

ECONOMIC DEVELOPMENT ELEMENT

INTRODUCTION

In addition to the City's business retention and expansion program, the City Council's adopted Economic Development Strategy addresses supporting businesses proposing appropriate projects within the scope of the General Plan.

The Economic Development Strategy engages and is consistent with previous work conducted by the Chamber of Commerce and several City-initiated studies including the following:

Economic Opportunities Analysis Final Report (Applied Development Economics)
Approved October 31, 1995

Business Development Marketing Strategy (Applied Development Economics)
Approved January 13, 1998

Redevelopment Plan Implementation Strategy (Urban Futures, Inc.)
Adopted June 8, 1999

Home Based Business Plan (Applied Development Economics)
Approved January 25, 2000

Current Employment Composition –

The San Luis Obispo Council of Governments 1999 Regional Profile states that an estimated annual average employment by industry in the San Luis Obispo Region includes 75% of the county's workforce employed in the areas of Government, Trade, and Services. Retail Trade alone constitutes 21.2% of the County workforce. More specifically, in 1999, San Luis Obispo County estimated an annual average employment by industry as follows:

Government	25%
Trade	25%
Services	24%
Manufacturing	8%
Finance, Insurance, and Real Estate	5%
Construction and Mining	5%
Transportation and Public Utilities	5%
<u>Farming</u>	<u>3%</u>
TOTAL	100%

According to the California Employment Development Department, Arroyo Grande's labor force in April 1999 was 7,190 with 6,950 employed and 240 people unemployed (a rate of 3.4%). Arroyo Grande's percentage of the countywide employment base was 6.6%. Resident population in the City of Arroyo Grande represents 6.5% of the County's total population. Despite this apparent "jobs-housing balance", Arroyo Grande is often referred to as a "bedroom" community since many residents commute to neighboring San Luis Obispo or Santa Maria for employment opportunities.

Creating a balanced economic image for the City is outlined in the Economic Development Strategy. First and foremost, the existing job base needs to be nurtured and protected. In addition to the business retention and expansion program, the City of Arroyo Grande needs to

provide additional “base level” jobs for its residents, keeping in mind that the companies need to meet the community’s needs. It is important to recognize the difference between “base level” and “support level” jobs. Base level jobs bring dollars into the area, while support level jobs circulate the dollars already within the community. Base level jobs import dollars into the City’s economy while support level jobs keep those dollars from being exported.

OBJECTIVES, POLICIES AND IMPLEMENTATION MEASURES

COMMUNITY IMAGE ENHANCEMENT

OBJECTIVE **ED1 Create an economic development marketing program to enhance the City’s balanced image and implement the Redevelopment Plan Implementation Strategy**

POLICIES ED1-1 Develop a long range, comprehensive marketing program to promote the City, consistent with the City’s Redevelopment Plan Implementation Strategy and the Home-Based Business Development Plan

ED1-2 Create a balanced economic image for the City of Arroyo Grande

ED1-3 Encourage investment and create an awareness of local business opportunities within the Redevelopment Project Areas

ED1-4 Promote awareness of pending improvements and plans for community development in cooperation with other City departments

**IMPLEMENTATION
MEASURES**

ED1-1.1 Prepare an annual marketing program consistent with the long-range, comprehensive marketing program

ED1-1.2 Implement community signage and landscaping design program as outlined in the Redevelopment Plan Implementation Strategy

ED1-1.3 Develop coordinated promotional marketing materials for the City and the Redevelopment Agency, including advertising, utilizing the Internet

ED1-1.4 Leverage limited marketing dollars with the Economic Vitality Corporation (EVC) of San Luis Obispo County, the Central Coast Marketing Team, and the California Trade and Commerce Agency’s “Team California” to increase the visibility of the City’s Economic Development and Redevelopment Programs

ED1-1.5 Cultivate community pride and participation by local residents and businesses

ED1-1.6 Conduct, promote, and encourage training workshops through the Arroyo Grande Valley Chamber of Commerce, the San Luis Obispo County/Santa Barbara County Small Business Development Center, and the Cuesta College Institute for Professional Development

ED1-1.7 Continue implementing community outreach program including active participation with the Arroyo Grande Valley Chamber of Commerce, the Village Improvement Association, and local service clubs

ED1-1.8 Promote the Economic Vitality Corporation's Revolving Loan Fund and Micro-loan programs to Arroyo Grande businesses

ED1-1.9 Collaborate with support organizations that contribute to the economic well-being of Arroyo Grande, including, but not limited to, the Arroyo Grande Chamber of Commerce, Edna Valley/Arroyo Grande Valley Vintners Association, Economic Vitality Corporation, Cal Poly, Cuesta College, California Association for Local Economic Development, California Downtown Association, International Council for Shopping Centers, American Economic Development Council, the California Redevelopment Association, and the UCSB Economic Forecast Project

OFFICE, MIXED USES, AND LIGHT MANUFACTURING

OBJECTIVE **ED2 Enhance business retention and expansion consistent with the General Plan Land Use Policies to promote and enhance baseline job opportunities within the City for local residents**

POLICIES ED2-1 Encourage adequate infrastructure to support business expansions and new development

ED2-2 Continue outreach and networking with industry groups, real estate brokers, developers, and others including accountants, lenders, and attorneys to promote and enhance baseline job opportunities within the City for local residents

ED2-3 Encourage City Council/Planning Commission to identify areas in the General Plan with opportunities for retaining and expanding businesses

ED2-4 Continue to balance economic goals with strong policies and programs that promote and maintain the community's environment, quality of life, and rural character

IMPLEMENTATION
MEASURES

ED2-1.1 Assist the City's small business community in retaining and expanding businesses

ED2-1.2 Implement the Economic Vitality Corporation of San Luis Obispo County's Business Retention and Expansion Program and review the findings of the business trends to develop programs and policies appropriate for Arroyo Grande

ED2-1.3 Continue to coordinate "one-stop" development-related staff meetings with businesses prior to submission of any formal applications to City

ED2-1.4 Encourage real estate brokers to share building/land availability data with Economic Development Department staff

ED2-1.5 Implement elements of the Home-Based Business Development Plan at appropriate levels, based on needs of home-based business owners

ED2-1.6 Provide pertinent information on business development opportunities in Arroyo Grande to business owners, property owners, tenants, site locators, and other agencies

ED2-1.7 Identify workforce training services and programs at Lucia Mar Unified School District, (including School to Career i.e., work experience, R.O.P.), Cuesta College's Institute for Professional Development, the Small Business Development Center, the Employment Development Department, and the Private Industry Council

ED2-1.8 Encourage business participation in the General Plan Update process

AGRICULTURE

OBJECTIVE ED3 Encourage and support the retention and expansion of Agriculture business activities

POLICIES ED3-1 Encourage adequate support services and resources to maintain economically viable commercial agriculture

ED3-2 Recognize and investigate value-added agricultural opportunities

IMPLEMENTATION
MEASURES

ED3-1.1 Collaborate with the San Luis Obispo County Farm Bureau, the University of California Cooperative Extension, the Edna Valley/Arroyo Grande Valley Vintners Association, the Economic Vitality Corporation, and other organizations to develop and implement agricultural opportunities that enhance the economic viability of the City and region (i.e. "agri-tourism")

ED3-1.2 Work with the San Luis Obispo County Farm Bureau, the Edna Valley/Arroyo Grande Vintners Association, and other organizations in promoting value-added agricultural opportunities

RETAIL/COMMERCIAL

OBJECTIVE ED4 Protect and promote the overall commercial service and retail business sectors of the local economy

POLICIES

ED4-1 Promote local patronage and strong performance in satisfying local demand for goods and services and the creation of additional jobs

ED4-2 Continue to enhance and increase the retail utilization of the East Grand Avenue Corridor, the Village Core, Traffic Way, and El Camino Mixed Use corridors consistent with the Redevelopment Plan Implementation Strategy

ED4-3 Implement the revitalization and rehabilitation programs as outlined in the Redevelopment Plan Implementation Strategy

ED4-4 Maintain and enhance the Village Core as a focal point for civic and tourist activities

ED4-5 Promote a pro-retail and hospitality program

IMPLEMENTATION
MEASURES

ED4-1.1 Assist the City's small business community in retaining and expanding businesses

ED4-1.2 Work with other City departments to ensure comprehensive design guidelines pertaining to both public and private improvements, including, but not limited to, building façade restoration, landscaping, street furniture installation, undergrounding of utilities, and the development of useable parking facilities

ED4-1.3 Assist in the voluntary formation of a Business Improvement District, a legal entity, as outlined in the Redevelopment Plan Implementation Strategy

ED4-1.4 Incorporate City's Capital Improvement Program to include infrastructure projects, including major street reconstruction, storm drain and sewer improvement, water capacity improvements, underground utility projects, public parking improvements, improvements to park facilities, recreation areas, community facilities, and other public buildings

ED4-1.5 Work with the Village Improvement Association to preserve its historic function as the City's commercial and cultural center

ED4-1.6 As detailed in the Redevelopment Plan Implementation Strategy, encourage the private sector to develop new retail, office, and hospitality facilities within the Principal Improvement Areas to expand and diversify the City's economy

ED4-2.1 While remaining open to development opportunities elsewhere in the Redevelopment Project Area, focused redevelopment activities should be targeted to the aforementioned improvement zones

TOURISM

OBJECTIVE **ED5 Develop a strategy in the City that promotes the importance of tourism**

POLICIES ED5-1 Become an active participant in the San Luis Obispo Countywide tourism programs

ED5-2 Initiate and enhance special events and promote and increase those events and sites that are economically viable to residents and visitors alike

ED5-3 Capitalize on redevelopment and other development opportunities to promote destination-oriented lodging facilities

IMPLEMENTATION MEASURES ED5-1.1 Financially support the San Luis Obispo County Visitors and Conference Bureau

ED5-1.2 Participate in the Edna Valley/Arroyo Grande Valley Vintners Association

ED5-1.3 Work with the hospitality industry to ensure overall understanding of the importance of customer service

ED5-1.4 Promote and maintain a "tourist friendly" customer service policy within and among City staff and departments

ED5-1.5 Work with local event coordinators, including the Arroyo Grande Valley Chamber of Commerce, Village Improvement Association, Edna Valley/Arroyo Grande Valley Vintners Association, and the San Luis Obispo County Visitors and Conference Bureau to promote special events, activities, and attractions

ED5-1.6 Assist in planning and executing special events and promotion focusing on economic development, cultural awareness and interaction, education, and other civic causes. Special events, promotions, and activities include expanded Farmers' Market, street fairs, parades, outdoor dining/cafes, wine tasting, outdoor music, and concerts in the park.

ED5-1.7 Develop additional tourist attractions and lodging in or near the Village Core

ED5-1.8 Work with developers, landowners, and others to site and design appropriate hotels, motels, bed and breakfasts, and country inns

HOUSING

OBJECTIVE **ED6 Promote development of affordable housing in accordance with the General Plan**

POLICIES ED6-1 Facilitate the maintenance and improvement of existing and new affordable housing through incentives and appropriate regulatory streamlining

ED6-2 Encourage and accommodate mixed-use projects, which include affordable housing for local workers

**IMPLEMENTATION
MEASURES**

ED6-1.1 Accept higher densities for attached single-family housing, multi-family housing, and new developments that include excellent design, landscaping, open space, and public transportation

ED6-1.2 Implement the residential rehabilitation program as outlined in the Redevelopment Plan Implementation Strategy

DEVELOPMENT PROCESS

OBJECTIVE **ED7 Develop a pro-business community image, including simplifying and streamlining the approval process**

POLICY ED7-1 Review the Architectural Review Committee, Planning Commission, and design or development review processes to determine how they can be streamlined

**IMPLEMENTATION
MEASURES**

ED7-1.1 Improve guidelines for design and development review,

ED7-1.2 Establish clear City standards and thresholds of acceptability for new developments,

ED7-1.3 Examine the possibility of an administrative review process as an alternative for routine projects that are consistent with the policies of the General Plan and requirements of the Development Code and City design and development guidelines,

ED7-1.4 Continue to coordinate “staff advisory” development-related meetings with businesses prior to submission of any formal applications, enhance comprehensive pre-application information and assistance and,

ED7-1.5 Provide City staff with ongoing education and training as to the importance of timely responses.