



## City of Grass Valley City Council Agenda Action Sheet

**Council Meeting Date:** January 24, 2012      **Date Prepared:** January 17, 2012

**Prepared by:** Tom Last, Planning Director   
Jeri Amendola, Economic Development Specialist 

**Title:** Implementation of the Economic Development Strategy

**Agenda:** Administrative

**Recommended Motion:** Confirm economic development remains a top priority for 2012 and review and comment on any of the proposed strategies in the attached Economic Development Action Plan.

**Background Information:** In January 2011, the City Council adopted Resolutions 2011-01 and 02, which confirmed economic development was a top priority in FY 2010/11. The resolutions included the adoption of the Economic Development Strategy. This strategy established a series of goals, objectives, and actions the City would take to implement economic development. One of the key strategies included the completion of the Buxton Report. The available information and resources in the Buxton Report provides the City with a unique tool and opportunity to take new and active steps to promote economic development. However, because of the recent developments related to the dissolution of the City's Redevelopment Agency, the City needs to revisit the overall economic development program. Specifically, the City needs to evaluate the budget constraints in relation to taking a more active role in promoting economic development. Regardless of the outcome of the City's Redevelopment Agency, staff believes economic development will remain a top priority. The attached plan establishes some general action steps that will be refined later, but allows the City to take some immediate steps to implement portions of the Buxton Report and promote economic development.

The intent of this agenda item is to: 1) confirm that economic development remains a top priority for the City; 2) identify specific actions City staff will undertake to promote economic development; 3) review the proposed schedule for implementation of specific actions. Attached is a series of steps staff intends to take over the next several months. Some of the items require close coordination and cooperation between departments. Others require a commitment of staff resources and funds to prepare and complete marketing packets. Additionally, there is a need for closer coordination with other entities (e.g. Economic Resource Council, Downtown Association, and Chamber of Commerce) to fully implement. Since the funding to implement some of these longer-term activities is uncertain, staff intends to bring this item back for further discussion upon final resolution of the Redevelopment Agency. Staff will then refine and modify some of the actions based on the budget constraints. In the meantime, staff will implement the short-term actions listed in the attachment.

**Council Goal/Objective:** - Strategic Goal #1 - Promote Primary Job Growth; #4 – Pursue New Opportunities for Retail and Commercial Businesses; #5 – Lesson Regulatory Requirements.

**Funds Available:** N/A      **Account #:** N/A

**Route to be Reviewed by:**  City Administrator

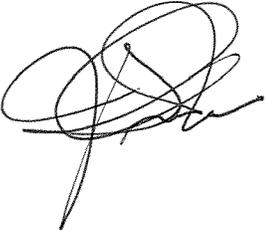
**Attachment:** Economic Development Action Plan

Agenda Item # 12d

**City of Grass Valley  
City Council Staff Report**



**TO:** Members, City Council

**FROM:** Tom Last, Planning Director   
Jeri Amendola, Economic Development Specialist 

**PREPARED BY:** Jeri Amendola, Economic Development Specialist

**DATE:** January 17, 2012

**SUBJECT:** **Buxton Retail Trade Analysis and Industrial Economic Development Action Plan**

---

On January 11, 2011, the City Council adopted the *City of Grass Valley Economic Development Strategy*, which identified five primary goals. Of those five goals, Goals 1, 4 and 5 are to promote primary job growth; pursue new retail and commercial businesses; and streamline regulatory processes to encourage and promote economic growth in our community. To facilitate implementation of Goal 4, the City commissioned the Buxton Company to evaluate local consumer demand and preferences, develop a community profile, and identify retail and commercial needs. The final product is an online trade area database and marketing tool which will be available to the City until January 2013. With the completion of Buxton's *CommunityID* and the availability of SCOUT software, the City must proactively pursue retail/commercial/industrial expansion opportunities to capture some of the \$200 million annual spending leakages which would significantly benefit our community. With the completion of the Buxton Report, the City is able to implement an aggressive Economic Development Action Plan (*EDAP*) meant to expand local businesses and attract others to fill the unmet consumer demand for products and services. As the City's access to the proprietary software ends January 2013, ***time is of the essence***. Staff recommends implementing an Economic Development Action Plan to expand its economic base, create jobs and increase revenue. The following is an overview of an Economic Development Action Plan (EDAP) for your consideration and designation of staff and resources.

**RECOMMENDED NEXT STEPS:**

Beyond identifying the right retailers, success requires establishing an *open for business* philosophy through public-private partnerships, streamlining the permitting process, and considering alternative payment plans for development impact fees. The proposed short-term action items represent steps that require immediate implementation, by April 15, 2012, in anticipation of Buxton's initial marketing pursuit packet. The long-term action items would be implemented over a longer period of time and dependent upon budget approval.

## Short-Term Actions

1. Mayor and City Administrator to hold a State-of-the-City meeting for all employees
  - a. Discuss what economic development means, why it is important, and how it affects each department and employee
  - b. Describes goals of economic development
  - c. Explain what the loss of Redevelopment means
  - d. Ensure common understanding is known to all employees
  - e. Solicit ideas from all employees of how to create more efficient processes
2. Determine Budget for Implementation of an Economic Development Action Plan
3. Public Outreach
  - a. Make Buxton data available to business and property owners, developers, commercial and industrial realtors.
  - b. Inform the community that SCOUT generated data is available to local and prospective retailers. SCOUT produces information specific to Grass Valley, called *CommunityID*. This product identifies which retail concepts should be in Grass Valley, allowing the City to be a proactive partner to local merchants, helping them understand how to create jobs by understanding non-retail opportunities.
4. Send Initial Marketing Pursuit Packages
  - a. Prioritize the top 20 retailers, into groups of five, and determine when Buxton will mail each group. This is important, as extensive follow-up efforts are required.
5. Develop Follow-up Strategy
  - a. Create an aggressive marketing program
  - b. Establish initial City employee contact for the follow up then assign point person for all future follow ups
  - c. Develop strategies to get in front of potential retail decision makers
  - d. Determine frequency contact and follow-up activities
  - e. Develop confidentiality protocol
6. Develop a Grass Valley Marketing Strategy

This needs to be an exceptional product, as this will be a follow-up to the initial contact by Buxton. At minimum, the City should consider the following:

  - a. Create a high-quality marketing brochure, including the following:
    - i. Community Write-up
    - ii. Tax Credits & incentives
    - iii. *Job One* mission
    - iv. Business Statistics
    - v. Map & Business Parks
    - vi. Cultural Attractions
    - vii. Demographics
    - viii. Business Resources
    - ix. Brochures: GVDA, Wine Country, Technology, highlights of our history
  - b. Create a complimentary “Get-a-way” package, which offers two nights, three days, at a local bed and breakfast, wine tours and other points of interest.  
***This activity will require a budget approval.***

7. Staff to Contact Wayne Schell at CALED
  - a. Discuss ways that CALED can provide technical assistance to support the City's economic development efforts. .
  - b. Determine costs for a business seminar on promoting economic development
  - c. Seek funds from PG&E, Waste Management, and/or others to sponsor the
  
8. Planning Director to conduct and lead meetings with City development-related team
  - a. Meet with Building, Engineering, and Fire Department staff
  - b. Reiterate City's economic development priorities
  - c. Evaluate current permit processes
  - d. Develop specific actions to ensure high priority is given for permit review and seek proactive steps to create a more efficient review process
  
9. Create Land Inventory
  - a. Identify infill sites, under-utilized properties, and vacant sites/buildings
  - b. Establish priority sites
  - c. Design an incentive program for shopping center and/or building remodel
  
10. Assess the requirements and expectations of the top 20 retailers
  - a. Analyze their respective location requirements and expectations
  - b. Determine the top five building constraints
  
11. Update City's Website
  - a. Work with Buxton staff to develop an interactive website to share data with local businesses
  
12. Research all available tax credits and incentives
  - a. Seek tax credits and economic development funds and grants that provide incentives for new and existing businesses

### **Long-Term Actions**

1. Determine manufacturing, industrial and medical clusters through implementing the Buxton Report
  - a. Coordinate with Sierra Nevada Memorial Hospital to develop a specific strategy to recruit, retain and expand healthcare services to meet community demands
  - b. Identify cluster industries that can support and meet the needs of existing businesses
  
2. Implement Economic Performance Measures  
 As part of the Economic Development Action Plan (EDAP), each activity will include identifying a performance measure which quantifies outcomes and successes, as applicable.
  
3. Streamline Planning and Permitting Process
  - a. Assign Planning Director as point person between City Departments for new planning projects
  - b. Develop a fast-track development process
  - c. Streamline regulatory requirements
  - d. Develop an alternative payment plan for impact fees

4. Review Buxton's Community Strengths, Weaknesses and Potential
  - a. Review Buxton's assessment of the community's strengths, weaknesses and potential
  - b. Based on the findings and recommendations, develop a strategy to address each
  
5. Work with ERC, GVDA, and Chamber
  - a. Develop a specific strategy to ensure continuity and coordination in implementing the economic development strategy