



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.

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Input & Engagement

Surveys

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

In Person Engagement

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

Departmental Engagement

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

Data, Studies, Research

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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



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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.

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2021 Economic Development Survey

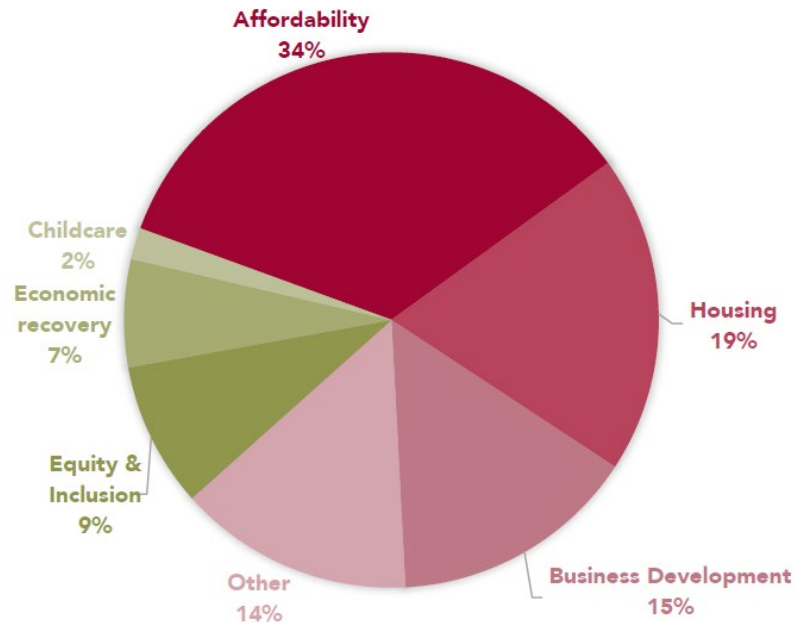
600+ Respondents | Available in English and Spanish

- 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

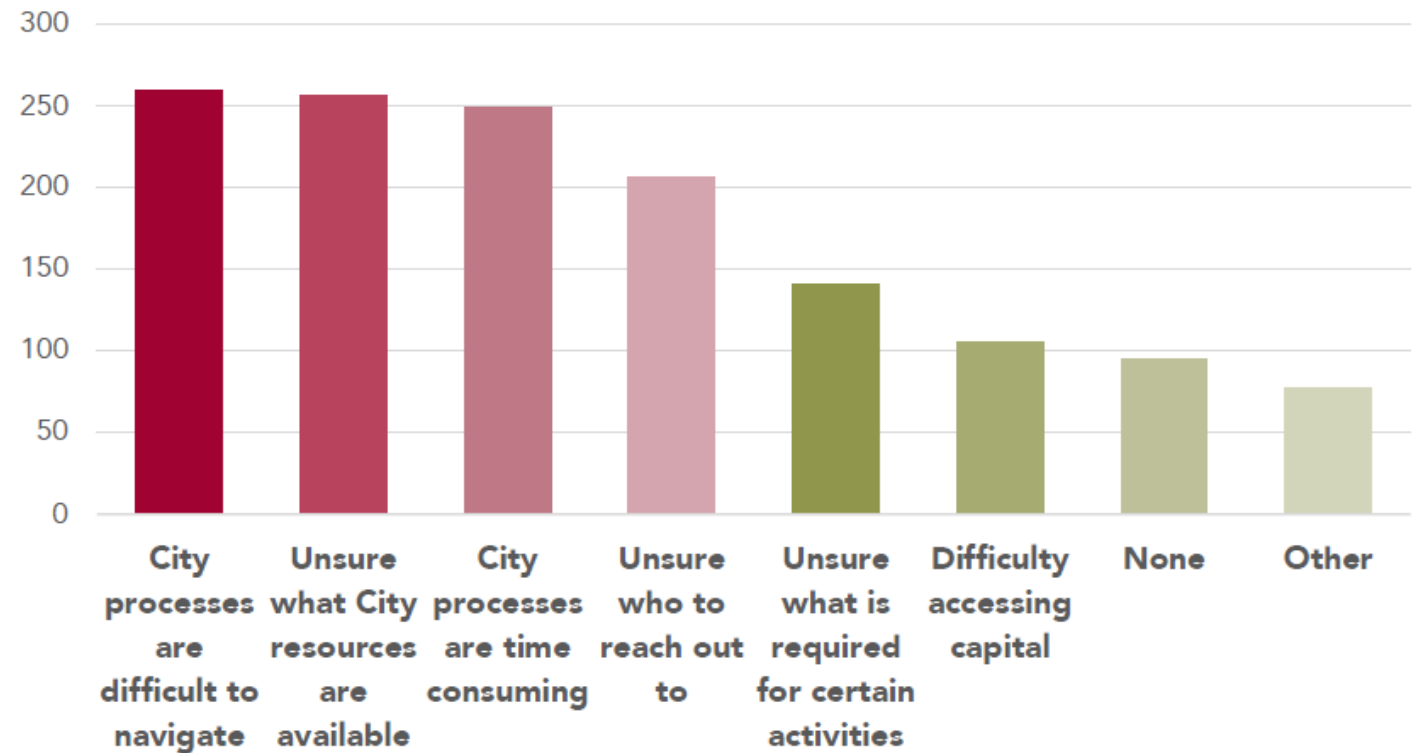
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2021 Economic Development Survey

Most important issue for the future of SR



Challenges and Barriers to Engagement

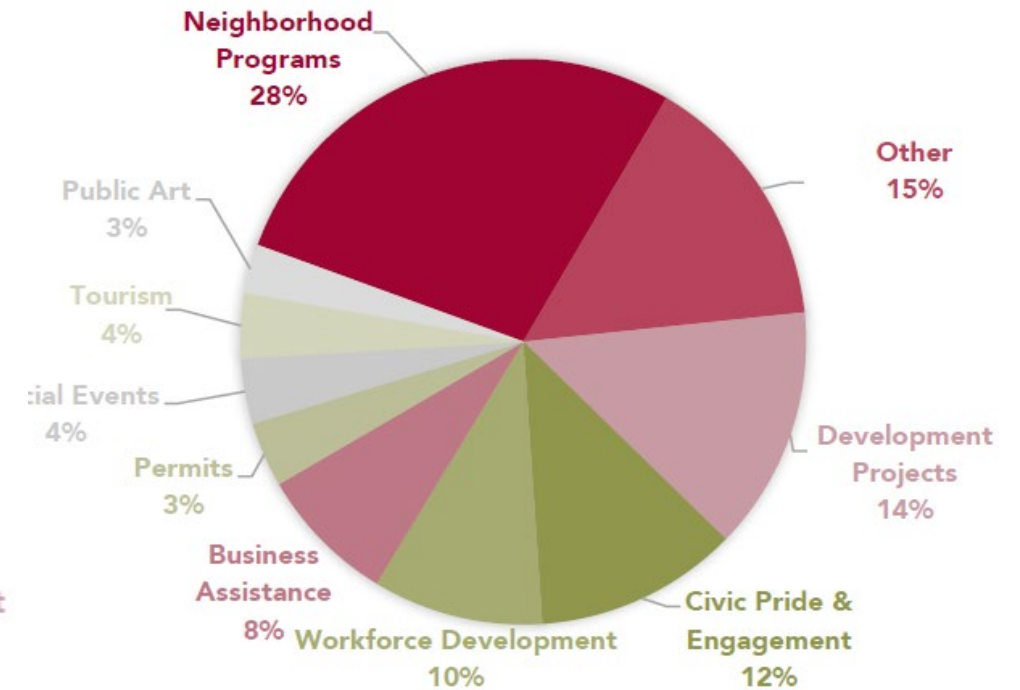
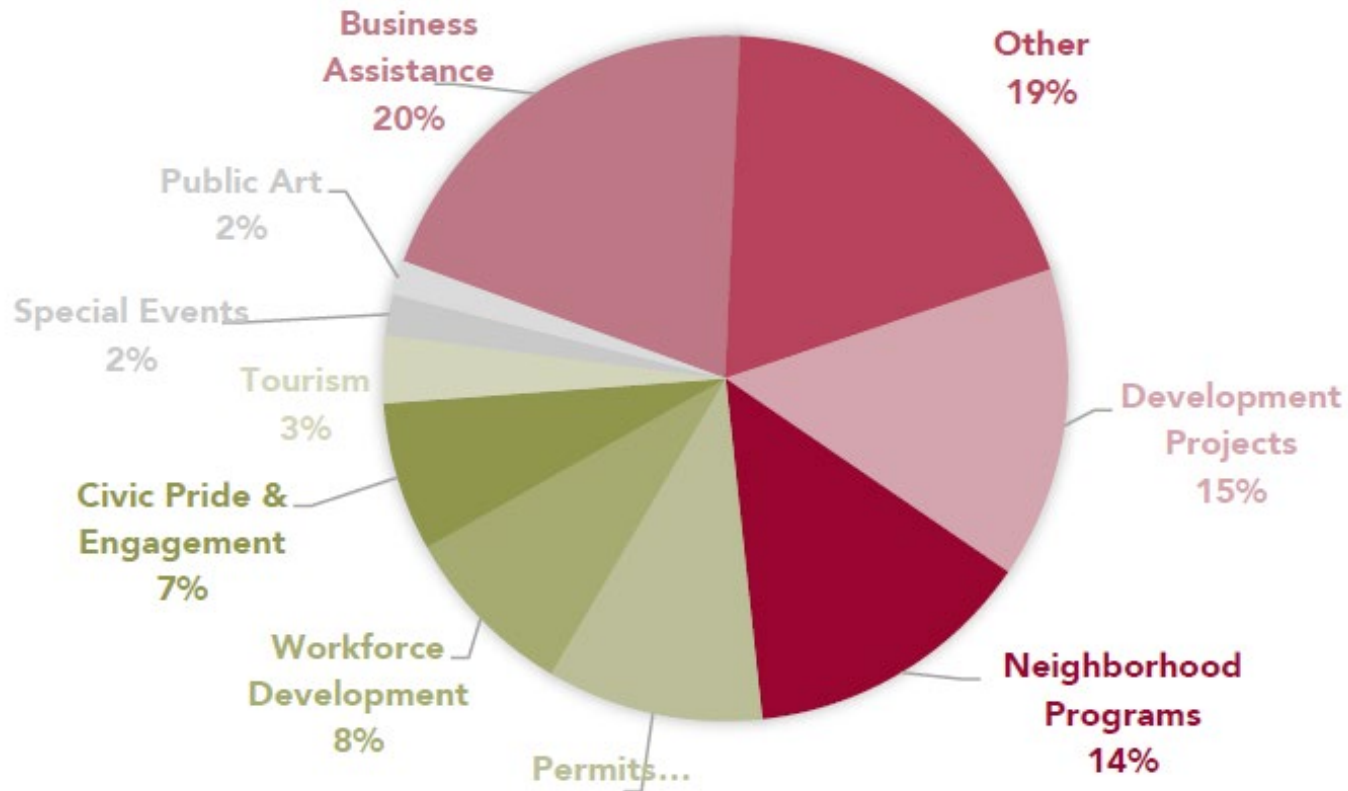


Business owners & residents prioritized housing and affordability. **Business owners** selected business development next whereas **non-business owners** were concerned about equity and inclusion.

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2021 Economic Development Survey

**ED Issue Areas of Most Importance
Business Owners**

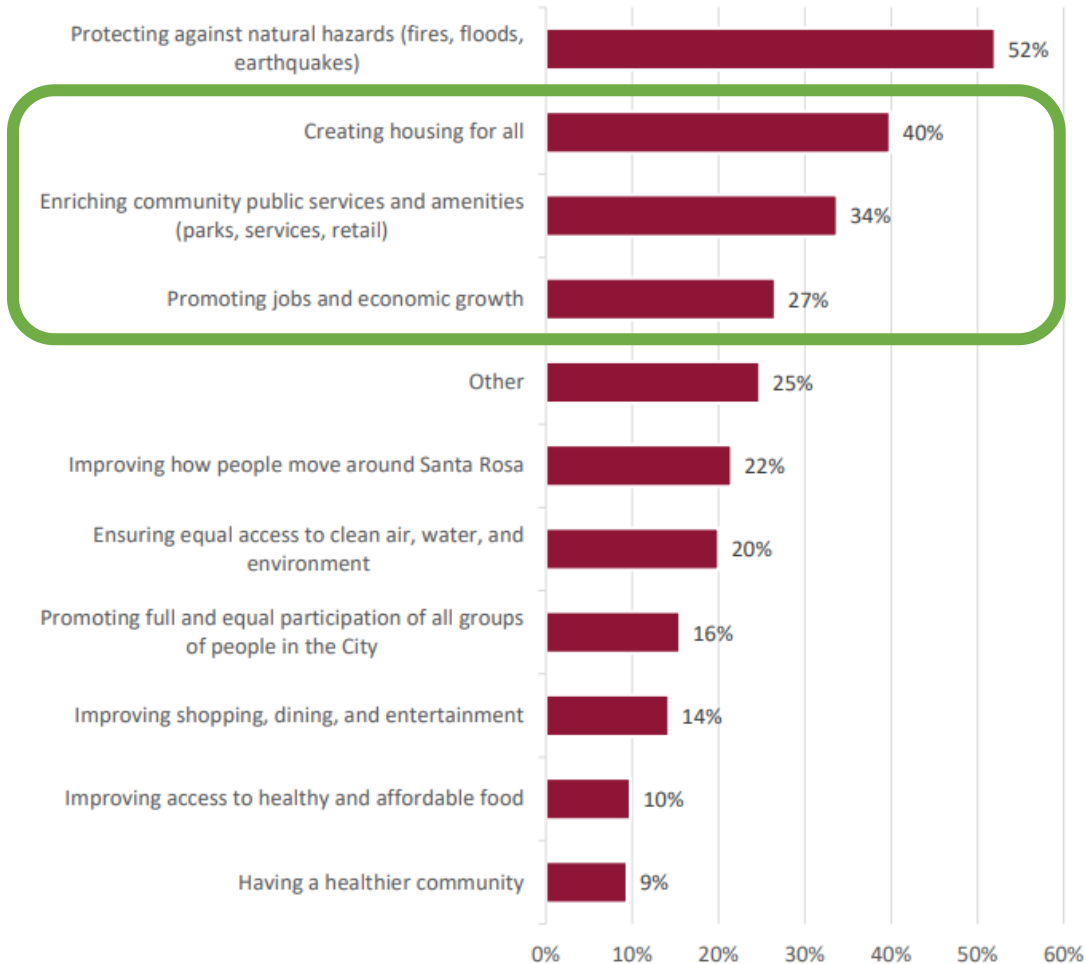


**ED Issue Areas of Most Importance
Non-Business Owners**

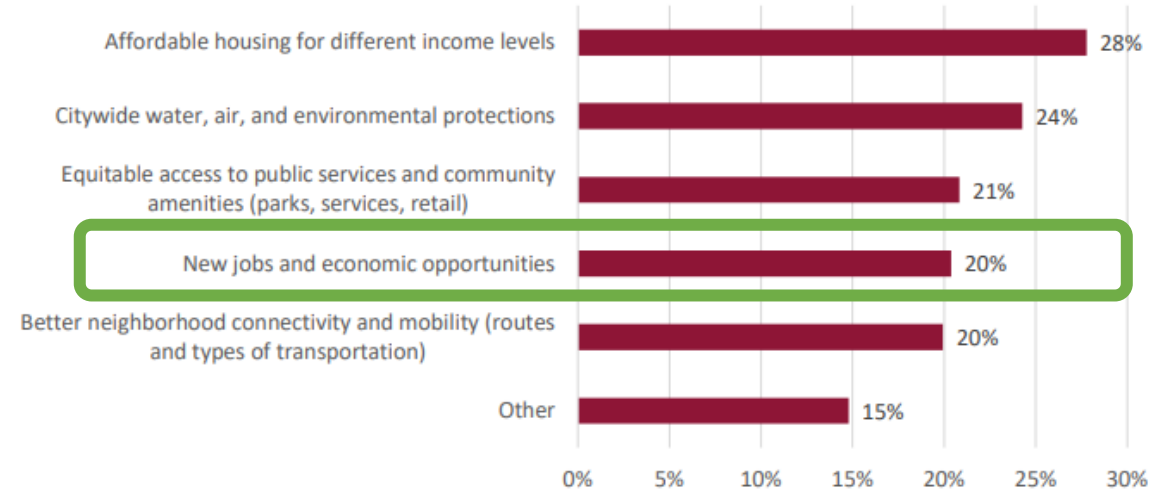
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2021 General Plan Update Survey

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)



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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	52%	36%	11%	1%
Focus new housing and commercial growth in neighborhood retail centers and along community corridors. N:223	49%	34%	16%	1%
Focus new housing and commercial uses across the city proportionally to where they exist today. N:221	21%	26%	48%	5%

- 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.

Policy Choices	Agree	Worth Considering	Disagree
Develop a prioritized list of improvements or services for each neighborhood. N:218	74%	23%	2%
Ensure environmental justice, safety, and equity related projects are funded and prioritized for identified Equity Priority Communities. N:215	62%	25%	8%
Ensure every neighborhood has access to parks and community spaces. N:216	74%	19%	3%
Prioritize development that addresses social and economic needs of the economically vulnerable populations. N:216	59%	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	65%	19%	9%



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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?



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Landscape & Data

Population: 176,898



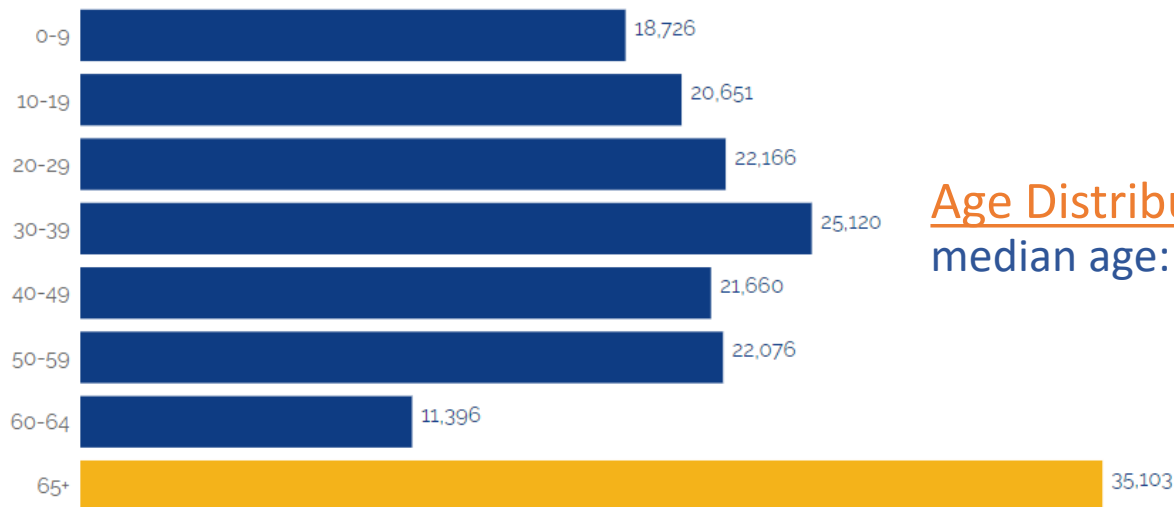
48.96%

Male



51.04%

Female



Age Distribution
median age: 40

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%

Educational Attainment

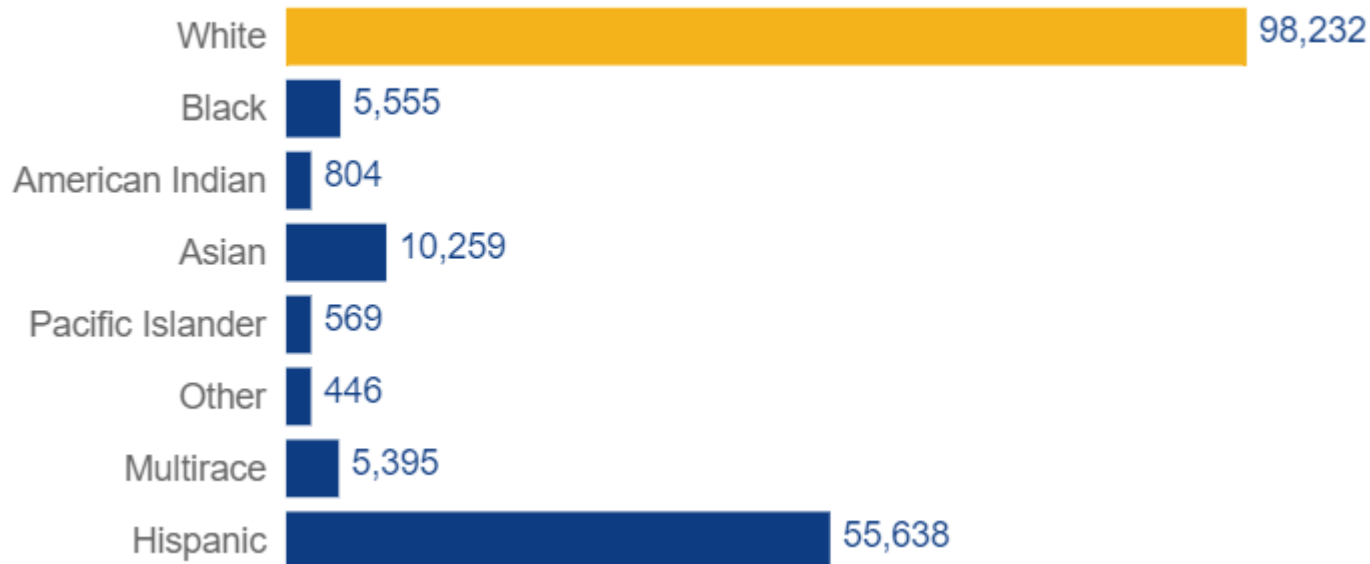
45% of the population has an associates degree or higher.



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Landscape & Data

2023 Ethnicity Distribution



Biz Establishments **7,910** %

Employee Count	Count	%
1-4 Employees	5,427	68.61
5-9 Employees	1,339	16.93
10-19 Employees	686	8.67
20-49 Employees	267	3.38
50-99 Employees	122	1.54
100-249 Employees	48	0.61
250-499 Employees	12	0.15
500-999 Employees	4	0.05
1000+ Employees	5	0.06



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Economic and Employment Drivers

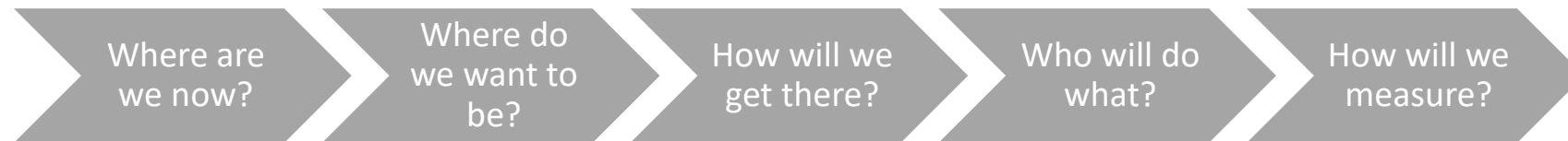
Diverse economy with strengths in health care, retail trade, manufacturing, and accommodation and food services

- **Healthcare:** largest industry in Sonoma County; 2 of the major hospitals are in Santa Rosa and serve the greater region.
- **Retail Trade:** 2nd 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.).



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EQUITABLE SUSTAINABLE GROWTH



** CLIMATE, CULTURE & COMMUNICATION **

Goals and action steps	Metrics/Targets	Lead	High	med	Low	Add'l Funding?
Improve business climate: streamline City services and support						
Business satisfaction and continuity of communication						
Communications and Marketing						
Equitable Economic Opportunities						

** ECONOMIC VIBRANCY **

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						

** RESILIENCY & HUMAN CAPITAL **

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



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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



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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**

