

CITY OF YUBA CITY
STAFF REPORT

Date: November 20, 2007
To: Honorable Mayor & Members of the City Council
From: Administration
Presentation By: Steve Kroeger, Assistant City Manager

Summary

Subject: Development of an Economic Development Strategy

Recommendation: Initiate development of an Economic Development Strategy by providing direction to staff regarding:

1. Creation of a Task Force as an Advisory Group to assist in the development of the Economic Development Strategic Plan
2. Identification of 2-3 short-term actions that are visible and measurable and add immediate value to advancing the City's economic development efforts

Fiscal Impact: \$120,000 was set-aside in the FY 2007-08 budget for activities related to economic development. Actual cost will depend upon desired scope of Council action.

Background:

The adopted budget included several key issues and priorities for the City. In specific regard to economic development, the budget message provided the following:

***"Economic Development.** The adopted budget includes funding for the development of an Economic Development Strategy. This effort will identify the economic assets of our community and provide a strategy for capitalizing on these assets for the long-term economic advancement of the community. The strategy will capture the existing breadth of knowledge within the community, both public and private sectors. The first year of the budget includes development of the strategy and the second year includes an Economic Development Manager position to implement the plan of action."*

Work sessions were held in order to familiarize the Council and Executive Team with the various elements of a successful economic development strategy. The sessions included discussion regarding typical economic development goals, what determines the attractiveness of a City's business environment, community perception, and a conceptual "5-Step Strategic Planning Process."

Attached are the combined notes from the two work sessions (i.e., Council – 10/23 and Executive Team 9/21).

Analysis:

The workshops provided a forum to discuss Yuba City's economic environment and summarize Council and staff perspectives on the local economy. There was a common interest to engage the community in the economic development process and to take action on any immediately evident economic development initiatives (i.e., those that could be done immediately without having to go through an Economic Development Strategy process).

Based on the feedback at the workshops, the following are proposed "next steps" toward developing an Economic Development Strategy:

1. Engage community stakeholders by appointing a Task Force as an Advisory Group to assist in the development of the Economic Development Strategic Plan.
2. Conduct meetings with the Task Force to:
 - o Engage their perspective of the City's economic health, today and in the future
 - o Identify priorities
 - o Identify short-term, mid-term and long-term actions that can demonstrate success
3. Implement 2-3 short-term actions that are visible and measurable.

Task Force. It is suggested that the Council appoint an economic development advisory group that includes core representation from the following areas:

- Industry
- Small Business / Tourism (Chamber of Commerce)
- Agriculture
- Education
- Healthcare
- Construction

The task force may be expanded as need be in order to meet the desired outcomes of the Council. A facilitator will be engaged to lead the group through the steps listed above. The meetings will provide the information that will be brought back to the City Council for consideration and for ultimate development into an Economic Development Strategy.

Short-Term Actions. Certain steps can be taken immediately to improve the City's business climate. The following are possible actions that would bring value to existing businesses, improve the visual image of Yuba City, and assist in marketing our local economy:

- Increase local business' knowledge of Enterprise Zone benefits and value.
- Identify potential landscaping improvements at City gateways and along major corridors.
- Develop a database of demographic/statistical data specific to Yuba City for inclusion on the City's website.

Based on the outcomes of the task force meetings, other short-term actions may become evident that would be of immediate benefit to the City.

Fiscal Impact:

\$120,000 was set-aside in the FY 2007-08 budget for activities related to economic development. While actual cost will depend upon desired scope of Council action, costs related to the appointment of an economic development task force and ultimate development of an Economic Development Strategy are within the scope of the allocated funds.

Alternatives:

Any variation of the recommended actions may be taken at the discretion of the Council.

Recommendation:

Initiate development of an Economic Development Strategy by directing the following actions:

1. Creation of a Task Force as an Advisory Group to assist in the development of the Economic Development Strategic Plan
2. Identification of 2-3 short-term actions that are visible and measurable and add immediate value to advancing the City's economic development efforts

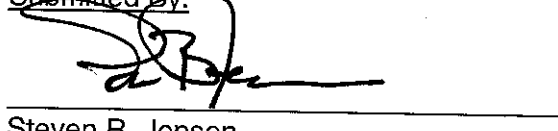
Attachments: Combined Workshop notes

Prepared By:



Steven C. Kroeger
Assistant City Manager

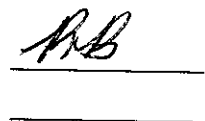
Submitted By:



Steven R. Jepsen
City Manager

Reviewed By:

Finance
City Attorney



Through two separate work sessions, the City Council and the City Executive Team agreed that the City of Yuba City should actively participate in defining the city's economic future versus waiting for things to happen.

Both also agreed that economic development for the city had to show **success**. An economic development strategy had to be defined as short term, mid term and long term with measurable results.

There was alignment and consensus on 1) Why Economic Development was Important to the City, 2) Strengths, Weaknesses, Opportunities & Threats and 3) Goals

1. Why would we want an economic development strategy and program for the City of Yuba City?

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| <ul style="list-style-type: none"> ▪ Better community ▪ Grow economic base ▪ Grow revenue ▪ Lower unemployment rate ▪ Keep jobs and talent local ▪ Higher standards of living ▪ Increase intelligent capital | <ul style="list-style-type: none"> ▪ Quality of life - maintain and enhance ▪ Long-term fiscal health ▪ Self-sustaining community ▪ No one else will do it for you ▪ Benefits to community - grow wealth ▪ Increase average wages ▪ Retain our educated youth ▪ Grow and diversify economy |
|---|--|

2. What are our Strengths, Weaknesses, Opportunities and Threats?

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<ul style="list-style-type: none"> ▪ Small Town Atmosphere ▪ Family Friendly ▪ Affordability ▪ Safe Community ▪ Low cost workforce ▪ Low cost land ▪ K-12 ▪ Location 	<ul style="list-style-type: none"> ▪ Workforce ▪ Flood Plain ▪ Infrastructure - Land ▪ Image - nonexistent ▪ No ready to go - shovel ready ▪ Lifestyle amenities "cool" ▪ Lack of higher education 	<ul style="list-style-type: none"> ▪ Collaboration ▪ Image - Brand ▪ Land Availability (industrial) ▪ Ag Base - "Green" ▪ Beale Air Force ▪ Medical Services ▪ Third Bridge ▪ Annexation and rezoning ▪ Existing business and Enterprise Zone 	<ul style="list-style-type: none"> ▪ FEMA Levee Enhancement ▪ South Sutter ▪ BRAC ▪ Flood ▪ Measure M ▪ Federal / State government

3. What would be our Economic Development Goals?

- Infrastructure improvements
- Get land, zoning
- Get “ready to go to market”
- Create a positive image
- Identify “low hanging” to create success

To develop a city-wide strategic plan, the following actions are recommended:

1. Engage community stakeholders by appointing a Task Force as an Advisory Group to assist in the development of the Economic Development Strategic Plan.
2. Conduct meetings with the Task Force to:
 - Engage their perspective of the city’s economic health, today and in the future
 - Identify Priorities
 - Identify short-term, mid-term and long-term actions that can demonstrate success
3. Implement 2-3 short-term actions that are visible and measurable.