



Board Agenda Item 10

DATE: March 28, 2017

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Economic Development Strategy Workshop

RECOMMENDED ACTION(S):

Receive presentation from staff regarding Fresno County's Economic Development Strategy and request by City of Fresno regarding the Ulta West Coast Distribution Center proposal, and provide direction to staff as appropriate.

ALTERNATIVE ACTION(S):

None. This is an informational item only, with staff receiving direction from the Board as determined necessary.

FISCAL IMPACT:

There is no direct fiscal impact associated with this item. Any future fiscal impact would depend upon Board direction.

DISCUSSION:

Economic Development Element

On January 31, 2017, the Board considered information from staff regarding economic development activities and efforts in Fresno County. At the conclusion of the presentation, the Board directed staff to return with a presentation regarding the County's Economic Development Strategy.

The foundation of the County's Economic Development Program is the Fresno County Economic Development Strategy and Element approved by the Board of Supervisors as part of the County's comprehensive update of its General Plan in 2000. The Economic Development Strategy and Element are based on the County's long standing land use policies of directing most new urban development to incorporated cities and existing unincorporated communities. The County's General Plan assumes over 93 percent of new population growth and new job growth will occur within incorporated city spheres of influence and seven percent would occur in unincorporated areas.

The County's Economic Development Strategy established by the Board, outlines the goals for (1) increased job creation; (2) diversifying the County's economic base; and (3) improving labor force preparedness. Staff will present a summary of the objectives and County activities associated with each of the goals which are summarized below and included as Exhibit 1.

GOAL 1: INCREASE JOB CREATION

Objectives:

1. Business Expansion

Expansion of local existing high value-added firms

2. Business Attraction

Attraction of new high value-added firms to Fresno County

3. Business Development

Development of new high-value added firms within Fresno County

County Activities:

Provide regional leadership for coordinating economic development resources

- Allocate staff resources to coordinate efforts between cities and regional agencies
- Work with cities on a regional capital improvements plan for economic development needs
- Develop criteria for location of value-added ag processing
- Routinely review economic impacts of all County policy and discretionary decisions

Support/encourage trends in agricultural production that foster higher-value specialty crops supporting better employment opportunities (higher paying and full time)

- Work with ag industry on marketing cooperatives and access to capital
- Coordinate technical assistance through UC Cooperative Extension and Ag Commissioner
- Develop/implement measures to ensure adequate water supply for municipal/industrial/agriculture uses

Support accelerated development of high value-added food processing firms

- Work thru CalWORKS & the Fresno County Economic Development Corporation (EDC) to market County for globally-distributed food/fiber products
- Work with cities to encourage local processing facilities (using local products) to expand into regional processing facilities (using regional/CA/US products)
- Support cities and districts to create improved sites for commercial and manufacturing uses
- Improve regional transportation systems to support import of raw product and export of finished goods (rail and truck).

GOAL 2: DIVERSIFY THE ECONOMIC BASE

Objectives:

1. Business Expansion

Expansion of local non-agricultural firms in targeted clusters and industries

2. Business Attraction

Attraction of new non-agricultural firms in targeted clusters and industries to Fresno County

3. Business Development

Development of new non-agricultural firms in targeted clusters and industries within Fresno County

Business development targets included in the year 2000 strategy include agriculture (high value-added for processing, packaging and distribution of products), along with metals/machinery, information processing, and tourism; along with other industries targeted specifically by cities and communities such as high technology and medical industries. The Strategy acknowledges that technology continues to bring additional industry and considerations for business development location.

County Activities:

Encourage expansion of non-agricultural business clusters such as information technology and fabricated metal components manufacturing, and others as targeted by cities and the EDC

- Work thru CalWORKS and EDC to market County to non-ag firms
- Ensure job training thru Workforce Development Board includes skills needed for jobs in targeted clusters and industries
- Provide leadership in development of countywide telecommunications infrastructure
- Support development of high-speed rail through Fresno County to coastal metro regions
- Collaborate with Fresno Yosemite International Airport to improve air passenger service in Fresno County
- Facilitate collaboration between educational institutions and local/regional technology firms
- Support enhancement of cultural & recreational amenities to maintain livability and attract entrepreneurs
- Coordinate major financial institutions, venture capital firms, business finance agencies, and organizations such as CALPERS to improve access to capital for non-ag businesses to expand/locate/develop in Fresno County

Encourage development of visitor-servicing attractions and accommodation within the County where natural amenities and resources are attractive and compatible with tourist activities

- Promote development of San Joaquin and Kings Rivers for recreational use and visitor destinations
- Promote development of the Friant-Millerton area as a major recreational corridor to include camping, water sports, hiking, golf, conference/hotel facilities and historic attractions, including moderately-priced employee housing
- Encourage coordination in advertising by visitor-serving businesses and entities
- Support regional transportation initiatives such as YARTS that encourage connections with visitor destinations and lodging centers in the foothills and mountains
- Participate in local marketing programs to support effective coordinated marketing strategies to attract leisure and business travel

GOAL 3: IMPROVE LABOR FORCE PREPAREDNESS

Objectives:

1. Reduce Unemployment Rate

Reduce unemployment rate equal to the state average for employees in the industries targeted for business development

2. Increase Wages

Increase wages equal to the state average in the industries targeted for business development

3. Decrease Proportion of Imported Workers

Decrease proportion of workers imported from other locations in the Central Valley - increase proportion of Fresno County residents obtaining local employment

County Activates:

Support workforce training efforts to enable local workers to meet all skilled occupational needs of an increasingly diverse business sector

- Support efforts initiated thru CalWORKS to identify skills required by the clusters and industries targeted for expansion, attraction and new enterprise development
- Support efforts by the Department of Social Services and others to assist placement agencies and businesses in assessing the availability and work readiness of the hard-to-place labor force
- Collaborate with educational and training entities on job training and placement activities
- Encourage local K-12 educational programs to prepare students for the 21st century global economy
- Assist community college districts to work with clusters and industries targeted for employment growth to develop and provide specialized training for their employees based on their specifications

Ulta West Coast Distribution Center

Also on January 31, 2017, staff presented a request by the City of Fresno for the County to participate in offering economic incentives (rebate of property taxes) to Ulta Inc. for locating their proposed west coast distribution center in the City of Fresno. Staff will provide an update regarding developments that have occurred since January and seek Board direction as determined necessary.

OTHER REVIEWING AGENCIES:

A copy of this Agenda Item was provided to the EDC.

REFERENCE MATERIAL:

BAI #9 January 31, 2017

ATTACHMENTS INCLUDED AND/OR ON FILE:

Exhibit 1

CAO ANALYST:

John Hays