

## Pride and Purpose in East Bay's economic resurgence

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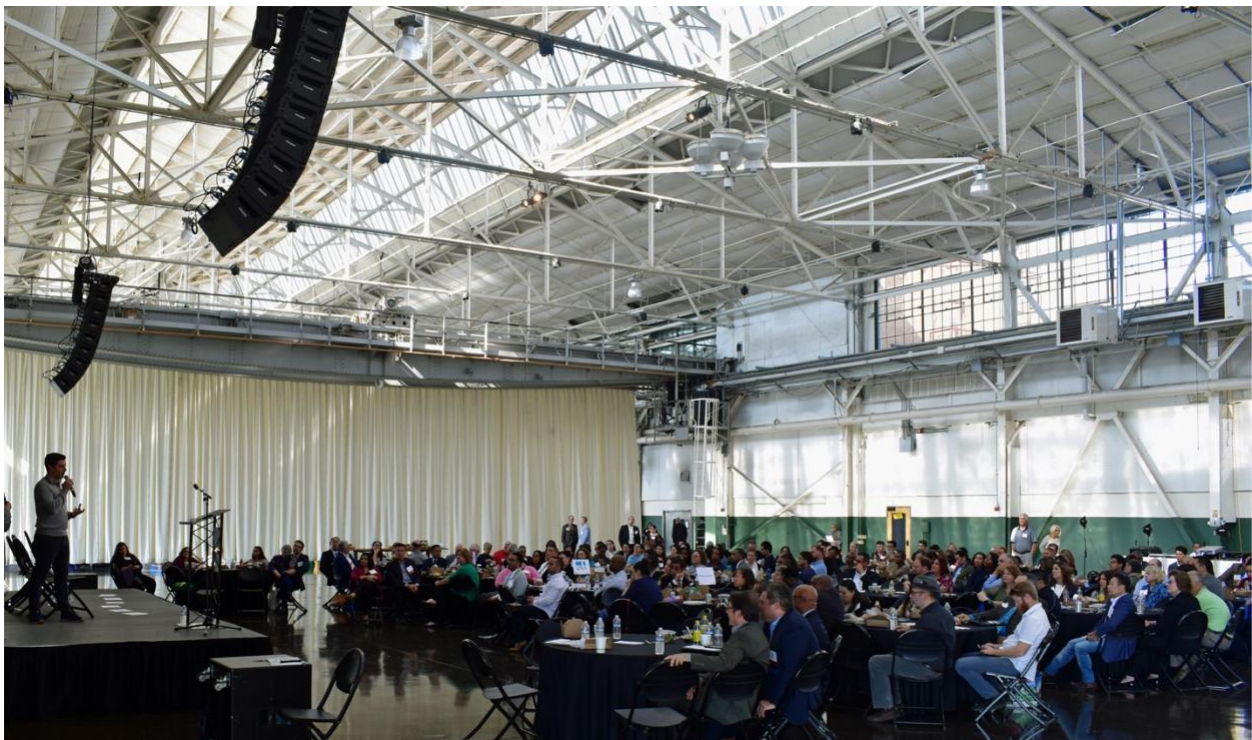
Richmond Chamber of Commerce President James Lee addresses the crowd at the 2018 West Contra Costa Economic Summit on Wednesday, Oct. 24, 2018. When German-owned Audi unveiled its first electric car at The Craneway Pavilion in Richmond several weeks ago, at least one national media publication referred to the venue in its story as "San Francisco's Craneway Pavilion." Another described The Craneway as "just north of Silicon Valley," also failing to mention Richmond.

To those from the West Contra Costa business community, such errors or distinctions are of little concern. What matters is Audi could have selected any city in the world – and it chose Richmond.

So did Blue Apron. In just two years, the company expanded operations in Richmond from just under 10,000 meals shipped to over 200,000, according to co-founder Ilia Papas.

Papas was the keynote speaker at the 2018 West Contra Costa Economic Summit on Wednesday. The annual summit was organized by the Richmond Chamber of Commerce along with the East Bay Economic Development Alliance and sponsored by Chevron and other community partners.

Richmond's space, affordability, and most of all, its central location, are also why the world's most valuable company, Amazon, opened a fulfillment center in Richmond in the last few years.



Ilia Pappas, co-founder of Blue Apron, addresses business leaders at the West

Contra Costa Economic Business Summit at The Craneway Pavilion on Wednesday, Oct. 24, 2018.

"We're right on the bay, great transportation infrastructure, rail and the new ferry service set to start on Jan. 10 next year," Contra Costa County John Gioia told the assembled group of local leaders and business owners. "We have highways, great proximity, and a great trained and ready workforce."

The East Bay is becoming the worst kept secret among large and small businesses, according to Congressman Mark DeSaulnier, who also spoke at the event.

"We know this because we are here, but I don't think we appreciate it totally from a national and global situation, from UC Berkeley to the national laboratories," said DeSaulnier.

On a quarterly basis, Richmond Mayor Tom Butt holds business roundtables where he asks business owners why they moved to Richmond, and how it has worked out.

"All businesses came to Richmond primarily for one thing: cheap space. But a lot of people also are here for Richmond's location," the mayor said. "Well-connected to logistics, distribution and commuters. And a third was Richmond's active work force."



West County's five mayors participated in a panel discussion at Wednesday's 2018 West Contra Costa Economic Summit.

It's a workforce that's been buoyed by Richmond's best-kept secret: partnerships between local businesses, government entities and community organizations that aim to collectively prepare existing residents for a growing job base.

Brought up as an example at Wednesday's summit was the partnership between the Chevron Richmond Refinery, MCE Clean Energy and others that constructed the largest public-private partnership solar facility in the Bay Area on 60 acres along Castro Street near Hensley Street. The project also focused on hiring Richmond-based contractors, suppliers and union labor. Some of those workers had gone through the city's award-winning RichmondBUILD job training program.

Such programs seeking to uplift local workers have benefited from a large influx of recent economic activity to the region – activity that, in Silicon Valley's shadow, may not have been widely noticed. The \$1 billion Chevron Richmond

Refinery Modernization project not only made the main facility operated by Richmond's largest employer newer, safer and cleaner, it contributed over \$180 million in local procurement that directly benefited local small businesses and laborers.

That doesn't include the Modernization Project's \$90 million in community benefits agreement with the city that has been pouring in annually to local organizations, and also into local green infrastructure projects. The agreement included \$35 million in startup funds for the Richmond Promise scholarship program, which four years later has become an important source of college and career funding and guidance for Richmond and North Richmond students.

These efforts require close partnerships between the city's large and small business communities, its government officials, local nonprofits and education centers such as Contra Costa College, the West Contra Costa Unified School District and UC Berkeley. The aim of Wednesday's annual summit was to bring them all together in one room – into Richmond's Craneway Pavilion – to form and sustain those partnerships.



Chevron's Brian Hubinger (right) speaks with Contra Costa County Supervisor John Gioia (brown jacket), Congressman Mark DeSaulnier (left) and Ilia Pappas, co-founder of Blue Apron (gray sweater).

"It's not just the fiscal support, it's the relationships we take pride in," said Brian Hubinger, a Chevron representative who is the chair-elect to the Richmond Chamber of Commerce. "I get to talk to graduates of job training programs such as RichmondBUILD and listen to how excited they are to compete for high paying jobs in today's economy. I can see the excitement of a young girl's face when she leaves Fab Lab Richmond (at Kennedy High)."

Hubinger also lauded the community partnerships that are reshaping downtown Richmond, where the Richmond Business Hub, including local business incubator CoBiz Richmond, is under construction in the long-vacant Richmond BART parking garage, funded in part by Chevron's eEquip Richmond initiative.

The \$10 million eEquip Richmond economic revitalization initiative also helped launch the Construction Resource Center, which prepares local residents, contractors and construction companies for future economic development

projects in the region, along with Pogo Park Products, a for-profit, skills-training business staffed entirely by Iron Triangle residents that creates park designs and products for communities.

Another significant jolt coming to downtown is SAA|EVI's planned mixed-use development at 11th and 12th streets bringing 378 housing units and 54,000 square feet of commercial vibrancy to the corridor. The East Coast developer was just featured in a city-sponsored *San Francisco Business Times* insert as a "development without displacement" project.



Local business leaders tune in at the 2018 West Contra Costa Economic Summit on Wednesday, Oct. 24.

Meanwhile, local leaders such as Supervisor Gioia, who sits on the board of the Bay Area Air Quality Management District, has been leveraging public and private funding to position West County as a leader in the green energy sector.

“To the Richmond and Contra Workforce Development boards, you are going to be on the front lines for training our workforce entering the economy’s new jobs,” Gioia said.

And with expectations of a booming city, there is perhaps an expectation that Richmond will no longer be referred to as “just north of Silicon Valley.” And more importantly, perhaps common misperceptions about the city of Pride and Purpose will be further dispelled.

When talking to businesses, Mayor Butt found their number one concern prior to moving to Richmond was its negative reputation for public safety.

“They found that wasn’t accurate,” he said.

Can you blame them? After all, there are some out there who have been led to believe The Craneway Pavilion is in San Francisco.