



Santa Cruz County Economic Vitality Strategy PUBLIC REVIEW DRAFT - MAY 2014



Introduction

Overview of the Economic Vitality Strategy

The Santa Cruz County Economic Vitality Strategy represents the results of an initiative led by the County of Santa Cruz to identify strategies that could work together to strengthen the local economy. The perspective of the Strategy is to recognize countywide assets, opportunities and partnerships; and to highlight goals, strategies and actions that County governmental agencies could pursue to complement and strengthen the economic development efforts of key existing businesses, agencies and organizations. Of foremost importance are the existing businesses and agencies that provide jobs, goods and services to county residents and businesses, and which create the shape of the existing Santa Cruz economy. There is potential for economic development efforts to increase support for small businesses, and also to help strengthen the potential for new and expanding economic sectors.

The County of Santa Cruz economic vitality resources will complement and be leveraged through partnerships with business organizations and other agencies involved with the local economy. These include but are not limited to the Santa Cruz County Workforce Investment Board (WIB), the Santa Cruz County Conference and Visitors Council (CVC), and economic vitality programs of the county's incorporated cities of Santa Cruz, Scotts Valley, Capitola, and Watsonville. Other key supporters of economic success include but are not limited to the Santa Cruz County Business Council and chambers of commerce and associations representing the geographic areas of the Santa Cruz Area, Capitola–Soquel, Aptos, Pajaro Valley, San Lorenzo Valley and Pleasure Point.

This Economic Vitality Strategy (EVS) presents a series of goals, strategies, and actions to promote job growth, expand workforce development, strengthen public revenues, and improve the quality of life for residents and businesses in Santa Cruz County. Although the EVS focuses on unincorporated portions of the County in terms of strategies and actions, it is structured to provide an overall framework for economic vitality for the whole of the County; including incorporated and unincorporated areas. This approach has been taken so that a single Strategy document might reflect the work and initiatives of local partners in a coordinated framework. It does not replace or contain all of the strategies of other entities, but reflects key aspects of the work and priorities of others involved with economic vitality so that all activities might complement each other.

Key Goals

This Economic Vitality Strategic Plan presents strategies and actions for seven key goals that have been identified through the process of preparing the Strategy:

GOAL 1: CREATE SHARED VISION AND ORGANIZE FOR ACTION

GOAL 2: SUPPORT SUSTAINABLE DEVELOPMENT

- GOAL 3: STRENGTHEN KEY ECONOMIC SECTORS: AGRICULTURE, HEALTH, EDUCATION, AND LEISURE & HOSPITALITY
- GOAL 4: ENHANCE GROWTH OPPORTUNITIES FOR EMERGING SECTORS OF TECHNOLOGY/ INNOVATION AND THE ARTS, AND SUPPORT SMALL BUSINESSES
- GOAL 5: EXPAND PUBLIC SECTOR CAPACITY AND INFRASTRUCTURE
- GOAL 6: REVITALIZE AND STRENGTHEN TOWN CENTERS AND COMMERCIAL AREAS
- GOAL 7: PROMOTE SANTA CRUZ COUNTY TO LOCAL, REGIONAL, STATE, NATIONAL & GLOBAL MARKETS

GOAL 1:

Create Shared Vision and Organize for Action

Strategies for Creating Shared Vision and Organizing for Action

Strategy 1.1 Adopt Economic Vitality Strategy (EVS) and Two Year Work Plan

Strategy 1.2 Organize County Economic Vitality Staffing and Resources

Action 1.2.1: Dedicate appropriate staff, through an interdepartmental approach, to implement the following activities:

- Business Retention and Expansion Program
- Permit Assistance and Ombudsman; Land Use/Regulatory Assistance
- Disposition of RDA Successor Agency Real Property Assets at 7th/Brommer & 17th/Capitola Road
- Grant-writing, Funding, Contract and Grant Administration
- Marketing and Promotion of “world class” Santa Cruz County
- Strategic Collaboration with a wide range of private and public partners
- Workforce Investment, Education, Job Training, Community Services

Action 1.2.2: Designate a Point Person for Economic Vitality in each County Department

This action will ensure coordination among County departments, and facilitate communication about the value of sustainable economic vitality to all county employees.

Action 1.2.3: Direct the County Administrative Officer to Authorize the Planning Director to Lead an Inter-Departmental County Strategic Action Team (SAT) charged with overseeing Streamlining of Regulations and Permits, and Facilitation of Key Projects

This will create a Strategic Action Team, consisting of key department directors and agencies, to actively engage in an on-going review of permit processes, business development fees and regulations. This action will also establish a policy that development projects meeting one of the following criteria are eligible for preliminary project or pre-application review and meetings by the SAT to address requirements, potential barriers and proposed solutions to barriers; as well as to identify economic benefit, estimated fees, and process timing up front.

SAT Criteria (project meets one or more):

- Project creates or retains more than 10 jobs
- Project will generate or retain significant sales or transient occupancy tax
- Project is initiated by a targeted industry, including manufacturing, recreation equipment design and manufacturing, food and food related processing, electronics, technology/innovation cluster, bio-sciences, marine sciences or marine-oriented businesses, health services fields, alternative energy.

Strategy 1.3: Facilitate Regional Economic Vitality Partnerships & Support Systems

Action 1.3.1: Establish Ongoing Relationships with Economic Development Staff in Each Incorporated City in the County and provide for quarterly meetings to share information

Action 1.3.2: Participate with local business groups

Action 1.3.3: Partner with Chambers & Business Council members for Retention/Expansion Support

Strategy 1.4: Consider a Business License Program for Businesses in the Unincorporated Areas

This strategy envisions a modest license fee or tax, and collection of basic information to analyze business growth, further target economic vitality efforts, and communicate with businesses. This initiative will help with a focus on educating and supporting small businesses, and business expansion efforts.

Strategy 1.5: Create Communications Strategy to Educate and Promote the Vision

Action 1.5.1: Improve and prominently feature Economic Vitality on the County website including presence on the County Home Page

Action 1.5.2: Distribute County Economic Vitality press releases or blogs via E-News email blasts

Action 1.5.3: If adopted, work with the business license contact information to create a network of emails to enable targeted information distribution

Strategy 1.6: Identify Appropriate Metrics to Track Economic Vitality

Action 1.6.1: Set up systems to track annual statistics of economic development impacts. Metrics may include:

- Unemployment Rate & Participation in Labor Force
- Building Permit Valuation
- Business Census Surveys
- Personal Property Assessments
- Office and Retail Vacancy Rates
- Transient Occupancy Tax (TOT), Sales Tax and Property Tax revenues

GOAL 2:

Support Sustainable Development and Availability of Housing

Strategies to Support Sustainable Development

Strategy 2.1: Support Adoption of Sustainable Santa Cruz County Planning Study

The Sustainable Santa Cruz County Plan will present a community-based vision for a more sustainable way of life in the County, with a focus on the urbanized area of Live Oak, Soquel, and Aptos. The Plan will foster an integrated land use and transportation pattern, through policies oriented to land use diversity, stronger “20-minute” neighborhoods, protection of environmental resources, and support for job creation and economic growth.

Strategy 2.2: Update General Plan Elements; with Economic Vitality Goals/Policies

Identify a set of proposed General Plan “Sustainability” Amendments to Land Use, Housing, Circulation, Public Safety/Climate Adaptation and Community Design Elements; prepare a Master Environmental Impact Report (EIR), and adopt amendments with an emphasis on planning for improved functionality, meeting housing and workplace needs, protecting the environment, and respecting community character.

Strategy 2.3: Modernize County Codes, Zoning, and Sign Ordinances

Adopt Code Modernization Amendments to County Code Chapters 13.10 (Zoning and Signage Regulations), Title 16 (Environmental and Resource Protection) and 18.10 (Permit Procedures), and Sign Ordinance to reflect current market demands, business needs, building practices and community values.

Strategy 2.4: Pursue “One-Stop Development Services Center” Model

This model would consolidate all development project review, permit review, and related plan checks of agencies involved with permitting into a single service counter as “one stop.” Many cities and counties have found that this model expedites project review. Enhanced customer service training for all staff and agencies involved with permit processes should be provided, including on-going “refresher” trainings.

Strategy 2.5: Continue Removing Regulatory Obstacles/Streamlining Permit Process

The County has worked to modernize its zoning codes, and has identified additional refinements to reduce regulatory barriers to high quality new development. In continuing the effort, the County will conduct a Key Industry Review to ensure that codes amendments address factors that impede business operations, job creation and business expansion. This strategy also assists applicants in obtaining permits within predictable timeframes and with reasonably predictable outcomes.

Strategy 2.6: Create “New Tools” in Zoning Districts & Development Standards

This strategy will seek to accommodate modern and efficient spaces for working and living. Land use regulations need to allow for flexible uses of work spaces. During the process of creating the “new tools, meet with construction lenders, developers and others to ensure

that the new development standards support the types of housing construction that is needed and can be financed.

Strategy 2.7: Support a “Legalization Assistance Permit Program” (LAPP)

This strategy will encourage owners to obtain permits to legalize unpermitted improvements as well as to reinvest and modernize properties in order to achieve greater utilization of investment for jobs, income and revenues.

Strategies to Support Affordable Housing

Strategy 2.8: Review Affordable Housing Regulations & Programs for Efficacy

Conduct a comprehensive review of the County affordable housing regulations and program, and adopt refinements that reflect the loss of Redevelopment and recent court decisions.

Strategy 2.9: Update County Housing Element

Update the County’s Housing Element of the General Plan by December 2015 in order to ensure certification by the State HCD, to meet “fair share” Regional Housing Needs and ensure eligibility for CDBG and affordable housing funding, and to ensure that land use policies and zoning accommodate housing types and available sites to meet identified housing needs.

Strategy 2.10 Program for Successor Agency Affordable Housing Reuse Funds

In conjunction with the Housing Element Update, complete a strategy for expenditure of RDA Housing Successor affordable housing reuse funds, consistent with State law (SB 341).

Strategy 2.11: Maintain Partnerships with Housing Authority & Housing Non-Profits

Relationships and partnerships with the Santa Cruz County Housing Authority and with non-profit housing providers, including those who develop, acquire/rehab, and own or manage housing for low-income and special needs households, significantly enhance the County’s affordable housing efforts.

Strategy 2.12: Consider High Density Overlay Zone for Small Unit & Supportive Service Housing

Consider adopting a “High Density Overlay District” (HD-O District) as it currently exists in the City of Santa Cruz zoning code, in order to accommodate needs for small units for single persons and those with special needs, especially in conjunction with supportive services.

Strategy 2.13: Incentivize Second Units and Small Rental Units that are Affordable By Design

Incentivize the creation of second units and small rental units that are “affordable by design”, thereby serving the needs of workers, students, singles and seniors. Review fee structures applicable to small rental units, including for utility connections.

GOAL 3:

Strengthen Key Economic Sectors -- Agriculture, Health, Education and Leisure & Hospitality

Strategies to Strengthen the Agricultural Sector

Strategy 3.1: Consider Amendments to County Code to Support Agricultural-Related Enterprises

These include provisions that support agri-tourism such as farmstands, farmstays, on-site winery tasting rooms, U-Pick; and housing for farmworkers. Also review code for support of agricultural operations such as parking and storage of farm equipment, appropriate signage and fencing, and ancillary retail operations. Consider policies and regulations that appropriately balance modern needs of farms and agricultural businesses, preservation of the most productive soils, and impacts on residential areas.

Strategy 3.2: Coordinate with Partners to Convene Ag Stakeholder Meetings

Coordinate with the Farm Bureau and others to convene and attend meetings of Ag stakeholders in business, government, education, technology, organics, cottage foods, community-supported agriculture (CSA) programs, processing/distribution to keep abreast of new economic opportunities, create linkages and partnerships, and address barriers to vitality.

Strategy 3.3: Monitor Deliberations and Decisions About Water Supply That Affect Agriculture

Monitor and participate in regional processes about water supply, including analyses and discussions about alternatives, and decision-making processes related to ensuring adequate water supply and preserving water quality for agriculture; particularly for South County and Pajaro Valley aquifers used to support farming.

Strategy 3.4: Support Workforce Training for Ag Sector Occupations

Work with partners to ensure workforce training for the full range of occupations and careers available in agriculture, including soil chemistry, plant husbandry and hybridization, use of technology in and out of the fields, sourcing, accounting, distribution, and marketing and branding. Promote internships/ apprenticeships for local youth, and support other efforts to help ensure a well-matched workforce for North Coast and South County/Pajaro Valley growers.

Strategy 3.5: Support Meeting Farmworker Housing Needs

Coordinate with the Farm Bureau, the Housing Authority, non-profit housing developers, the County Housing Advisory Commission, large growers, and others in efforts to identify and meet the housing needs of agricultural workers.

Strategy 3.6: Identify Sites for Modern Supply / Distribution Chain Facilities

The County will update regulations and identify appropriate sites for modern food processing, agriculture technology businesses, and distribution. This will include review and refinement of “agricultural” and “commercial agricultural” zoning districts in the County Code, as well as work with the Farm Bureau and commercial realtors to identify land areas that would be appropriate for equipment storage, agricultural support buildings, agricultural technology enterprises, agricultural processing facilities, and agricultural distribution infrastructure.

Strategy 3.7: Support Branding Initiatives

Work with the County’s Farm Bureau and others to consider a program such as the State Department of Agriculture’s “California Grown” to “brand” Santa Cruz County/Pajaro Valley agriculture to promote our reputation for quality, safety and pride in area agricultural products.

Strategy 3.8: Support Partnerships to Strengthen Local Sustainable Agriculture

Recognize the importance and leadership of the UCSC Agro-ecology program, Hartnell College Agricultural Business & Technology Institute, Cabrillo College, Cal State Monterey Bay, Farm Bureau, Agri-Culture, California Certified Organic Farmers (CCOF), and local Farmer’s Markets in promoting and supporting the success of organic farming and product development on the Central Coast

Strategies to Strengthen the Health Sector

Strategy 3.9: Work with Sutter/PAMF to Support Future Campus Development, and on Reuse Strategies for Existing Medical Buildings

Work with Sutter/PAMF as they develop a campus master plan, in order to appropriately incorporate transportation access to and from the site, and to establish development parameters that reflect needs of specialized health-oriented uses, as well as needs of the community.

Strategy 3.10: Work with Dominican/Dignity Health, Sutter/PAMF to Improve Transportation Access and Campus Mobility

County transportation staff, as well as the Regional Transportation Commission (RTC) and METRO bus district, would work with the hospital organizations and nearby medical providers on mechanisms to address parking supply; and to identify improvements that would improve emergency vehicle, transit, auto, bike and pedestrian access to the medical corridor.

Strategy 3.11: Work with the Medical Corridor Property Owners to Attract Hotel

Work with property owner(s) and hotel industry representatives to explore the feasibility of and encourage development of a hotel within the medical corridor oriented to serving visitors of patients, as well as business and vacation travelers.

Strategy 3.12: Support Expansion and Strengthening of Community Health Centers

Ensure that County staff publicize the availability of grant funding opportunities that the County is involved with, such as the Community Development Block Grant (CDBG) Program, to community health centers such as Salud Para la Gente, the Women's/Family Health Center, and Dientes; which have an important role in delivery of health care in the age of the Affordable Care Act.

Strategy 3.13: Meet Housing Needs of Health Workers

Identify needs of health sector employees for housing, and strive to facilitate creation of appropriate housing types near medical jobs, and along transit corridors.

Strategy 3.14: Encourage Expansion of Medical Education and Training Programs

Encourage Cabrillo and other local education and training institutions to increase available seats in nursing, medical and dental assistants, and other high demand medical job training programs.

Strategies to Strengthen the Education Sector

Strategy 3.15: Support and Facilitate Workforce Training Programs at Area Educational Institutions

Support positive relationships, collaboration and planning with UCSC, Cabrillo, Cal State Monterey Bay, San Jose State and other Santa Clara Valley educational institutions and partners; to support technology transfer, innovation, training and resources for entrepreneurs and business start-ups, to accommodate incubator workspaces, and to ensure available housing appropriate to income and lifestyle needs. Foster positive relationships with Cabrillo, the WIB, K-12 Regional Occupation Program (ROP), Adult Education programs, Goodwill/Shoreline and others to ensure we are training a competitive workforce.

Strategy 3.16: Support Increased and Improved Educator Training at All Levels.

Support the efforts of UCSC, Cal State Monterey Bay, Cabrillo and Santa Cruz County school districts to undertake programs and actions that support the attraction and retention of quality educators to teach in our educational institutions, from pre-school through college and post-graduate studies.

Strategy 3.17: Strengthen Youth Education and Training, and Improve Graduation Rates

Undertake focused efforts to create linkages between the business sector, job training programs, and middle- and high schools; in order to promote the benefits of high school graduation, college education and/or job skill programs. Improve mentoring, education, and job opportunities for local youth, particularly for South County youth.

Strategy 3.18: Explore Creating Incubator Facilities

Explore opportunities to create a public-private -sponsored incubator facility targeting key industry sectors, possibly in conjunction with development of housing.

Strategies to Strengthen the Leisure and Hospitality Sector

Strategy 3.19: Facilitate Development of Visitor Facilities at Santa Cruz Harbor

Carry out RDA Successor Agency implementation of Long Range Property Management Plan (LRPMP) in a manner that maximizes opportunities for visitor accommodations, ecotourism, restaurant and recreation uses on the 7th/Brommer site at the Santa Cruz Harbor, in collaboration with the Santa Cruz Port District.

Strategy 3.20: Provide Technical Assistance to Restore Historic Lodging Facilities

Provide technical assistance to owners of Brookdale Lodge, and other historic lodging facilities in the unincorporated areas to create economically viable businesses that provide jobs, contribute to the vitality of surrounding areas, and increase revenues to local government.

Strategy 3.21: Facilitate Development of Sustainable Visitor Facilities at Appropriate Locations

Work with the property owner (Dignity Health/Dominican) and hotel industry representatives to explore the feasibility of and encourage development of a visitor accommodations facility on the Poor Clares/ Foursquare site, and work with property owners at other appropriately zoned locations.

Strategy 3.22: Explore Feasibility of Hotel in Medical Corridor

Work with property owner(s) and hotel industry representatives to explore the feasibility and encourage development of a hotel within the medical corridor, oriented toward visitors of patients as well as business and vacation travelers.

Strategy 3.23: Review Code for Bed and Breakfast Requirements

Conduct a review of current County Code regulations related to Bed and Breakfast establishments, to ensure that standards accommodate feasible business models.

Action 3.23.1: The Treasurer's/County Auditor's office will continue efforts to monitor websites and identify locations advertising visitor accommodations that are not allowed, such as airbnb.com, in order to support the viability of legally permitted locations.

Strategy 3.24: Contract with Small Business Development Center (SBDC) to Provide Business Support to Visitor Serving Sector

Contract with Small Business Development Center (SBDC) to provide training and support in association with local food, wine and restaurant groups.

Strategy 3.25: Partner with State to Enhance Recreational Opportunities on State Lands

Explore opportunities to partner with the State Department of Parks and Recreation to enhance recreational opportunities on State lands, both to enhance recreational opportunities and to support businesses located in villages and commercial areas adjacent to State parks.

Strategy 3.26: Facilitate Establishment of Regional Youth Sports Facilities

Work with sports organizations to explore the need and potential for establishing new regional sports complex facility that could accommodate “traveling teams” youth sports tournaments, which would increase overnight visitors and spending in the local economy.

Strategy 3.27: Support Initiatives to Promote County Commercial and Community-Serving Sports Facilities

Support efforts of the Santa Cruz Conference and Visitors Council (CVC) to promote Santa Cruz County as a venue for high-profile sports and athletic events, as well as community athletic events.

GOAL 4:**Enhance Growth Opportunities for Emerging Sectors of Technology/Innovation and The Arts, and Support Small Businesses****Strategies to Strengthen the Technology and Innovation Sector****Strategy 4.1: Recognize Role of UCSC in Fostering Innovation**

Recognize the role of UCSC in developing innovative technology and fostering scientific and technological partnerships with existing and start-up businesses in genomics, robotics, marine sciences, organic agriculture and new agriculture technologies, artificial intelligence and game and playable media.

Action 4.1.1: Participate, where needed, in the conversation regarding UCSC’s leadership role in creating the next generation of technology, arts, bio-med, marine sciences, agri-science and other disciplines which will inspire new businesses and technologies in the future.

Action 4.1.2: Provide technical assistance, where warranted, to the UCSC Center for Entrepreneurship Program (C4E).

Strategy 4.2: Support UCSC’s Human Genome Institute Initiative

Support UCSC’s efforts to raise \$50 million to create a Research Institute on campus for the Human Genome Project.

Strategy 4.3: Identify Locations and Encourage Adaptive Reuse for Innovation Sector Employment

Identify geographic areas that offer opportunity sites for new workforce development spaces appropriate for innovative technologies, such as the Upper 41st Avenue area at Research Park and South Rodeo Gulch and along the Soquel Avenue frontage road. Explore co-working models for areas.

Action 4.3.1: Work with property owners in the upper 41st Avenue area around Research Park for the discussion to support the innovation sector including embracing broadband infrastructure into this area as a high priority.

Strategy 4.4: Seek to Retain and Attract Innovation and “Maker” Companies

Focus retention and attraction programs on companies that develop, create, and produce or manufacture products for distribution and sale to broader markets.

Action 4.4.1: Provide ombudsman assistance to locate and attract innovation companies that make products for worldwide distribution.

Strategy 4.5: Encourage Satellite Locations for Silicon Valley Tech Companies in Santa Cruz County

Explore opportunities to create satellite center locations within the County for large technology companies such as Google, Apple, Facebook, Twitter, Ebay, etc. as well as for other prominent and emerging Silicon Valley/San Francisco technology companies, recognizing that we share a highly skilled workforce with these regions and that several of these companies are providing commuter busses for their employees that live in Santa Cruz, but work out of the County.

Strategy 4.6: Work with Par 3 Property Owners on Potential Re-Use Options

Work with owners of the “Par 3” site in Aptos to explore opportunities to site an innovative business development that would provide high quality jobs, in combination with a developed recreational opportunity, for both the on-site employers as well as for community residents.

Strategy 4.7: Facilitate Development of a Work/Live Technology Incubator

Identify potential sites and funding to create a live-work Technology Incubator development that includes workspace and housing within a single development that is affordable for start-up entrepreneurs.

Action 4.7.1: Work with a property owner to explore the economic viability and sustainability to provide a “live-work tech” product taking into consideration potential development and infrastructure barriers.

Strategy 4.8: Work with Property Owner and Stakeholders for Reuse of CEMEX Site to Foster Job Creation

Work with property owner, educational institutions, North Coast land preservation organizations, and expanding industries in key Santa Cruz employment sectors to explore potential for appropriate job creation on the CEMEX site in Davenport. Maximize the opportunity to re-use the CEMEX site in a manner that recognizes the natural attributes of the area, is compatible with Davenport community character, accommodates creation of jobs, assists with availability of public services to the community at reasonable rates, accommodates visitors, and generates revenues to support public infrastructure and services.

Strategy 4.9: Tap Skills and Leadership of Innovation Sector Residents to Support Sector and Local Economy through “Encore Careers”

Work with Santa Cruz Service Corps of Responsible Executives (“SCORE”) and other groups to identify entrepreneurs who may desire local “encore careers” in technology and other fields, who use their talents both to create new jobs, and to inspire and support the next generation of technology businesses.

Strategy 4.10: Encourage Retention and Expansion of Recreation / Lifestyle Product Designers and Manufacturers

Recognize strength of recreational/lifestyle products sector in Santa Cruz, and ensure that business retention and expansion efforts focus on this sector.

Action 4.10.1: Partner with Economic Development counterparts in the incorporated cities to ensure that the companies which are currently manufacturing products in the recreation and lifestyle market niche are visited on an agreed-upon schedule with the intent to address challenges identified by the companies and further their success.

Strategy 4.11: Develop Financing Incentive Program and Assistance Tools

The County will develop a menu of financial incentives and assistance that would be deployed on a case-by-case basis to attract or retain a business development that met certain defined criteria.

Strategies to Strengthen the Arts and Creatives Sector

Strategy 4.11: Support Arts Organizations

Support efforts to retain healthy performance companies and appropriate venues for the arts.

Action 4.11.1: Participate, where feasible, with local arts organizations including but not limited to the Cultural Arts Council, Regional Artisans Association, Pajaro Valley Arts Council, the Museum of Arts and History, UCSC and Cabrillo College.

Strategy 4.12: Support Cross-Promotion Marketing Initiatives

Support the Conference and Visitors Council (CVC) Tourism Marketing District efforts, to showcase the variety of assets/experiences available in the County, and encourage the CVC to provide additional training to owners, managers, and employees of tourism, lodging, entertainment and restaurant properties to enhance cross-promotion of attractions to visitors and broaden awareness of the variety of area attractions and businesses.

Strategy 4.13: Support Film and Performance Arts Initiatives

Support CVC efforts to encourage the film industry to use Santa Cruz as a venue, which can promote our natural and creative cultural assets. Promote the importance of performance art venues and take advantage of opportunities to market and support the venues.

Action 4.13.1: Provide in-kind resources to assist with creating a visual inventory of assets available to the film industry.

Action 4.13.2: Work with the performance arts venues to ensure economic viability and enhance efforts to market the performance arts to advance this market cluster.

Strategy 4.14: Support Protection and Restoration of Natural Areas with Sustainable Visitor Recreation Improvements

Ensure protection and health of Santa Cruz natural and open space areas, and promote appropriate visitor use of such areas for hiking, running, bicycle riding, rock climbing, birding and other activities and events based on resource values of our community.

Strategy 4.15: Encourage and Facilitate Arts Support Services and Networking

Discuss the feasibility of creating an “Arts Meet Up” group with the Cultural Council, and foster links to resources and to markets for business success and expansion. Foster on-line art sales approaches, as well as centralized support and shipping services for art, such as that in Scotts Valley opened by the Regional Artisans Association, who has also opened a Capitola Mall location. In particular, focus on South County/Pajaro Valley to support creation and expansion of art-related jobs and income.

Action 4.15.1: Facilitate an arts association “meet up” group to facilitate the exchange of information on items that impact the arts.

Action 4.15.2: Partner with the SBDC to facilitate a meet up group and education for artists selling their works or who would like to sell their works online, including Etsy sellers.

Action 4.15.3: Partner with the SBDC, Digital Nest, Pajaro Arts Council, Workforce Investment Board, City of Watsonville, Regional Artisans Association, and others to facilitate the Craft Entrepreneurship Program from Etsy.com that has been obtained by the County.

Strategy 4.16: Identify Sites Appropriate for Artists Live/Work Projects

Identify locations (perhaps at 17th Avenue/Railroad tracks “silo site”) and funding opportunities for creation of an Arts Live-Work or incubator development that includes workspace and housing within a single development, that offers opportunities for shared use of facilities and equipment, and is affordable for those pursuing artistic and creative enterprises.

Action 4.16.1: Identify potential locations and meet with property owners to discuss the potential of artist live/work space or an incubator development which offers opportunities for shared equipment and facilities.

Strategy 4.17: Support “First Friday” and “Open Studios” Arts Programs

Support “First Friday” arts program; and collaborate with arts organizations to identify and implement additional spaces for exhibition and sale of art.

Action 4.17.1: Find ways to support, enhance and promote the First Friday, Open Studios and other arts programs that encourage arts tourism in our county.

Strategy 4.18: Engage with Existing Meet-Ups in Creative and Arts Industries

Attend as feasible existing “Tech Meet Up” and other groups such as “Makers Factory,” to help facilitate the success of persons with creative and innovative ideas for producing products.

Strategies to Support Small Businesses

Strategy 4.19: Contract with Small Business Development Center (SBDC) to Support Small Businesses

This strategy builds on and connects with the statewide system of Small Business Development Centers to provide education, technical assistance and financial counseling to small businesses; and to offer specialized training based on annual workplans, with initial trainings related to cottage food, arts, lodging and restaurant businesses.

Action 4.19.1: Enter into annual contracts with the Small Business Development Center to provide training and support for small businesses.

Strategy 4.20: Pursue Programs to Train Businesses in E-Commerce

This strategy envisions working with major online e-commerce companies such as Etsy (an e-commerce site for handmade and vintage goods), eBay (an e-commerce site where small entrepreneurs re-sell previously-owned items and new items), Kickstarter (an online crowd-funding site), and others to provide home-based and very small business an unprecedented sales channel for global sales of local products. This strategy involves the County working proactively with these site sponsors, or other intermediaries, to convene webinars or other training venues for local artisans and businesses, with the aim to increase sales, and in turn, capture sales tax revenues for local purposes.

Action 4.20.1: As the new retail landscape continues to evolve toward a model less dependent on storefronts, it will be imperative to train businesses on how to sell products online so they can compete in the new economic reality. Partnerships with Etsy.com and Ebay will continue to be pursued, as well as new partnerships with Kickstarter and other mechanisms that could support the technology/innovation sector.

Strategy 4.21: Support Expansion of Broadband Infrastructure Throughout County

This strategy is key to enabling small and home-based businesses to fully utilize online e-commerce and other web-based support services. Improvement in access and high speed capacity is needed in a number of County locations to support business applications and web-based learning programs on an equitable basis.

Action 4.21.1: The County will continue a focus on expanding broadband infrastructure throughout the county to enable businesses to function in the digital era – including for those who periodically work from home and home-based businesses. The County will work with industry providers to develop a Broadband Master Plan in order to identify focus areas within the county that will be most suitable for gigabyte services, particularly as the Sunesys backbone line is constructed during 2014 and 2015. The County will work with service (last mile) providers to ensure that these focus areas are deemed a priority, in order to support streaming requirements, product development, job creation and online selling capability.

Action 4.21.2: In recognition of the thousands of home-based businesses located within the county, it will be imperative to educate the last mile providers that there is little differentiation between business and residential customers, and the speeds/capacity needed to perform viable business and home activities.

Strategy 4.22: Promote Export Assistance (Monterey) & Patents (San Jose) Offices

This strategy will support small businesses seeking global markets, and entrepreneurs needing intellectual property protection through patents and licenses.

Action 4.22.1: Partner with the Export Assistance Office in Monterey and the Patents Office in San Jose to provide technical assistance to businesses seeking export assistance and intellectual property protection.

Strategy 4.23: Create an “Over the Counter” Home Occupation Business Permit and Designate a Small Business Ombudsman in the Planning Department

A home occupation business permit will recognize and ensure legitimacy of small businesses that operate from homes, and will be a simple “over the counter permit” for businesses that meet criteria for operating from residential homes. This strategy will also involve creation of a single point of contact in the Planning Department to serve as a designated “Small Business Ombudsman” to assist with regulatory compliance, permitting, and connections to technical assistance.

Strategy 4.24: Collaborate with Local Economic Development Practitioners to Support Small Business

This strategy will support collaboration with local Chambers of Commerce, SCORE, Educational Institutions, Private Sector Lenders, Real Estate Brokers and other organizations which mentor and assist the small business community.

Action 4.24.1: The County will collaborate with local economic development organizations such as the SBDC, SCORE, SCCBC, private sector lenders, Chambers of Commerce, downtown associations, real estate brokers and other organizations that assist the small business community.

Action 4.24.2: The County will facilitate a meeting twice a year, inviting local economic development organizations to exchange information on a regional basis.

Action 4.24.3: The County will facilitate a quarterly meeting with all incorporated city economic development professionals to exchange information and business leads.

Strategy 4.25: Convene Annual Small Business Symposium

This strategy will involve County economic vitality staff working with the cities and the Small Business Development Center to fund and hold an Annual Small Business Symposium. The Symposium is envisioned as a learning and networking event for all active economic development stakeholders including: Chambers, business groups, lending institutions, economic development agencies, workforce training programs, UCSC Center for Entrepreneurship (C4E), Silicon Valley business organizations, and non-profit agencies. The Symposium will offer workshops for business initiatives and success, and foster new connections and synergy to improve economic vitality.

Action 4.25.1: Partner with the Santa Cruz Area Chamber of Commerce, the Santa Cruz County Business Council and the Small Business Development Center to expand and create a small business symposium to educate and grow businesses within the entire county.

Strategy 4.26: Study Soquel Corridor Auto and Service Businesses

This strategy recognizes the need for and strong presence along the Soquel Drive Corridor of auto-service and repair businesses. Support continuation, while exploring opportunities

to possible consolidate and ensure efficient use of land along the corridor for jobs and services.

GOAL 5:

Expand Public Sector Capacity & Infrastructure

Strategies to Strengthen Public Sector Capacity & Infrastructure

Strategy 5.1: Support Expansion of High Speed Broadband Infrastructure throughout the County

Support the expansion of high-speed Broadband Infrastructure throughout County to ensure equitable access for all income populations within both urban and rural communities, and to support business.

Action 5.1.1: The County will continue a focus on broadband infrastructure throughout the county to enable businesses to function in the digital era, and students and households to have high quality access to information and communication. The County will work with industry providers to develop a Broadband Master Plan in order to identify focus areas within the county that will be most suitable for gigabyte services, particularly as the Sunesys backbone line is constructed during 2014 and 2015. The County will work with service (last mile) providers to ensure that these focus areas are deemed a priority, in order to support streaming requirements, product development, job creation and online selling capability.

Strategy 5.2: Work with Regional Transportation Agencies to Achieve Balanced Funding for Improvements to All Modes

Work with AMBAG and RTC to ensure a balanced approach to the funding of local and regional-serving transportation improvements, such as Highway 1 auxiliary lanes, maintenance and preservation of existing local roads, new local multi-modal crossings of Highway 1 as feasible, Monterey Bay Sanctuary Scenic Trail (coastal access and rail-trail), bus transit, bicycle facilities, pedestrian facilities, and connectivity improvements.

Strategy 5.3: Prepare and Implement a Development Impact Fee Study to Support Adequate Infrastructure

Direct the preparation and implementation of a comprehensive Development Impact Fee Study, including expanding types of infrastructure subject to impact fees beyond transportation, roadside and parks.

Strategy 5.4: Maximize Grant Funding for Infrastructure Improvements

Maximize opportunities to obtain grant funds, and creative loan programs, to finance infrastructure improvements.

Strategy 5.5: Encourage Land/Acreage-Based Uses to Locate Outside of Urban Services Line (USL)

Promote efficient jobs and housing development within the Urban Services Line (USL), and provide zoning for uses that need land or acreage outside the USL, such as for equipment

and material storage, landscaping and tree services, and other uses that require a lot of land but involve relatively few employees and do not require a high level of urban infrastructure and/or services.

Strategy 5.6: Promote Local Airports and Proximity to SJC and SFO Service

Recognize and promote the capacity of and opportunities created by the presence of Watsonville Municipal Airport (WVI) and Monterey Regional Airport (MRV); and highlight Santa Cruz County's proximity to both San Jose International Airport (SJC) and San Francisco International Airport (SFO) in promotional materials.

Strategy 5.7: Prioritize Funding to Increase Access and Mobility of People, Goods, and Services throughout the County

Prioritize and advocate for funding of public infrastructure improvements that will support business needs and that ensure the efficient movement of goods and services via roads, rail, air, internet, and package.

Strategy 5.8: Prepare 2035 Infrastructure Master Plans

Support the preparation of 2035 Infrastructure Master Plans, and help incorporate priority projects into annual Capital Improvement Programs (CIPs).

Strategy 5.9: Encourage Lodging Development to Foster Visitor Services and Fiscal Revenues

Generate potential for and assist with development of quality visitor accommodation properties. Key sites that are already designated for Visitor Accommodation include the 7th/Brommer (6.7 acres) and Poor Clares (12 acres) sites. Existing commercial sites in the medical corridor, with zoning that already allows hotel development, may also be appropriate, as well as sites visible and/or accessible from Highway 1.

Strategy 5.10: Maximize Opportunities for New Retail and Service Businesses

Maximize opportunity for new retail and services businesses; particularly to meet market demands identified in economic studies -- for apparel, warehouse/clubs, home furnishings/household goods, general merchandise/variety stores, home improvement, new and used car sales, eating and drinking establishments, lifestyle and recreation goods.

Strategy 5.11: Encourage Non-Retail Sales and Use Tax Generators (B2B Sales)

In addition to retaining and attracting retail sales tax and transient occupancy tax (TOT) and property tax generators, the County can target attraction and expansion of non-retail industries based on Taxable Revenue Potential (TRP), as described below (source is an economic study conducted for Capitola):

"Types of companies offering the greatest potential include: computer and electronics manufacturing point-of-sale, wholesale trade/business-to-business distribution, rental/leasing of vehicles and machinery, professional/technical services involving taxable item sales (such as architects, designers or companies that acquire or install equipment; or sell software or communications packages), and construction contractors (through point-of-sale of materials, equipment, fixtures and other activities

that involve purchases of high-value items that are taxable). Educational services, health care, financial services, real estate and insurance enterprises may also offer taxable sales potential.

Strategy 5.12: Explore Business License Tax Commensurate with Firm Size to Recover Public Service Costs

In order to be able to collect and disseminate information, education and assistance, the County will explore a business license requirement. In considering a Business License requirement, evaluate a business license tax format (rather than license fee) at a modest level, in order to ensure that the business sector contributes adequate funding for public safety, infrastructure, and public service levels that support the overall success of area businesses, and other general purposes.

Strategy 5.13: Explore and Implement Funding Mechanisms to Stimulate Job Creation, Affordable Housing, and Economic Vitality

Explore and implement public funding mechanisms such as impact fees, sales tax initiatives for specific public purposes, grants, low-interest infrastructure loans, affordable housing projects and programs, and possible economic development grants, loans and incentives for job- or revenue-creating businesses.

Strategy 5.14: Work with Fire Districts to Obtain Funding for Response Time Improvements

Work with Fire Districts to identify desirable road improvements and other features that would assist with faster fire and emergency response times, and pursue creative funding approaches that would allow for implementation of improvements such as district financing and disaster preparation/readiness grants.

Strategy 5.15: Consider New Zoning Tools to Accommodate Development Projects at Densities Which Achieve Fiscal Neutrality

Consider creation of new zoning tools, to be available especially for identified under-utilized and infill sites along transportation corridors. For example, the Planned Unit Development (PUD) or other zoning approaches could allow consideration of well-designed buildings of 3 or 4 stories in appropriate locations, with appropriate mitigations. That development type would likely accommodate new mixed use and residential developments in a format that would not involve negative fiscal impacts.

Strategies to Strengthen Workforce Training

Strategy 5.16: Support Workforce Investment Board Initiatives

Support efforts of the Workforce Investment Board (WIB), including preparation of a Five-Year Comprehensive Economic Development Strategy (CEDS) in 2014/15, and annual CEDS Updates, in order to ensure eligibility for federal funding of economic development and infrastructure projects.

Strategy 5.17: Forge Partnerships and Linkages to Workforce Education and Training Organizations

Forge linkages through the Santa Cruz County Business Council and the broader business community, to the Santa Cruz County Office of Education, Cabrillo College, UCSC, Cal State Monterey Bay and other regional educational and workforce training institutions, to ensure a match between education, job training and future employment prospects and needs of the business community in the Santa Cruz region. Work with the business community through the Santa Cruz County Business Council to determine business workforce needs and gaps in a sufficiently trained workforce.

Strategy 5.18: Promote Workforce Investment Board's Youth Program to Business Community

Actively promote the WIB Summer Youth Program and other mentoring and employment opportunities for disadvantaged youth to the business community.

Strategy 5.19: Collaborate with South County Youth Organizations to Foster Education and Job Training Programs

Collaborate with the Community Foundation of Santa Cruz (CFSC) and other non-profit and educational organizations to design and offer targeted, cost-effective programs for South County youth, as well as for unemployed and underemployed adults.

Strategy 5.20: Encourage Youth Mentorship and Apprenticeship Programs

Encourage businesses and agencies to offer internships and mentorships to local youth, unemployed and underemployed in order to support life skills and job training. Work with the Chambers, the Business Council, the CFSC and others to communicate the importance of maintaining a high quality public school system to the success of retaining and attracting high quality job providers, through the availability of a high quality local workforce. Ensure on-going availability of English language competency programs, including through web-based models.

Strategy 5.21: Promote Hiring Tax Credits and Other Incentives to Business for Job Creation

Promote hiring tax credit programs and other initiatives and incentives to job providers to encourage job growth in the County.

GOAL 6:

Revitalize and Strengthen Town Centers and Commercial Areas

Commercial Strategies

Strategy 6.1: Encourage Expansions and New Retail Development to Capture Sales

Maximize opportunity for expansion of existing and for new retail/services businesses; particularly to meet unmet market demands for clothing and apparel, warehouse/clubs, home furnishings/household goods, general merchandise/variety stores, home improvement, new and used car sales, eating and drinking establishments, lifestyle and recreation goods.

Action 6.1.1: Invest in public infrastructure and provide technical assistance to developers of the Aptos Village Planned Unit Development (PUD) mixed use project, which allows up to 69 dwelling units and 75,000 square feet of new commercial space.

Strategy 6.2: Implement 17th Avenue/Capitola Road Plan for Retail/Community Hub

Carry out RDA Successor Agency implementation of Long Range Property Management Plan for the 17th Avenue/Capitola Road site in a manner that maximizes opportunity for a Live Oak commercial center and community gathering place.

Strategy 6.3: Support Revitalization of Privately-Owned Shopping Centers

Support private renovation and revitalization of community shopping centers such as the East Cliff Village and Portola Drive shopping centers in Live Oak, and the Rancho del Mar shopping center in Aptos, in order to modernize, diversify and “activate” land uses in recognition of their new role in the spectrum of commercial places. Provide technical assistance to owners as requested. Allow addition of rental housing as appropriate.

Strategy 6.4: Encourage New Office and Workspace Development in Mid-County to Meet Market Demands

Work with property owners, commercial lenders and the commercial brokerage community to create modernized and/or new office spaces in Mid County, recognizing market demand evidenced by low vacancy rates and pent-up demand.

Strategy 6.5: Modify Land Use Regulations to Allow for Flexible Work Space Uses

Modify General Plan and zoning regulations to establish zoning districts and standards that accommodate modern workplace formats, with flexibility that accommodates a variety of common workplace functions including offices, light assembly, shipping/distribution. Also allow support retail, food and support services in or within walking distance of employment districts.

Strategy 6.6: Support Implementation of “Heart of Soquel” Project

Assist with implementation of the “Heart of Soquel” project in Soquel Village, to provide space for parking and events. In recognition of the antique store cluster, consider periodic outdoor antique fairs in the space to help support the growth of this market sector.

Strategy 6.7: Encourage Revitalization of Obsolete Retail to Attract Contemporary Design and Tenant Mix

Work with property owners and provide technical assistance to encourage renovation and/or replacement of functionally obsolete or deteriorated commercial buildings in order to create formats and retail environments that are more attractive, including outdoor gathering, eating and meeting places. Publicize new Nonconforming Uses and Structures ordinance which is more accommodating of existing buildings and uses, along with decreased parking requirements for office and retail uses, in order to encourage investment. Consider financing strategies to assist as feasible.

Strategy 6.8: Identify Opportunities for Small Specialty Retail and Eating Places within Neighborhoods

Identify opportunities for greater land use diversity in neighborhoods by supporting integration of small retailers into neighborhoods, to improve local resident access to convenience goods and services and to foster neighborhood gathering opportunities at coffee shops, cafes and restaurants. Create zoning tools to accommodate and support such land uses within walking distance of neighborhoods.

Strategy 6.11: Engage in Main Street Approach to Revitalize Town Centers

This strategy emphasizes a comprehensive approach to improving town centers in the unincorporated area by focusing on organization, design, promotion and economic restructuring to improve business climate and linkages with the residents they serve, especially in towns with a high percentage of workforce that out-commutes. Consider creation of Property Based Improvement Districts (PBIDs) to provide modest levels of funding to assist with implementation.

Action 6.11.1: Work with the State of California, Seacliff businesses and residents, and the District 2 County Supervisor to increase access to State-owned parking areas in Seacliff during evening and off-season hours to support viability of businesses, and enhance the positive experience of visitors.

Action 6.11.2: Work with CalTrans to manage Highway 9 in a manner that contributes to the economic success of Felton, Boulder Creek, Ben Lomond and Brookdale businesses.

GOAL 7:

Promote Santa Cruz County to Local, Regional, State, National & Global Markets

Strategies to Promote Santa Cruz County

Strategy 7.1: Support Marketing Initiatives by Conference and Visitors Council

Support efforts of and collaborate with the Santa Cruz County Conference and Visitors Council (CVC) and Tourism Marketing District (TMD) to promote County attractions, businesses, events, and activities.

Strategy 7.2: Assist Chambers of Commerce and Other Organizations to “Tell Success Stories”

Collaborate with Chambers and Commerce, the Santa Cruz Business Council and other organizations to identify and “Tell the Success Stories” through a variety of media, newsletters and other channels in order to promote the County as a place for business.

Action 7.2.1: Work with the Chambers of Commerce, Business Associations, Economic Organizations and others to promote a cohesive, unified voice to “tell the story” of the successes of the business community through a variety of media – newsletters, press releases, and social – to promote the County as a place that is “open for business”.

Strategy 7.3: Consider Joint Marketing with Incorporated Cities

Consider working with other Santa Cruz County cities to create a strategy for sharing and maximizing impact of available resources for marketing and promotion efforts.

Strategy 7.4: Attend Industry Events and Conferences to Promote Santa Cruz County

Attend industry, local, regional and statewide events and conferences such as CALED, ICSC, California Main Street, Silicon Valley events, and Community Leadership Visits -- to promote Santa Cruz strengths and opportunities, share successes, and network and learn from peers.

Strategy 7.5: Support Events Celebrating County Assets and Culture

Support current and future events that celebrate County assets and culture. Create streamlined event permitting processes, potentially consolidating one system handling permitting for all county jurisdictions, and collaborate on scheduling to maximize direct and indirect benefits to local economies, especially during the shoulder season.

Strategy 7.6: With Partner Organizations, Create Branding Campaigns for Agricultural and Other Santa Cruz County Products and Events

Collaborate with all sectors to identify, name, and market a “Santa Cruz Brand” that worldwide markets will recognize. Consider a “Santa Cruz County Grown” label for agricultural products; and possibly a “Santa Cruz Authentic” brand for businesses, products, arts, recreation, wineries, events, and other products and activities that are made or that are available in Santa Cruz.