



# **Economic Development Strategic Action Plan**

## **DRAFT ELEMENTS & DISCUSSION**

**September 12, 2023**

**ECONOMIC DEVELOPMENT SUBCOMMITTEE**

# ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN

## Vision Statement

### **COUNCIL GOAL STATEMENT – Economic & Community Vibrancy:**

Sustain and develop a diverse and thriving economy that benefits Santa Rosa residents and businesses and contributes to the community's economic health while preserving historical and cultural integrity.

### **MISSION:**

To provide high-quality public services and cultivate a vibrant, resilient and livable city.

# ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN

## Input & Engagement

### Surveys

- ✓ Past survey
- ✓ Other department/division surveys
- Upcoming survey

### Departmental Engagement

- Targeted follow ups:
  - Transit
  - Water
  - TCC grant team

### In Person Engagement

- ✓ 3 tabling/engagement sessions
- ✓ 1:1 discussions
- Targeted meetings

### Data, Studies, Research

# ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN

## Input & Engagement

### Opportunities / Strengths

- Streamline processes and increase access to resources
- Clarify ED's role and leverage partnerships (how have been used vs. how will be used)
- Engage small business in more inclusive ways, esp. BIPOC businesses
- Capitalize on staff's
  - history of innovation and responsiveness
  - Flexibility and outside of the box thinking within shifting City priorities
- Inclusion of arts and culture within ED is a plus
- Model the proven success of downtown revitalization efforts
- ED team is small but valued; known by name

### Challenges / Threats / Weaknesses

- Understaffed and under-resourced
  - Limited reach and capacity
- Lacking tools and incentives
  - Limited to no attraction or expansion incentives
  - Interest in changing from growing local small biz to attracting new companies
- Perceived inefficiencies and slow processes
  - Process issue vs. personnel issue
  - Not business friendly; not responsive to changing needs of business/development
- Housing and affordability issues
- Competing crises and changing landscapes
- Evolving visions and inefficiencies due to City leadership transitions
- Artificial silos between departments



# ECONOMIC DEVELOPMENT STRATEGIC PLAN

## Community Perspectives

### **Lack of Affordable Housing / High Cost of Living & Limited Workforce Attraction and Development**

- Costs are high for businesses and employees alike, posing challenges to business retention and attraction, and is a critical limiting factor for workforce development.
- Employers cited need for downtown entertainment and living options for young professionals.
- “Workforce development begins with equitable access to early education.”

### **Need for a more inclusive approach to economic development**

- Perceived shift from traditional ED approaches focused on bringing large businesses to the area to a focus on community building and resilience.
- Noted the importance of supporting small businesses and creating an environment where information and resources are easily accessible to all.
- Interest in publicly available training to support entrepreneurs (e.g. incubators).
- Inclusive ED would intentionally center equity and data to evaluate processes and procedures that are not effectively serving the whole community, and to identify new avenues to increase opportunity.

# ECONOMIC DEVELOPMENT STRATEGIC PLAN

## 2021 Economic Development Survey

**600+ Respondents | Available in English and Spanish**

- 59% identified as business owners
- Majority were long-term Santa Rosa residents (12 years or more)
- Respondents identifying as Asian, Multi-racial, and White were over-represented compared to the population
- Respondents identifying as American Indian or Alaskan Native, Black or African American, Hispanic or Latinx, and Native Hawaiian or Pacific Islander were under-represented compared to the population.
- The majority were 35 or older and slightly more female than male
- Top 5 zip codes across respondents were:

95404: parts of Downtown and South Park

95405: Montgomery Village, Bennet Valley

95409: Oakmont, Skyhawk

95403: Coffey Park, Piner Rd./N. Mendocino areas

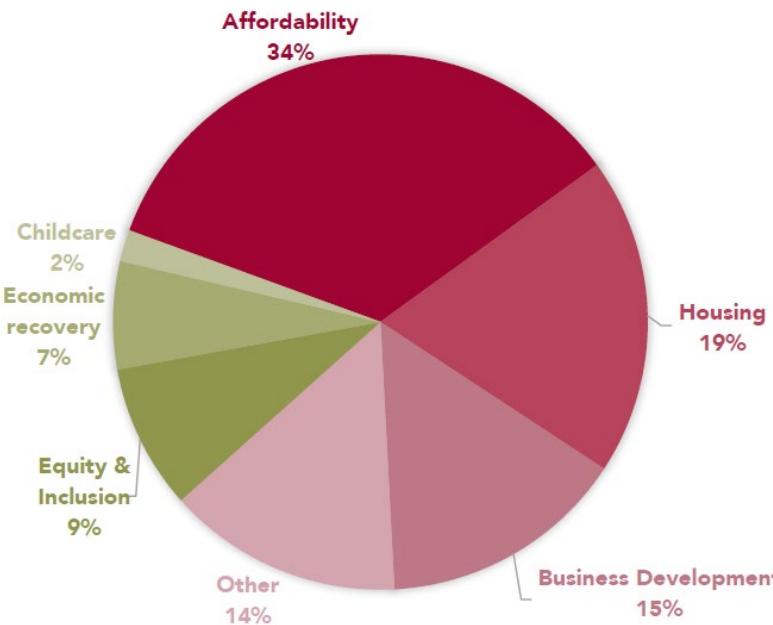
95401: Stony Point Road/W. College Ave. areas



# ECONOMIC DEVELOPMENT STRATEGIC PLAN

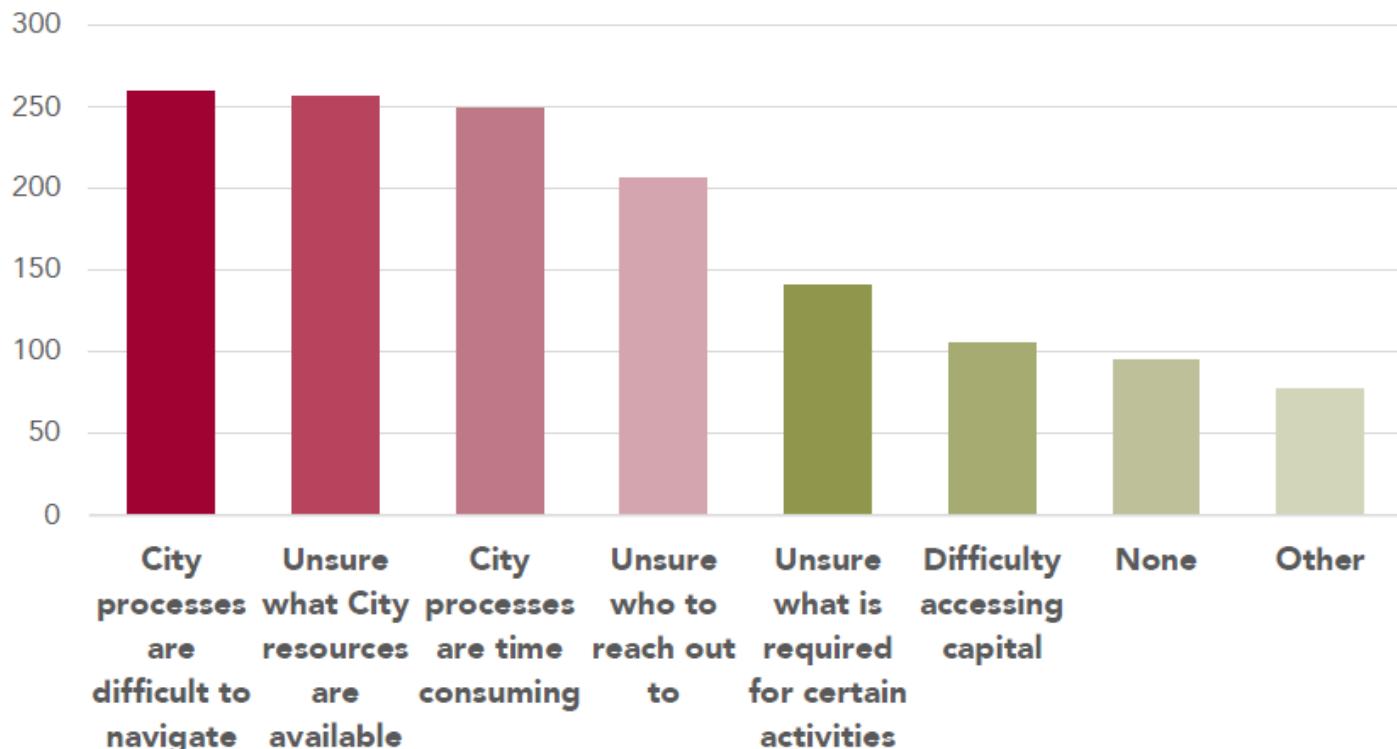
## 2021 Economic Development Survey

### Most important issue for the future of SR



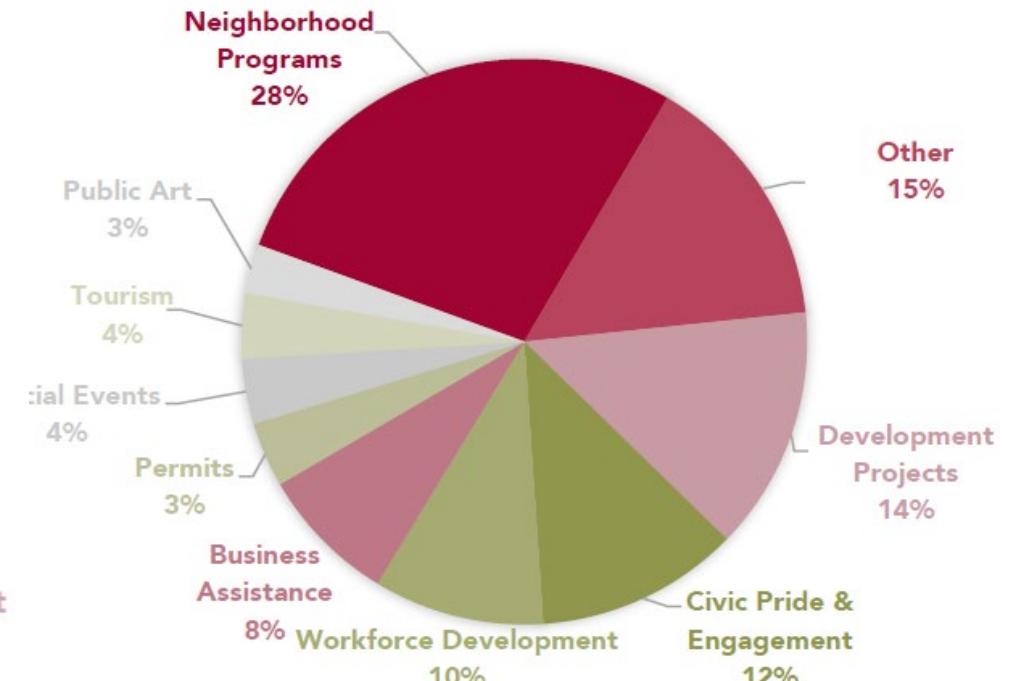
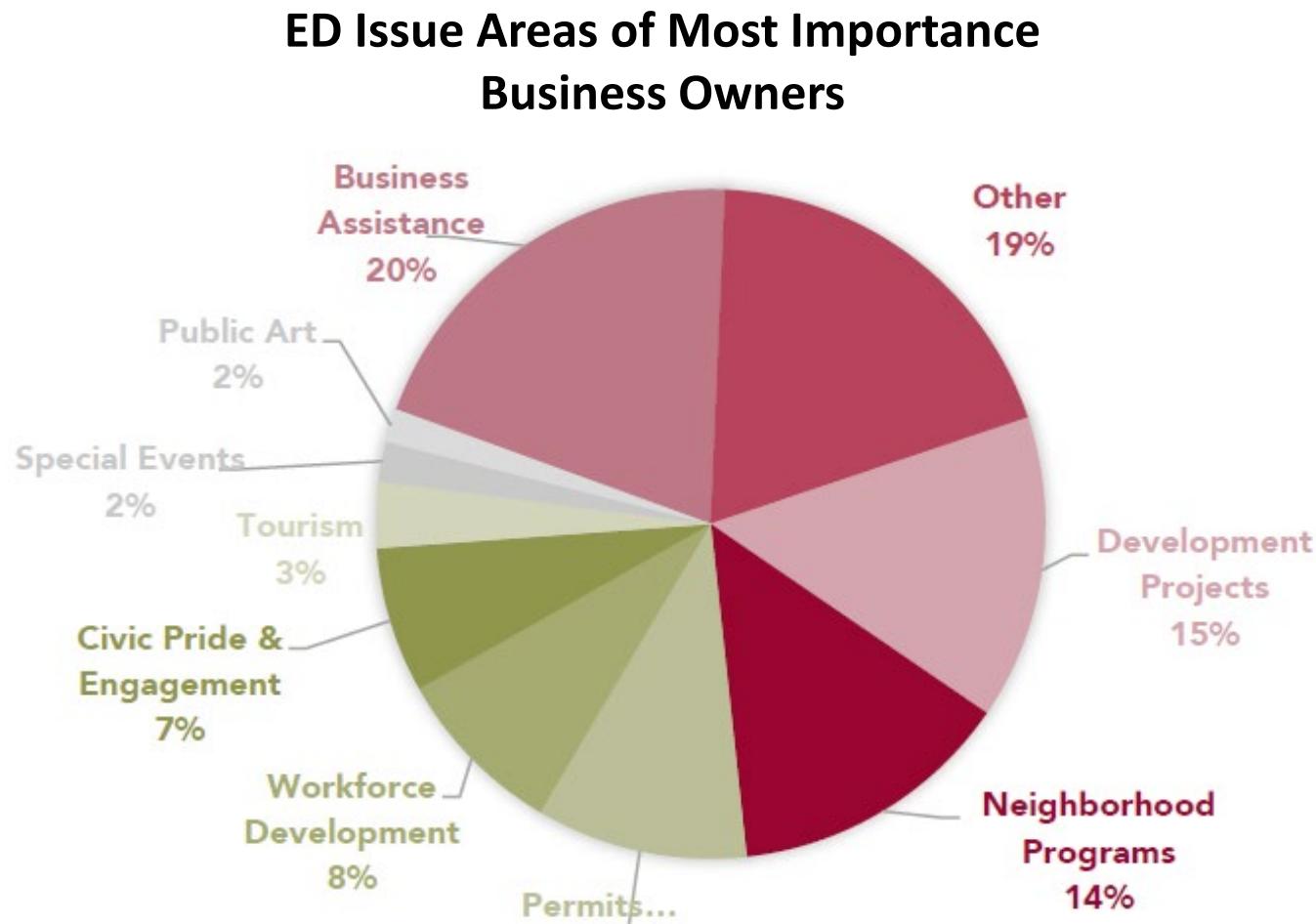
Business owners & residents prioritized housing and affordability. **Business owners** selected business development next whereas **non-business owners** were concerned about equity and inclusion.

### Challenges and Barriers to Engagement



# ECONOMIC DEVELOPMENT STRATEGIC PLAN

## 2021 Economic Development Survey



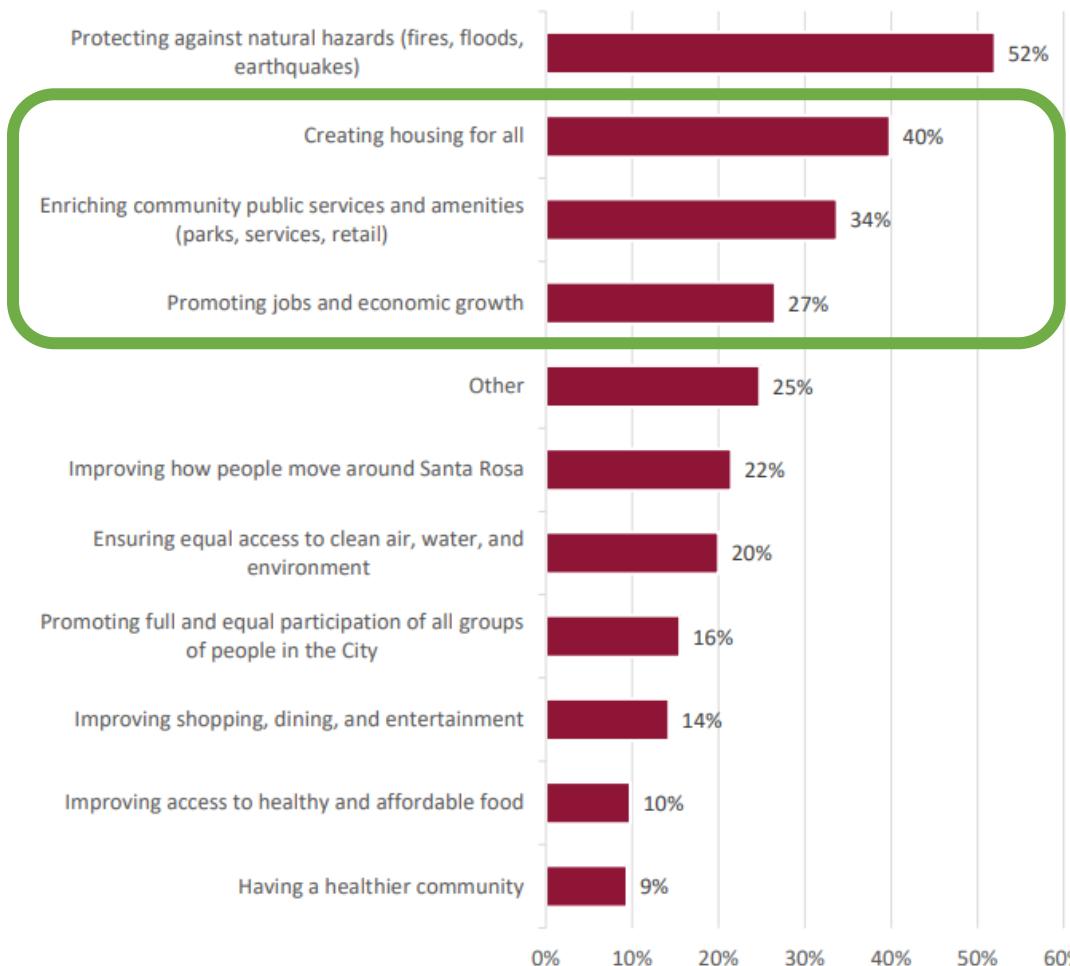
### ED Issue Areas of Most Importance Non-Business Owners



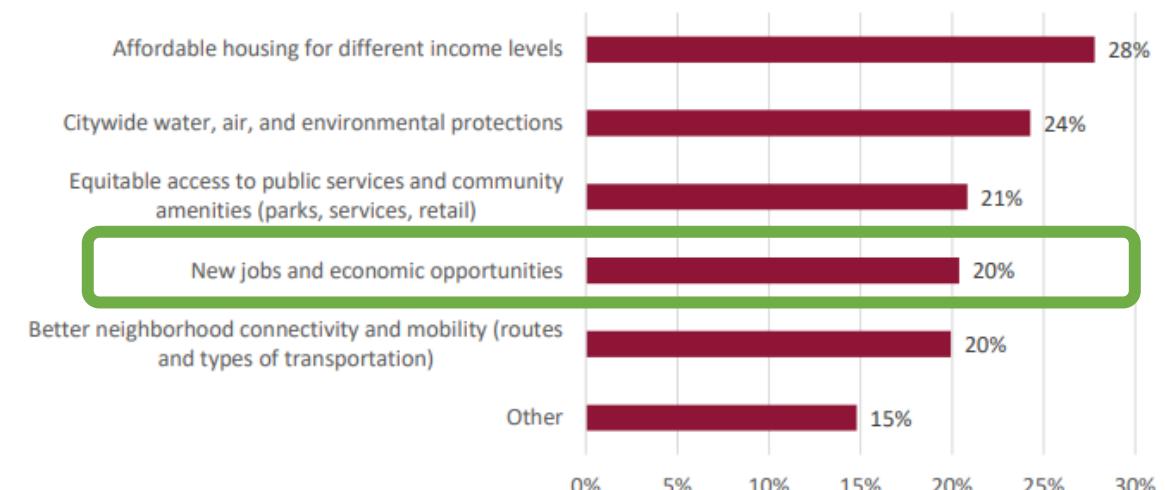
# ECONOMIC DEVELOPMENT STRATEGIC PLAN

## 2021 General Plan Update Survey

What are the most important changes you would like to see in the City of Santa Rosa? Select up to three. (N: 3,583)



What excites you the most about the future of Santa Rosa? Select up to three. (N: 1,714)



# ECONOMIC DEVELOPMENT STRATEGIC PLAN

## 2022 General Plan Update Summary of Feedback

Policy Choices	Agree	Worth Considering	Disagree	No Opinion
Focus new housing and job growth towards Downtown and along major corridors. N:228	<b>52%</b>	36%	11%	1%
Focus new housing and commercial growth in neighborhood retail centers and along community corridors. N:223	<b>49%</b>	34%	16%	1%
Focus new housing and commercial uses across the city proportionally to where they exist today. N:221	21%	26%	<b>48%</b>	5%

Policy Choices	Agree	Worth Considering	Disagree
Develop a prioritized list of improvements or services for each neighborhood. N:218	<b>74%</b>	23%	2%
Ensure environmental justice, safety, and equity related projects are funded and prioritized for identified Equity Priority Communities. N:215	<b>62%</b>	25%	8%
Ensure every neighborhood has access to parks and community spaces. N:216	<b>74%</b>	19%	3%
Prioritize development that addresses social and economic needs of the economically vulnerable populations. N:216	<b>59%</b>	28%	9%
Address and reverse the underlying socioeconomic factors and residential social segregation in the community that contributes to crime and violence in the city. N:210	<b>65%</b>	19%	9%

- Respondents generally favored focusing new housing and job growth towards Downtown, along major corridors and community corridors, and in neighborhood retail centers.
- Participants generally felt the City should prioritize development that addresses social and economic needs of the economically vulnerable populations.
- There is a desire to streamline City review and approval processes for new projects to reduce cost and expedite good projects.



# ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN

## Survey Discussion

### Previous Survey Questions

*based on input from interviews*

- What are the most important issues for the future of Santa Rosa
  - Business Development
  - Affordability
  - Housing
  - Childcare
  - Economic Recovery
  - Equity and Inclusion
  - Other (public safety, homelessness, infrastructure, environmental, wildfire, beautification, vibrancy)
- What economic development issues are important to you?
  - Business Assistance
  - Development Proj.
  - Workforce Dev.
  - Civic Pride
  - Permitting
  - Permits (planning/building)
  - Public Art
  - Neighborhood programs
  - Tourism
- Level of interaction with ED Division
- Challenges and barriers
  - Difficult processes
  - Unsure of resources
  - Time consuming processes
  - Unsure who to reach out to
  - Unsure what is required
  - No money
  - None
  - Other
- What changes do you want to see in the city?
- What excites you about the future of Santa Rosa?



# ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN

## Landscape & Data

Population: 176,898



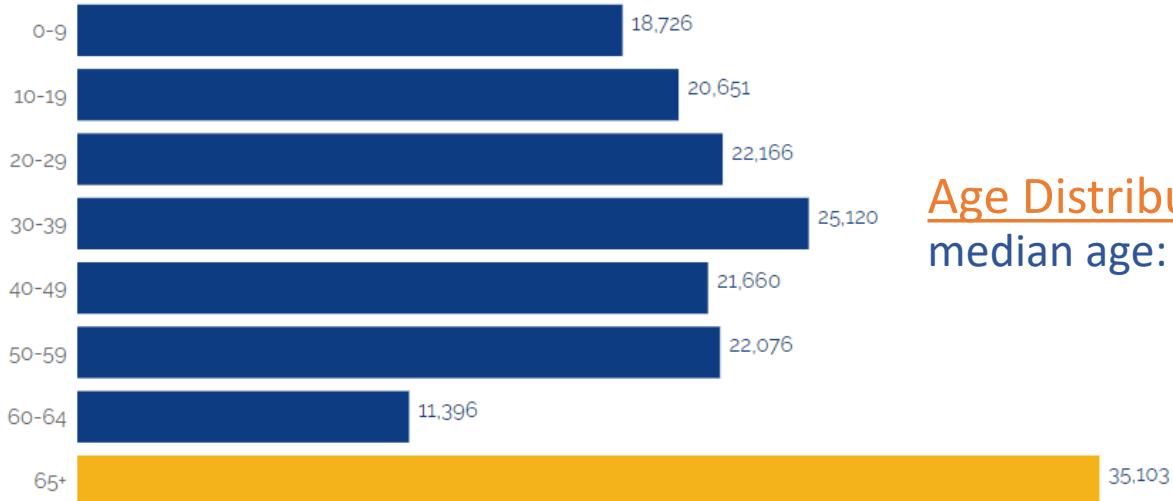
48.96%

Male



51.04%

Female



Labor Force: 95,902

- 2.9% Unemployment Rate
- -2.8% - 1 year unemployment rate change
- 26% Blue Collar
- 73% White Collar



< Grade 9  
8.46%



Grade 9-12  
5.77%



High School  
18.22%



Some College  
22.55%



Assoc Degree  
9.92%



Bach Degree  
21.32%



Grad Degree  
13.77%

Age Distribution  
median age: 40

Educational Attainment

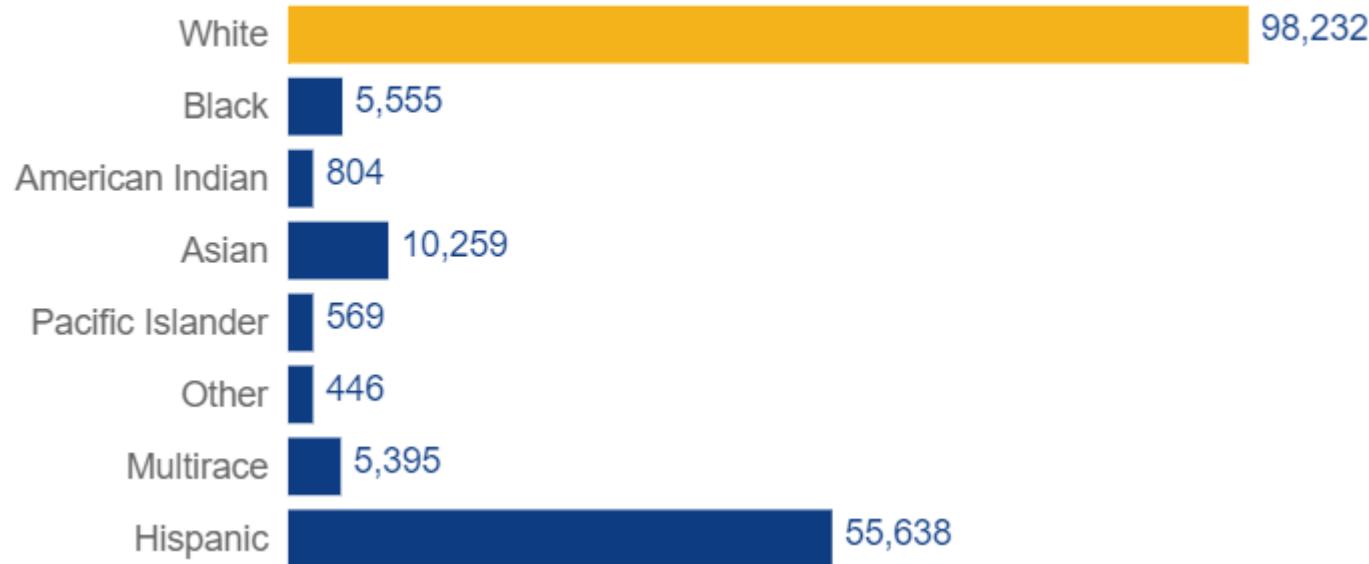
45% of the population has an associates degree or higher.



# ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN

## Landscape & Data

### 2023 Ethnicity Distribution



<u>Biz Establishments</u>	<b>7,910</b>	<u>%</u>
<b>1-4 Employees</b>	<b>5,427</b>	<b>68.61</b>
<b>5-9 Employees</b>	<b>1,339</b>	<b>16.93</b>
<b>10-19 Employees</b>	<b>686</b>	<b>8.67</b>
<b>20-49 Employees</b>	<b>267</b>	<b>3.38</b>
<b>50-99 Employees</b>	<b>122</b>	<b>1.54</b>
<b>100-249 Employees</b>	<b>48</b>	<b>0.61</b>
<b>250-499 Employees</b>	<b>12</b>	<b>0.15</b>
<b>500-999 Employees</b>	<b>4</b>	<b>0.05</b>
<b>1000+ Employees</b>	<b>5</b>	<b>0.06</b>



# ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN

## Economic and Employment Drivers

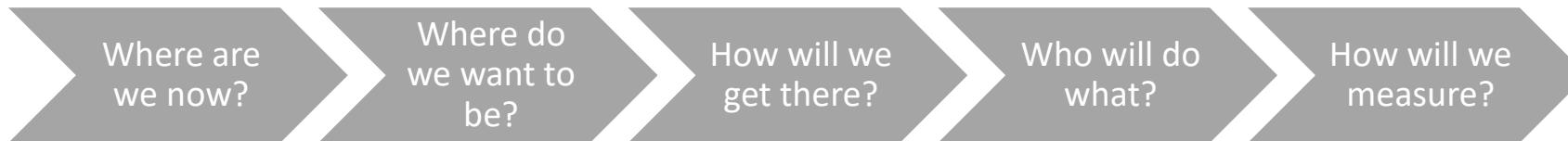
**Diverse economy with strengths in health care, retail trade, manufacturing, and accommodation and food services**

- **Healthcare:** largest industry in Sonoma County; 2 of the major hospitals are in Santa Rosa and serve the greater region.
- **Retail Trade:** 2<sup>nd</sup> largest industry; Santa Rosa is one of the few urban centers in the North Bay region
- **Manufacturing:** driven mostly by the agribusiness industry. Relative to the county, Santa Rosa includes a relatively small share of manufacturing and agricultural jobs.
- **Advance Technology Research and Development and Manufacturing:** a significant industry niche, includes medical tech related to the presence of health care, computer and electronics components, and clean tech. This sector offers the greatest opportunity for Santa Rosa moving forward.
- **Accommodation and Food Services:** tied to the area's well established tourism and recreation destination brand.
- **Sonoma County's primary business and financial hub:** Santa Rosa has approximately 41% of the county jobs in office-based industries (professional and tech services, finance/insurance, information, real estate, etc.). <sup>14</sup>



# ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN

## EQUITABLE SUSTAINABLE GROWTH



## \*\* CLIMATE, CULTURE & COMMUNICATION \*\*

Goals and action steps	Metrics/Targets	Lead	High	med	Low	Add'l Funding?
<b>Improve business climate: streamline City services and support</b>						
Business satisfaction and continuity of communication						
Communications and Marketing						
Equitable Economic Opportunities						
<b>** ECONOMIC VIBRANCY **</b>						
Goals and action steps	Metrics/Targets	Lead	High	Medium	Low	Add'l Funding?
Support Santa Rosa businesses						
Foster community partnerships						
Infrastructure & Economic Accelerators						
Studies and Reports						
<b>** RESILIENCY &amp; HUMAN CAPITAL **</b>						
Goals and action steps	Metrics/Targets	Lead	High	Medium	Low	Add'l Funding?
Placemaking and Place-keeping						
Address poverty and increase economic opportunities						
Education and Workforce Development						
Physical Infrastructure Improvements						



# ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN

## DRAFT CONCEPTS: Climate, Culture, Communication

### Improve Biz Climate: streamline services & support

Development Services Strat Plan

Expedite certain business permitting processes

Updates to information tools: digital/hand-outs

### Biz Satisfaction

Create a feedback loop

Client Management System

Ensure seamlessness of multiple points of entry

### Communications & Marketing

Business/developer attraction marketing program

Maintain & consistently refresh web/social platforms

Reconstitute business visitation program

### Equitable Economic Opportunities

Support partners that strengthen BIPOC/women owned biz

Conduct a BIPOC biz audit

Meet cultural/language needs of biz through resources/services



# ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN

## DRAFT CONCEPTS: Economic Vibrancy

### Support SR Businesses

Business/developer attraction tools

ARPA funded business support programs

Provide access to data (location asset tools)

Temp incentive programs

Encourage CBD Formations

### Foster Community Partnerships

Create P3 opportunities

Downtown tenant/re-tenanting streamlining

Wayfinding

### Infrastructure & Econ Accelerators

Downtown investment & City assets strategy

EIFD

S. SR Priority Dev. Specific Plan

Resilient City Development Measures

Strengthen mfg competitiveness

### Studies & Reports

Infill housing economic & fiscal impact study

Annexation discussions

Workforce study – needs/gaps by industry sector



# ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN

## DRAFT CONCEPTS: Resiliency & Community Investment

### Placemaking/ Place-Keeping

Implement the Public Art Strategic Action Plan

Support community events/activities through grants & services

### Address Poverty & Increase Econ Opportunities

Childcare Support Program Facility Fund

Child College Savings Account

Guaranteed Basic Income Program

### Education & Workforce Dev

Strengthen the childcare sector

Partner on childcare access and affordability issues

Partner with WIB & other community workforce programs

### Physical Infrastructure Improvements

Ensure adequate infrastructure to support biz growth

Enhance public transportation coordination

Address broadband/connectivity needs/gaps

Anticipate/address alternative ROW use needs/issues



# ECONOMIC DEVELOPMENT STRATEGIC ACTION PLAN

## Timeline

### JULY - AUGUST

- ✓ Process and element clarification
- ✓ Vision (goal/value) statement(s)
- ✓ ED Subcommittee Discussion 2

### AUGUST - SEPTEMBER

- Internal engagement
- External engagement

### SEPTEMBER

- ✓ Draft review by CMO/executive staff
- Draft review by ED Subcommittee
- Incorporation of changes and recommendations

### OCTOBER - NOVEMBER

- Review of final draft by CMO/executive staff
- Review of final draft by ED Subcommittee
- Incorporation of changes/recommendations

### NOVEMBER

- Council Study Session?
- Final changes based on any Council feedback

### DECEMBER

- Presentation to Council
- Prep for **January 2024 release of document**

