"Promoting Economic Development--Keeping the Coffers Full"

Wednesday, October 15, 2008 3:00 PM - 4:00 PM PT

Cal-ICMA and CSMFO Coaching Programs have cosponsored this webinar for finance and non-finance professionals.

*** Advance registration required for this no-charge webinar: https://www1.gotomeeting.com/register/904846242

Panel Topics:
1. In a tightening economy, what role does economic development play?
2. What are the key tools for promoting economic vitality?
3. How do you resolve the concerns about impacts on neighborhoods and others interests?
4. What resources are available to enhance economic vitality?

Panelists:
* Sue Georgino, Community Development Director, Burbank
* Jeff Huffer, Economic Development Manager, West Hollywood
* Kathy Millison, City Manager, Clovis & Chair-Elect CALED

Post-Call Group Discussions

Many agencies are organizing groups to listen to the calls (live or recorded) and discuss the topics among themselves after the calls. Some are summarizing their discussions and distributing them to managers throughout their organizations. Use the Cal-ICMA Coaching Program as an effective way to enhance professional development in your agency. Here are some discussion starters for this session.

1. What are the economic development needs for our agency?
2. How can we leverage the experience and best practices from elsewhere?
3. What priorities and action steps do we want to consider?

Panel Call Etiquette

* Please put your phone on mute, except when you are asking a question or making a statement.
* Do not put the call on hold, especially if you have music or a message that plays and will disrupt other callers.
* Kindly disable call waiting or other phone features that will interrupt your participation in (and others listening to) the call.

There is no charge to participate in the webinar, but callers will bear the costs charged by their carriers to reach the conference number. Alternatively, you can
listen via live audio on the web [powered by Granicus] at www.cal-icma.org/coaching or www.csmfo.org/coaching "Live Audio and Archives."

MORE RESOURCES--See the "Coaching Corner" at www.cal-icma.org/coaching or www.csmfo.org/coaching for valuable resources to boost your career.

Enjoy the resources and support to thrive in local government.

Don Maruska, Master Certified Coach
Director, Cal-ICMA and CSMFO Coaching Programs
See "Coaching Corner" at www.cal-icma.org/coaching and www.csmfo.org/coaching
Promoting Economic Development
Keeping the Coffers Full

Coaching Programs
October 15, 2008
Coaching Program: 10th year as member benefit
Career Development Committee

Coaching Program: 5th year
Preparing the Next Generation Committee

CA City Mgmt. Foundation
CPS Human Resources
Int’l City/County Mgmt. Assn.
Bob Murray & Associates
County Administrative Officers Assn.
Pacific Gas and Electric Company
Granicus

CA Communities Joint Powers Authority
Municipal Mgmt. Assn. of S. CA
Municipal Mgmt. Assn. of N. CA
Public Agency Retirement Services
California Redevelopment Assn.
Piper Jaffray
Keenan & Associates
Overview of Session

- **Getting a handle on economic development** – *Kathy Millison*, City Manager, Clovis and Chair-Elect CALED

- **Putting it into practice** – *Jeff Huffer*, Economic Development Manager, West Hollywood

- **Making it fit for you** – *Sue Georgino*, Community Development Director, Burbank

...and polls and questions along the way.
How to Build an Economic Development Strategy

Presented by Kathy Millison, City Manager
City of Clovis, California
Cal-ICMA/CSMFO Coaching Webinar, October 15, 2008
What is ED....

Economic Development is purely and simply the creation of wealth in which community benefits are created. Business wants profits; employees want living wages; residents want vibrant community.
Why Is Local ED Important?

- Business Retention
- Job Development
- Increased Tax Base
- Economic Diversification
- Self-sufficiency & Sustainability
- Productive Use of Property
- Quality of Life
- Recognition of Local Products
Clovis and the Region

- Population 94,500 and 23 sq mi; Fresno metro area 480,000 and 120 sq mi; (major urban center for 3 million population)

- Rapid growth: doubles every 15 years since 1975

- Median age – 32; 17 and under – 34%

- Clovis household income - $55,000; Fresno Co HHI - $43,000

- Regional economy based in agriculture; largest segment services - commercial, education, healthcare, and government; logistics and manufacturing growing

- Central Valley region has chronic double digit unemployment for past 30 yrs and high rates of poverty; Clovis range 4-7%; countywide range 8-12%; some small cities 25-30%
Target Industry Criteria

- High value business; future growth in employment and exports
- Generate taxes and payroll
- Higher average wage
- Compatibility with local infrastructure and other community resources, e.g. land, education, workforce
- Builds on business success in region
Regional Jobs Initiative
Building a Platform for Economic Mobility

The RJI focused on industry clusters to stimulate “new economy” thinking/acting

- Healthcare
- Agile Manufacturing
- Information Processing
- Construction (land too expensive for contract yards)
- Logistics (not enough land or direct freeway access)
- Tourism
- Water Technology
Industrial Strategy

- **Industrial Land** – Create opportunities for high value business, job generation

- **Workforce Development** – Clovis is a center of workforce development; has best schools and links to higher education and training; strong community value

- **Business Retention, Expansion, Attraction Program (Business REAP)** – Address the needs of existing business, attract key target industries, and facilitate business start-ups.
PELCO World Headquarters
Security Systems
-Agile Manufacturing-

Clovis Business Park
80 ac city surplus; assessment district; shovel ready; land write-down to stimulate investment at 50+ jobs/ac; performance-base contract with reversion
(2 for 1- property and sales taxes)
City entered joint venture agreement to stimulate Class A office with tech/flex space; city contributed land as capital and took first position; developer took risk to finance/build and lease/sell; City tripled investment in three years.
ANLIN
Energy Efficient Replacement Windows
-Agile Manufacturing-

RDA land aggregation and write-down; grant for public off-sites (2 for 1- property and sales tax)
City consultant prepares how-to build a tech park; city invests in 80-ac land aggregation; additional 160 ac private land rezoned; EDA grant and I-Bank loan for smart tech infrastructure; land write-downs and favorable terms for purchase and options for tech/flex space; testing labs; incubator; manufacturing; now needs 125-ac expansion!
Think Locally & Globally; Act Locally & Globally

Technopolis Clovis
-Knowledge Based, Revenue Generating City-

From Clovis to …

- San Francisco/Silicon Valley
- Japan
- Australia
- Los Angeles/San Diego
- Chile
- Russia/Ukraine
- Liechtenstein
- Italy
- France
- United Kingdom
Brand & Market the Product

Imagine having a hard day at the office with this view.

We've got affordable, seismically stable land, an ample, educated workforce, and yes, a spectacular, easy to reach Central California location that is the most desirable in the state. The Clovis Research and Technology Business Park is open for business – yours.

To learn more, call our Economic Development Director, Mike Dozier, at (559) 297-2497. We'll give you the details you need to see Clovis in a new light.
Measures of Success

• Jobs/Housing Balance 0.8-1.25 to 1
  Clovis = 0.7 to 1  Goal = 1 to 1

• Increase Gross A.V.
  10 yr ave = 8% per yr  Goal = 10% per yr

• Increase Per Capita Sales Tax
  5 yr ave = inflation + 10% per yr; Goal = inflation + 5% per yr

• Reduce Vehicle Miles Travelled - TBD
Benefits of Jobs/Housing Balance

- Increased revenue for the City
- Increased demand for services such as restaurants, retail, hotel/conference and office
- Increased demand for housing
- Balanced economy and future sustainability
- Live/work lifestyle
- Reduced commuting
  - Less traffic congestion
Lessons Learned

• Garner City Council support for ED process; enables buy-in and acceptance of results!
• Structure committee meetings with focused agenda and observe time limits!
• ED is part art, part science; one size does not fit all; it’s an organic process, be brave!
• Take advantage of community experts; happy to help and will work for food!
• Broad community involvement is crucial; everyone has an opinion, some aren’t so bad; creates strong support base for future projects!
• Shut up and listen; trust the process; guide the process!
• Get busy and follow through! Use financing tools of CDBG loans; EDA grants; I-Bank loans; IDBs; assessment districts; SBA loans; Enterprise Zone; fee deferrals; ETP; Workforce Investment and Community College training
• Five years later and goals met; it’s time to start over!
Demographics

West Hollywood is a densely-populated 1.9 square mile City located between Hollywood and Beverly Hills on the westside of the Los Angeles Region

- Population: 38,000
- Median Age: 38  (National 35)
- 18% are age 65+  (National 12%)
- 14% immigrant (Russian-speaking)
Home to California’s Key Industries

• **Entertainment** – Sunset Strip
• **Tourism/Hospitality**
  • Hotels
  • Gay & Lesbian Lifestyle
• **Restaurants and Bars**
• **Retail** – Melrose Avenue
  • Home furnishings, art, antiques
  • Fashion apparel
Importance of Business to General Fund Revenue

- Sales Tax, $12,316,409
- Transit Occupancy Tax, $13,000,000
- Business Licence Tax, $2,100,000
- Parking Meters, $2,106,900
- All Other, $32,059,018

City of West Hollywood
Economic Development & Special Projects Department
October 2008
Promoting Economic Vitality

City of West Hollywood
Economic Development & Special Projects Department
October 2008
Economic Development Strategies

- Understand the Changing Economic Environment:
  - What you can and cannot influence
  - How to get in front of the trend
- Examine Brand Identity
- Identify Marketing Opportunities
- Partner with Key Business Organizations
- Analyze existing policies, ordinances and strategies for barriers to new business relocation or expansion
Economic Trends

• **GLOBAL**
  - Increase in international tourism: Australia, Europe, Asia
  - Changes in entertainment industry
  - Changes in film industry

• **LOCAL**
  - Reduction in domestic tourism from key feeder markets: New York, Miami, Chicago, Houston
  - Increase in commercial rents
  - Further tightening of parking availability
  - Higher vacancy rates in certain key areas and in our hotels
Examine Brand Identity

City of West Hollywood
Economic Development & Special Projects Department
October 2008
L.A.’s NIGHTTIME DESTINATION

• Whiskey A-Go-Go – “Every trend has passed through this club, and it continues to be the most vital venue of its kind.” – New York Times

• The Abbey, “Best gay bar to bring a straight friend” – Los Angeles Magazine

• Winston’s – “Winston’s is as close to a New York City lounge as L.A. will probably ever get.” – Los Angeles Times
HIGH END LUXURY RETAIL

Avenues of Art & Design

- West Coast’s premier destination of interior design, boutique specialty shops, art galleries and showrooms: Fendi Casa, Stella McCartney, Balenciaga, Ralph Lauren, Vera Wang, Kitson
- Over 400 businesses in this district
- The Pacific Design Center boasts 130 showrooms
LARGE SCALE CITY EVENTS

- West Hollywood Halloween Carnival
  400,000 people in a one-mile stretch of Santa Monica Blvd
- Los Angeles Gay Pride Parade and Festivities
  Estimated 3-day attendance: 300,000
- AIDS Walk Los Angeles
- Sunset Strip Music Festival
Identify New Marketing Opportunities

- Environmental Sustainability
  - Shop and dine in West Hollywood
  - Leakage/Gap Analysis
- West Hollywood in the Future
  - Changes in hospitality industry toward more personalized services
  - Shift to high-end fashion retail adds to commercial mix
  - Sunset Strip Music Festival maintains attraction as live music entertainment area
  - Red Building at Pacific Design Center Campus (400,000 sf Creative Class A Office)
Business Partners

- Business Improvement Districts
  - West Hollywood Marketing & Visitors Bureau
  - Avenues of Art & Design BID
  - Sunset Strip BID
- West Hollywood Chamber of Commerce
- West Hollywood Redevelopment Agency
- Regional Organizations
  - L.A. Economic Development Corporation
  - Westside Council of Government
  - Westside Economic Collaborative
Thank You

Jeffrey Huffer
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City of Burbank

Susan Georgino
Community Development Director

Promoting Economic Development
**Burbank, CA**

- Population 108,029
- 17.155 square miles 12 miles northwest of LA
- $56,767 median income
- $530,000 median home sales price
- 16,421 business tax accounts and 3,000 regulatory business license and business permit accounts
ECONOMIC DEVELOPMENT THROUGH THICK & THIN

1. Understand your market knowing that land is your greatest asset
2. Understand where you fit within your region
3. How land use & economic strategies go hand-in-hand
4. Ok....now what?
UNDERSTAND YOUR MARKET KNOWING THAT LAND IS YOUR GREATEST ASSET

Example

Burbank’s market is entertainment and retail. Knowing this affects the decisions that are made in land use. The goal is to meet the needs and desires of the target audience in order to achieve economic prosperity.
UNDERSTAND WHERE YOU FIT WITHIN YOUR REGION

Complement vs. Compete

Example

Burbank’s Empire Center vs. the Glendale Galleria. The Empire Center is a value-oriented retail environment where as the Glendale Galleria is more of a high-end shopping experience.
Example
Burbank’s land use and economic strategies have worked because they work together as one common strategy. This is possible because it all goes through one office in the City which is the Community Development Department.
HOW LAND USE & ECONOMIC STRATEGIES GO HAND-IN-HAND

Example

Burbank's land use and economic strategies have worked because they work together as one common strategy. This is possible because it all goes through one office in the City which is the Community Development Department.

The pie charts on this slide represent the revenues and expenses of a balanced community.
OK...NOW WHAT?

Do your homework; understand your base.

Be creative. There is no set formula.

Be flexible.

Don’t rest on your laurels! Never stop the education process.
EXAMPLES

Downtown Burbank initiatives

Burbank Land Use & Mobility Elements

Traditional Burbank Economic Development efforts

Helpful ED resources include:

- CALED
- CRA
- IEDC
Questions and Answers

Go to web sites for recordings of this webinar and other professional development resources.

www.cal-icma.org/coaching

www.csmfo.org/coaching

Please complete the follow up survey.
Contacts for Today’s Session

- **Kathy Millison**, City Manager, Clovis, Chair-Elect CALED, [kathym@ci.clovis.ca.us](mailto:kathym@ci.clovis.ca.us)
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- **Sue Georgino**, Community Development Director, Burbank, [sgeorgino@ci.burbank.ca.us](mailto:sgeorgino@ci.burbank.ca.us)
- **Don Maruska**, Director, Cal-ICMA and CSMFO Coaching Programs, [don@donmaruska.com](mailto:don@donmaruska.com)
Upcoming Webinar – October 30

“Budget Strategies for Challenging Times”
2:00 – 3:30 p.m. PT, Thursday, October 30, 2008
– This special one and a half hour CSMFO interactive webinar will help you and your team

* Learn key strategies to close systemic budget gaps
* Develop public support for added revenues
* Identify key actions to build a solid financial future.

Ken Nordhoff, City Manager, San Rafael
– Register at www.csmfo.org/coaching or https://www1.gotomeeting.com/register/568665315