main employment base by discouraging the intrusion of uses that would erode the integrity of the corridor and maintaining zoning for manufacturing; professional, scientific, and technical services; research and development; and supporting uses. *[Source: Existing Policy, modified; GPUTF; Public] (RDR)*

ED-1.16 Industrial Technology and Innovation Corridor Strategies

The City shall develop, maintain, and implement strategies to facilitate economic investment by improving and promoting the Industrial Technology and Innovation Corridor. *[Source: Existing Policy, modified] (MPSP)*

ED-1.17 Airport-Related Businesses

The City shall encourage and promote the development of airport-related businesses, such as flight schools, aircraft maintenance, and executive airline services, at Hayward Executive Airport. *[Source: New Policy, City Staff] (RDR/PI)*



Business park at the Hayward Executive Airport.

ED-1.18 Business Councils

The City shall coordinate with businesses and business organizations to develop and/or expand business councils for local growing industries, such as a bioscience council, logistics council, and food manufacturing council. *[Source: Existing Policy, modified; EDSP] (JP/IGC)*

ED-1.19 Local Hiring 

The City shall promote local hiring, including youth employment and paid internships, to increase community ownership and resident retention, help achieve a more positive jobs-housing balance, and reduce regional commuting, gas consumption, and greenhouse gas emissions. *[Source: New Policy, City Staff] (CSO/PI)*

Goal 2 Local Entrepreneurship

Many cities focus their economic development efforts on recruiting existing businesses from other communities and trying to convince them to relocate to their city. This approach, known as “economic hunting”, can have limited results because over time, gains in employment by recruiting are off-set by local companies relocating to other locations. As a result, many communities are expanding their economic development efforts to include strategies to invest in local entrepreneurs and small businesses. This approach, known as “economic gardening”, recognizes that companies that start and expand locally generally create more jobs than “economic hunting.”

The City of Hayward recognizes the economic potential of supporting local entrepreneurship and the creation of new businesses. This goal and its supporting policies seek to create a culture of local entrepreneurship and to expand the local economy by supporting the establishment of home-grown businesses. Goal 3 and its supporting policies provide further strategies to help these businesses, as well as other Hayward businesses, expand and remain in Hayward.

GOAL ED-2

Cultivate a culture of entrepreneurship to encourage and support local business start-ups. *[Source: New Goal; Public; GPUTF]*

ED-2.1 Assist Entrepreneurs

The City shall support and assist local entrepreneurs who are starting businesses within the Hayward community. *[Source: New Policy; GPUTF; Public] (PI/CSO)*

ED-2.2 Entrepreneur Services and Resources

The City shall coordinate with organizations that provide free or affordable services and resources to entrepreneurs and small businesses (such as East Bay SCORE, the Alameda County Small Business Development Center, and the US Small Business Administration). *[Source: New Policy; City Staff] (PI/JP/IGC)*

ED-2.3 Financing Programs

The City shall coordinate with organizations that provide microloans, small business loans, and other financial resources to fund new businesses (such as Opportunity Fund, banks that provide SBA loans, and on-line crowdfunding services). *[Source: New Policy; City Staff] (PI/JP/IGC)*

ED-2.4 Crowdsourcing

The City shall encourage entrepreneurs to use crowdsourcing techniques to obtain needed services, ideas, or content by soliciting contributions from an interested on-line community. *[Source: New Policy; GPUTF] (PI/JP)*

CROWDSOURCING

Crowdsourcing is the practice of obtaining needed services, ideas, or content by soliciting contributions from a large online community of volunteers. Entrepreneurs can use crowdsourcing techniques in place of hiring outside businesses or consultants.

ED-2.5 Community-Operated Workspaces

The City shall encourage the development of, community-operated workspaces where people with common interests can meet, collaborate, and develop their business ideas and products (e.g. hacklabs, hackerspaces, or makerspaces). *[Source: New Policy; GPUTF] (PI/JP)*

ED-2.6 Business Incubators

The City shall encourage the establishment of local business incubators (programs designed to support the successful development of entrepreneurial companies through an array of business support resources and services). *[Source: New Policy, City Staff] (JP/IGC)*

ED-2.7 Training and Support Programs

The City shall coordinate with local college, trade schools, and technical training institutes to promote programs that offer training and support to potential entrepreneurs. *[Source: New Policy; City Staff] (IGC/JP)*

ED-2.8 Home-Based Businesses

The City shall encourage the formation and operation of home-based businesses that are compatible with the surrounding neighborhood. *[Source: New Policy; City Staff] (RDR)*

Goal 3 Business Expansion and Retention

According to “Building on our Assets: Economic Development & Job Creation in the East Bay”, over 39 percent of the annual job creation in the East Bay is attributed to the expansion of existing business establishments that are already located within the region. The City of Hayward recognizes the value of existing businesses and their potential to expand and grow local employment opportunities. This goal and its supporting policies are designed to retain existing

businesses and support their local expansion efforts.

GOAL ED-3

Grow the local economy and employment base by supporting efforts to expand and retain local businesses. [Source: Existing Policy; Public; GPUTF].

ED-3.1 BEAR Program

The City shall develop, maintain, and implement a Business Expansion and Retention (BEAR) program that that helps businesses stay, grow, and become more committed to the Hayward community. The City shall primarily focus its BEAR efforts on small businesses with high growth potential and other local companies that have a demonstrated commitment to the Hayward community. [Source: New Policy, City Staff] (CSO)

ED-3.2 Fast Growing Industries

The City shall monitor industry and market trends to identify fast-growing industries, and coordinate with local businesses within those industries to proactively assist with potential business expansion plans. [Source: Existing Policy; modified] (CSO/PSR)

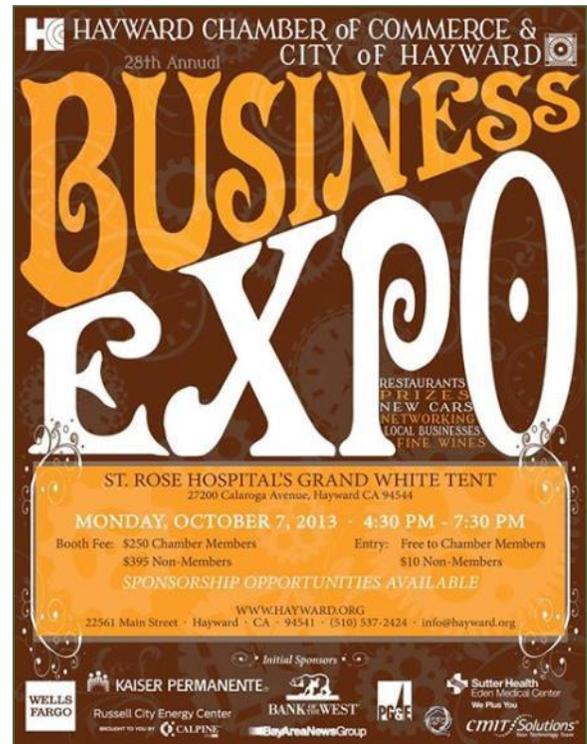
ED-3.3 Buy Local

The City shall encourage residents, local businesses, colleges, trade schools, and community organizations to purchase goods and services from other local businesses to support local jobs and to recirculate money within the local economy. [Source: New Policy; City Staff] (PI/JP)

ED-3.4 Networks and Organizations

The City shall coordinate with business networks and organizations (such as East Bay SCORE, the Alameda County Small Business Development Center, and the US Small Business Administration) that help local business owners

and operators sustain and expand their business within the Hayward community. [Source: New Policy; City Staff] (IS/JP/IGC)



Advertising for a business expo sponsored by the City of Hayward and the Hayward Chamber of Commerce.

ED-3.5 Loans and Financing Programs

The City shall coordinate with organizations that provide loans and financing programs for businesses expansion efforts. [Source: New Policy; City Staff] (PI/IGC/JP)

ED-3.6 Business Advisory Groups

The City shall coordinate with local business organizations and college business programs to create retail, restaurant, and business advisory groups (groups of trained volunteers that visit stores, restaurants, and businesses to provide constructive advice to business owners). [Source: New Policy, GPUTF] (JP)

Goal 4 Town-Gown Economy

The city of Hayward is home to California State University, East Bay, Chabot College, and several vocational schools and technical training institutes. Despite this fact, the City of Hayward does not function or have a reputation as a college town. In general, most students do not have a strong connection to the Hayward community and are generally living, socializing, and spending money in other communities. This goal and its supporting policies strive to develop a robust college-based economy by increasing the local population of students and faculty, and developing “town-gown” or “communiversity” partnerships to improve the local economy and the quality of life of students, faculty and residents. Building the connections between the Hayward community and local colleges will also encourage more college graduates to live long-term in Hayward.

GOAL ED-4

Develop a robust college-town economy through “town-gown” and “communiversity” partnerships. [Source: New Goal: Public, GPUTF]

ED-4.1 Town Gown and Communiversity Partnerships

The City shall collaborate with local colleges to develop strategic “town gown” or “communiversity” partnerships that enhance the Hayward community and economy, improve the overall educational experience of college students, and assimilate college students and graduates into the Hayward community. [Source: New Policy: Public, GPUTF] (IGC)

ED-4.2 Expanding Higher Education

The City shall encourage the expansion of local colleges, trade schools, and technical training institutes to increase local employment opportunities within the education sector and increase the number of students in Hayward.

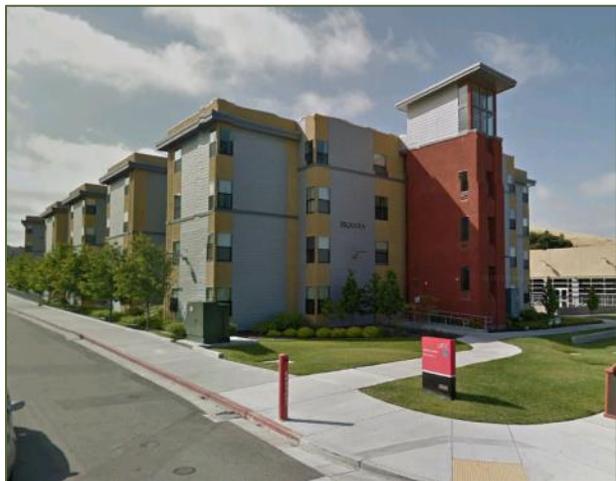
[Source: New Policy; City Staff] (IGC/PI)



California State University, East Bay.

ED-4.3 Student and Faculty Population

The City shall support on- and off-campus student and faculty housing to increase the demand for local services and businesses that cater to students and faculty. [Source: New Policy; Public, GPUTF] (RDR/IGC/JP)



Student housing at California State University, East Bay.

ED-4.4 College-Serving Businesses

The City shall encourage the development of businesses that cater to college and higher-education students, administrators, and faculty members, particularly within Downtown Hayward and along Mission Boulevard (near Cal State University, East Bay) and Hesperian Boulevard (near Chabot College). *[Source: New Policy; Public; GPUTF] (RDR)*

ED-4.5 Events and Festivals

The City shall support and promote community events and festivals that foster college culture and a sense of college and community pride. *[Source: New Policy; Public; GPUTF] (PI/IGC/JP)*



Downtown Street Party. Courtesy of the Hayward Chamber of Commerce.



College students celebrating at a Downtown Street Party. Courtesy of Cathy Breslow.

ED-4.6 Research and Development Partnerships

The City shall coordinate with local colleges and businesses to seek funding for research and development programs. *[Source: New Policy; Public; GPUTF] (JP/IGC)*

ED-4.7 College Technology Research Parks and Business Incubators

The City shall coordinate with local colleges and business organizations to explore the feasibility of developing college technology research parks and business incubators. *[Source: New Policy; GPUTF, Public] (IGC/JP)*

Goal 5 City Image

The City of Hayward recognizes that business owners and operators consider the image and reputation of a community when deciding where to locate or expand their business. Business owners and operators are generally looking for communities that have a good reputation and are desirable places to live, work, visit, and raise a family. This goal and its supporting policies strive to increase economic investment in Hayward by enhancing the overall image and reputation of the community. Hayward’s image, reputation, and overall economic development potential are also influenced by the reputation of public schools.

Goals and policies related to improving public schools are discussed in the Education and Life-Long Learning Element.

GOAL ED-5

Encourage economic investment by enhancing the image and reputation of Hayward. *[Source: EDSP, modified; GPUTF; Public; CC/PC]*

ED-5.1 Economic and Community Assets

The City shall promote Hayward as a livable community and excellent place to do business by showcasing the community’s competitive advantages and economic and community assets, through the development of a unique brand and related marketing program. *[Source: Existing Policy, modified; EDSP] (PI)*

ED-5.2 Community Events and Festivals

The City shall collaborate with businesses, business organizations, and the community to organize and promote events and festivals that help residents and visitors develop positive associations with the Hayward community. *[Source: EDSP] (CSO/IGC/JP/PI)*

ED-5.3 Amenities to Attract the Creative Class

The City shall maintain and enhance the social and cultural amenities of the City (such as attractive public spaces, restaurants, sidewalk cafes, and art galleries) to help attract creative, artistic, skilled, and innovative people (the creative class) to the Hayward community. *[Source: New Policy; City Staff, GPUTF] (CSO/MPSP)*

ED-5.4 Community Appearance Programs

The City shall maintain and implement programs that are specifically designed to address Hayward’s community appearance problems (graffiti, litter, abandoned vehicles, illegal dumping, weed abatement, property maintenance, illegal signs, etc.). *[Source: Existing Policy, modified] (FB/CSO)*



Utility box murals used to reduce graffiti.

ED-5.5 Quality Development

The City shall require new development to include quality site, architectural and landscape design features to improve and protect the appearance and reputation of Hayward. *[Source: Existing Strategy, modified] (RDR)*

ED-5.6 College Town Image

The City shall develop Hayward's image and reputation as a college town to attract both businesses that serve students and faculty, and businesses looking for a trained and educated workforce. *[Source: New Policy; Public, GPUTF, CC/PC] (IGC/PI)*

ED-5.7 Business Improvement Districts

The City shall encourage the formation of business improvement districts by coordinating with property and business owners who want to improve the image and reputation of their district. *[Source: New Policy; City Staff] (JP)*

Goal 6 A Business-Friendly City

The Hayward community wants to encourage private-sector investment to encourage business development, enhance local employment opportunities, and improve the overall quality of life for residents. The City recognizes that it can facilitate private-sector investment and the creation of jobs by creating a business-friendly environment. This goal and its supporting policies stress the importance of customer service, fair and predictable permit procedures, the removal of unnecessary regulatory barriers, and the creation of incentives and partnerships as ways to attract private sector investment to the Hayward community.

GOAL ED-6

Achieve recognition as the most desirable and business-friendly place to locate and conduct business in the East Bay. *[Source: Existing Policy, modified; GPUTF; Public, CC/PC]*

ED-6.1 Business-Friendly Values

The City shall ensure that the entire City organization, including employees, volunteers, and elected and appointed officials, understand and embrace Hayward's business-friendly values. *[Source: New policy; City Staff] (CSO)*

ED-6.2 Land Use Certainty

The City shall strive to enhance land use certainty for businesses by identifying and removing unnecessary regulatory barriers that discourage private-sector investment. *[Source: Existing Policy, modified; EDSP; GPUTF; Public] (JP)*

ED-6.3 Customer Service

The City shall provide excellent customer service by creating a culture that listens, gains an understanding of customer concerns and goals, and proactively seeks solutions to address challenges. *[Source: Existing Policy, modified] (CSO)*



Business grand opening. Courtesy of the Hayward Chamber of Commerce.

ED-6.4 Permit Processing

The City shall ensure a timely, fair, and predictable permit process that seeks to integrate multiple City departments into a single coordinated organization. *[Source: Existing Policy; EDSP; Modified]* (CSO)

ED-6.5 Permit Technology

The City shall optimize its permit procedures by using technology and other tools that improve efficiency and reduce costs. *[Source: Existing Policy, modified; EDSP; GPUTF]* (CSO)

ED-6.6 Customer Feedback

The City shall consider customer recommendations to improve its customer service and permit processing procedures. *[Source: Existing Policy, modified]* (CSO)

ED-6.7 Business Incentives

The City shall provide incentives to attract, expand, and retain businesses that offer high-quality jobs, generate local sales tax revenue, and/or provide needed goods or services to residents. *[Source: Existing Policy, modified; EDSP; GPUTF, Public]* (CSO)

ED-6.8 Public/Private Partnerships

The City shall support and encourage public/private partnerships to implement strategic projects that align with the City's economic and community development goals. *[Source: New Policy; City Staff]* (IGC/JP)

ED-6.9 Infrastructure and Utilities

The City shall encourage the construction and maintenance of utility, communications, and technology infrastructure that will help attract business and industry to the Hayward community. *[Source: Existing Policy, modified; EDSP; GPUTF, Public, CC/PC]* (MPSP)

ED-6.10 Sustainable Business Practices

The City shall promote sustainable business practices that reduce the use of energy and water resources and reduce overhead expenses for businesses. *[Source: New Policy; City; CC/PC]* (PI/IGC)

ED-6.11 Expand and Promote the Green Business Program 

The City shall coordinate with Alameda County, the Hayward Chamber of Commerce, and local businesses to develop strategies to promote the Alameda County Green Business Program to the Hayward business community. *[Source: New Policy; Climate Action Plan]* (IGC, PI)

ED-6.12 Business Visitation Program

The City shall maintain and enhance its Business Visitation Program to learn about new industries and technologies, discuss specific needs of local businesses, identify business expansion opportunities, and determine if City policies and regulations are reflective of changing and emerging business needs. *[Source: New Policy; City; CC/PC]* (CSO)