

Industrial Lands Economic and Market Insights

This Memorandum (Memo) is a review of economic and market conditions of Priority Production Areas (PPA) in the Contra Costa County Northern Waterfront Economic Development area (NWED). This area is the focus of a Contra Costa County economic development initiative (NWEDI) to create 18,000 new jobs by 2035. The NWEDI leverages existing competitive advantages by focusing on five industry clusters: Advanced transportation, advanced manufacturing, biomedical/biotech, agriculture technology & food processing, and clean technology.

As described by the Metropolitan Transportation Commission (MTC), PPAs are “areas where clusters of industrial businesses can locate and be connected and well served by the region’s transportation network.” MTC requires that PPAs be:

- Zoned for industrial use or have predominantly industrial uses.
- Located outside Priority Development Areas and other areas within walking distance of a major rail commute hub.
- Located in jurisdictions with a certified housing element.

Information in this Memo is primarily informed by an online inventory of industrial lands in and around the seven NWED PPAs. The online inventory is an ongoing effort developed as part of the East Bay PPA Technical Assistance project. The PPAs include:

1. **Pacheco Manufacturing Zone.** This 4,700-acre PPA in unincorporated Contra Costa County is the largest PPA in the NWED. It is located northeast of the intersection of Interstate 680 (I-680) and State Route 4 (SR-4), north of the City of Concord and east of the City of Martinez. It includes an eastward “extension” along Contra Costa Canal that forms an approximately 100-acre bulb of land. The PPA is bisected by the Burlington Northern and Santa Fe (BNSF) and Union Pacific (UP) railways and includes regional airport Buchanan Field. Most of the land is zoned H-I (Heavy Industrial).
2. **Northern Concord PPA.** This 495-acre PPA includes two discontinuous areas in the City of Concord, both share borders with the Pacheco Manufacturing Zone PPA. One area is located immediately north of SR-4 and the other is immediately south of SR-4. The areas are primarily zoned Heavy Industrial (HI).
3. **Western Concord PPA.** This relatively small PPA includes two discontinuous areas in the City of Concord that total about 112 acres. The larger area is a pocket of Office Business Park (OBP), Industrial Business Park (IBP) and Industrial Mixed Use (IMU) zoning located south of Monument Boulevard immediately west of the Bay Area Rapid Transit (BART) right-of-way. The smaller area is east of the BART and zoned OBP.
4. **Baypoint Industrial Sector.** This 188-acre PPA is in unincorporated Contra Costa, within the City of Pittsburg Sphere of Influence (SOI). It is about 0.5 miles north of SR-4 and 7.5 miles east of I-680,

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directly south of the BNSF and UP railways. The entire PPA is zoned P-1 (Planned Unit) by Contra Costa County. PPA parcels are designated industrial by the P-1 ordinance.

5. **Northern Waterfront.** This 1,243-acre PPA is in northeastern Pittsburg, north of SR-4 and east of Downtown Pittsburg. The BNSF railway runs through the northern part of the PPA, and the UP runs through the southern part. Most of the land is zoned General Industrial, with small areas of Limited Industrial and Service Commercial in the south.
6. **Northern Waterfront Industrial Corridor.** Most of this 1,027-acre PPA is in the north/northeastern areas of the City of Antioch. The far northeastern corner of the PPA is in unincorporated Contra Costa but within Antioch's SOI. The PPA is about 1.0 miles north of SR-4 and 0.5 miles north of the UP railway. The northern half of the PPA is zoned Industrial while most of the southern half is zoned Commercial or Special/Study District.
7. **Oakley Employment Area.** This 758-acre PPA is in the northwest corner of the City of Oakley. It is immediately adjacent to the Northern Waterfront Industrial Corridor, just over 0.5 miles north of SR-4. The BNSF railway bisects the middle of the PPA. The PPA has mix of commercial, industrial, utilities and specific plan zoning.

1. *Economic and Industrial Market Data*

An examination of local and regional employment, workforce, and industrial real estate trends provides important insights into the competitive position of the Northern Waterfront for maintaining and growing the industrial sector. This section evaluates data on job composition and growth in the Northern Waterfront and adjacent areas relative to County-wide and regional trends and its manifestation in the industrial real estate market. It also evaluates the degree to which the local workforce is matched with industrial job opportunities.

Two important sources of real estate, job, and employment data are CoStar and the U.S. Census tool "OnTheMap." However, data from these sources are not uniformly available at the level of MTC's PPAs. Therefore, this analysis includes data for three inter-related geographies and five unique sub-markets developed based on available data. These are illustrated in **Figure 1** and represented on Tables 1 through 4. Except for the Pacheco Manufacturing Zone, the boundaries of the five sub-markets do not match the boundaries of the seven MTC PPAs. However, they offer a relevant window into local economic and real estate market dynamics using readily available data. The geographies and sub-markets are summarized below:

1.1 NWED GEOGRAPHIES

- **NWED:** Corresponds to the entirety of the Northern Waterfront area between Suisun Bay/San Joaquin River and SR-4, including both incorporated and unincorporated areas.

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- **NWED+6:** Includes the NWED area and adjacent incorporated portions of Hercules, Martinez, Concord, Pittsburg, Antioch and Oakley, which extend south and east of SR-4. This geography is used for workforce and employment data.
- **NWED+4:** Due to limitations on the availability of geographically-specific real estate market data, Section 4, Industrial Real Estate Trends, includes data for the NWED area and four major sub-markets that roughly correspond to the cities of Antioch, Concord, Pittsburg/Bay Point and Oakley.

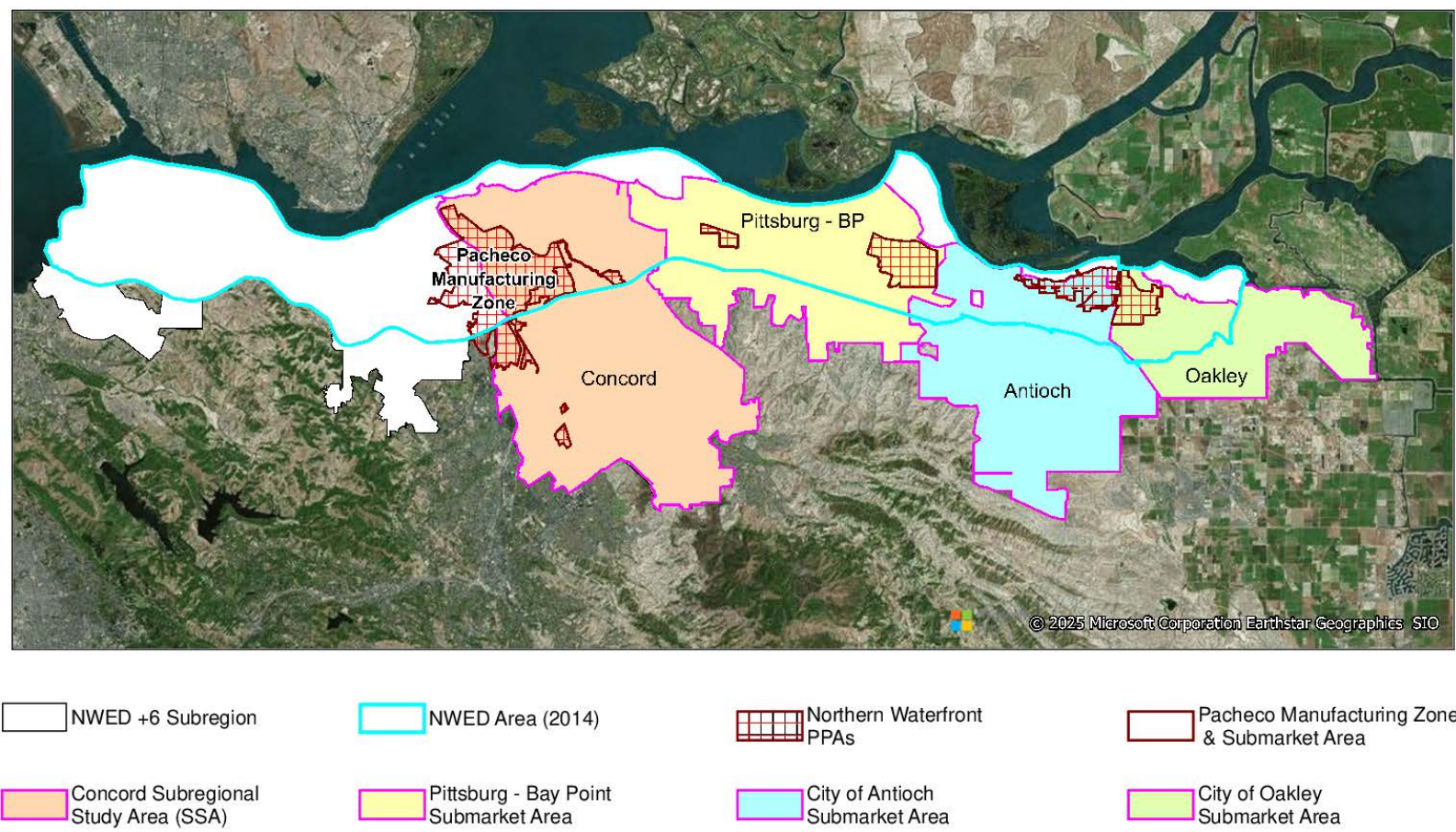
1.2 NWED SUB-MARKETS

The following five NWED sub-markets were selected to include cities within the NWED plus relevant adjacent unincorporated areas. Except for the Pacheco Manufacturing Zone sub-market, whose boundary matches that of the Pacheco Manufacturing Zone PPA, these are citywide sub-markets intended to capture market data surrounding the smaller PPAs.

- **Pacheco Manufacturing Zone.** This sub-market was adapted to the boundaries of the Pacheco Manufacturing Zone PPA, which crosses jurisdictional boundaries.
- **Concord Subregional Study Area (SSA).** This sub-market contains the Western Concord PPA and Northern Concord PPA.
- **Pittsburg-Bay Point.** This sub-market contains the Baypoint Industrial Sector PPA and Northern Waterfront PPA.
- **Antioch.** This sub-market contains the Northern Waterfront Industrial Corridor PPA.
- **Oakley.** This sub-market contains the Oakley Employment Area PPAs.

There are no PPAs and no sub-markets in or west of Martinez.

Figure 1: Map of NWED Geographies and Sub-Markets



1.3 RELATIONSHIP TO THE CONTRA COSTA GREEN EMPOWERMENT ZONE

The [Green Empowerment Zone](#) (GEZ) is a designated economic development initiative that aims to drive a transition to clean energy manufacturing and related industries in California's Bay Area. It is primarily focused on the Northern Waterfront area of Contra Costa County and extends to parts of Solano County. Geographically, the GEZ encompasses all seven PPA's in the NWED area. It extends beyond the PPAs to include all of Brentwood, El Cerrito, Hercules, Oakley, Pinole, Richmond, San Pablo, the Byron Airport and adjoining unincorporated land in Contra Costa County, Vallejo, Benicia, and adjoining unincorporated land in southern Solano County.

Pursuant to California Government Code Section 7599.100, the purpose of the GEZ is to build upon the comparative advantages provided by the regional concentration of highly skilled energy industry workers by prioritizing access to tax incentives, grants, loan programs, workforce training programs, and private sector investment in the renewable energy sector.

The primary duties of the GEZ are as follows:

- Identify projects and programs that leverage federal, state, local, and private sector resources to support the development of the clean energy economy in the Northern Waterfront area.
- Work with members of the state's congressional delegation and relevant federal interagency task forces, to gain federal support for projects identified by the GEZ as critical to the region's energy economy.
- Partner with the University of California, other research and educational institutions, and private foundations to provide guidance and support of studies significant to the energy industry in the Northern Waterfront area.
- Review state policies and regulations to ensure they benefit the state's diverse geographic regions, including the Northern Waterfront area, and assess the need for more efficient alternative approaches.
- Make recommendations to the Governor that would improve the economic well-being of the region and the quality of life of its residents.
- Create and maintain an internet website that is managed and updated by an entity designated by the GEZ board of directors.

The GEZ can help advance a subset of NWEDI goals, particularly in sustainable economic revitalization. Both the GEZ and NWEDI address the Northern Waterfront area and emphasize job creation, workforce development, and growth of clean manufacturing in an area with disadvantaged communities historically burdened by the fossil fuel industry. Where the NWEDI provides a broad strategy that covers five industry clusters, of which clean tech is one, the GEZ focuses on clean energy only. However, the clean energy policy and regulatory recommendations made by GEZ will cover the entire NWED area (as well as areas

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outside the Northern Waterfront and Contra Costa County). As such, the work of the two efforts will overlap, particularly regarding areas of the NWED impacted by traditional industry.

2. *Employment Trends*

Table 1 compares industrial job growth trends in the Northern Waterfront and the Bay Area between 2002 and 2022 (most recent year available) based on data from the Census and Bureau of Labor Statistics.¹ Overall, jobs in the Association of Bay Area Governments (ABAG) Region grew by about 26 percent over this period (about 1.1 percent annually), with largest gains fueled by technology sectors and centered in the San Francisco and Silicon Valley markets. Industrial sectors experienced positive job growth throughout the nine-county Bay Area, adding almost 50,000 total jobs. However, the share of industrial jobs relative to the total economy has declined, dropping from 26 percent to 22 percent of total jobs from 2002 through 2022. This decline in the relative share of industrial jobs mirrors national trends and can be attributable to a variety of factors, including increased worker productivity, outsourcing to lower cost markets, and the emergence of other sectors (e.g., high technology, health care, services). MTC's PPA program is intended to preserve and expand industrial jobs as a key piece of the region's economy.

Job growth in Contra Costa County and the northern waterfront, as well as in industrial sectors, has lagged regional trends. Industrial jobs currently represent a smaller share of the economy in the NWED and adjacent incorporated cities (18 percent in NWED +6) relative to the Bay Area (22 percent) and Alameda County (29 percent). This economic profile mirrors the composition of Contra Costa County as a whole, as industrial jobs account for 16 percent of County jobs. This makes sense, given that the NWED+6 area includes the entirety of the incorporated cities of Hercules, Martinez, Concord, Pittsburg, Antioch, and Oakley, which contain a diversity of jobs. While industrial sectors are slightly more prevalent when looking at the NWED area exclusively (24 percent of total jobs), the NWED area accounts for a relatively small share of total jobs in Contra Costa County (about 67,340 out of 380,000 County jobs, or 18 percent).

¹ For the purposes of this analysis, the industrial sectors are inclusive of NAICS manufacturing, wholesale trade, transportation and warehousing, administrative support & waste management and remediation, and utilities sectors.

TABLE 1 NWED, REGIONAL, AND SUB-MARKET JOB GROWTH 2002-2022

Location	2002 Jobs			2022 Jobs			2002 - 22 Growth in Industrial Jobs	
	All Jobs	Industrial Jobs ¹	Industrial as % of total	All Jobs	Industrial Jobs ¹	Industrial as % of total	Amount	% Change
Regional / Sub-Regional Overview								
ABAG Region	3,197,984	842,520	26%	4,015,993	890,980	22%	48,460	6%
Alameda County	690,591	207,200	30%	819,506	233,936	29%	26,736	13%
Solano County	117,832	24,902	21%	137,071	25,985	19%	1,083	4%
Contra Costa County	324,318	55,682	17%	379,038	60,717	16%	5,035	9%
NWED +6²	119,131	22,738	19%	140,768	25,299	18%	2,561	11%
NWED Area³	56,256	13,673	24%	67,340	16,391	24%	2,718	20%
Selected NWED Sub-markets⁴								
Pacheco Mfg. Zone ⁵	6,279	3,279	52%	4,496	1,851	41%	(1,428)	-44%
Concord Subregional Study Aea (SSA) ⁵	59,095	11,984	20%	62,861	12,093	19%	109	1%
Pittsburg-Bay Point	13,361	3,576	27%	16,346	3,280	20%	(296)	-8%
Antioch	16,882	2,184	13%	23,290	3,262	14%	1,078	49%
Oakley	<u>2,689</u>	<u>362</u>	<u>13%</u>	<u>4,638</u>	<u>587</u>	<u>13%</u>	<u>225</u>	<u>62%</u>
Subtotal	98,306	21,385	22%	111,631	21,073	19%	(312)	-1%

[1] Includes manufacturing, wholesale trade, transportation and warehousing, administrative support / waste management and remediation, and utilities jobs.

[2] Represents all jobs in the NWED area and adjacent incorporated portions of Hercules, Martinez, Concord, Pittsburg, Antioch, and Oakley.

[3] Corresponds to Contra Costa County's northern waterfront area north of SR-4, including both incorporated and unincorporated areas.

[4] Includes data for cities within the NWED plus salient and adjacent unincorporated areas. Excludes Martinez and sub-markets to the west (potential for negligible overlap between Pacheco and Concord)

[5] The Tesoro (Marathon) Refinery site is included in both the Pacheco and Concord sub-market areas. It was active in 2002 was idled and shutdown in 2020 and is being converted from the processing of crude oil to the processing of renewable feedstocks.

Source: U.S. Census Bureau, "OnTheMap," <https://onthemap.ces.census.gov>, accessed during October and November 2025.

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Other salient conditions and trends in the northern waterfront's employment profile relative to the regional economy are highlighted below.

- Industrial jobs in Contra Costa County grew by about nine percent during the 20-year period compared to six percent for the Bay Area as a whole. Meanwhile, neighboring Alameda County has seen higher industrial growth: this sector currently represents about 29 percent of total jobs and grew by about 13 percent from 2002 through 2022.
- The industrial sectors in the NWED Area experienced relatively strong job growth over the 2002 through 2022 period at 20 percent, outpacing regional trends but still below job growth for all sectors in the total Bay Area employment at 26 percent. That said, job growth in the five NWED sub-markets examined varied significantly, with Antioch and Oakley leading the way and other areas experiencing industrial job losses. Further details on each sub-market are provided below.

3. *Workforce and Commute Trends*

The size and qualifications of the local workforce are important indicators of a region's competitive position. While employers often seek to locate in areas that have a sufficient supply of qualified workers within an efficient commuting distance, this is not always possible. Indeed, labor shortages have become an increasing challenge throughout the Bay Area where the cost of housing makes it difficult for medium to lower paid workers to afford to live. This section examines these dynamics in the Northern Waterfront based on several inter-related data points, including labor force attributes, the ratio of jobs to workers, and commute trends.

Table 2 compares trends in the Northern Waterfront workforce growth to job ratios between 2002 and 2022 against regional benchmarks. While the Bay Area's workforce grew modestly over the last two decades, it has not kept pace with job growth (21 percent to 26 percent growth, respectively). This means that, overall, the region must import workers, including in industrial sectors. Specifically, as of 2022, the ratio of total workers to jobs in the Bay Area was approximately .91 (i.e., about nine workers for every 10 jobs). This modest imbalance that masks significant differences within the nine-county region and has led to increased commute times, as described further below.

Meanwhile, Contra Costa County and NWED+6 have exhibited pronounced trends in the opposite direction – significantly more workers than jobs –a circumstance that is even more acute for industrial sectors. For example, the ratio of industrial workers to industrial jobs in Contra Costa County and NWED+6 area stands at about 1.68 and 1.67, respectively (the ratio is 1.38 for all workers to jobs), meaning that there are over 1.6 workers for every industrial job, and both geographies export substantial industrial workers to other regions. About 17,000 resident industrial workers from NWED+6 commuted to other job locations in 2022.

TABLE 2 NWED, REGIONAL, AND SUB-MARKET RESIDENT INDUSTRIAL WORKFORCE -TO-JOB RATIO 2002-2022

Location	2002 Employed Residents			2022 Employed Residents			Ratio: Ind. Workforce to Ind. Jobs		2002 - 22 Growth in industrial Workers	
	All Employed Residents	Industrial Workers ¹	Industrial as % of total	All Employed Residents	Industrial Workers ¹	Industrial as % of total	2002	2022	Amount	% Change
Regional / Sub-Regional Overview										
ABAG Region	3,042,299	781,281	26%	3,683,386	809,378	22%	0.93	0.91	28,097	4%
Alameda County	666,403	183,496	28%	801,985	186,001	23%	0.89	0.80	2,505	1%
Solano County	147,749	34,479	23%	203,417	44,783	22%	1.38	1.72	10,304	30%
Contra Costa County	430,362	91,515	21%	523,668	101,811	19%	1.64	1.68	10,296	11%
NWED +6²	181,615	39,529	22%	210,716	42,310	20%	1.74	1.67	2,781	7%
NWED Area³	65,057	14,357	22%	71,796	15,039	21%	1.05	0.92	682	5%
Selected NWED Sub-markets⁴										
Pacheco Mfg. Zone ⁵	549	106	19%	382	71	19%	0.03	0.04	(35)	-33%
Concord (SSA) ⁵	57,704	12,048	21%	58,601	10,733	18%	1.01	0.89	(1,315)	-11%
Pittsburg-Bay Point	32,628	7,209	22%	41,971	8,759	21%	2.02	2.67	1,550	22%
Antioch	42,222	9,790	23%	50,288	10,897	22%	4.48	3.34	1,107	11%
Oakley	<u>12,123</u>	<u>2,873</u>	<u>24%</u>	<u>20,066</u>	<u>4,330</u>	<u>22%</u>	<u>7.94</u>	<u>7.38</u>	<u>1,457</u>	<u>51%</u>
Subtotal	145,226	32,026	22%	171,308	34,790	20%	1.50	1.65	2,764	9%

[1] Includes manufacturing, wholesale trade, transportation and warehousing, waste management and remediation, and utilities jobs.

[2] Represents all workers employed in the NWED area and adjacent incorporated portions of Hercules, Martinez, Concord, Pittsburg, Antioch, and Oakley.

[3] Corresponds to Contra Costa County's northern waterfront area north of SR-4, including both incorporated and unincorporated areas.

[4] Includes data for cities within the NWED plus salient and adjacent unincorporated areas. Excludes Martinez and sub-markets to the west (potential for negligible overlap between Pacheco and Concord)

[5] The Tesoro (Marathon) Refinery active in 2002 was idled and shutdown in 2020 and is being converted from the processing of crude oil to the processing of renewable feedstocks.

Source: U.S. Census Bureau, "OnTheMap," <https://onthemap.ces.census.gov>, accessed during October and November 2025.

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By comparison, in neighboring Alameda County, the ratio of resident industrial workers to industrial jobs has decreased due to relatively fast industrial job growth. Alameda County has a ratio of 0.80 resident industrial workers for each local industrial job, resulting in a net estimated shortfall of about 47,900 industrial workers in 2022. All of this suggests Contra Costa County has potential to employ more of its resident workforce locally if such jobs were available.

Worker to job trends directly impact local and regional commute patterns. As illustrated in **Table 3**, travel distances for both NWED+6 employed residents and workers have increased significantly over the last 20 years. For example, the proportion of NWED+6 residents with commutes longer than 50 miles increased from about 8 percent in 2002 to 12 percent in 2022, while employed residents with commute distances less than 10 miles declined from about 36 percent to 29 percent during the same period. Meanwhile, commute distances for NWED+6 workers increased even more dramatically during the same period (greater than 50 miles up from 10 percent to 15 percent and less than 10 miles down from 47 percent to 39 percent). People who live in NWED+6 jurisdictions are driving farther to get to jobs, and workers who are employed in NWED+6 are driving into the area from farther away.

Individual NWED sub-markets exhibit important differences in terms of workforce to job ratios. For example, the NWED and NWED+6 both experienced small improvements in worker to job balances. Likewise, the western Pacheco Manufacturing Zone and the Concord SSA have more jobs than residents, whereas the more eastern Pittsburg-Bay Point, Antioch, and Oakley sub-markets send more of their resident workforce to other locations. These internal dynamics often reflect localized land use and regulatory factors (e.g., zoning) as much if not more than economic fundamentals. Specific NWED sub-market differences are discussed further in subsequent sections.

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TABLE 3 NWED +6 LOCAL WORKER AND RESIDENT WORKFORCE COMMUTE TIMES 2002 AND 2022

Commute Distance	Commute Patterns of NWED +6 Workers ¹				Commute Patterns of NWED +6 Residents ²			
	2002		2022		2002		2022	
	#	%	#	%	#	%	#	%
Less than 10 miles	56,343	47.3%	54,272	38.6%	65,942	36.3%	61,636	29.3%
10 - 24 miles	33,911	28.5%	40,321	28.6%	58,954	32.5%	64,675	30.7%
24 - 50 miles	17,570	14.7%	23,812	16.9%	42,611	23.5%	58,514	27.8%
50+ miles	<u>11,307</u>	<u>9.5%</u>	<u>22,363</u>	<u>15.9%</u>	<u>14,108</u>	<u>7.8%</u>	<u>25,891</u>	<u>12.3%</u>
Total	119,131	100.0%	140,768	100.0%	181,615	100.0%	210,716	100.0%

[1] Represents all workers employed in the NWED area and the incorporated portions of Hercules, Martinez, Concord, Pittsburg, Antioch, and Oakley.

[2] Represents all employed residents living in the NWED area and the incorporated portions of Hercules, Martinez, Concord, Pittsburg, Antioch, and Oakley.

Source: U.S. Census Bureau, "OnTheMap," <https://onthemap.ces.census.gov>, accessed during October and November 2025.

4. Industrial Real Estate Trends

The market profile for industrial real estate sectors reflects the physical manifestation of the economic conditions described in previous sections. Accordingly, this section evaluates industrial real estate performance metrics within the NWED sub-markets —existing inventory, average lease rates, vacancy rates, 5-year net absorption, and 5-year net deliveries — to further document the area's competitive attributes and locational differences as viewed by tenants and developers. Again, due to limitations on the availability of geographically-specific real estate market data, this section focuses on four major NWED sub-markets that include industrial space in the PPAs as well as the cities of Antioch, Concord, Pittsburg/Bay Point and Oakley (referred to as NWED+4).

Specific metrics examined include:

- **Inventory size** shows the scale of available industrial space and growth capacity.
- **Lease rates** reveal how much tenants' value location, access, and building quality. Higher rates signal strong demand and desirable products.
- **Vacancy rates (2025 YTD)** indicate immediate balance between supply and demand; low vacancies reflect tightness and pricing power, while high vacancies warn of oversupply or weakening demand.

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- **5-year net absorption** measures actual occupied space growth. Positive absorption confirms sustained tenant demand.
- **5-year net deliveries** track new supply added; when deliveries consistently outpace absorption, upward pressure on vacancy and downward pressure on rents follow.

Comparing these metrics across the NWED+4 sub-markets, **Table 4** highlights relative strengths: a sub-market with large positive absorption, low vacancy, and higher rents typically enjoys superior access (port, rail, freeway), modern functional space, or clustering advantages, making it more competitive for logistics, manufacturing, and distribution users. Conversely, sub-markets with flat or negative absorption, elevated vacancies, and stagnant or falling rents often face constraints such as older stock, site remediation issues, or poorer connectivity, signaling higher risk or value-add opportunities. When combined with additional information like average parcel size, real estate market indicators provide insights into sub-market performance and help target where NWED-targeted industrial developers may be more likely to find suitable locations to develop.

- **Industrial Inventory:** Overall, Industrial properties in the NWED+4 sub-markets contain more than 20 million square feet of industrial space, representing approximately 10 percent of the East Bay total (Alameda and Contra Costa Counties). Warehouse and distribution space, often referred to as logistics, accounts for about 68 percent of the total, compared to almost 30 percent oriented towards manufacturing uses. A focus on logistics-related activity reflects the Northern Waterfront's rail, port, and freeway connections and lower land costs relative to other inner Bay Area markets.
- **Lease and Vacancy Rates:** The weighted average vacancy rate of about 5 percent for the NWED+4 sub-markets indicates generally strong demand-supply dynamics balance. California is currently averaging 6.5 to 7.5 percent vacancy rates, up from the years of sub-5-percent vacancies during and immediately after the COVID-19 pandemic. The weighted average lease rate for NWED+4 is about \$15.21 per square foot, compared to about \$16.30 for the East Bay as a whole.
- **Deliveries and Absorption:** Post-pandemic construction and absorption have contracted sharply due to high capital, construction material, and labor costs; tighter lending; tariff policy; economic uncertainty; and softening demand. While the NWED+4 sub-markets increased inventory by 8 percent over the last five years, this bump was almost entirely attributable to pre-leased space like the Amazon DF02 fulfillment Center in Oakley's Contra Costa Logistics Center. Speculative industrial development has fallen off almost entirely and some sub-markets, such as Antioch and Pittsburg-Bay Point, saw low or negative absorption due to aging inventory and attrition from relocations and downsizing.
- **Parcel Size:** Larger industrial parcels can provide strong investment and expansion opportunities for developers and end-users. The Northern Waterfront area benefits from relatively abundant land availability, albeit of varying developable quality. The average parcel size is about 10 acres in the NWED PPAs and about 4 acres within incorporated areas.

TABLE 4 INDUSTRIAL REAL ESTATE TRENDS FOR SELECTED NWED SUB-MARKETS

Description	Concord SSA ¹		Pittsburg – Bay Point		Antioch		Oakley ²		Total / Wgt. Avg.	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<u>Industrial Square Feet by Category</u>										
Distribution	176,791	2%	0	0%	25,200	1%	1,400,000	66%	1,601,991	8%
Manufacturing	899,400	11%	4,100,000	55%	989,000	28%	98,200	5%	6,086,601	29%
Warehouse	6,537,288	81%	3,300,000	44%	2,200,000	63%	577,000	27%	12,614,290	60%
Other (Approximate)	<u>436,493</u>	<u>5%</u>	<u>61,000</u>	<u>1%</u>	<u>262,800</u>	<u>8%</u>	<u>41,800</u>	<u>2%</u>	<u>802,093</u>	<u>4%</u>
Total Industrial Square Feet (2025 YTD)	8,049,972	100%	7,460,870	100%	3,477,285	100%	2,117,130	100%	21,105,260	100%
% of Total	38%		35%		16%		10%		100%	
<u>Market Performance Indicators</u>										
Average Lease Rates	\$18.65		\$15.75		\$8.01		\$12.00		\$15.21	
Vacancy Rate (2025 YTD)	3.7%		7.5%		5.4%		0.1%		5.0%	
5-Year Net Absorption	2,822		39,871		-146,737		1,645,085		1,541,041	
Deliveries (5 year total)	144,645		0		0		1,646,735		1,791,380	
<u>Average Industrial Parcel Size³ in PPAs</u>										
	1-2 Acres, Northern and Western Concord PPAs 17 acres, Pacheco Mfg. Zone		22 acres, Pittsburg Northern Waterfront and Bay Point Industrial Sector PPAs		7 acres, Antioch Northern Waterfront Industrial Corridor PPA		11.5 acres, Oakley Employment Zone PPA		9.9 acres, for all PPAs in NWED +6 Area.	
<u>Average Industrial Parcel Size³ in Incorporated Areas</u>										
	1.5 acres		6.4 acres		5 acres		10.75 acres		4 acres	

[1] Concord SSA real estate information in this table includes some of the Pacheco Manufacturing Zone PPA

[2] Average of 2018-2020 rates used for Oakley, no more recent rent data available from CoStar.

[3] Average acreage based on 2024-2035 Assessor's parcel boundaries and land use coding.

Source: CoStar, Contra Costa County Assessor 2024-2025 parcel data, EPS

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4.1 NWED SUB-MARKET ECONOMIC AND REAL ESTATE DYNAMICS

While the conditions and trends described above provide important context for understanding competitive prospects in the Northern Waterfront overall, there are important differences between the five major industrial sub-markets reviewed in this report. The sub-markets exhibit graduated differences from west to east that affect their appeal to various industry clusters. This section describes sub-market variations in terms of their economic and industrial market performance and in relation to specific locational attributes. Again, this section uses specific geographic areas created by EPS to reflect the conditions in the PPAs, but the geographic boundaries do not match the PPA areas because relevant data is not available on the scale of the PPAs. Looking at data for larger areas allows examination of market inter-relationships.

- **Western NWED (Hercules, Martinez, Pacheco Manufacturing Zone, Concord):** This segment is closer to UC Berkeley, Lawrence Berkeley National Lab, and the emerging Tesla/advanced transportation corridor along I-680. This proximity is attractive to R&D-intensive manufacturing, clean-tech, and EV-supply-chain users. Industrial parcels in the Western NWED are relatively small, averaging 1-2 acres, so these western PPAs have limited appeal for large-scale distribution. Average building sizes are modest in comparison to the potential for the Pacheco Manufacturing Zone, where average industrial parcel size is about 17 acres.
- **Eastern NWED (Bay Point, Pittsburg, Antioch, Oakley):** This segment provides a more direct gateway to the Central Valley via SR-4 and SR-160, offering abundant lower-cost land, rail-served land, and significantly larger average parcel sizes. These attributes have greater potential to accommodate 500,000–1M+ square feet buildings for e-commerce, food/ag processing, cold storage and warehousing, and third-party logistics serving Northern/Central California populations, as well as developers seeking larger advanced industry sites.

4.1.1 PACHECO MANUFACTURING ZONE

CoStar coverage is not comprehensive for extensive unincorporated areas like the Pacheco Manufacturing Zone. Given difficulty in gathering industrial real estate data unique to the Pacheco Manufacturing Zone, the market size and performance indicators have been aggregated within the Concord SSA. County assessor records indicate approximately 2.3 million square feet of industrial space on 261 acres, and about 344 acres of vacant industrial parcels, though these figures may be reduced by wetlands and utility easements. Parcel sizes average 17 acres, but there are also many smaller 2- to 10-acre lots.

At 4,700 acres, the Pacheco Manufacturing Zone is geographically the largest NWED sub-market, spanning unincorporated Contra Costa along the Carquinez Strait within the spheres of influence of Martinez, Concord, and Pleasant Hill, and offering direct access to rail, pipelines, and marine terminals. That said, with only about 6,280 total jobs and 550 employed residents as of 2022, the zone represents a relatively small share of overall economic activity in the NWED sub-markets. As of 2022, the Pacheco Manufacturing Zone had roughly 1,850 industrial jobs, representing 41 percent of local employment, the highest share

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among sub-markets and more than double the NWED+6 average. However, only 48.9 percent of these jobs were filled by Contra Costa County residents, compared to 56 percent for the NWED area and 48.7 percent countywide.

The Tesoro (Marathon) Golden Eagle Refinery was idled in May 2020 during the COVID-19 fuel demand decline and later converted to a Marathon Biofuels facility, which began production in 2023 and currently operates on about 40 percent of the 850-acre site. The conversion reduced operating employment, making Pacheco the only sub-market to experience declines in both total and industrial jobs between 2002 and 2022. The former Tesoro Refinery site is adjacent to the Martinez waterfront industrial corridor and near I-680. The part of the site not occupied by the Marathon Biofuels facility represents a prime redevelopment opportunity.

With proximity to UC Berkeley, Lawrence Berkeley National Lab, and the Tesla/advanced transportation corridor, combined with rail and roadway access, competitive lease rates, and relatively larger parcel sizes, the Pacheco Manufacturing Zone is well-suited for Advanced Manufacturing, Biomedical/Biotech, and Clean Tech clusters. Key challenges include brownfield remediation and flood and sea-level rise risks.

4.1.2 CONCORD SSA

The Concord SSA sub-market encompasses the City of Concord, including the Northern and Western Concord PPAs (the real estate data also includes the Pacheco Manufacturing Zone PPA). The Concord SSA currently has the largest industrial sector in the NWED +4 market (over 8 million square feet or 38 percent of the total), as well as highest lease rates and below average vacancy rates, driven by specialized, high-value advanced manufacturing tenants willing to pay premiums for smaller and more modern facilities. Excluding the Pacheco Manufacturing Zone, the Concord SSA has the smallest average industrial parcel size among all sub-markets, around 1.5 acres.

Along with the adjacent Pacheco Manufacturing Zone, the Concord SSA is one of only two sub-markets with a surplus of jobs relative to its resident workforce. In 2022, the Concord SSA had approximately 62,860 total jobs compared to 58,600 total employed residents, resulting in a modest net worker inflow of about 7 percent. Industrial employment in Concord SSA totaled about 12,090 jobs, or 19 percent of local employment: below the average for the Bay Area as a whole (22 percent) and NWED (24 percent), but close to the 18 percent share for the broader NWED+6 area.

The above attributes position the Concord SSA well for Advanced Manufacturing and Advanced Transportation Technologies, particularly firms seeking smaller lots and facilities as automation reduces on-site labor needs. Key challenges include lengthy permitting and CEQA review, and aging utility infrastructure.

4.1.3 PITTSBURG-BAY POINT

Pittsburg–Bay Point is second behind the Concord SSA among the four NWED jurisdictions in terms of the size of its industrial sector at about 7.5 million square feet, or 35 percent of the total. Additionally, as shown in Table 4, it is the only NWED sub-market to have a preponderance of manufacturing space rather

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than logistics space. Industrial employment totaled roughly 3,280 jobs, or 20 percent of local employment.

Strategically located between the Central Valley, Antioch's AMPORTS terminal, and the I-680 advanced transportation corridor, the Bay Point area offers strong rail, roadway, and Delta waterway access, moderate lease rates, and large industrial parcels averaging 22 acres. These attributes align well with Food & Beverage Processing, cold storage, and Advanced Transportation Technologies.

Incorporated Pittsburg, with parcels averaging 6.4 acres citywide and 22 acres in its Northern Waterfront PPA, provides municipal services and is well suited for Advanced Manufacturing and Clean Tech clusters. Key challenges include SR-4 congestion, limited rail grade separations, aging power infrastructure, and flood and sea-level rise risks.

4.1.4 ANTIOCH

Antioch's industrial inventory is smaller than Concord and Pittsburg–Bay Point, with 3.48 million square feet of mostly older flex and light-industrial space. There have been minimal new deliveries, only 150,000 square feet over the past decade and none in the last five years. This, combined with softening of e-commerce and last-mile distribution, contributed to a five-year net negative absorption of –147,000 square feet. Antioch also maintains low average lease rates (about \$8.00 per square foot), compared to the other NWED +4 sub-markets.

The city benefits from proximity to PG&E's Gateway and Marsh Landing generating stations, which provide 2,250 MW of capacity, and from DTSC-listed brownfield sites that offer redevelopment opportunities for Clean Tech industries. Existing chemical-related operations, relatively low lease rates, and large parcel sizes position Antioch well for Advanced Manufacturing and Clean Tech clusters. Additionally, the new AMPORTS terminal and vehicle processing facility enhances Antioch's role as an emerging logistics gateway, particularly for Advanced Transportation and EV supply chains, complementing nearby facilities like the Contra Costa Logistics Center in Oakley. Challenges include flood risks and legacy contamination requiring CEQA review.

Industrial employment in Antioch totaled about 3,260 jobs (14 percent of local employment), in 2022 the second-lowest share among sub-markets and below the NWED average of 24 percent and NWED+6 average of 18 percent.

4.1.5 OAKLEY

Oakley has the smallest employment base and industrial inventory among the five examined sub-markets. However, about 78 percent of the City's industrial inventory represents newly delivered space absorbed within the last 5 years by pre-leased uses such as the large Amazon fulfillment and sortation centers in Oakley's Contra Costa Logistics Center Complex. With most of its industrial inventory new and pre-leased, Oakley currently has a very low vacancy rate (0.1percent) and below average lease rates (about \$12.00 per square foot), compared to higher lease rates in the sub-markets west of Antioch. While the City

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recorded only 4,640 total jobs as of 2022 (and only 13 percent in industrial sectors) this number likely increased since 2022 from additional development.

Oakley's proximity to the Central Valley, multimodal access to rail, roadways, and Delta waterways, competitive industrial lease rates, and large average parcel size (11.5 acres) make it well suited for Food & Beverage Processing and related warehousing uses such as cold storage. The Contra Costa Logistics Center in Oakley complements nearby facilities like Antioch's AMPORTS terminal and vehicle processing hub. Challenges include farmland conversion constraints within the Oakley Employment Area PPA and uncertainty around tariff policies. Future tariffs on processed food could favor regional supply centers like Central Valley and potentially increase eligibility for Resilient Food Systems Infrastructure (RFSI) grants.