



Council Agenda Report

From: Thomas Frutchey, City Manager

Subject: Economic Development Initiative

Date: December 20, 2016

Facts

1. The City, Chamber of Commerce, and community representatives developed an overall economic development strategy in 2006 (see Attachment 1).
2. Over recent years, there has been no concerted effort to implement the strategy, for a variety of reasons, including, among others: the recession, turnover at the Chamber, and the lack of City resources committed exclusively or primarily to economic development.
3. Concerted economic development for Paso Robles is crucial. Not growth for growth's sake, but to provide new jobs and better jobs for current residents. We have a significant number of residents who are underemployed, without either full-time work or work that can continue to be challenging and rewarding as their career's progress. In addition, we have too many high school and college graduates who have to leave our community in order to find appropriate work.
4. Any economic development efforts undertaken, however, have to be informed and directed, so that the community doesn't develop in ways that lose what is special about Paso Robles, including the: small-town feel, manageable traffic, sense of belonging, and willingness of our residents and businesses to participate and give back to their community.
5. This type of directed, informed economic development can be significantly assisted by regional efforts (i.e., the Economic Vitality Commission—EVC) but also must have a strong local component.
6. The planned closure of the Diablo Canyon Power Plant (DCPP) adds urgency and a new element to the challenge: it is not just a matter of how to strengthen the local economy; it now becomes also a matter of how not to recess.
7. The Coalition of Cities and the County recently negotiated financial assistance from PG&E in assisting the region mitigate the impacts of the DCPP closure. The primary impact mitigation for Paso Robles will be a one-time payment of \$1.1M, to be received by the City sometime between summer 2016 and summer 2018 (see the DCPP item on this same agenda for details of this negotiated agreement).
8. The City has the opportunity to use the PG&E funds to jump start a well-designed local economic development effort, one that is fully coordinated with regional efforts already underway and to be undertaken.

Options

1. Take no action;
2. Implement an in-house economic development program;
3. Work in partnership with the Chamber of Commerce, the Hispanic Business Alliance, and others to develop and implement proactive, directed economic development efforts.

Analysis and Conclusions

The Chamber of Commerce's adopted Business Plan for 2016-17 includes an Economic Development Program with the following mission:

"...to encourage business prosperity by promoting a healthy and diverse local economy. We will do this by providing advocacy, identifying resources, and directing information to our members and prospective business looking to strengthen, move, or start their business in Paso Robles."

In addition, the Chamber has recently developed a Business and Entrepreneurial Support Team (BEST) concept, to be implemented in partnership with the City, to "provide active and proactive support to businesses and entrepreneurs interested in expanding [in] or relocating to Paso Robles" (See Attachment 3).

The Chamber has submitted a proposal to become the community's lead agency for economic development, in partnership with its members and the City (see Attachment 2). Under the terms of the proposal, the Chamber will serve as the lead agency for economic development in Paso Robles. Initial activities will include, but would not be limited to:

1. Preparing a yearly work plan, to include specific details related to business retention, expansion, and attraction activities.
2. Hiring an economic development professional to act as the main point of contact for economic development and lead the implementation of the goals and objectives.
3. Forming and implementing the Business Entrepreneur Success Team – B.E.S.T.
4. Developing an economic development page on the Chamber website with direct links to City and other related organizations such as the Economic Vitality Corporation.
5. Creating a Commercial Relocation Packet showcasing the Paso Robles area and how to successfully start, relocate, or grow a business locally.
6. Holding a Community Key Leader Summit to conduct a SWOT (Strengths, Weaknesses, Opportunities & Threats) Analysis.
7. Conducting business walks to survey local companies to capture necessary input on their experiences and expectations.
8. Assisting local businesses with financing assistance, employee training, employee search and screening, strategic assistance, problem resolution, expansion needs, permitting, and regulatory compliance.
9. Marketing the City to prospective businesses in emerging markets and doing so in such a way as to allow the development of industry clusters within north County.

There is a network of businesses in the Paso Robles area that serve the Hispanic community on a regular basis. This network is known as the Hispanic Business Alliance (HBA), whose mission includes the desire to provide a cost effective means of maintaining a meaningful and useful business network to enhance the quality of life for the Hispanic community in northern San Luis Obispo County. Demographically and culturally, it is important for Paso Robles to recognize the importance of this network if it is to make a truly concerted effort of supporting economic development.

By partnering with the Chamber and the Hispanic Business Alliance (HBA), the City can contribute what it does best, allowing the private sector do what it does best. Key City roles can include: providing overall direction; providing seed money; modernizing zoning regulations, as needed; enabling a more robust and diverse housing supply; etc.

Key private sector roles—working collaboratively through the Chamber and HBA—can include: responding to and initiating economic trends; providing a stable of people with expertise and ideas; being the program's eyes and ears, to quickly learn what is and isn't working; marketing to businesses

considering relocating to Paso; helping existing businesses grow and improve in capabilities and expertise; etc.

In order for this program to be successful, several initial steps need to be undertaken:

- The proposal will need to be fully fleshed out (with milestones, performance metrics, etc.) and converted into a full agreement.
- The City will need to provide seed money, using the upcoming payment from PG&E;
- The City and its private partners will need to participate in and use the results of the upcoming EVC economic impact study (see Attachment 4), to determine what are the best opportunities for Paso Robles;
- The Chamber and HBA will need to build up capabilities, including both systems and expertise/staff;
- The formation of an ad hoc Economic Development Committee will be needed to provide a system of guidance and accountability;
- The partners will need to jointly analyze weaknesses and opportunities, evolving the program as it progresses.

Fiscal Impact

Any funds provided by the City are an investment in the community, some of which can be returned in increased revenues as the local economy strengthens. We cannot predict the return on the investment or even necessarily identify revenue increases that are associated with the effort.

If the City undertakes this effort, all expenditures will be accounted for as an advance on the \$1.1M in economic recovery and mitigation funds to be received from PG&E.

Recommendation

1. Direct the City Manager: to finalize an agreement with the Chamber of Commerce as lead agency for economic development; and to develop a parallel program with the Hispanic Business Alliance.
2. Approve a Budget Adjustment Request for \$72,000, one-half of the needed annual appropriation, such funds to come from the Economic Development program, where the \$1.1 M PG&E fund use will be tracked.
3. Establish an ad hoc Economic Development Committee, to include two Councilmembers and two Chamber Board members, with two members from the HBA Board and one person from the Economic Vitality Board (EVC) to be selected later.

Attachments

1. Economic Development Strategy
2. Chamber BEST Strategy
3. Proposal from the Chamber of Commerce to serve as lead agency for economic development
4. Draft EVC request for proposals for analysis of the economic impacts of the closure of Diablo Canyon.



Paso Robles Economic Strategy



ECONOMIC STRATEGY TASK FORCE

SAN LUIS OBISPO ECONOMIC VITALITY CORPORATION

President/CEO – John Dunn (Retired)

AGRICULTURE / WINE INDUSTRY

Paso Robles Wine County Alliance Executive Director – Stacie Jacob

Viticulturist – Roberts Vineyard Services & Consulting Services Management – Neil Roberts

MAIN STREET ASSOCIATION

Rose in the Woods/Chair of the Board – Jim Reed

RETAIL

J. C. Penney Store Manager – Floyd Olsen

EDUCATION

Paso Robles Public School District – Dr. Patrick Sayne

Cuesta College North County Campus Executive Dean – Sandee McLaughlin

Cal Poly Dean College of Architecture and Environmental Design – R. Thomas Jones, AIA

DEVELOPMENT / CONSTRUCTION

North Coast Engineering, Inc. – Larry Werner

Estrella Associates, Inc. – Dick Willhoit

Developer – Rob Gilson

BANKING

Heritage Oaks Banks Board Member – Dee Lacey

HEALTH CARE

Twin Cities Hospital/Tenet Health Care – Sue Ellen Smith

Twin Cities Hospital/Tenet Health Care – President/CEO Rick Lyons

MANUFACTURING

IQMS Software – Owner – Nancy Flamm

REAL ESTATE

Peabody & Plum Realtor – Mike Ryan

NEWSPAPER

The Tribune Publisher – Chip Visci

TOURISM

River Oaks Golf Course & Seasons Restaurant General Manager – Pam Lyons

Paso Robles Event Center – Dee Lacey

CHAMBER OF COMMERCE

President/CEO – Mike Gibson

CITY OF PASO ROBLES / GOVERNMENT

Mayor – Frank Mecham

Council Member – Fred Strong

City Manager – Jim App

Assistant City Manager – Meg Williamson

SPECIAL ADVISORS

UCSB Economic Forecast Project Executive Director – Dr. Bill Watkins

Economic Vitality Corporation of San Luis Obispo County – President/CEO Michael E. Manchak

FORWARD

THERE HAS BEEN A MOUNTING SENSE OF ANTICIPATION AND APPREHENSION ABOUT THE FUTURE OF PASO ROBLES. AFTER A DECADE OF ECONOMIC AND POPULATION GROWTH, SOME WONDER WHAT IS NEXT FOR PASO ROBLES.

Is growth necessary or desired? What form might it take? Can or should there be an effort to encourage jobs and commerce, as well as accommodate housing? If so, how can small town character continue to thrive while promoting economic vitality and individual opportunity? Can a way of life distinct from suburbia and metropolis be sustained?

The effort to address these questions, to craft a wholly new economic strategy, evolved out of an interest on the part of many that care deeply about the future of Paso Robles. The City Council and the Chamber of Commerce have led the effort. They have drawn on the talents and expertise of accomplished individuals from the worlds of business, commerce, finance, agriculture, education, government, tourism, publishing, entertainment, and economics.

Their collective endeavor has produced a vision – a strategy for the future – presented here for consideration.



A VISION FOR PASO ROBLES' ECONOMY

Paso Robles is at a crucial juncture. It faces significant change – in population, demographics, technological advancements, competition, and financial responsibilities – locally, regionally, and state-wide. A parallel transformation of approach to economic vitality is needed if the City is to maintain, even improve, quality of life for its residents.

When and how change is addressed will shape the economic future. A vision and strategy for economic and community development is called for – one that increases opportunity, spurs investment, encourages local enterprise, serves the needs of local residents, workers and businesses, promotes stable employment, reduces poverty, offers family and neighborhood life, and is both inclusive and sustainable.

The City Council has called for just such a reformation of the community's economic vision and strategy. This report lays out the rationale for a wholly new economic vision and strategy as it contains data and analysis that reveal community assets, challenges, and opportunity. And, most importantly, it offers a new vision, or strategy, for increasing and sustaining economic vitality.

Representatives of the City, Chamber of Commerce, and other key public and private stakeholders collaborated to develop this new strategy. Its principle goal is to improve livability and the quality of life in the City through economic growth. The strategies included in this new vision are fashioned to enhance the competitive position of individuals, local industry and commerce, the City, and the region as a whole, by building on and promoting community assets, addressing barriers to progress, and mobilizing public and private resources.



Paso Robles *Economy & Strategy*

June 29th 2005 the community received a report concerning its economic performance and forecast for the near term. The conclusion: gross domestic product is experiencing real growth at a healthy and sustained rate. The growth is fueled by retail sales and services, construction, rising home values and sales, agriculture, and wine industry-related tourism. Industry mix is better balanced than other area communities, and a vibrant, distinctively identified community center (downtown) offers a range of commerce, dining, entertainment, and civic uses.

The forecast is a testament to the community's historical consensus and commitment to economic vitality. This result is earned – and good news.





Challenges: Earnings Education Jobs

In the midst of this good news, there are some challenges:

- Low average worker and household earnings,
- Low educational attainment of the community workforce,
- Projected job growth predominantly in unskilled positions in low paying industries.

And, there are other factors that will impact the local community and its economic future:

- Influx of “wealthy” and active retirees,
- Housing affordability (as measured against earnings),
- Location midway between major metropolitan areas,
- California population growth, especially in the Central Valley.

These issues and trends are not unique to Paso Robles, but are compelling in that they reflect greater California dynamics. When and how these challenges and issues are addressed will shape the economic future. A vision and strategy for economic and community development is called for – one that encourages local enterprise, serves the needs of local residents, workers and businesses, promotes stable employment, increases opportunity – individual, corporate and societal, reduces poverty, offers family and neighborhood life, and is both inclusive and sustainable.

The scope of tomorrow’s economic development strategy must be fashioned to achieve its own self-sustaining vitality. It would target **improvement of the livability and quality of life in the City through economic growth** – economic growth that stimulates investment, high quality jobs, and wealth.



To meet this challenge, successful cities across North America have modeled their economic development strategies upon principles for building prosperous and livable communities. These principles provide a common guide to promoting economic vitality. The principles are:

Vision and Inclusion

Communities need a vision and strategy for economic development. Visioning, planning and implementation efforts should continually involve all sectors, including the voluntary civic sector.

Human Investment

Because human resources are so valuable in the information age, communities should provide life-long skills and learning opportunities by investing in excellent schools, post-secondary institutions, and opportunities for continuous education and training available to all.



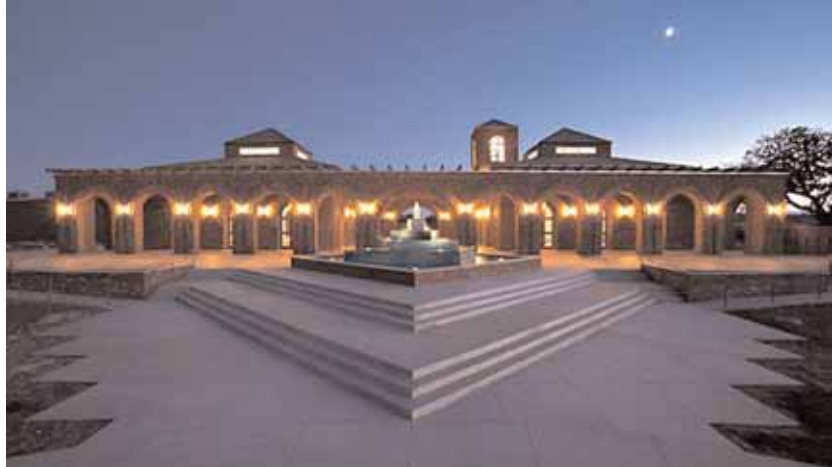
Industry

Communities should identify specific gaps and niches their economies can fill, and promote a diversified range of specialized industry clusters, drawing on local advantages to serve local and international markets.



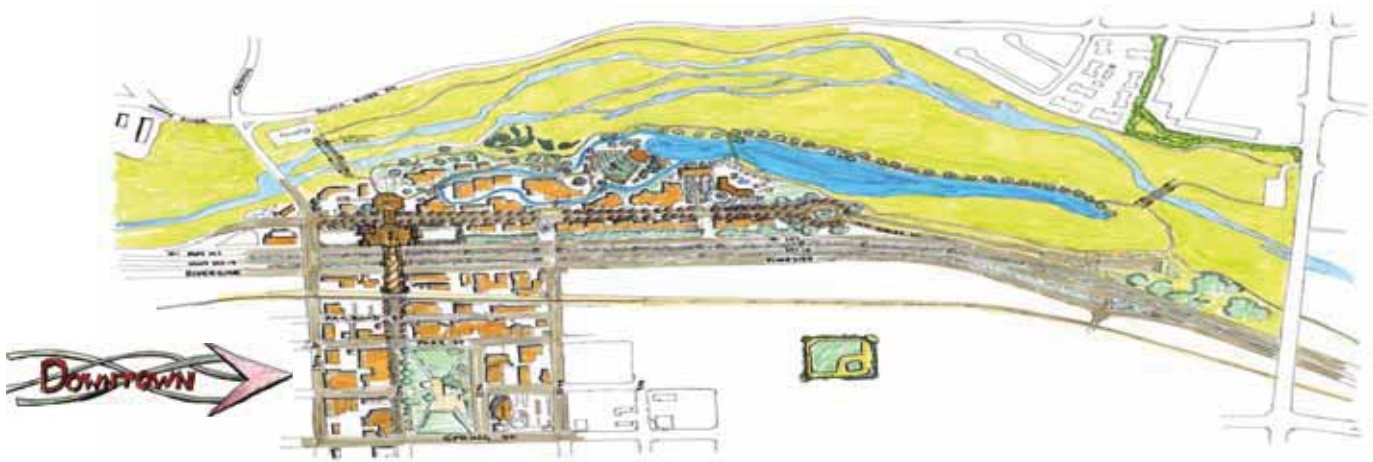
Local Focus

Because a community's most valuable assets are the ones they already have, and existing businesses are already contributing to their home communities, economic development efforts should give first priority to supporting existing enterprises as the best source of business expansion and local job growth. Community economic development should focus on promoting local entrepreneurship to build locally based industries and businesses that can succeed among national and international competitors.



Distinctive Communities

Having a distinctive identity will help communities create a quality of life that is attractive for business retention, future residents and private investment. Community economic development efforts should help to create and preserve each community's sense of uniqueness, attractiveness, history, cultural and social diversity, and include public gathering places and a strong local sense of place.



Center Focus

Communities should have an appropriately scaled and economically healthy center focus. At the community level, a wide range of commercial, residential, cultural, civic, and recreational uses should be located in the town center or downtown. At the neighborhood level, neighborhood centers should contain local businesses that serve the daily needs of nearby residents.

Compact Development

To minimize economic, social, and environmental costs and efficiently use resources and infrastructure, new development should take place in existing urbanized areas before using more agricultural land or open space.



Livable Communities

To protect the natural environment and increase quality of life, neighborhoods and communities should have compact, multi-dimensional land use patterns that ensure a mix of uses, minimize the impact of cars, and promote walking, bicycling, and transit access to employment, education, recreation, entertainment, shopping, and services. Economic development and transportation investments should reinforce these land use patterns and the ability to move people and goods by non-automobile alternatives wherever possible.

Wired Communities

Communities should use and invest in technology that supports the ability of local enterprises to succeed, improves civic life, and provides open access to information and resources.

Poverty Reduction

Economic development efforts should be targeted to promote jobs that match the skills of existing residents, improve the skills of low-income individuals, and insure the availability of quality affordable transportation and housing.



Environmental Responsibility

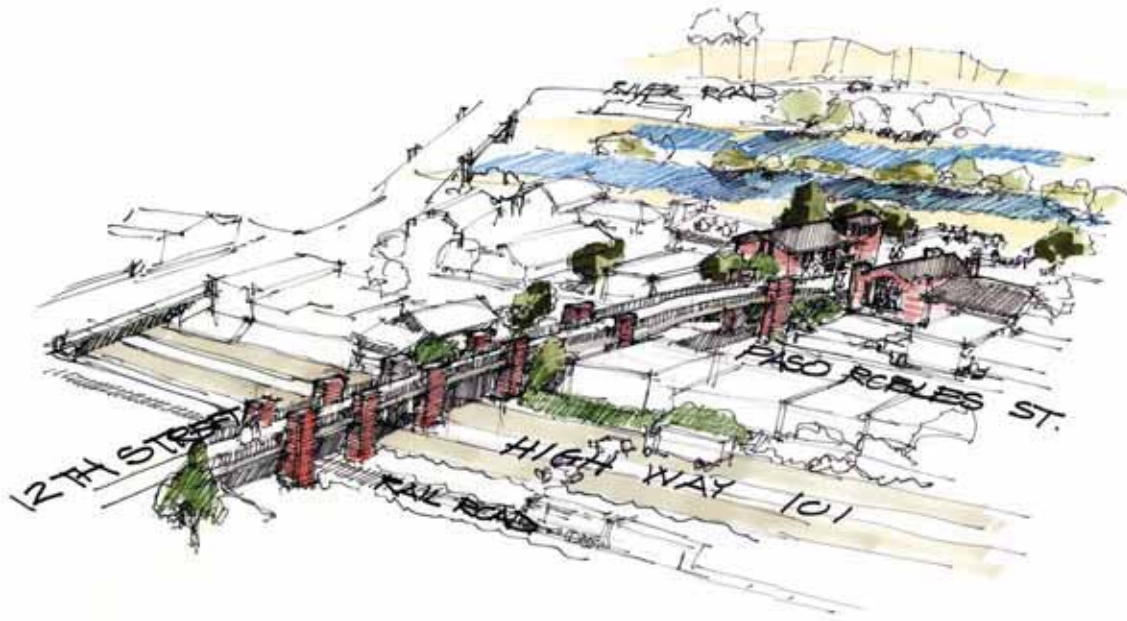
Communities should support and pursue economic development that maintains or improves, not harms, the environment and public health.



Corporate Responsibility

Enterprises should work as civic partners, contributing to the communities where they operate, protecting the natural environment, and providing workers with good pay, benefits, opportunities for upward mobility, and a healthful work environment.





Long-Term Investment

Publicly supported economic development programs and investments should be evaluated on their long-term benefits and impacts on the whole community, not on short-term job or revenue increases. Public investments should be equitable and targeted, support environmental and social goals, and prioritize infrastructure and supportive services that promote the vitality of all local enterprises instead of individual firms.



Regional Collaboration

Since industries, transportation, land uses, natural resources, and other key elements of a healthy economy are regional in scope, communities and the private sector should cooperate to create regional structures that promote and respect local character and identity.

Integrated Approach

Government, business, education, and the community should work together to create a vibrant local economy, through a long-term investment strategy that:

- encourages local enterprise,
- serves the needs of local residents, workers, and businesses,
- promotes stable employment and revenues by building on local competitive advantages,
- protects the natural environment,
- increases social equity,
- is capable of succeeding in the global marketplace.



Applying these principles to Paso Robles' challenges and opportunities, the economy needs to stimulate investment in high-value added activities – **high order, innovation based, high productivity activities** – often referred to as **the knowledge economy**. An economy based not so much on raw materials and cost containment, but on intellectual capital, technical know-how, innovation, flexibility, and entrepreneurship.

The source of these knowledge economy attributes is people. The generation of new ideas, and the translation of ideas into innovative products and services is the primary way to add value. Education, training, and opportunities for continuous learning must be created to feed the demand for innovation, the demand to add value. The new economy would, therefore, consist of not only a means of producing goods and services, but a way of life and civic culture that **embraces and fosters continuous learning**.



connect with the natural environment, are features that can spark creativity (the very features sought by knowledge workers). It follows therefore, that **quality of place attracts people, and what attracts people can attract investment**.

And this continuous learning must be promoted and pursued not only in established educational institutions, but other informal hubs of social interaction, expression and creativity. Places as diverse as restaurants, cafes, theaters, museums – art and culture, coupled with public and private places of exceptional design, and open spaces that inspire and



The quality of neighborhoods, parks, rivers, schools, theaters, museums, galleries, and urban design as well as industrial centers, roads, sidewalks, trails, telecommunications, utilities, and public transit also have a direct impact on this quality of place, as do the resources and programs that provide education, health, social and recreational services. These features are strategic assets that can be leveraged to support economic growth, or competitiveness – competitiveness to develop, attract and retain knowledge workers and high-value added activity investment.

One of the keys to making these desirable, attractive and needed quality infrastructure investments is to make them more efficient and cost-effective. Efficiency can be achieved by attracting and “housing” sufficient labor force and employment in a more compact urban form. Compact form can result in efficiencies in major infrastructure investments and enhance opportunities to house the labor force – **who will be needed to power the knowledge economy.**

Transition to a knowledge economy is a significant commitment, and to be realized, it must be communicated. More specifically, a community needs to actively **promote local industry, products, services and destinations to the world** – let them know what is here; let them know there is opportunity.

Such is the opportunity here and now. Economists suggest a move towards high-value added, specialty activities. High-value added specialty commerce is typically driven by knowledge and know-how, creativity and flexibility, entrepreneurship and strategic alliances. Producing, attracting and retaining knowledge investment, industry, commerce, and workers requires a strategy that promotes:

Quality of life Quality of place

- Create opportunities for personal and professional growth;
- Maintain safe, healthy and attractive physical environment;
- Encourage and enrich urban culture and center (downtown) focus;
- Establish cohesive, compact and livable community for individuals and families.



Human intellectual capital, creativity, and technical capabilities

- Focus on knowledge and skill development;
- Support for high-quality basic, advanced, and technical education.



Local institutions of innovation, learning, and networking

- Establish strategic alliances with institutions of higher learning and business associations;
- Encourage diverse informal centers of creativity, learning and interaction (theatres, galleries, museums, performing arts centers, restaurants, community centers, etc.).

Built, natural, and social environment

- Improve overall quality of built form (design/architecture);
- Preserve, enhance, and provide access to key natural features/places;
- Provide quality education, health, arts, culture, and recreation programs and services;
- Expand and maintain high quality transportation systems and facilities, public places and buildings, telecommunication systems, and utilities.

Regional presence and profile

- Brand Paso Robles locally and regionally;
- Promote local industry, products, services, and destinations regionally.

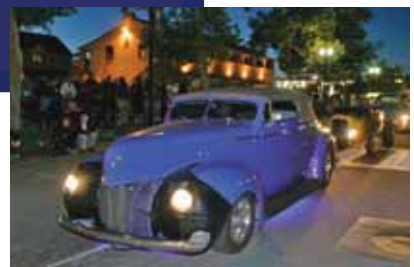
Unity of vision

- Establish a common vision and broad base of public and private support;
- Mobilize public and private stakeholder resources toward improving competitive position.



*A
strategy
that promotes
and charts
a course
to realize
these ideals
is offered.*

People Place Positioning Partnership



PEOPLE

Develop people to power the knowledge economy. Increase educational attainment and skills of, opportunities, and demand for local labor force.

Promote and support a full continuum of education opportunities.

- Encourage bilingualism and honor cultural diversity;
- Support delivery of basic literacy and numeracy programs;
- Promote quality, relevant education and training programs;
- Recognize academic achievement (of individuals and institutions);
- Establish information clearinghouse of available education and training programs;
- Recognize and promote programs providing youth with relevant work experience.



Recognize and increase community and business investment in, and commitment to, education.



ACTIONS



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

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



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

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



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

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



Improve quality of place to attract investment and knowledge workers stimulate investment by establishing distinctive, quality, stable, safe and sustainable physical improvements and attractions that welcome industry, commerce, tourism, employment, and wealth necessary to maintain and enhance quality of life.

Implement development policies to achieve more efficient use of infrastructure.

- Encourage community development in live/work, mixed use, and compact, pedestrian oriented forms to accommodate all income levels and lifestyles;
- Prepare road, utility, and communications infrastructure to facilitate private investment;
- Establish stable, long-term funding for infrastructure;
- Increase labor force residents in the City.

Develop distinctive design standards and invest in design excellence to:

- Create inspiring and memorable places;
- Emphasize the appearance and qualities of the public realm;
- Create streetscapes, pathways, and public spaces of beauty, interest, and functional benefit to pedestrians;
- Encourage adaptive reuse of historic buildings;
- Preserve energy and natural resources.

Stimulate investment in strategic areas and under-utilized sites.

- Develop the Salinas River as a signature landscape and attraction;
- Enhance and expand the downtown to a mixed use dining, entertainment, culture and shopping destination featuring a new river front;
- Allocate public resources to support and promote arts, culture, and conferencing;
 - Develop a downtown center for the arts, culture and conferences,
 - Encourage and recognize business investment and involvement in the arts, culture and major events.
- Prepare the Airport for high quality business, transportation, and visitor investment and activity.

Support agriculture as a viable industry and visitor attraction by featuring it as the distinguishing community environment.

Increase intensification, supply, and range of housing to attract and accommodate a skilled labor force.

ACTIONS



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

- 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.

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

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

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

- 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.

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

POSITIONING

Develop and market the unique character, heritage and special attributes of the community as the region's destination to visit, shop, invest, work and live.

Promote the City as a center of high value agriculture and industry.

- Showcase the Paso Robles wine appellation and industry as the emerging center of world class wines;
- Promote viticulture investment/business opportunities in winery production, tasting, equipment research/design/production/sales/service, marketing and sales, and end-destination attractions;
- Develop and promote year-round and special events that highlight viticulture, olive oil, and equestrian attractions.

Market Paso Robles as an ideal setting for the emergence and convergence of value-added medical, health and wellness services.

- Encourage public/private partnerships to develop integrated medical research/business/destination facilities – to host medical research and promote technology transfer/commercialization to specialized medical interventions, rehabilitation clinics, and health and wellness spas;
- Promote health and wellness service/facility investment/business opportunities in end destination medical and visitor attractions;
- Entice investment in, and showcase, natural hot springs as a unique Paso Robles asset and cornerstone to health and wellness visitor destination attractions.

Promote local industry, products, services and destinations.

- Identify and feature the interests of industry clusters;
- Develop web-based links to local industry and commerce;
- Implement high visibility business recognition and appreciation programs;
- Attract major events and conferences that focus attention on Paso Robles' assets;
- Expand and diversify hotel products, including end destination full-service resorts;
- Encourage and expand tourism attractions that highlight Paso Robles' unique identity and heritage (agricultural/equestrian education and entertainment – Paso Robles Event Center, historical and cultural sites, collections, and events).



ACTIONS



- 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.



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



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

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

- Develop high visibility business recognition program.



PARTNERSHIP

Create an alignment of strategic intent to collectively foster economic growth and improve the quality of life.

Establish a common economic vision with a broad base of support.

Mobilize public, private, and community resources to improve competitive position through partnership.

- Continually forge closer working relations with Cal Poly, Cuesta College, and local schools for:
 - increased/improved educational opportunities,
 - innovations in technology, design, programs and services,
 - joint beneficial development and application of services and resources.
- Intensify public/private collaboration to expand and enhance the unique flavor of downtown.
- Support regional marketing efforts that recognize and promote Paso Robles':
 - unique assets, heritage and distinctive character,
 - as a great place to visit, shop, invest, work and live,
 - as a year round dining, entertainment, event and conference destination,
 - as an emerging center of entrepreneurial, commercial, and business opportunity.



ACTIONS



- 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.

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

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

- 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.

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

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

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



ACKNOWLEDGEMENTS

University of California Santa Barbara – Economic Forecast Project –
2005 Paso Robles Forecast

California State Employment Department/Development Department –
Job Growth Projections for San Luis Obispo County

The Tribune – A Graphic of US Census Bureau Data –
“How Education Levels Affect Income”

Public Policy Institute of California – “What Kind of California Do You Want?”

Regents of the University of California – Demographics

The Tribune – 11/28/05 – California Budget Project Report – “Population Expected to Grow
Older, More Diverse”

The San Jose Mercury News – 11/25/05 – “Construction Trades Woo Younger Workers –
Competing with College Cachet Not Easy for Industry”

Local Government Commisison – Ahwahnee Principles for Economic Development for the
21st Century

Local Government Commission – Ahwahnee Principles for Resource-Efficient Communities

For Information Contact:

Meg Williamson – mwilliamson@prcity.com
Assistant City Manager City of Paso Robles
1000 Spring Street Paso Robles, California 93446

Drawings and Architectural Renderings are from:

Olsen/Beechwood Specific Plan – Moule & Polyzoides
Architects and Urbanists 180 East California Boulevard at Pitcher Alley
Pasadena, California 91105

The Salinas River Design Workshop (2005)

Robert Hall Winery Photograph – Courtesy of Steve E. Miller
Cuesta College Photographs – Courtesy of Cuesta College

Graphic Design and Stock Photography – Faye Baker www.photogenics.biz
– Richard Baker www.richardbaker.com

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Paso Robles
chamber of commerce



December 13, 2016

Thomas Frutchey, City Manager
City of Paso Robles
1000 Spring Street
Paso Robles, CA 93446

Dear Mr. Frutchey,

With the support and encouragement from our Board of Directors, I respectfully submit this letter of intent for the Paso Robles Chamber of Commerce to be considered for the role of Lead Agency in regards to Economic Development for the Greater Paso Robles area.

It has become clear there is a tremendous opportunity in identifying a local agency to take the lead in working with the City of Paso Robles and other relevant organizations to pursue economic development for our area. As a diverse group representing multiple industries it is our belief that the Chamber of Commerce would be a natural fit for this role.

Our Economic Development Division holds the following mission:

Our purpose is to encourage business prosperity by promoting a healthy and diverse local economy. We will do this by providing advocacy, identifying resources, and directing information to our members and prospective businesses looking to strengthen, move, or start their business in Paso Robles.

Economic Development is a priority for our Chamber as it is a key component in keeping our town prosperous, our community engaged, and will allow us to remain relative and ready for calculated growth.

We are passionate about developing a thriving economy and have the expertise and strategic partnerships to be successful. What we would need are the resources, funding, and backing from the community stakeholders to continue our progress.

Should we receive the above mentioned items, our plan is as follows:

1. Accomplishments by the end of 2017 include:
 - a) Formation and implementation of the Business Entrepreneur Success Team – B.E.S.T.
 - b) Develop an Economic Development page on the Chamber website with direct links to City and other related organizations such as the Economic Vitality Corporation
 - c) Creation of a Commercial Relocation Packet showcasing the Paso Robles area and how to successfully start, relocate or grow a business locally
 - d) Hold a Community Key Leader Summit to conduct a SWOT (Strengths, Weaknesses, Opportunities & Threats) Analysis
 - e) Conduct Business Walks to survey local companies to capture necessary input on their experiences and expectations
 - f) Hire a Staff Member at the Chamber of Commerce to act as the main point of contact for Economic Development and lead the implementation of the goals and objectives set

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www.pasorobleschamber.com

2. Long term Objectives include:

- a) Utilize the data captured from the SWOT Analysis and Business Walks to determine feasibility that the current infrastructure allows for new targeted businesses and work towards eliminating barriers
- b) Assist in the building and/or renovation of the current practices (e.g. continuing to review fee structure, permit process, etc.) to ensure proper level of growth is achievable
- c) Work in conjunction with the Airport Commission to develop land and increase business density at the airport
- d) Assist in courting and attracting new businesses in an effort to complement our current industries and diversify our local economy

The goals as set forth above are the current key objectives we have detected and in no way is this list meant to be perceived as all inclusive. It is our desire that the City and community help in identifying additional requirements and in working through the process the list will be reevaluated and refined based on need.

In order to assess the work being conducted, we propose the following metrics and evaluation:

- Monthly meetings with the City Manager and Staff
- Tangible accomplishments (relocation packet, website page development, etc.)
- Conduct interviews with companies that have utilized the services provided
- Assessments from other California cities and the Economic Vitality Corporation
- Resources such as case studies will be obtained and utilized to define our long term goals and set policies and procedures

The intent of this letter is to express our interest in pursuing this position and to open a discussion regarding a mutual agreement to outline the conditions and scope of work.

If we are to move forward in this endeavor, we respectfully request initial funding in the amount of \$145,000 to begin implementing the goals set for 2017. Our estimated budget to accomplish this is as follows:

\$5,000	Business Entrepreneur Success Team
\$15,000	Economic Development Website Page(s)
\$15,000	Commercial Relocation Packet
\$95,000	Staff
\$5,000	Community Key Leader Summit
\$2,000	Business Walks
<u>\$8,000</u>	Contingency
\$145,000	

We propose that City Council and the Chamber Board of Directors plan to evaluate the progress made after nine months to ensure the program is meeting the initiatives set and approve a plan for continuing the program in a manner where the tax increment and other generated revenues may sustain it into the future.

We firmly believe this opportunity will greatly benefit our Community as a whole and look forward to continuing the conversation and putting a plan into action.

Sincerely,



Gina Fitzpatrick
CEO/President
Paso Robles Chamber of Commerce



The Paso Robles Chamber of Commerce

In partnership with
the City of Paso Robles
Announces the formation of

PASO ROBLES

B.E.S.T.

The Business and Entrepreneurial Support Team

A diversified team of local professionals and business owners who provide active and proactive support to businesses and entrepreneurs interested in expanding or relocating to Paso Robles.

How?

Inquiries to the City are referred to a Chamber Point Person familiar with the trades and specialties of the BEST Team. The inquirer will then be connected with the most appropriate specialist(s) based on the information requested. Our goal is to assist the city and local/perspective businesses by making information and local expertise more readily available to those needing help.

In Addition,

BEST will be pro-active in providing value to prospective businesses by facilitating business roundtables, providing easy to use and up to date website information, posting social media updates, and creating events that foster the entrepreneurial spirit to help attract and grow new businesses.

Common Goals:

- Create streamlined approach for attracting new business and help existing business grow
- Provide a central resource for assisting and promoting business
- Brand Paso Robles as a place to do business, in addition to the wine/tourism brand
- Create structure where all leads and contacts are given full attention and prompt response
- Offload or reduce stress on city staff – One step solution
- Expand and grow within scope of strategic plan

Blueprint of what we are offering:

Build Relocation Site / Packet: One Stop Shop for anyone looking at moving business to Paso

- Welcome packet: Summary / Snapshot (Who, what, when, why, how, Paso) 5-10 Pages
- Resource List Breakout - Contacts and links for all needs. (Online resource, up to date)
- Why Paso – Advanced details
- Flow chart of how to get things done



Establish Chamber Resource Center:

- Central Contact point with dedicated Chamber Staff Person
- Establish committee of “Specialists” which covers broad areas of expertise
- Referral of inquiries to the “Specialist(s)” for review and response
- Follow up to all inquiries
- Tracking of inquiries and results
- Regular communication with City Council and Staff

Economic Development Committee for advanced planning:

- Business Support Roundtable
- Participate in Events to attract potential businesses to Paso
- Quarterly Forum
- Mentor / Incubator for small business

The concept in action:

1. Inputs: City Referrals, Chamber leads, Member questions, new business, website leads, etc.
2. Referred to Chamber Resource Center
3. Directed to appropriate resource
4. Specified follow up on lead (Re-directed, next step's, etc. until reality or door is closed.)

➤ Example 1: I am looking for a place to build

- Referred to Relocation resource center.
- Give list of local providers who can help with service
- Follow up call in specified time.

➤ Example 2: What would it cost to

- Referred to Relocation resource center.
- Shown Resource center links and referred to locals who can help.

➤ Example 3:

I have a large tech company and kicking the tires on locations with these requirements and expectations

- Referred to Relocation resource center
- Given relocation packet and site
- Referred to Economic Development Committee for advanced planning:
 - Team will help direct and answer any questions in concert with City to see if there is a fit
 - Strategic Follow up



DRAFT

REQUEST FOR PROPOSALS

ECONOMIC ANALYSIS, STRATEGIC PLAN, AND IMPLEMENTATION PLAN FOR THE COUNTY OF SAN LUIS OBISPO AND CITIES OF ARROYO GRANDE, ATASCADERO, GROVER BEACH, MORRO BAY, PASO ROBLES, PISMO BEACH, AND SAN LUIS OBISPO

SUMMARY

The San Luis Obispo Economic Vitality Corporation (EVC) is soliciting proposals to prepare a comprehensive Economic Strategy and Implementation Plan for San Luis Obispo County and the seven cities (Arroyo Grande, Atascadero, Grover Beach, Morro Bay, Paso Robles, Pismo Beach, and San Luis Obispo). The strategy and implementation plan will build upon the San Luis Obispo County 2011 Economic Strategy (and 2015 update) and guide local economic development efforts in light of the 2025 closure of the Diablo Canyon Power Plant (DCPP). Development of the strategy and implementation plan will include completion of:

- An Economic Development Background Report that provides a thorough understanding of San Luis Obispo's current and future economic situation (post-DCPP);
- Case Study Analysis of communities that have experienced the loss of a major revenue generator/employer;
- Community Engagement Program to effectively engage the community in a meaningful public discussion;
- Economic Strategy and Detailed Implementation Plan
 - The Economic Strategy will include a Land Use Strategy that identifies the type, amount, and location of residential, commercial, and industrial land uses to support the economic development required to compensate for the loss of the DCPP. This may include re-use of portions of the DCPP to support future commercial and industrial uses.
 - The Detailed Implementation Plan will identify the specific steps and actions required to implement the economic strategy, including refining the County/City Land Use Planning Framework to facilitate the needed economic development.
- Ad Hoc, Committee, and Public Hearings to review the Economic Strategy and Detailed Implementation Plan
- Final Economic Strategy and Detailed Implementation Plan

PURPOSE OF THE PROJECT

In response to the future closure of the plant and the resulting loss of revenue and economic benefits to the County, the EVC is seeking a consulting team that can work with the EVC to unify our region under a collective vision, and guide our regional leaders in the development of a strategy that builds upon the existing economic strategy and creates strong community buy-in toward various strategies to compensate for the economic effects of the closure of the DCPP.

The completed strategic plan will provide a "road map" that focuses on economic growth throughout the region affected by the closure, looking closely at opportunities for partnerships and collaboration, and emphasizing specific action items at every jurisdictional level. The consulting firm should be able to identify economic strategies that can be implemented by the County, some or all of the seven cities, or one or more industry sectors. The plan should consider how San Luis Obispo can leverage available opportunities and resources related to the plant closure at the state and federal levels.

The completed plan is expected to contain specific economic development goals, strategies, and implementation measures. It should also create timelines, anticipated cost, and funding source(s) for each

implementation action. The plan will guide SLO County's economic development efforts over the next 10 to 20 years in providing for sustainable growth.

Who We Are

The contracting entity for the work is the EVC, which is a non-profit, economic development organization serving all of San Luis Obispo County and a public/private partnership supported by businesses and local government. The voice of the countywide business community, the EVC has active involvement from senior leadership in every private industry sector and public jurisdictions within the County and partnerships with the surrounding counties. Our mission is to stimulate the vitality of the County's economy, help generate jobs, increase investment in the community and promote the start-up, growth and attraction of businesses. A key initiative that the EVC created and manages is the Economic Strategy Project (Economic Strategy) for San Luis Obispo County.

Our Local Economy

The Economic Strategy was endorsed by the County Board of Supervisors in 2011 and updated in 2015 (see Appendix A). The Economic Strategy involved a public/private partnership in the County that included an in-depth assessment of the local economy and the development of an implementation strategic plan to enhance it. The Economic Strategy focuses on six primary clusters of industry that have historically provided the highest percentage of job creation within the County since 1995. The clusters include:

- 1) Building, Design and Construction;
- 2) Knowledge and Innovation (Technology);
- 3) Specialized Manufacturing;
- 4) Health Services;
- 5) Energy; and
- 6) Uniquely SLO (Wine, Ag & Tourism).

Our Initiatives

Many key accomplishments by the EVC have been made through implementation of the Economic Strategy over the past several years. Four examples of key initiatives that are currently being addressed include: Broadband (internet), Air Service (commercial flights), Infrastructure, and Workforce Housing.

The Economic Strategy envisions the need for continuing growth in each industry sector, cultivating a pool of talented professionals through higher education, retention and recruitment, workforce housing, and addressing key infrastructure needs. The expansion of these six industry sectors is being implemented in a way that conserves and preserves the region's environmental and cultural assets and quality of life. An underlying theme of the Economic Strategy is to help create and advocate for economic development to enhance, diversify and sustain the local economy. This overarching goal often entails helping to foster the creation of head-of-household jobs, enabling the expansion of businesses, facilitating the attraction and retention of needed professionals, and improving aging infrastructure and other critical public services. Implementation of the Economic Strategy is guided through a Steering Committee comprised of the Economic Strategy Chair; co-chairs of each Industry Cluster; EVC staff, and the Assistant County Administrative Officer.

County Background

San Luis Obispo County is a special place to live, work and play. The region is fortunate with many attributes that make it special – protected natural resources, a viable tourist and agricultural economy, and diverse and unique communities. Its economy has been historically strong with modest job growth and one of the highest rates of sole proprietors throughout the State in all industry sectors. Strong businesses are critical to ensure funding for infrastructure and other critical public services.

While the County has these valuable attributes and assets, there is a very high cost of living, and limited critical resources and infrastructure, such as water and transportation. The County is home to approximately 275,000 residents with the largest sector of employment in government including: California Polytechnic State University, California Men's Colony, Atascadero State Hospital, California Department of Transportation, the County and each of the seven cities. The region's unique quality of life, environmental amenities, sense of place and community values enable businesses to have strong need to attract and retain talented, innovative, and creative individuals (future employees).. This need is challenged by a very high cost of living as San Luis Obispo County is one of the least affordable areas in the nation when comparing median incomes to median home costs.

A Coming Shift: Challenges ahead

For the last 30 years the largest private sector employer in the County has been Pacific Gas and Electric (PG&E) which operates the last nuclear power plant on the West Coast – the DCP, which currently employs approximately 1,500 employees with an average income of approximately \$150,000 per year. DCP induces approximately 3,358 total local jobs, over half of which are created by direct and indirect impact of purchases and payroll expenditures in the local area, resulting in approximately \$1 billion in annual economic activity in the region. The employees of DCP live throughout the County, with over 200 residing in each of the cities of Arroyo Grande, Atascadero, and San Luis Obispo, and over 100 living in the City of Grover Beach, Community of Nipomo, City of Paso Robles, community of San Miguel, and City of Santa Maria. DCP pays approximately \$22 million annually in property taxes which is distributed to the local school districts, the County, the cities, and special districts within the County. In 2011, DCP spent approximately \$21.8 million on local expenditures, and PG&E makes significant charitable donations each year to local nonprofits.

In June of 2016, PG&E announced that it will shut down the operation of DCP's two nuclear reactors beginning in 2024/2025 and then will begin a decommissioning process that will take approximately a decade or more. The plant currently creates approximately \$1 billion in annual economic impacts to the region which will cease to exist once the plant shuts down. Thus, there is a need for a vision and plan that builds upon the existing Economic Strategy Project to foster a regional economy that is more diverse and less reliant on one industry sector. For articles and economic impact data regarding the closure of DCP, please see Appendix B.

SCOPE OF WORK, FEE PROPOSAL, AND SCHEDULE

The EVC looks to the Consultant Team to present a proposal to complete the Scope of Work. Because of the need to respond to the closure in a timely manner, the EVC has set a schedule for completion of the report, including involvement of the community, elected leaders, EVC Board of Directors, and the Economic Strategy Steering Committee, of six months. This will allow time for scheduling, receiving, and incorporating elected leader input. The Consultant Team must be available for any scheduling delays. The following Scope of Work is provided to guide, but not limit the Consultant Team. The Scope of Work outlined below is the minimum required.

Task 1: Review EVC/County Documents; Attend Kick-off Meeting

The purpose of Task 1 is to ensure the Consultant Team is familiar with all pertinent economic development policy documents and initiatives. Secondly, based on review and discussions with staff, the Consultant Team prepares an approach to integrate planned development in San Luis Obispo with future economic development growth strategies and market growth trend factors.

The major policy documents for review include:

- Clusters of Opportunity Economic Strategy, 2011
- Economic Strategy Update, 2015
- Economic Benefits of Diablo Canyon Power Plant - An Economic Impact Study, 2013
- Visit San Luis Obispo Strategic Marketing Overview – 5-Year Plan: 2015-2020

- County of San Luis Obispo General Plan Land Use and Circulation Element (Inland & Coastal)
- County of San Luis Obispo Framework for Planning – Area Plans and Community/Village Plans
- General Plan Land Use Elements/Sphere of Influences for each of the seven cities

It is expected that Consultant Teams will review this material prior to submitting a proposal. During the kick-off meeting, the Consultant Team will discuss this information with the Economic Strategy Steering Committee to:

- Discuss project goals, identify potential constraints or issues, and community involvement strategies; and
- Review the scope, schedule, and deliverables.

Meetings:

- Kick-off meeting with Economic Strategy Steering Committee

Task 2: Countywide Economic Analysis

The Consultant Team will supplement the background materials identified in Task 1 with additional quantitative and qualitative analysis. Task 2 will provide a detailed economic baseline analysis of San Luis Obispo and identify the economic impacts from the closure of the DCP. The sub-tasks are described as follows:

2.1: Review of Existing Data – The Consultant Team will review existing demographic and socioeconomic data, employment data and labor force characteristics, sales tax revenue, and other pertinent economic and market data and studies.

2.2: Business Sector and Consumer Demand Analysis – The Consultant Team will provide a more fine-grained understanding of San Luis Obispo's current economy relative to the Central Coast region. This sub-task will include preparation of a market segmentation of the County's retail, commercial, and industrial sectors. The Consultant Team will analyze:

- The County's business sectors by employment size, wages, tax generation, and other relative metrics. This analysis will be placed in the context of regional trends;
- Commercial and industrial sectors that may be attracted to the County. The competitiveness of the County's business parks, and shopping centers and districts, in terms of lease rates, rent structures, supply and quality of product, tenant mix, and performance in the context of the region; and
- San Luis Obispo's retail sectors by consumer behavior, spending volume, demographics, and where San Luis Obispo consumers live and work. This step is intended to: 1) help define San Luis Obispo's retail market leakages and surpluses (if any); 2) who shops here (e.g., where do they live and work); 3) shape future marketing and branding efforts, and; 3) distinguish San Luis Obispo's retail market from the surrounding and competing areas.

2.3: Stakeholder Focus Groups – The Consultant Team will conduct a minimum of ten (10) focus group meetings with:

- Important business sectors (e.g., Building, Design and Construction, Health Services, Knowledge and Innovation, Specialized Manufacturing, Uniquely SLO [ag, tourism, and wine], and Energy);
- Major commercial and retail brokers, property owners, and developers; and
- County Administrative Officer, City Managers, County Department Directors (e.g., Public Works, Planning & Building).

The EVC will coordinate these focus groups to be scheduled back-to-back over the course of three or four days. Depending upon scheduling availability, telephone or web-based video interviews may be substituted at a different time, for one or more of the in-person focus group meetings.

2.4: SWOT Analysis/DCPP Impact Analysis – Using the results of the previous tasks, the Consultant Team will prepare a conclusive summary of San Luis Obispo's primary strengths, weaknesses, opportunities and threats (including, but not limited to, the DCPD closure) that directly impact economic competitiveness. The SWOT analysis will contain specific industries and user/tenant profiles that might be interested in locating and/or expanding in San Luis Obispo, and a brief explanation for why they might be interested in San Luis Obispo. It should include:

- An analysis of the community, key economic indicators, emerging trends and demographics, existing workforce and workforce development programs, upcoming events that may have an impact on shaping the local economy, and community capacity;
- A profile of leading industries, current employment and identified emerging markets, and technology or other key trends; and
- An evaluation of the extent of economic dependency on existing key industry sectors.

The DCPD Impact Analysis will include a detailed analysis of the economic impact of the closure of DCPD through completion of the following tasks:

- Review and analysis of existing data regarding the direct, indirect and induced impacts of the closure of DCPD – data related to property taxes, income levels and local expenditures;
- Identify the economic impact of the closure of DCPD on the regional economy; and
- Prepare an assessment of trends in the workforce as data is available in an effort to establish as basis for identifying potential for industry growth as well as skills development and education needs.

2.5: Economic Development Background Report – The Consultant Team will prepare an Economic Development Background Report for public distribution that summarizes the key findings from Task 2. As public documents, the Background Report and the final Economic Strategy are envisioned to be “user-friendly”, easy-to-understand documents, organized around graphics, tables, and charts. An Executive Summary section will describe San Luis Obispo's economic context, highlight the most significant findings, and identify major topics to guide public discussion.

The Economic Development Background Report will provide the statistical and factual underpinning for the Economic Strategy. The Consultant Team will work with EVC staff to identify topics for public discussion and how to best use the Background Report to guide the community engagement process. The Consultant Team will deliver and present a draft report to EVC staff for review and present the Final Background Report to the Economic Strategy Steering Committee.

Meetings:

- Attend and conduct a minimum of ten (10) focus group meetings
- Presentation of the Draft Background Report to EVC Staff
- Presentation of the Final Background Report to the Economic Strategy Steering Committee

Deliverables:

- Draft memorandum on Business Sector and Consumer Demand Analysis (Sub-task 2.2)
- Draft memorandum on the SWOT Analysis/DCPD Economic Impact Study (Sub-task 2.4)
- Draft of the Economic Development Background Report (Sub-task 2.5)
- Final Economic Development Background Report (Sub-task 2.5)

Task 3: Case Study Analysis

The Consultant Team will evaluate several (no less than five) communities (preferable similar communities demographically and economically) nationwide that have experienced the loss of a major revenue generator/employer. The Consultant Team will develop an **analytical** Case Study Report that identifies:

- What were the economic impacts, including loss of jobs, businesses, and revenue to each of the communities;
- What strategies were deployed to address the adverse economic effects;
- What were the successes/failures/challenges of those strategies and why; and
- What lessons learned can be applied to the San Luis Economic Strategy.

The Consultant Team will deliver and present a Draft Case Study Report to EVC staff for review and present the Final Case Study Report to the Economic Strategy Steering Committee.

Meetings:

- Presentation of the Administrative Draft Background Report to EVC Staff
- Presentation of the Final Background Report to the Economic Strategy Steering Committee

Deliverables:

- Draft Case Study Report
- Final Case Study Report

Task 4: Community Engagement Program

The Consultant Team will recommend a range of innovative options to engage the community in meaningful public discussion. The points of engagement may include a combination of workshops, social media communication tools, press releases and news stories, and/or on-line public opinion instruments. The Consultant Team will be responsible for developing content for the recommended public engagement tools and the facilitation of any public forums. These tools and the content shall be drafted while the Draft Background Report is being developed.

The Consultant Team will present the results of the public engagement process and discuss their implications with the Economic Strategy Steering Committee.

Meetings:

- Hold a minimum of five (5) community events/workshop(s), as proposed by the Consultant Team
- Attend a meeting with the Economic Strategy Steering Committee to review the results of the community engagement process and to discuss preparation of Task 5, the Strategic Plan and Implementation Plan

Deliverables:

- Draft public engagement tools and content with the Draft Background Report
- Analyses of the public engagement feedback

Task 5: Economic Strategy and Detailed Implementation Plan

Parts of Task 5 may run concurrently with Tasks 2, 3, and 4. The Consultant Team will incorporate the results of the previous tasks to draft an initial document framework (strategic focus areas) for review by EVC staff. Based on comments by EVC staff, the Consultant Team will prepare an Administrative Draft of the Economic Strategic Plan. The Strategic Plan will:

- Describe San Luis Obispo County's place in the broader Central Coast market;
- Identify current opportunities and challenges within the local economy, including, but not limited to, the closure of the DCPD;

- Present a quantitative 2025 and 2035 Economic Vision for San Luis Obispo. This vision should identify the desired number of workforce housing units, amount (square feet) of commercial and industrial space, number of head-of-household jobs, number of retail/commercial/industrial businesses, and amount of tax revenue within the County to compensate for the loss resulting from closure of the DCPD;
- Identify the primary goals, objectives and metrics to measure success that will guide San Luis Obispo's economic development efforts through the next 10 to 20 years;
- Present recommended strategies based on the economic development background report, input from the community, and lessons learned from the case study analysis;
- Identify key sectors to pursue for increased economic diversification and strategies to target those sectors;
- Provide recommendations regarding community capacity to meet the needs of fostering the development of the identified sectors and attract business;
- Present possible re-use strategies for the DCPD, such as utilization of office space to support existing and future commercial businesses, creation of a marine science center, regional infrastructure, or energy storage facilities;
- Identify major industries for business retention, expansion, and attraction and key incentives for such industries;
- Present a Business Retention and Attraction Program including, but not limited to, a list of potential businesses to attract to San Luis Obispo and the associated contact information and name of the lead person in the organization; and
- Present strategies for retaining and cultivating San Luis Obispo's existing workforce to support the expanded and new businesses and for attracting new required talent;

5.1: Land Use Strategy – The Economic Strategy will include an evaluation of the existing land use planning framework (physical and policy) and infrastructure within the County (cities and County) to determine the extent to which it can accommodate the economic development required to attain the 2025 and 2035 Economic Vision for San Luis Obispo. Tasks include:

- Evaluate the County's existing residential, commercial, and industrial development inventory;
- Evaluate planned/approved residential, commercial, and industrial projects within the County;
- Evaluate the existing countywide infrastructure (i.e., roads, water resources, wastewater treatment);
- Identify the gap in existing/planned residential and commercial inventory and infrastructure needed to support the 2025 and 2035 Economic Vision;
- Identify opportunities for re-use of the DCPD to support the needed commercial and industrial development;
- Identify opportunities for rezoning land to support needed residential, commercial, and industrial development and level of funding needed for required infrastructure improvements;
- Identify opportunities to adjust city sphere of influences to accommodate the future development;
- Prioritize zoning opportunities and required infrastructure improvements; and
- Evaluate the seven cities' and County of San Luis Obispo's Land Use Planning Framework and identify required refinements (i.e., re-zoning of land) to support/facilitate required residential and commercial development and infrastructure improvements.

The Implementation Plan will identify specific actions, the organization framework, including supporting local agencies and partners, resource requirements (personnel and costs), and time frames for implementation of the Economic Strategy. It is recognized that implementation of the Economic Strategy will require a substantial amount of coordinated effort from multiple parties and groups, such that a **detailed** Implementation Plan, in particular specific steps and actions toward making needed refinements to the Land Use Planning Framework, is desired.

The Consultant Team will present an Administrative Draft of the Economic Strategy and Detailed Implementation Plan to the Economic Strategy Steering Committee for review and comment. Both documents are intended to be “user-friendly” and easy-to-understand documents, organized around graphics, tables, and charts. After receiving comments from EVC staff and the Economic Strategy Steering Committee, the Consultant Team will deliver a revised Draft Economic Strategy and Detailed Implementation Plan to be presented to the community, County Board of Supervisors, and city councils.

Meetings:

- As needed, attend up to three separate meetings of the Economic Strategy Steering Committee to present and/or review changes to the Administrative Draft of the Economic Strategy and Implementation Plan
- Presentation of the Economic Strategy and Implementation Plan to the County Board of Supervisors and city councils (seven)

Deliverables:

- Administrative Draft of the Economic Strategy and Detailed Implementation Plan
- Revised Draft Economic Strategy and Detailed Implementation Plan

Task 6: Ad Hoc Committee, Planning Commission, County Board of Supervisor and City Council Meetings, and Conference Calls

The Consultant Team will participate in regularly scheduled in-person meetings and/or bi-weekly conference calls with relevant EVC staff, and on an as-needed basis. The Consultant Team will regularly contact EVC staff to provide project updates, coordinate on the project schedule and deliverables, and gather information as needed.

The Consultant Team will attend two (2) County Board of Supervisors meetings and seven (7) city council meetings and/or study sessions. The timing of these meetings will be finalized with EVC staff, but it is anticipated that the study sessions with the County Board of Supervisors and city councils will discuss the findings of the Economic Strategy

Deliverables:

- Ten (10) PowerPoint presentations
- Participate in bi-weekly conference calls
- Attend regularly scheduled in-person meetings
- Attend and present at an EVC Board of Directors meeting, and up to two (2) County Board of Supervisors and seven (7) city council meetings and/or study sessions.

Task 7: Final Economic Strategy and Detailed Implementation Plan

The Consultant Team will incorporate the input from the community and elected leaders and deliver a final Economic Strategy and Detailed Implementation Plan.

Meetings:

- Presentation of Final Economic Strategy and Detailed Implementation Plan to the EVC Board of Directors, County Board of Supervisors, and seven city councils.

Deliverables:

- Final Economic Strategy and Detailed Implementation Plan

SUBMITTAL REQUIREMENTS

The EVC is requesting that proposals contain the following information in the ensuing order:

1. Letter of Interest: a letter expressing the Consultant Team’s interest and qualifications in being considered for the Economic Analysis, Strategic Plan, and Implementation Plan. Please include a

statement regarding the Consultant Team's availability to dedicate time, key project staff and resources to this work over the next six months (1-page maximum).

2. Project Understanding and Approach: a statement demonstrating your understanding of the proposed project and San Luis Obispo's business climate. Describing your approach to completing the proposed Scope of Work, a competitive fee proposal and a schedule. Explain how the Consultant Team will leverage work that has been previously conducted to achieve completion of the project as efficiently and effectively as possible. Please discuss any ideas for cost-effectively modifying, clarifying, or improving the Scope of Work.
3. Scope, Fee Proposal, and Schedule. Based on the Scope of Work, please provide a detailed scope of work, task-by-task fee proposal and task-by-task schedule. Proposing Consultant Teams are encouraged to critically evaluate the Scope of Work and recommend revisions to achieve a better outcome, or a more efficient use of time and resources.
4. Team Organization and Description: Provide a description of each of the individual firms that will be part of the Consultant Team; their role on the Consultant Team and involvement in each task; how the Consultant Team will be organized; and who will be the lead member of the Consultant Team (5-page maximum).
5. Project Manager/Key Staff/Team Experience: Please include information about the specific relevant experience and billing rates for the proposed Project Manager, the Principal-in-Charge (if that person is different from the Project Manager) and all other applicable staff. A Project Manager must be designated and must be the principal contact for the EVC. Please include information describing the experience of the Project Manager, key staff, and/or major sub-consultants with similar projects. Please highlight and provide three of the most recent examples of experience with developing municipal economic development strategic plans and successful consensus-building in a community engagement process. Please provide references for each example cited, including phone number and email address of contacts. References for each example cited for the Project Manager, key staff, and major sub-consultants are required (5-page maximum).

SELECTION PROCESS

Based upon the submitted written responses to this RFP, the EVC's selection team will review and rank the proposals according to the following criteria:

1. The Consultant Team's past experience and results with similar projects (25 percent).
2. The quality and experience of the Project Manager and key staff persons who will be working on the project (20 percent).
3. The Consultant Team's demonstrated understanding of the proposed project and the San Luis Obispo community, and of the need for an efficient and effective approach to successfully completing the project (20 percent).
4. The Consultant Team's ability to deliver a high-quality product with a competitive fee proposal and a six-month schedule. Total project cost and a practical, efficient approach to performing the Scope of Work will be among the major factors in selecting a Consultant Team (35 percent).

The EVC will select a maximum of four (4) Consultant Teams to interview. The EVC reserves the right to reject any and/or all proposals at its discretion.

SUBMITTAL INSTRUCTIONS

Please submit four (4) hard copies of the proposal and one electronic pdf version of the proposal on a flash drive by 3:00 PM on Monday, XX XX, 2016, to the following address:

Melissa James
Director of Economic Development
Economic Vitality Corporation
735 Tank Farm Road, Suite 264
San Luis Obispo, California 93401

Late proposals will not be accepted regardless of postmark.

QUESTIONS

Melissa James, Director of Economic Development, mjames@sloevc.org or (805) 788-2015, is available to answer questions regarding the RFP.

APPENDICES

A – Previous Economic Analyses Related to Diablo Canyon and the SLO County Economy

[Economic Benefits of Diablo Canyon Power Plant An Economic Impact Study June 2013](#)

[Clusters of Economic Opportunity Strategy, November 2010](#)

[2015 Economic Strategy Update](#)

[Economic Impact of Wine and Wineries in the Paso Robles AVA and Greater San Luis Obispo County](#)

[San Luis Obispo County Tourism Analysis Report](#)

[Economic Impacts of California Polytechnic State University](#)

B – Articles Related to Diablo Canyon Power Plant Closure

[PG&E agrees to close Diablo Canyon in 2025](#)

[Diablo Canyon's looming closure makes job creation an even greater priority](#)

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