

Attachment A

***Economic Development Strategy  
City of Grass Valley  
Adopted January 11, 2011***

Vision

*The City of Grass Valley will promote the economic vitality of the region by serving as the Economic Hub of Western Nevada County.*

Background: Economic development increases the number of jobs, the tax base, purchasing power, diversity, and the availability of goods and services. Actions that support local sustainability will enhance economic vitality. These factors make community improvement and investment possible by both the private and public sectors. A vibrant economy benefits the whole community by providing the means to meet public service obligations and expectations.

Mission Statement

*The City's mission is to enhance the economic vitality of the community by taking actions that support opportunities for wealth creation and enhanced community services that enable people to pursue an exceptional quality of life.*

Background: *Economic development* in the simplest terms is generally described as building wealth in which community benefits are created. *Community development* on the other hand is a capacity building process for making a community a better place to live and work. The City's strategies focus on both elements and the two come together as we look at the economic health of the City and the *Quality of Life* enjoyed by those who live, work, visit and recreate in the community. The outcome of an effective economic and community development program will lead to achieving a higher quality of life.

Guiding Values

*The economic strategy for Grass Valley is guided by the community values enumerated in the City's adopted policy documents*

Background: The documents which guide our community include, but are not limited to, the 2020 General Plan, Development Code, the City Budget, City Capital Improvement Program, Redevelopment Agency Plan, Redevelopment Agency Implementation Plan 2009-2014, Downtown Strategic Plan, S. Auburn Street Master Plan, Colfax Avenue Infill Study (draft), Downtown Parking Study, Idaho-Maryland / E. Main Street Redevelopment Study and Glenbrook Basin Redevelopment Infill Study.



work with property owner/developer on having business park land available as one of the initial phases of the project

Timing: Present Specific Plan to City Council for action by December 2011.

Action Plan 3: Undertake preliminary review of the Bear River Mill Special Development Area (i.e. SouthHill Village) to see if option to add more business park / light industrial is achievable with infrastructure demands and how City could advance or further facilitate zoning and annexation of the property. Complete PTA grant funded work to evaluate constraints / financing options for extending sewer to area.

Timing: Provide report to Council on policy options, infrastructure needs and potential annexation steps by June 2011.

**1.5 Encourage and support expanding public infrastructure and services to meet the demands of existing and targeted industries.**

Action Plan 1: Define and confirm that the construction of the Dorsey Drive Interchange is the City's top priority for economic development and our Capital Improvement Program. As the City's top priority, develop a work plan that shows construction of this interchange commencing within 18-24 months.

Timing: By March 2011, conduct a joint meeting with Nevada County Transportation Commission (NCTC) to work through and set a joint priority path for project implementation. Submit at least bi-monthly progress reports to the Council on project status.

Action Plan 2: Initiate process for forming a City-wide Community Facilities District (CFD) that may assist in financing infrastructure and City services.

Timing: Initiate first step in forming a Community Facilities District with submittal of "Guidelines and Policies Concerning Use of Community Facilities Act of 1982" for Council review and approval in February 2011.

Action Plan 3: Evaluate and submit options for addressing the future financing and development of an intersection and/or interchange at Crestview Drive / State Highway 49, in order to assist with developing southerly Special Development Areas.

Timing: Report to Council on policy options by October 2011.

**1.6 Partner with various stakeholders to attract / retain priority businesses.**

Action Plan 1: Work in a collaborative effort with ERC, Nevada County, etc. to create a "red team" or Business Attraction Team (BAT) who would be readily available to assist with the expansion of an existing business or work with relocating a new business to the area. Representatives of the City on the BAT would include the Mayor, Council Members and key staff.

Timing: Gain stakeholder support and form BAT by July 1, 2011, pending final staffing of ERC.

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**1.7 Implement work programs from adopted redevelopment studies, with emphasis on Idaho-Maryland Road / E. Main Street and Glenbrook Basin areas.**

***Action Plan 1:*** Pursue priority short-term implementation measures identified within the Idaho Maryland Road / East Main Redevelopment Study Area and Glenbrook Basin Redevelopment Study as adopted by Council / RDA. Priority measures include permit streamlining, predevelopment assistance, infrastructure funding, zoning code amendments and BID formation.

***Timing:*** Continue to implement the priority work tasks adopted for the Idaho Maryland Road / E. Main Street Redevelopment Study Area. Return the Glenbrook Basin Redevelopment Study to Council for greater detailed discussion and direction in February 2011. Submit yearly report on success of work programs.

**Key Performance Measures for Goal 1: Primary Job Growth.**

Economic Impact of Implementing Strategies 1.1 to 1.7 can be measured by property value increases; lease value; new pay roll; building construction/improvements; equipment investment as may be determined for one year.

Selected performance measures for 2011 include:

- Secured construction schedule set in 2011 for Dorsey Drive Interchange
- Council action on Loma Rica Ranch Specific Plan
- Formation of Business Attraction Team and updated land inventory
- Two successful business breakfasts and conduct at least 6 businesses visits
- Priority work programs for RDA studies underway

**Goal 2: Enhance and Diversify Tourism Draw and Offerings**

**Objective:** Develop a united community tourism direction and implementation of a tourism marking/promotional strategy.

**Strategies:**

**2.1 Conduct a Mayor's "Tourism Summit" for purpose of identifying a united tourism direction for Grass Valley region.**

***Action Plan 1:*** Conduct a 1.5 to 2 day summit to define direction for tourism industry and gain buy-in by those who invest in tourism marketing, promotion, advertising, etc. Tie to work undertaken by County.

***Timing:*** Conduct a Tourism Summit by March 2011. Use information gained from Summit to prepare a Marketing Action Plan (see Strategy 2.2).

**2.2 Implement a unified tourism marketing plan in concert with other stakeholders.**

***Action Plan 1:*** Prepare a "Marketing Action Plan" that will provide an overall roadmap/strategy, timeline, action items, media plan, budgets, and recommendations for enhancing the local tourism market. Integrate actions with County plan where appropriate.

***Timing:*** By April 2011, present a Marketing Action Plan to stakeholders which can be implemented for the Spring/Summer 2011 season. The Marketing Action Plan would be closely tied to Nevada County's tourism branding effort through specific action items. The City/RDA would contribute up to \$10,000 of funding to complete.

Action Plan 2\*: Support the creation and implementation of an iPhone application for downtown business district to better promote / market available venues.

Timing: Work with Grass Valley Downtown Association / Chamber to implementing application by March 2011. The City/RDA would contribute approximately \$7,500 of funding to facilitate this application.

Action Plan 3: Investigate the option(s) for funding tourism / promotion activities through the development of a “tourism business improvement district” (TBID). The intent of this TBID is to fund the Marketing Action Plan.

Timing: Develop TBID option for stakeholder and City consideration by April 2011. If desirable, target formation and implementation of TBID for FY11-12.

### **2.3 Support current and ongoing efforts to produce special events and activities.**

Action Plan 1: Evaluate and support, if acceptable, the addition of new elements to current events such as ice skating, go-cart race, 2<sup>nd</sup> Saturday; AMGEN, etc. Integrate all new events into Marketing Action Plan.

Timing: Develop and implement new events into FY11-12.

Action Plan 2: Identify current events that have capacity for greater attendance (i.e. open hotel rooms, restaurant capacity, non-sold-out events) and integrate into Marketing Action Plan.

Timing: Support expansion of current events into FY11-12.

Action Plan 3: Work with the County and Center for the Arts to upgrade Vets Hall for enhanced ability to provide a larger venue for performances.

Timing: Support expansion of Vets Hall capabilities with RDA funding FY10-11, with County taking the lead for the project.

### **2.4 Support the growth of the Center for Arts as a regional Performing Arts Center.**

Action Plan 1: Work with the Center for the Arts Board to assist in their efforts to convert and expand their building and property at 314 W. Main Street in accordance with their recently adopted Master Facility Plan or “Plan”.

Timing: By January 2011, execute the loan agreement to fund their next phase improvements and a feasibility study on funding raising potential. Continue to support the Center in their fund raising effort to fully implement the Plan.

**Key Performance Measures for Goal 2: Enhance Tourism Draw and Offerings**  
Economic Impact of Implementing Strategies 2.1 to 2.4 can be measured through hotel/motel business to see increase of 10% in occupancy and consistent average daily rate and increase in sales tax revenue for the Downtown.

Selected performance measures for 2011 include:

- Conduct Tourism Summit
- Complete Marketing Action Plan and gain buy-in by stakeholders
- iPhone application for downtown business district implemented
- Expand a selected number of current events and add at least one new event/activity
- TBID for funding tourism / promotion activities submitted for approval
- Target attendance tracking with Center for the Arts

**Goal 3: Enhance Community Identity – The look and feel of a Great Town**

**Objective:** To grow and improve the “WOW” factor for every person coming into our community by investing in making great places and spaces for people to enjoy.

**Strategies:**

**3.1 Enhance historic image and economic vitality of downtown and adjoining business districts.**

Action Plan 1: Continue to integrate elements of the City’s Streetscape Design Manual through placement of new street furniture and general enhancements to the public right-of-way (i.e. sidewalks)

Timing: Install recently approved trash/recycle containers by February 2011. Define and implement next street improvement phase – street lights, sidewalk repair, signage, landscaping, etc. by November 2011.

Action Plan 2: Construct entry way projects on RDA owned parcels at Richardson Street / E. Main Street and Neal Street / S. Auburn Streets in coordination with Grass Valley Downtown Association and adjacent property owners.

Timing: By July 2011, initiate construction of approved design for entry way park at Richardson Street / E. Main Street. By July 2011, complete design of parking lot and entry way improvements and coordination with adjoining property owners for Neal Street / E. Main Street and target construction by November 2011.

Action Plan 3\*: Initiate planning effort to update and incorporate the S. Auburn Street Master Plan and Colfax Avenue Infill Study (draft), with a particular emphasis on evaluating the access and circulation options for the intersection of S. Auburn Street/Neal Street/Colfax Avenue and its surrounding properties.

Timing: Execute agreement or Letter of Intent (LOI) with property owner(s) for contributing to design and master planning of S. Auburn Street area by February 2011. Once agreement is executed, RDA will retain firms to; a) conduct a market analysis to verify retail/office expansion options for S. Auburn Street area, and b) retain planning / engineering services for evaluating intersection and circulation options. The City/RDA would contribute \$50,000+/- of funding to undertake the market research and assist with preliminary planning/engineering work.

Action Plan 4\*: Create and install a parking management system for the Downtown to better utilize existing public parking opportunities in support of local business. Work with private property owners on integrating the parking management system onto privately held parking lots to expand the number of public parking spaces.

Timing: By February 2011, execute agreement with a firm to prepare a parking management plan and install an operational system. Engage business/property owners and area residents on parking management plan and operational preferences by April 2011. Gain direction by Council on implementation of system by August 2011.

Action Plan 5: Continue to implement EPA Brownfield Grant program by identifying priority parcels, contamination challenges and developing clean-up strategies. Pursue additional funding sources to clean up priority parcels.

Timing: By April 2011, provide Council an update on participating properties and status of Brownfield evaluation. Complete work program in November 2011 and define next steps in Brownfield clean up program.

**Key Performance Measures for Goal 3: Enhance Community Identity**

Economic Impact of Implementing Strategies 3.1 to 3.2 can be measured through increases in retail sales activity, transient occupancy tax activity, property taxes and commercial lease rates and occupancy fluctuations.

Selected performance measures for 2011 include:

- Development options presented and lead by private sector to implement S. Auburn plan and path for construction of first phase in place of potential retail space growth
- Downtown construction projects competed and street furniture installed. Entrances to downtown are sharper, cleaner, defined and more welcoming.
- Downtown Parking Management prepared, reviewed and direction provided

**Goal 4: Pursue New Opportunities for Retail and Commercial Businesses**

**Objective:** Grow and reshape the retail and commercial business sector to capture a greater share of business activity as the economic hub of western Nevada County.

**Strategies**

**4.1. Confirm retail / commercial businesses which can locate or expand based on existing/future market, demographics, income levels and buyer preferences.**

Action Plan 1: Conduct a directed retail market analysis and profile for community. Evaluate local market conditions and identify priority businesses. Examine option for conducting a community survey to determine retail or commercial preferences of local residents.

Timing: Retail market analysis would be completed by November 2011. Upon completion of analysis, conduct meeting with key property owners to review options for locating preferred business. May develop and use a community survey for gaining additional information on desired businesses.

**4.2 Recruit targeted retail / commercial businesses to targeted locations (in City).**

Action Plan 1: Based on results of Strategy 4.1, identify and ready key parcels for locating priority retail or commercial businesses. If inventory of properties would support certain retail or commercial uses, work with 2-5 national/regional level retailers to locate in Grass Valley.

Timing: Provided the market analysis demonstrates the need for larger retail users in the area and the land inventory can support such uses, contact broker/developers to confirm interest, timing, available land, land use or zoning needs/changes for larger format retail by December, 2011.

**Key Performance Measures for Goal 4: Pursue Retail / Commercial Opportunities**

Economic Impact of Implementing Strategies 4.1 to 4.2 can be measured through increases in retail sales activity, property taxes and commercial lease rates and occupancy fluctuations.

Selected specific performance measures for 2011 include:

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- Completion of Retail Market Analysis / Profile and Community Survey
- Determine level of interest of 1-3 major retail businesses and 3-5 smaller format retail businesses (include local expansion) and initiate contact with property owners of preferred sites
- Create strategy for locating interested retail / commercial users to preferred sites

**Goal 5: Lessen Regulatory Challenges or Requirements**

**Objective:** Work to identify and, where feasible, lessen or streamline regulatory burdens which potentially constrain the expansion or location of businesses in our community.

**Strategies**

**5.1 Work to streamline key development proposals in core business districts.**

Action Plan 1: Identify key properties and/or business owners in core business districts who wish to develop or redevelop their property/building. Engage in public/private partnerships for the purpose of advancing their project.

Timing: City / RDA staff will create a priority list of properties, in light of their development or redevelopment options, by July 2011 and follow up with contacting at least 25% of these owners by November 2011.

Action Plan 2: For core business districts (outside of the Idaho-Maryland Road / E. Main Street and Glenbrook Basin Study Areas), work to develop a predevelopment approval process for key properties. Priority measures include permit streamlining, predevelopment assistance, infrastructure funding, zoning code amendments and BID formation.

Timing: Have format of public-private assistance agreements (i.e. Owner Participation Agreements) readied for interested property owners by September / October 2011.

**5.2 Review City regulatory requirements / permitting costs to better enable key development proposals.**

Action Plan 1: Evaluate current City Development Impact Fees as to their applicability and use in the development process. Create options for how fees may be applied with greater flexibility (i.e. deferral options, fee credits, offsets).

Timing: Three measures can be implemented by April 2011; a) Consider modification to allow greater flexibility in approving deferrals on payments of Development Impact Fees, b) Evaluate current structure of Administrative and Park Facility impact fees and evaluate options for potential of fee reduction(s) and, c) Review traffic fee program to determine modifications that may reduce fees. Provide analysis on the impact of fee changes.

Action Plan 2: Evaluate current transportation policies to better confirm local traffic preferences when balanced with economic development priorities. Provide policy options for updating current traffic policies / requirements.

Timing: Present policy options on how current transportation policies can be updated to Council for consideration by July 2011.

Action Plan 3: Evaluate current City wastewater extension requirements and options for serving areas outside City Limits.

Timing: Present policy options to Council for consideration on how City wastewater service maybe be extended outside City Limits as part of updating the City's Sewer Master Plan by October 2011.

Action Plan 4\*: Evaluate City permitting process and, if applicable, reset costs for simple, over the counter permits.

Timing: As part of preparing the City Budget for FY11-12, the City would update its "Cost of Service Study", the baseline report used for determining and justifying City fees for services. The update of this study would allow the City to further consider and approve adjustments to certain City permits, their staffing demands and fee amounts.

Action Plan 5\*: Evaluate City permits which have limited staffing or service demands for changes to enhance efficiency and reduce costs.

Timing: Over the next year, review permits for recommended changes with initial recommendations on some permits to be made by February 2011.

**Key Performance Measures for Goal 5: Lessen Regulatory Requirements**

Economic Impact of Implementing Strategies 5.1 to 5.2 can be measured through increases in building evaluation, building permits, property taxes and commercial lease rates and occupancy fluctuations.

Selected specific performance measures for 2011 include:

- Adoption of alternative payment procedures for City Development Impact Fees
- Consideration of revising certain City Development Impact Fees
- Consideration of updating / revising City Transportation Policies
- Updating City Cost of Service Study for purpose of revising City service fees
- Consideration of policies to enable extension of City wastewater service to properties outside City Limits
- Changes to permits presented to Council for consideration