

Fr: Steve Martin, Councilman  
To: Paso Robles City Council  
Re: Economic Strategy Update  
Dt: 12/9/2013

Gentlemen –

The Economic Strategy Ad Hoc Committee has completed the process of interviews, summation and evaluation associated with the update of the City's Economic Development Strategy. Please note that this report is the product of the ad hoc sub-committee. With the exception of duplication and distribution, city staff time was not utilized.

Steven W. Martin  
Councilman

Fr: Fred Strong, Councilman  
To: Paso Robles City Council  
Re: Economic Strategy Update  
Dt: 11/10/2013

Gentlemen –

The Ad Hoc Committee has completed its assignment from the City Council. Our process and basic report comes to you with our best hopes for thoughtful consideration, an adjustment in approach and expectations for implementation in a cost effective, productive environment.

While each sees things through his or her own expertise and experience, our general goals for our city, region and state are nearly identical. Building on that premise, each of us individually and all of us collectively have the ability to move our society forward in a productive manner to sustain and improve our way of life through constantly changing, challenging times and circumstances.

Based upon my own background and experience I see many opportunities for us to influence the way in which, and the means by which, we will do so.

Paso Robles has seen many industries become our driving force in different eras. We were founded on the belief that we are a great tourism location. Originally this was due to our world class hot springs and mud bath potentials. The railroad was a great asset in furthering that opportunity. I believe rail, and other goods and people movers, will play a significant role in our future as well.

We attracted initial dreamers and investors in agricultural products moving from nuts to animal husbandry to fruit and herb production through the years as available resources, circumstances and the public's tastes dictated. While grapes and wine are the "flavors of the day" we also have emerging olive and herb producers making their presence known.

Through it all we have maintained a balance of transportation, housing, commercial and industrial resources within the city itself. That balance has allowed us to sustain ourselves as a viable and successful jurisdiction through many economic, climate changes despite resource diminishment. Each diminishing of resources has been met with innovation and investment to renew, restore and add new elements to our basic needs portfolio.

Based upon past experience I see great opportunities by working with our local and regional organizations as well as the State and Federal governments to acquire those people and industries that can make our existing businesses grow and prosper while also taking in new, complimentary ones. Education and job opportunities should also abound if we maintain an optimistic attitude and have the will to succeed.

Beneficial changes only occur when someone proposes them. We have those opportunities through our representation and contacts at the regional, state and federal levels. Our continued, or increased, participation through our Council, staff and local organizations is imperative to initiate needed beneficial changes in regulations and revenue streams.

The State took away Redevelopment Agency opportunities, costing us millions of dollars. The State and Federal governments can also create new revenue opportunities by shifting its current method of distributing our fees and taxes. We need to seek out opportunities in those areas.

An analysis by local organizations of the specific commercial and industrial resources we already have thriving in Paso Robles is key to locating companies and personnel that could augment and strengthen our current economic resources. These can be found in services used but not currently available locally, in competing

businesses that may bring aspects of an industry that aren't part of the current business climate here as well as a new wealth of talent that may be looking for different opportunities for personal growth and advancement. Such additions will also enhance the opportunities for our local education institutions to expand their offerings and opportunities.

One of our local firms, IQMS, currently hires the vast majority of its personnel locally and partners extensively with Cal Poly SLO in recruiting qualified personnel. I believe there are a few other high tech firms that also look locally before seeking employees outside of the area. However, opportunities are scarce without other similar firms being located locally or regionally.

This is the formula Silicon Valley used to become the giant that it has become. I know this because I was very much involved with that entire process during its emergence.

The city can do a number of things to initiate a better business climate, jobs and amenities for our residents. Many of those things would also make us a more desirable place for visitors to frequent, providing non-local sources of revenue for the benefit of the city.

Among these is to seek property tax incentives through replacement legislation to the now defunct Redevelopment Agency procedures. There is a climate for this in the Legislature. In Milwaukee, WI, in 1959, a program was initiated for a five year tax freeze on any property that removed blight and replaced it with any economically viable improvement with increased value. It brought in \$2 billion in new downtown development in five years without any expenditure of public funds.

Another is to complete the entire EIR process when we do annexations, General Plan revision or amendments so that developer costs can be reduced at the time they propose to create new economic opportunities in the city. We should consider seeking private sector grants to move such a process forward without impacting our citizens. It has been done elsewhere, with or without grants (i.e. San Jose, Phoenix).

New developments should address a variety of means to transport people and goods in and out of their development to minimize impacts on the existing and future infrastructure of the city. These should be a mandated portion of environmental mitigation.

One of the resources that we have neglected, I believe, is our existing, legal, foreign born residents that need assistance to achieve full citizenship. This kind of service could easily be provided as part of our Library services as it is in many other cities of this state. It could be cost effective if successful foreign born residents who have already become citizens volunteered to help this type of program. The expanded labor force potential could enhance our educational, commercial and industrial sectors.

If we are to succeed in being competitive in the 21<sup>st</sup> century we must be innovative by thinking "outside of the box" while not trying to re-invent the wheel.

Respectfully,  
Councilman Fred Strong,  
City of El Paso de Robles, CA

# **SECOND DRAFT**

**City of Paso Robles**

**Economic Strategy Update**

**November 18, 2013**

## **Ad Hoc Sub-Committee on Economic Redevelopment**

### **Economic Development Strategy Update**

Second Draft as of November 18, 2013

#### **Contents**

- I. Introduction
- II. Executive Summary
- III. Recommendations
  - a. Goals, Policies, Procedures
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## 1. INTRODUCTION

The Paso Robles City Council Ad Hoc Committee on Economic Development is pleased to present this report to the Council for review, discussion and action. During the Goal-Setting process earlier this year Paso Robles City Council members decided unanimously to establish the Ad Hoc Sub-Committee to review the 2006 Economic Strategy and make recommendations for streamlining, updating and implementation. Because of limited staff resources, Councilmen Steve Martin and Fred Strong volunteered to work on this project unassisted. City staff members have reviewed the final report, however, and contributed information and perspective prior to presentation to the City Council.

For the purposes of this update, economic development is defined as a sustained and concerted effort to improve the standard of living and economic health of the residents of the City of Paso Robles. The goals, policies and procedures suggested herein are focused on qualitative and quantitative changes in multiple areas including health, safety, literacy, critical infrastructure and business development. One of the key results of the implementation of this update will be economic growth manifested in many ways including more diversified employment opportunities, improved municipal financial stability and a higher quality of life for all residents.

Nothing stands still. Some of the groups and consultants referenced in this report will have changed/updated their plans/documents/mission statements by the time the Council receives this report. Those changes will have to be taken into consideration when reviewing this report.

## 2. EXECUTIVE SUMMARY

The 2006 Economic Strategy was created three years after the San Simeon Earthquake and three years before the serious economic recession of 2009. While its basic premise of **People, Place, Partnership** and **Positioning** remains sound, changes in local, regional and national landscape require a re-examination and updating of this document.

To accomplish this update the City Council's Ad Hoc Committee on Economic Development has consulted with many of the individuals and agencies involved with the creation of the 2006 strategy and engaged others for input into the City's current situation and prospects.

Some of the findings include:

- Lack of awareness of substantial accomplishments
- Lack of quantifiable objectives in the strategy
- Lack of tangible accomplishments in some areas of the strategy
- Lack of definite direction for economic development
- A desire among interviewees to "get things moving."

The Ad Hoc Committee has attempted to collect and use the best wisdom of local groups and individuals to generate recommendations for the update of the 2006 Economic Strategy. These recommendations are intended to build on the existing strategy, quantify components of the City's economic engine, identify economic partners and suggest metrics in each area.

Recommendations include:

- Identify groups/agencies/organizations whose primary economic function is linked to components of the economic engine (e.g., Tourism: hoteliers, Industrial Development: Chamber, etc.)
- Identify metrics for each component of the economic engine (e.g., Transient Occupancy Tax for tourism, sales tax for retail businesses, job numbers/salaries for industry).

- Support those groups/agencies/organizations to the extent they are successful in making those components viable.
- Implement an Economic Development Roundtable including representatives of the financial and industrial sectors to explore new components/opportunities.
- Develop an annual report drawing from economic development partner groups/organizations to monitor and report progress.
- Identify metrics for each component of the economic engine (e.g., Transient Occupancy Tax for tourism)
- Establish an annual summit meeting involving the City Council, City staff and economic development partners to review and adjust the Economic Strategy as necessary.



### 3. RECOMMENDATIONS

The Economic Strategy of 2006 describes the components of Paso Robles' economic engine as it existed at that time:

- *Retail sales and services*
- *Construction*
- *Rising home values and sales*
- *Agriculture*
- *Wine industry-related tourism*

Today, seven years later, this snapshot of the local economy has shifted. Because they represent the largest part of municipal revenues, retail sales/services and property values remain critical to the local economy. Proposed residential development in several Specific Plan areas, however, account for all buildable properties identified in the City's General Plan. As the City approaches build-out, residential construction will diminish as an economic generator. Agriculture and the wine-related tourism industry will face increasing challenges as the result of escalating water issues. As time goes on, the need to broaden Paso Robles' economic base to encompass industries other than wine and tourism will become more and more important.

It is the recommendation of the Ad Hoc Sub-Committee that the Paso Robles City Council update the 2006 Economic Strategy to reflect specific goals, policies and procedures that build upon the elements of **People, Place, Partnership and Positioning**.

## Goal, Policies, Procedures

Following are the main goal and recommended supporting policies and procedures for the Economic Strategy Update for the City of Paso Robles. These represent a starting point and may be amplified and/or supplemented as opportunities present themselves.

- I. GOAL: The City of Paso Robles shall employ an effective Economic Strategy to pursue the City Vision of providing a community where the great majority of its citizens can live, work and recreate.

- a. POLICY:

- It shall be the policy of the City of Paso Robles to maximize the potential of its existing economic base.

- i. PROCEDURE:

- Identify metrics for each component of the economic engine (e.g., Transient Occupancy Tax for tourism, sales tax for retail businesses, job numbers/salaries for industry). Included in that identification should be an inventory of existing businesses by NAIC and SIC codes.

- ii. PROCEDURE:

- Identify groups/agencies/organizations whose primary economic functions are linked to components of the economic engine.

- iii. PROCEDURE:

- Support those groups/agencies/organizations to the extent they are successful in making those components profitable.

- iv. PROCEDURE

- As necessary, assist with the formation of new entities to support the economic development strategy of the City.

b. POLICY:

It shall be the policy of the City of Paso Robles to identify new/missing components for the City's economic engine and encourage recruitment/creation/retention of businesses.

i. PROCEDURE:

Implement an Economic Development Roundtable including representatives of the financial and industrial sectors to explore new/missing components.

c. POLICY:

It shall be the policy of the City of Paso Robles to over-communicate the process and progress of the Economic Strategy

i. PROCEDURE:

Develop an annual report drawing from economic development partner groups/organizations to monitor and report progress.

ii. PROCEDURE:

Charge partner groups/organizations with the responsibility of reporting progress to the City and the public on a quarterly basis.

iii. PROCEDURE:

Identify metrics for each component of the economic strategy.

d. POLICY:

It shall be the policy of the City of Paso Robles to evaluate and adjust the Economic Strategy regularly

i. PROCEDURE:

Establish an annual summit meeting involving the City Council, City staff and economic development partners to review and adjust the Economic Strategy as necessary.

e. POLICY

It shall be the policy of the City of Paso Robles by itself, or by association, to monitor and participate in affecting efforts to streamline/minimize regulations impeding economic development.

f. POLICY

It shall be the policy of the City of Paso Robles to associate itself with appropriate organizations, associations and Joint Powers agencies supporting necessary components for economic development and initiate appropriate practices and processes when possible.

**SAMPLE ECONOMIC DEVELOPMENT PARTNERSHIP MATRIX**

While it is recognized that the various agencies and entities partnering with the City as part of the economic development process will often have overlapping involvement, the following matrix is proposed as a general outline of activities and responsibilities.

| <u>Partner</u> | <u>Growth/Ret.</u> | <u>Retail/Svcs</u> | <u>Tourism</u> | <u>Workforce</u> | <u>Industry</u> |
|----------------|--------------------|--------------------|----------------|------------------|-----------------|
| Chamber        | x                  | x                  | x              | x                | x               |
| Main St.       | x                  | x                  | x              |                  |                 |
| PRWA           |                    |                    | x              |                  | x               |
| TPRA           |                    |                    | x              |                  |                 |
| PCC            |                    |                    | x              |                  |                 |
| Airport        | x                  |                    |                | x                | x               |
| PR Schools     |                    |                    |                | x                |                 |
| Cuesta et al   |                    |                    |                | x                | x               |

**Suggested Metrics**

**Biz Retention/Growth**

# of business, sales volume

**Retail/Services**

Sales Tax

**Construction**

Assessed Valuation

**Agriculture**

Production/Sales

**Tourism**

TOT

**Workforce Development**

Jobs, salaries, variety

**New Industries**

Start-ups, expansion, in-fill

#### 4. METHODOLOGY

The Ad Hoc Sub-Committee has proceeded with the review of the 2006 Economic Strategy with the following criteria in mind:

- To identify ways to revise and build upon, not re-invent, the strategy
- To involve as many of the same people and organizations involved in the development of 2006 Strategy as possible
- To use their input to evaluate the progress and effectiveness of the strategy
- To review existing planning documents of economic strategy partners to evaluate the roles of these partners in future economic development
- To recommend measurable, achievable economic development tasks
- To create a matrix of responsibility clarifying leadership and support roles for each task

To this end, the Sub-Committee has interviewed more than a dozen people including many of those involved with 2006 Economic Strategy. Each interview included a review of the existing 2006 Economic Strategy. A complete list of interviewees is included in the appendix section of this report. The interviews produced a collection of observations regarding effectiveness and progress of each component and solicitation of opinion regarding addition/deletion/modification of those components. These observations have been summarized and arranged in corresponding order with the action lists included in the 2006 Economic Strategy. The recommendations contained in this report, however, are the opinions of the sub-committee members and not necessarily those of the interviews.

The Sub-Committee also reviewed the planning documents, mission statements and work plans of several different organizations. While this may not be an exhaustive study of all groups that could possibly be involved in the economic development efforts of the City, it does provide overview and perspective as to each agency's self-perception in this effort. Copies of these documents are included in the appendix of this report.

The Sub-Committee distilled these interviews and reviews into commentaries on the four components of the Strategy and used those commentaries to draw conclusions and make recommendations in the form of a work matrix that identifies key tasks and suggests appropriate lead agencies for each.

## 5. INTERVIEWS

### **Response to 2006 Economic Strategy**

In 2006 an Economic Strategy Task Force composed of representatives from 14 business sectors plus representatives of the Paso Robles City Council and staff created the Paso Robles Economic Strategy. The 28-page document was based upon the reality of the time:

*“Gross domestic product is experiencing real growth at a healthy and sustained rate. The growth is fulfilled by retail sales and services, construction, rising home values and sales, agriculture and wine industry-related tourism.”*

The 2006 strategy promoted a formula of **people, place, positioning and partnership**. A list of “action items” was attached to each component.



## Summarized Comments on the 2006 Economic Strategy

### People:

- *Support long-term education facility and program funding alternatives.*

#### Summary of Comments

All interviewees agreed that education opportunities are important to the economic future of the city. Several cited the SkillsUSA program as a prime example of how those opportunities need not be focused entirely on academic goals. Others recommended cultivating corporate training and certification programs for those planning to enter the job force without pursuing a college education.

Few of the interviewees could cite specific efforts to establish long-term educational facilities and program funding alternatives. Several cited Cuesta College's North County campus as a positive addition to the community, but recommended closer ties to increase Cuesta's involvement in the preparation of the local workforce.

One interviewee suggested the expansion and promotion of distance learning strategies to enhance educational opportunities.

#### ***Accomplishments cited in 2011 Progress Report to the City Council:***

- *High School Rehab & New Classrooms (Measure T)*
- *Flamson Middle School renovation*
- *Cuesta College North County campus expansion*
- *First Five Facility - \$2.6M secured to adjacent park*

- *Support development of specialized education/vocational training, baccalaureate, and graduate degree programs and facilities.*

### *Summary of Comments*

None of the interviewees could cite specific efforts to accomplish this task. Several suggested it was an unrealistic expectation recommending, instead, a stronger relationship with Cal Poly, although no specifics were offered.

Several recommended “getting back to skills” rather than pursuing a “knowledge base” was the preferred strategy for the city’s work force. One person recommended social media training to prepare workers for new opportunities in Internet communications.

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- *Develop, implement, and promote bilingual learning programs for residents and businesses.*

### *Summary of Comments*

All interviewees indicated that enhanced bilingual abilities are critical for business development. They cited the existing and growing Hispanic workforce as well as the potential for second generation Hispanics to synergize and create new businesses. Several interviewees recommended more proactive diversity, increased bilingual city staff members and reinforcing the city’s position that bilingual abilities are desirable in today’s business world and workforce.

Several interviewees cited the total language immersion program at Georgia Brown School, bilingual city library programs and instructional efforts at Cuesta College as evidence of progress in this area.

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- *Expand and promote basic literacy and numeracy programs to residents and businesses.*

**Summary of Comments**

None of the interviewees could cite specific efforts to achieve this task. Several stated that literacy and numeracy are not the city's jobs. One interview opined that the city has a tremendous resource for this in the Hispanic community, but it is not be utilized well.

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- *Business and education jointly expand and develop work experience/ apprentice programs.*

**Summary of Comments**

Awareness of these programs was sketchy with most interviewees. Several cited Cuesta College's green and solar programs. SkillsUSA was also cited as a successful program in this area.

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- *Establish joint City/business/labor endowment fund and scholarship program for all education levels*

**Summary of Comments**

Several felt little progress had been made in this area. While some interviewees cited a generous community scholarship program, many suggested more could be done in this area including more cooperation is needed between the high school and Cuesta College,

more privately funded scholarships, more minority scholarships and more vocational educational opportunities. One person recommended a study of the vocational pay scale in the area. High school vocational arts were cited, but so were problems finding apprentice/vocational workers.

## **Place:**

- *Develop and implement form based code and architectural design, “green” building, and historic preservation/reuse standards.*

### *Summary of Comments*

“Too much vision, not enough practical application,” was the verdict of some people interviewed. They suggested it was “too easy to fall in love with a new idea,” creating a “swinging pendulum” of rules that undercuts economic development. Some felt such regulations were counter-productive and should be voluntary. They suggested the city form a development assistance team within the Planning Department to help streamline processes. “Economic progress is linked to expectations for development in the community.”

One person suggested more land be zoned industrial. Another insisted the Council must retain a positive attitude and flexibility regarding design and a willingness to adapt to the marketplace.

Others, however, felt that “green” building was lacking in the city and that the community could be a “green city.” This group also suggested the city should claim an environmental role.

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- *Prepare and implement target area vision/plans including Downtown Center– Salinas River Corridor Plan, Downtown Expansion Plan, Civic Center Plan, City Park Master Plan; and, Airport – Master Plan*

**Summary of Comments**

Most interviewed expressed the opinion that much or all of these were completed or in progress. Specifically, several pointed to downtown business, the Salinas River Corridor and the Downtown expansion plan. One person criticized the Downtown Center Plan as a “waste.” Another suggested the city doesn’t need a Civic Center now. Another expressed frustration over the amount of money paid to planning consultants. “Keep the vision, lose the consultants.”

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- *Develop a Culture Plan to establish and support facilities for the arts and culture.*

**Summary of Comments**

Overall, interviewees were impressed with the cultural development in the city, referring positively to the Festival of the Arts, Studios on the Park and Main Street’s historic preservation efforts. Four expressed a desire for a performing arts center. Another recommended that event organizers stress the economic development benefits of their activities. Another suggested collaboration with the school district could be improved.

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- *Develop, fund and implement the “purple belt” plan.*

**Summary of Comments**

Comments by many of the interviewees pre-sage the current water situation. Among the issues of concern: impact of water issue on the “Purple Belt” concept, agricultural vs. residential water usage and “Right To Farm” issues.

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- *Identify and evaluate alternatives to increase the labor force resident in the City.*

**Summary of Comments**

Interviewees felt little had been done to accomplish this component.

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- *Develop design for, and invest in, transportation and utility infrastructure for targeted areas – downtown/civic center/river front and Airport – to create development ready sites and attract private investment.*

**Summary of Comments**

Concerns centered on communications and transportation. One person said Cambodia has better high-speed Internet than Paso Robles. Concerns over sewer/water/power capacity were cited by several people. One person questioned whether the airport was a viable part of the economic development plan, saying it is not feasible to carve out a business park there.

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- *Identify, evaluate and seek out long-term infrastructure funding alternatives*

### *Summary of Comments*

Most interviewees cited the sales tax override dedicated to road repairs as the success story in this category. Others said still more transportation grants are needed. “Grant money equals cost-effective economic stimulus.”

### *Accomplishments cited in 2011 Progress Report to the City Council:*

- *Vibrant downtown*
- *Recreation*
  - *Festival of the Arts initiate din 2009*
  - *\$4M State Grant for purchase of river corridor property*
  - *Significant private investment by Ravine Water Park, Kennedy Club Adventure, Paso Robles Tennis and Swim Club*
  - *Public improvement to Salinas River Parkway Trail, North River Road Bike Path.*
  - *Acquisition of 154 acres in river corridor*
- *Agriculture & History*
  - *Expanded equestrian events*
  - *Treana Winery expansion*
  - *Justin Winery storage on Wisteria Lane*
  - *Partnership with Paso Robles Wine Country Alliance*
  - *Wine, Olive and Lavender Festivals*
  - *Historic building inventory and design standards proposed*
  - *First ever Historic Preservation Ordinance introduced*
- *Resource Management*
  - *Salinas River Vision foundation*
  - *Water Resources River Parkway Grant*
  - *Natural Resources Management Plan*

- *Landfill Master Plan*
- *Habitat Conservation Plan*
- *Urban Water Management Plan*
- *Integrated Water Resource Plan*
- *Groundwater Basin Management Plan*
- *Housing*
  - *Addition of 68 low-income units*
  - *Addition of 69 senior units*
  - *Construction/replacement of 302 units in Oak Park*
  - *81 unit low income project near Navajo & River Road*
- *Planning*
  - *Municipal plans including Town Centre/Uptown Specific Plan, Olsen/Beechwood Ranch Specific Plan, Chandler Ranch Specific Plan, Purple Belt, Gateway Study, Downtown Parking, Circulation Element Update, Highway 46 Corridor Study, Historic Preservation Program, Development Impact Fee Updates: Sphere of Influence update, Housing Element*
- *Other*
  - *Construction of more than 300 new hotel rooms.*
  - *Vina Robles Hospitality Center*
  - *New restaurants, tasting rooms, specialty retail in downtown core*
  - *River Oaks venue*
  - *Hampton Inn remodeling*
  - *New Fixed Base Operating at airport*
  - *Airport promotion*
  - *New airport restaurant planned*
  - *Expansion of Warbirds Museum*
  - *New investment in various retail locations*
  - *1.5M square feet of retail/office/hotel/industrial investment*
  - *Obtained more than \$29M in new grants*
  - *Reconstructed two major roadways*



- *Completed repairs on City Hall parking lot*
- *Sold \$12M in Redevelopment bonds at record high ratings*
- *Completed Gateway and Purple Belt plans*
- *Secured return of Amgen Tour in 2011*

## **Position:**

- *Develop and advance cluster group common interests and action plans to address human resource needs, technical and professional development necessities, infrastructure requirements, supply chain gaps, research and development challenges, and business incubation opportunities.*

### **Summary of Comments**

Those interviewed had a hard time understanding this component and found it difficult to articulate a program that would implement it. Some felt there was no coordinated effort in this area, but said business cluster groups are needed along with an airport/wine industry connection. Several felt that “light industry is good for Paso.”

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- *Develop and implement web-based industry cluster and business information system and linkages to attract investment, expand markets, and sell local goods.*

### **Summary of Comments**

According to one interviewee this “sounds good, but is hard to implement.” Several responded that it is the Chamber of Commerce that deals with small businesses, and that more effort is needed to pull light industrial representatives into the economic

development conversation. One person supported the idea of a regular “industrial roundtable” to keep this segment informed and involved.

Other suggestions: work to enhance high-speed communications, create industrial web presence, encourage telecommuting, encourage Internet sales tax, use our industrial contacts to make more industrial contacts, employ a Public Information Officer.

- 
- *Develop trade shows to showcase industry clusters, investment opportunities, and expand their markets.*

#### *Summary of Comments*

Most interviewees expressed the opinion that, while this may be a good idea, it is not the city’s job. Suggestions included seeking out wine/hospitality clusters, supporting trade shows at the fairgrounds, create a local business publication and institute a business “Hall of Fame” to recognize industry leaders,

Most interviewees preferred a recruitment program that identifies desirable firms and bringing their decision makers to Paso Robles rather than taking a recruitment show “on the road.” As one person said, “There’s only one Paso Robles.”

- 
- *Implement business retention program to showcase businesses and identify/link common industry needs.*

#### *Summary of Comments*

Interviewees felt this was not the city’s job. Some cited the ongoing efforts of the Chamber of Commerce in this area. Another cited the Economic Vitality Corporation’s efforts to visit companies and determine their needs for retention and expansion.

Several advocated retention over growth, preferring to expand existing businesses.

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- *Develop high visibility business recognition program*

### **Summary of Comments**

Several suggested an ongoing business recognition program and a stronger public relations effort.

### ***Accomplishments cited in 2011 Progress Report to the City Council:***

- *Business Promotion*
    - *Winery Signage Program*
    - *Paso Passport Program*
    - *Park Street Merchants*
    - *Winery Marketing Collectives*
  - *Destination Events*
    - *Amgen Tour*
    - *Savor the Central Coast*
    - *Hospice du Rhone*
    - *Wine Festival*
  - *Advertising*
    - *Paso Robles branding*
    - *Collaborating tourism partners*
    - *TravelPaso website*
    - *Travel Paso Robles Alliance focused marketing*
-

## Partnership:

- *Establish community economic development roundtable to facilitate on-going public/private involvement in policy and program development, business outreach and recognition, and investment and market development.*

### Summary of Comments

Most interviewees felt little progress had been made in this area, but said it was a good idea. Suggestions included more frequent roundtable/forecast meetings and the establishment of regional cooperative marketing efforts.

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- *Improve linkages between industry clusters and education to address specialized labor requirements.*

### Summary of Comments

Most felt this was the responsibility of the education community, but little had been done to accomplish it.

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- *Identify and encourage school and college joint development/use of education facilities and programs.*

### Summary of Comments

Most felt that the schools were not interested in this and that past efforts had not worked well.

- *Encourage synergy amongst and between, and reinvest in, attractions that showcase Paso Robles' unique identity and heritage including the Paso Robles Event Center, Pioneer and Historical Museums, historic buildings, agriculture, local artisans and culture, historic downtown, and the river front.*

#### **Summary of Comments**

Majority of interviewees felt this was being accomplished with measurable successes. One person suggested there should be some kind of partnership to market local art.

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- *Attract conventions that promote Paso Robles industry clusters and assets (to generate mid-week visitor demand, lure investment, and expand markets).*

#### **Summary of Comments**

Interviewees felt there is a significant, untapped opportunity in this component tying tourism to the need for conference facilities. One person suggested a portion of Transient Occupancy Tax should be used to fund convention support activities. Another recommended a more aggressive partnership with the Paso Robles Event Center and private enterprise.

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- *Support regional cooperative marketing efforts and initiate joint marketing programs.*

#### **Summary of Comments**

Most, if not all, interviewees were aware of joint efforts with the San Luis Obispo County Visitors and Conference Bureau, Travel Paso Robles Association, Paso Robles

Promotions Coordinating Committee, Paso Robles Wine Country Alliance and Paso Robles Main Street.

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- *Provide adequate, stable funding for tourism marketing and economic development.*

**Summary of Comments**

Most, if not all, felt a portion of this has been accomplished via the utilization of Transient Occupancy Taxes to support tourism. Non-tourism related economic development funding was not identified.

***Accomplishments cited in 2011 Progress Report to the City Council:***

- *PRCC focused marketing plan*
  - *Chamber of Commerce visitor center*
  - *Wine Country Alliance public relations and promotion*
  - *Main Street program*
  - *Hoteliers liaison with TPRA*
  - *City website/social media*
  - *TRPA collaboration*
-

## Other Comments:

“We need an economic coordinator or organization.”

“We should be interested in high tech industries.”

“There’s not enough workforce housing.”

“There should be a special economic incentive zone stretching from Santa Margarita to San Miguel.”

“We need to diversify to target industry leaders.”

“We need more premier lodging.”

“New hotels should be required to include meeting space.”

“Don’t try to out-plan the market.”

“Our P.R. is trailing behind our competitors.”

“We need a downtown parking lot.”

“Trees should be planted (downtown) where empty holes are now. Need to replace now to allow trees time to grow. (Tree guard on Spring is empty.)”

“More trash cans downtown (as we now have more restaurants).”

“Finish old-fashioned pedestrian lights along Park Street.”

“Pedestrians go through the alleys between Spring and Pine and the alleys are in need of repairs.”

“Historic Review Board – Since we have many historic buildings downtown.”

“ADA ramps fill with leaves – how to keep clean.”

“Fountain – if not repairable, needs to be replaced with a drip-type fountain (more fitting with our historic downtown).”

“When events are held in the City Park, need water hose bibs as most state health regulations require food vendors to have running water available for outdoor events.”

“Need plenty of 120 and 240 volt outlets; also have a 240 volt, 100 amp disconnect box near the bandstand. Many bands bring their own power distribution panels and prefer to hardwire directly into a disconnect panel.”

“Need replacements when old-fashioned street lights have broken globes (one on Pine Street and one on Spring).

“Check out the Promenade in Manteca.”

“It’s too difficult to open a downtown business.”

“Retail is closing. All we have are restaurants, wine-tasting and massage parlors.”

“Parking – there isn’t any.”

“Repeal the prevailing wage law.”



## 6. DOCUMENT SUMMARIES

### Paso Robles Economic Strategy 2006

The most recent Economic Strategy was created by an Economic Strategy Task Force composed of representatives of all economic sectors three years after the San Simeon Earthquake and three years before the Great Recession of 2009. It is primarily a vision statement to increase opportunity, spur investment, encourage local enterprise, serve local needs, promote stable employment, reduce poverty and create a “sustainable” community.

The Strategy places first priority on existing assets, concentrating on a central geographic focus, targeting jobs to meet the skills of the local workforce, preserving the community’s unique aspects and encouraging compact, environmentally responsible development with a non-automobile focus. It supports collaboration among municipal, educational and business interests, both local and regional. It supports investments that benefit the business, environmental and social goals of the entire community, not just a few. It encourages corporate responsibility for fair wages, benefits, etc. It recognizes the importance of communication technology to economic progress.

The Strategy breaks economic development efforts into components including People, Place, Positioning and Partnerships.

### Economic Strategy Progress Report 2011

The Progress Report was created by Paso Robles City staff to update the City Council. The update is organized to report accomplishments and progress in the four areas of the Strategy: People, Place, Positioning, Partnerships. Portions of this update are included in previous comments regarding progress in these areas.

The Progress Report indicates great success in each of the component areas including a vibrant downtown, enhanced recreational opportunities, stronger focus on local history, improved visitor services, new and improved businesses, the availability of industrial space,

enhanced transportation infrastructure and facilities, successful grant-writing and fundraising activities, improved resource management, expanded housing, intense planning activity, improved educational opportunities, and expanded promotional activities.

Paso Robles Promotions Coordinating Committee Marketing Plan

The PRPCC marketing plan was created by the committee. The committee works to use integrated branding to promote Paso Robles, its assets and attractions. Its goals are to increase the city's visibility and name recognition, position the city as a culinary destination, grow the number of visits and their economic impact, collaborate with other similar organizations, sustain leisure travel (3-4 nights) and build demand for retreats, seminars and corporate events in the city.

PRPCC's strategies include using the "Authentic California" logo, providing a unified tourism voice and showcasing attractions involving wine, horses, art, food and local events.

PRPCC's goals include provision of concierge services for marketing events, capitalizing on association with Travel Paso Robles Alliance (including social media, printed materials and trade shows), hosting travel writers, maintaining a visitor center, hosting downtown events, securing corporate retreats and improving visitor signage.

Travel Paso Robles Alliance Marketing Plan

The TPRA marketing plan was created by its consultant Mental Marketing. Components of the plan include Branding & Awareness, Wine & Hearst Castle Country, Website & Mobile Technology, Public Relations & Social Media, Marketing & Advertising, Strategic Partnerships, and Partner & Member Education.

Paso Robles Main Street Presentation to Council 2013

The Paso Robles Main Street program continues to pursue its mission of downtown revitalization using the classic Four Point Approach defined by the National Trust for Historic Preservation:

*Organization* – Establishes cooperation among the various groups with a stake in downtown.

*Promotion* – Creates a positive image, rekindles community pride, promotes tourism, and creates downtown special events.

*Design* – Encourages rehabilitation of historic buildings, creates a safe/inviting environment, promotes property maintenance and provides education.

*Economic Restructuring* – Supports business retention, attracts new business, works to create a balanced commercial mix, and supports the conversion of unused commercial space

*Paso Robles Wine Country Alliance Presentation to Council 2013*

The PRWCA works under contract with the City of Paso Robles to bring media attention to the city and the Paso Robles wine region. It maintains a public relations campaign aimed at increasing awareness and name recognition leading to increased tourist visitation and Transient Occupancy Tax. Services provided include Media Familiarization Tours, public relations counsel to coordinate efforts between tourism entities and support for new tourism events,

*Paso Robles Chamber of Commerce Presentation to Council 2013*

In addition to business member services, the Chamber greets tourists, provides guides, maps, brochures, restaurant menus and event information.

*North County Business Resource Center Business Climate Report*

The recent NCBRC report surveys local businesses regarding opinions and attitudes on the business climate. Following are some bullet reports from the document:

- While business confidence is returning, there is no clear trend of job growth, particularly among businesses with less than 20 employees.
- Hispanic business people are more optimistic about business/employment growth.
- There should be a focus on business retention.
- Concerns vis-à-vis government impacts: water, regulations, parking
- City services and education are considered acceptable, but not excellent.
- Top three community services: Police, Community College, Chamber of Commerce

- Very little awareness of the 2006 Economic Strategy or its impacts on the local economy
- Most important for economic growth: Forward-looking leadership, community infrastructure/roads, attracting new businesses

#### Paso Robles Airport Improvement Plan 2013

The PRAIP was created by the Paso Robles Airport Association in cooperation with the City's Airport Advisory Committee. Goals include:

- Using the airport to support economic growth
- Attraction of permanent and transient aircraft
- Tourism support
- Creating a gateway and platform for business/employment

#### Cuesta College/North County Campus Report – Educate Conference

Cuesta College was established with the San Luis Obispo County Community College District in 1963. There are three campuses, one in San Luis Obispo, another in Arroyo Grande and the third in Paso Robles. The College offers 53 degree Associate of Arts programs plus a variety of community programs. Enrollment in Spring 2013 on the Paso Robles campus was 2,515.

In March 2013, the Latina Leadership Network of Cuesta College hosted a motivational conference, Educate Conference, attended by 270 local Latino high school students at the North County campus. The outcome of the conference was that the overwhelming majority of attendees expressed increased interest and motivation to attend college after high school.

This conference represents a significant outreach effort by Cuesta College to the local Latino community and the potential for inspiring increased Latino impact in the area of economic development.

## 7. APPENDICES

### *Interviewees*

Frank Mecham  
First District Supervisor

Debbie Arnold  
Fifth District Supervisor

Adam Hill  
Third District Supervisor

Dana Merrill  
Pomar Junction Winery

Larry Werner  
North Coast Engineering

Dick Wilhoit  
Estrella Associates

Noreen Martin  
Martin Resorts

Tom Erskine  
Realtor

Mark Lisa  
CEO, Twin Cities Community Hospital

Mike Gibson  
CEO, Paso Robles Chamber of Commerce

Jeremy Burke  
Paso Robles Press/ Board Member, Paso Robles Chamber of Commerce

Norma Moye  
Executive Director, Paso Robles Main Street

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Al Garcia  
Paso Robles Planning Commissioner

Jim App  
Paso Robles City Manager

*Documents*

*Paso Robles Economic Strategy 2006*

*Economic Strategy Progress Report 2011*

*List of Interviewees*

*Paso Robles Promotions Coordinating Committee Marketing Plan*

*Travel Paso Robles Alliance Marketing Plan*

*Paso Robles Main Street Presentation to Council 2013*

*Paso Robles Wine Country Alliance Presentation to Council 2013*

*Paso Robles Chamber of Commerce Presentation to Council 2013*

*North County Business Resource Center Business Climate Report*

*Paso Robles Airport Improvement Plan 2013*

*Cuesta College/North County Campus Report – Educate Conference*