

Table of Contents

Section II - Strategic Action Plan

Introduction1

Action Plan Matrix.....2

Action Plan Implementation2

 Strategic Action Initiative I. Existing & Emerging Cluster Development.....3

 Strategic Action Initiative II. Innovation And Entrepreneurial Development.....12

 Strategic Action Initiative III. Business Climate, Culture & Communications.....19

Footnotes & Endnotes:

Case Studies & Resources.....33

Strategic Action Plan

Introduction

This Action Plan - *strategic actions and tactics* - was prepared using the analytical research as well as the information and data compiled during the project. Provided are strategies and tactics for addressing Santa Rosa's **red flags** and possibly **gaps** in *competitive location assets* that support a "knowledge" economyⁱ and better paying jobs for the community.

These **red flags** were identified through extensive background research that included an economic base analysis, a socio-economic profile, cluster-target industry analysis, and an asset map of location factors critical to a "knowledge" economy. Business focus groups, interviews with key stakeholders and a community survey were also conducted which provided insightful perceptions about the City's business climate and what is needed to build and sustain the City's economic future.

Three key strategic areas of opportunity emerged from the research process that should drive the initiatives for a competitive economic development strategy in the new economy:

ⁱ A "knowledge" economy's foundation is intellectual capital and jobs that require top talent—i.e., workers that are highly skilled and educated—as opposed to a more traditional economy comprised of base industries that are driven by operating costs and offer low paying jobs. The business drivers of a knowledge economy are innovation, and the ability to use knowledge and information to compete in a fast-paced global economy. Consequently, in a knowledge economy skills and education of the workforce are critical to higher paying jobs.

STRATEGIC ACTION INITIATIVES

- 1. Existing & Emerging Industry Clusters Development**
- 2. Innovation & Entrepreneurial Development**
- 3. Business Climate, Culture & Communications**

The first two strategic areas - **Existing, Emerging, Innovation & Entrepreneurial Development** -- are based on research findings that emerged from the economic data and industry cluster analysis. Key data findings are noted for each strategic action recommended.

The last strategic area, "**Business Climate, Culture and Communications,**" reflects perceptions held by internal and external businesses and other stakeholders about the City's business climate and how they envision the economic future of Santa Rosa.

Action Plan Matrix

An Action Plan Matrix was developed for each of the three recommended **Strategic Action Initiatives** providing a guide for building and sustaining economic vitality, fostering an entrepreneurial business climate and a knowledge economy.

Each Strategic Action Initiative **overviews**:

- The strategic initiative purpose - why this action is strategically important to Santa Rosa's economic vitality.
- The strategic initiative goal - what should be accomplished by carrying out the actions.
- The strategic initiative challenge - what Santa Rosa is experiencing either in its current economic base and vitality or potential future positioning for sustaining economic vitality.
- The strategic initiative performance measurements -- recommended performance indicators, which can benchmark progress of the initiative.

The action plan matrix for each Strategic Action Initiative **outlines**:

- Recommended sub-strategies for the Strategic Action Initiative supported by key data findings.

- Recommended tactics for implementing or enhancing each strategy, examples and case studies supporting the tactics are footnoted in tactics and provided in appendix.
- Recommended organizations or City departments that should be involved or are critical to the successful implementation of each Sub-Strategy.

Action Plan Implementation

There are several "next steps" to fully implementing the strategic actions including Council adoption of the report and plan, collaboration and engagement of key partners, and in some cases, implementation will require a change in local public policy which is the responsibility of City policy makers with the support of the City administration. Other actions that have more regional implications will require a public/private partnership.

The Action Plan should be reviewed annually to measure the implementation progress and to ensure that it continues to address ever-changing opportunities and challenges that are the hallmark of a dynamic global economy.

Strategic Initiative I

STRATEGIC ACTION INITIATIVE I. Existing & Emerging Cluster Development	
Purpose:	Retain and strengthen the existing business cluster base, and support the growth of emerging clusters, particularly those that contribute and provide income stability and a range of jobs, diversify the economic base, and add revenue to the City of Santa Rosa.
Goal:	Create a Business Outreach Program that is 1) targeted to existing and emerging clusters, 2) focused on retaining and expanding these clusters, 3) supported with tools, resources and services that businesses can utilize to assist them to remain competitive in the global marketplace and 4) sends a clear message that Santa Rosa is the North Bay’s premier location for technology and entrepreneurial businesses.
Challenge:	Santa Rosa’s largest economic clusters are in stable but not necessarily growth industries. These clusters are large, providing economic strength, jobs and revenue and as such should be maintained and strengthened; while smaller, emerging growth industries and clusters should be cultivated to grow in Santa Rosa.
Performance Measures:	<ul style="list-style-type: none"> > Number of businesses retained/expanded as a result of assistance provided by the City > Increase in the number of jobs added by local businesses because of direct financial assistance provided by or facilitated by the City’s economic development programs > Increase in foreign investment and export sales by local businesses > Increase in productivity and savings of companies that use lean manufacturing programs > Number of buyer-supplier connections made through a City facilitated program > Increase in the number of affordable housing units created through private and public sector developments > Number of new affordable and market rate units in higher density projects approved in the City > Feedback from businesses > Number of businesses contacted and assisted > Number of businesses assisted by City programs (such as façade improvement, grants, manufacturing assistance and international programs)

<p>Sub-Strategy I.1</p>	<p>Support retention and expansion of existing and emerging primary industry clusters that provide the highest value to the economic foundation.</p>
<p>Key Data Findings:</p>	<ul style="list-style-type: none"> ▪ As with the national economy, Santa Rosa’s economic base is in transition – losing and gaining industry presence. ▪ Several existing clusters such as wineries and related agriculture; hospitality and tourism are economic foundations, growth projections are low (compared to other sectors) and generally do not provide high paying jobs – continued success and new growth opportunities as a cluster underlie the stability of the economic foundation. ▪ Clusters such as health care are projected to continue to grow on their own but face challenges to ensure growth. ▪ Potentially “at-risk” industries are the concentration of telecommunications and a few large, established high-tech companies, such as Agilent and Medtronics, that are facing the challenges of staying competitive in a global economy with opportunities for off-shoring business operations and benefits from greater productivity that allow them to maintain their market edge. ▪ Emerging clusters with growth opportunity include advanced manufacturing, biomedical and information technology. ▪ Larger firms with 100 or more employees tend to be concentrated in retail, health care (primarily hospitals) and some manufacturing.
<p>Implementation Team</p>	<p>Recommended Tactics I.1 Retention & Expansion</p>
<ul style="list-style-type: none"> ▪ Economic Development Department ▪ All City departments that provide service to local businesses ▪ Redevelopment Agency ▪ Santa Rosa Chamber of Commerce ▪ Hispanic Chamber of Commerce ▪ Black Chamber of Commerce ▪ Sonoma County Workforce Investment Board ▪ Sonoma County EDB 	<p>Economic Development Department should create a Business Outreach & Resource Team and Program that ensures the clusters have access to the necessary tools and resources to stay competitive in the global marketplace.</p> <p>The program structure should include the following:</p> <ul style="list-style-type: none"> ✓ Involvement of key partners and their resources for a citywide business outreach program that creates a seamless delivery system of business services and single portal for business to access resources. ✓ Partners and resource collaboration and integration should include, but are not limited to: <ul style="list-style-type: none"> ◆ Regulatory agencies. ◆ Chambers’ business assistance programs, i.e., international. ◆ Workforce development, employment and training funding resources. ◆ Community college and University. ◆ SBDC’s small business services,. ◆ Private and public financing sources.

- ◆ Other professional services that businesses need.
- ✓ Creation of a database of businesses by cluster group for contact and tracking.
- ✓ Conduct work sessions with the proposed Business Outreach & Resource Team to review and evaluate current efforts; discuss opportunities to collaborate and leverage resources and build consensus on purpose, roles, involvement and process for Program Implementation.

The **program** focus:

Focus on primary existing clusters (retention and expansion services) and emerging clusters (growth opportunities):

- ➔ Existing Clusters (retention and expansion services)
 - ↗ Wineries & Related Agriculture
 - ↗ Hospitality & Tourism
 - ↗ Health Care
- ➔ Emerging clusters (growth opportunities)
 - ↗ Advanced Manufacturing
 - ↗ Information Technology
 - ↗ Biomedical

The **Outreach Program** could include the following (as agreed upon by the Business Outreach & Resource Team based on capacity):

- ✓ **Connecting Business with Resources** (create a title such as BusinessLink):
 - ◆ On going surveys to gather input as to business issues and needs.¹
 - ◆ Create a **web-portal** where businesses can 1) easily find resources, 2) complete business survey and 3) link with other businesses. All economic development resources and tools should be promoted on this web portal and all business outreach materials should promote the portal. All local resource agencies should be linked to portal and mapped for automatic program updates to be posted.
 - ◆ Promote buyer-supplier opportunities on the web portal for local businesses using resources such as The Connectory.com.²
 - ◆ One stop clearinghouse, via web, ombudsman or advocate that provides rapid response to requests for assistance or other issues with assurance they will be contacted in 24 hours.
- ✓ **Business Roundtables:** Roundtable forums with clusters, or industry segments, should be facilitated to engage the cluster in participating on strategies to assist and grow their cluster. Follow-up with white papers and action steps, create clusters teams to work on issues and opportunities (mini-strategies). One of the goals is to get the cluster groups to work together and take next steps to build on synergistic relationships.

Sub-Strategy 1.1

- ✓ **Business Visitations:** Organize and manage **weekly** one-on-one business visitation schedule, one business per week. The purpose should be to open communication lines between the city and business. Promote City's interest in understanding the dynamics of doing business in Santa Rosa. Team should include an ED staff, council member (rotate among council) and business/resource person. Purpose: personal meeting to identify issues and opportunities. Create a "resource" document as a leave-behind for the business. Organize Team for follow-up and actions as needed.

Program Outreach Marketing could include the following (as agreed upon by the Business Outreach & Resource Team based capacity):

- ✓ **Message:** The Business Outreach message should continually promote 1) City's commitment to communications between the City and business and 2) as *proof point* highlighting the City's Rapid Response to a business issue, inquiry or connection.
- ✓ **Communications:** News report (electronic) to cluster groups - what is happening to address their issues.
- ✓ **Website:** Post status reports, meetings and action items regarding the various cluster activities to the **web portal**.³
- ✓ **Letters of Appreciation:** Since all businesses will be difficult to reach through the Outreach Program but they are important, initiate letters of appreciation to existing businesses with a report on the economic development initiatives and actions at the city.
- ✓ **Welcome:** Establish a process through the business license program to send a Welcome letter from the Mayor to new businesses outlining services and resources available.
- ✓ Collaborate with the Chamber of Commerce set up a "Meet the Mayor" table at the Annual Business Expo.
- ✓ **Recognition:** Establish a recognition program (at a City Council meeting or annual luncheon/reception) to recognize businesses role in creating and sustaining a healthy economy; several awards can be created to recognize individuals, businesses and developments for their contribution; welcome new businesses. Use as opportunity to bring business community together with city.
- ✓ **Seminars:** Create a half-day curriculum on "how to do business with the city" which the local chambers of commerce could sponsor as one in a series of their businesses workshops/seminars/meetings.

Sub-Strategy 1.2

<p>Sub-Strategy 1.2</p>	<p>Ensure city’s economic development and redevelopment “tool box” and resources are available and competitive to surrounding areas to support small commercial businesses.</p>
<p>Key Data Findings:</p>	<ul style="list-style-type: none"> ▪ Santa Rosa is dominated by small businesses with 88 percent having less than 20 employees. ▪ Retail sales in Santa Rosa have grown significantly faster than Bay Area as a whole.
<p>Implementation Team</p>	<p>Recommended Tactics 1.2 Tools & Resources</p>
<ul style="list-style-type: none"> ▪ Economic Development Department ▪ Redevelopment Agency ▪ Planning, public works and building departments 	<p>Ensure the City’s economic development “tool box” has similar or better city programs than surrounding communities to assist business and economic development projects. A Typical, basic city redevelopment and economic development “tool box” includes programs and resources, such as:</p> <ul style="list-style-type: none"> ✓ Facade improvement program.⁴ Some façade improvement programs retain an architect or design firm to complete plans for a neighborhood or downtown district thereby alleviating property owners of the expense. Having a plan and paying for architectural designs also guarantees the city greater continuity of design in a specific commercial district.⁵ ✓ Access to financing, i.e., , working capital, equipment, tenant improvement and mortgage. ✓ Grants and/or low interest loans for tenant improvements. ✓ Forgivable loans that can be used to attract or strengthen desired development in a specific area of the City that needs redevelopment. ✓ Project management services provided by economic development staff to help guide business expansions through the planning and building permit process. ✓ Participate in any programs or strategies that utilize the library to further develop an Economic Gardening program; nurturing small local business through Internet information and databases to increase their sales and employment (libraries can utilize interns from University or Community College, or SCORE program to assist). ✓ GIS Business Data and Maps are often provided as part of an Economic Gardening program to help local businesses expand their markets regionally and nationally. CSU, Chico⁶ offers Economic Gardening training to communities and GIS Business & Market Mapping to businesses. <p>Authorization, implementation and utilization of the economic development “tool box” are typically based on the priority goals and priority areas for development of the City’s economic development plan.</p>

Sub-Strategy 1.3

Sub-Strategy 1.3	Strengthen the ability of local businesses, especially manufacturers, to compete in global markets.
Key Data Findings:	<ul style="list-style-type: none"> ▪ In terms of both earnings and employment Santa Rosa MSA has a larger share of employment in manufacturing than the Bay Area as a whole. ▪ However, Santa Rosa has lower manufacturing productivity (measured by value-added to product, US Manufacturing Index) and wages. ▪ Approximately 16% of the workforce is employed in manufacturing (latest data 2002). ▪ Annual export sales of Santa Rosa companies are comparable to Bay Area firms.
Implementation Team	Recommended Tactics 1.3 Strengthen Manufacturing Competitiveness
<ul style="list-style-type: none"> ▪ Economic Development Department ▪ Santa Rosa Chamber of Commerce ▪ Sonoma State University ▪ Redwood Empire Small Business Development Center ▪ Sonoma County EDB ▪ Workforce Investment Board 	<p>Assistance programs that could be of value to local manufacturers:</p> <ul style="list-style-type: none"> ✓ Center for International Trade and Development - International Trade & Development (CITD) is an initiative of the State Community College system.⁷ Currently Sonoma and Marin Counties are to be served by the CITD program at Skyline College in San Mateo but there are no services/programs being offered at this time. ✓ The City, Santa Rosa Chamber of Commerce, Santa Rosa Community College and Sonoma County EDB should collaborate to bring a CITD program to Santa Rosa Community College to assist local businesses with exporting opportunities, trade facilitation and increase foreign investment opportunities. <p>If a local community college program cannot be activated, the Chamber and the City’s economic development department should work with Skyline College to bring events and conferences on exporting to Santa Rosa in partnership with the Sonoma EDB, the Redwood Empire SBDC, and Sonoma State University.</p> <ul style="list-style-type: none"> ✓ Lean Manufacturing Program - Develop a lean manufacturing program in collaboration with Santa Rosa Community College.⁸ ✓ State’s Manufacturing Extension Program (MANEX) - Sponsor MANEX training seminars and consulting, post link on web portal, and bring unique services of MANEX to Santa Rosa manufacturing companies as an introduction to resources. This program assists manufacturers in improving their operations for greater efficiency, productivity and competitiveness.⁹ ✓ Competitive Operating Structure - Review and compare the City’s fees and taxes to other North Bay cities to ensure they are reasonable for manufacturing operations, share study with manufacturers.

Sub-Strategy 1.3

	<ul style="list-style-type: none"> ◆ Hold roundtable meetings with manufacturers to understand the dynamics they face when doing business in Santa Rosa. Have Rapid Response Team members (city departments) attend. ✓ Productive Workforce – Ensure that community colleges and private vocational education schools provide the training needed by local manufacturers. Working with the workforce development program, community college and high school districts, form a business focus group comprised of representatives from major manufacturing companies to identify the types of jobs and the skill sets needed and to develop customized training curriculum for the those jobs.¹⁰
<ul style="list-style-type: none"> ▪ Sonoma State University ▪ Community College 	<p>Explore opportunities to collaborate with both Sonoma State University and the Community College on programs, services and resources that could add value to manufacturer’s competitiveness, such as, research and development, market research and penetration, technology commercialization, new product development testing, specialized training, incubator space.¹¹</p>

Sub-Strategy 1.4

Sub-Strategy 1.4	Ensure there is a range of housing opportunities for the local workforce.
Key Data Findings:	<ul style="list-style-type: none"> ▪ Although household income levels in Santa Rosa grew at a rate comparable to the Bay Area from 1990 to 2002, family and household incomes are approximately 11 to 13% lower than the Bay Area average. ▪ Population in the range 18-24 is higher than the Bay Area—how will this important component of the Santa Rosa workforce afford housing? ▪ The cost of housing in Santa Rosa is 43% less than the Bay Area but higher than other parts of the county and rising faster than household incomes.
Implementation Team	Recommended Tactics 1.4 Diverse Housing Opportunities
<ul style="list-style-type: none"> ▪ Mayor and City Council ▪ Redevelopment Agency and Housing ▪ County Housing Authority 	<p>Housing is a major economic development issue entire for the Bay Area actions that could support the strategy include:</p> <ul style="list-style-type: none"> ✓ Following Housing Reform actions underway through Bay Area Council.¹² ✓ To maintain market competitiveness with other cities, zoning policies should support higher density residential development especially in the downtown and along major transportation corridors and maximize opportunities for developing affordable housing units.¹³ ✓ To maintain market competitiveness with other cities, priority review of affordable housing projects and development projects that have an affordable component.¹⁴ ✓ Investigate unique housing programs, such as, programs targeted for teachers and those employed in education, First Time Buyers Programs, home improvement incentives for Santa Rosa’s business assistance tool box.¹⁵

Sub-Strategy 1.5

<p>Sub-Strategy 1.5</p>	<p>Continue to implement capital improvements for adequate physical infrastructure and advocate for public improvements to support companies competing in a fast-paced global economy.</p>
<p>Key Data Findings:</p>	<ul style="list-style-type: none"> ▪ Economic development staff and policy makers have frequently cited the importance of improving the major highway and air access to Santa Rosa and the region’s economic vitality. There are initiatives currently under way to identify funding for improvements but local investment is needed to fill the gaps.
<p>Implementation Team</p>	<p>Recommended Tactics 1.5 Physical Infrastructure Improvements</p>
<ul style="list-style-type: none"> ▪ Mayor and City Council ▪ City Manager ▪ Economic Development Department ▪ County of Sonoma EDB 	<p>Actions supporting the needs of business as it relates to physical infrastructure should be clearly visible to communicate Santa Rosa’s leadership to business:</p> <ul style="list-style-type: none"> ✓ Expansion of the regional airport facilities and improvements to Highway 101 should be adopted by the Council as priority economic development goals.¹⁶ ✓ Recommend to the County, a City/County funding task force be established to identify potential sources of City and County revenue and resources that support these critical infrastructure improvements.¹⁷ ✓ Provide strong leadership and technical support if needed to support airport and other transportation improvements during the environmental review process. ✓ To keep the City as a competitive business location, ensure technological advances in communications are priority infrastructure improvements, such as, Wi-Fi in downtown and industrial/business parks.

Strategic Initiative II

STRATEGIC ACTION INITIATIVE II. Innovation and Entrepreneurial Development

<p>Purpose:</p>	<p>The recent economic transition and globalization has caused significant structural changes in the way business formations start and grow in the U.S. Numerous national studies indicate that the strength of the economy in the future will be built on the ability to innovate.</p> <p>The purpose of this initiative is to strengthen Santa Rosa’s position and image as a community that fosters innovation and entrepreneurial businesses, providing an urban yet open space-environment desired by knowledge workers and promoting unique, innovative programs, services and networks conducive to the needs of these businesses.</p>
<p>Goal:</p>	<p>Develop and strengthen locational assets and business assistance programs that support innovation; create an entrepreneurial business climate that promotes Santa Rosa as the North Bay’s premier location for technology and entrepreneurial businesses.</p>
<p>Challenge:</p>	<p>Identifying, nurturing and providing valuable resources, services and networks to this niche and growing market is a challenge for any community - they are typically below the radar screen, low profile and do not fit the typical economic development assistance programs that have been initiated by cities, counties, chambers and economic development organizations.</p>
<p>Performance Measures:</p>	<ul style="list-style-type: none"> > Increase in “quality jobs” that pay 150% of the region’s hourly wage > Increase in the number of new business formations or expansions of existing businesses > Increase in private sector investments such as venture capital and business lending > Increase in number, size and diversity of minority-owned businesses > Increase in sales tax generated by downtown businesses > Increase in the number of new restaurants, retail businesses and housing units in the downtown.

Sub-Strategy 2.1

<p>Sub-Strategy 2.1</p>	<p>Ensure that Entrepreneurs and “Emerging Growth Companies” have access to an Entrepreneur Network (capital, vendors, specialized professional services, strategic partners and talent) to assist them in managing the multitude of tasks needed for new business formations and bringing innovation to the market.</p>
<p>Key Data Findings:</p>	<ul style="list-style-type: none"> ▪ Sonoma County has a slightly lower share of jobs in high-tech industries but not significantly lower than the Bay Area and twice the national average. ▪ The number of patents issued per worker is well below the Bay Area but Silicon Valley has historically been far ahead of most other technology centers in the nation. ▪ Telecommunications has been an emerging cluster in the region although it has contracted as a result of the last economic downturn. ▪ Sonoma County has a larger share of employment and earnings in the retail sector than the Bay Area, which is due, in part, to the tourism focus. This indicates a need and opportunity to create higher value jobs.
<p>Implementation Team</p>	<p>Recommended Tactics 2.1 Access to Innovation & Entrepreneur Tools & Resources</p>
<ul style="list-style-type: none"> ▪ Economic Development Department ▪ Santa Rosa Chamber of Commerce ▪ Golden Capital Network 	<p>Santa Rosa has the opportunity to take a leadership position in the North Bay by being the first to become a VentureCommunity™, a program sponsored by Golden Capital Network. Golden Capital Network is a networking, training and consulting non-profit organization that leverages the private equity sector and public entrepreneurship initiatives to provide value to the entrepreneur, service provider, private equity investment and public economic development communities in 13 western U.S. states. The GCN Board of Directors is comprised of successful former CEOs and entrepreneurs, currently active venture capital and angel investors, and senior partners from the leading professional services firms.¹⁸</p> <p>Santa Rosa could gain immediate credibility as a community that understands the dynamics needs of the <i>Entrepreneur and Innovation</i> by engaging the expertise, resources and network of Golden Capital Network and becoming one of the first GCN VentureCommunity™:</p> <ul style="list-style-type: none"> ✓ Prepare an Innovation Index – an index of the community’s “value chain” to support emerging innovative companies which documents critical factors necessary for a business climate conducive to these companies – leadership, investment capital, research capacity, technology commercialization, human capital, entrepreneurial capacity, digital infrastructure, regional image, cluster strategies and other regional issues and initiatives. ✓ Sponsor an Innovation CEO Forum to introduce Santa Rosa as a VentureCommunity™. ✓ Submit application to be a VentureCommunity™ beta community, accessing newest best practices and knowledge on:

Sub-Strategy 2.1

	<ul style="list-style-type: none"> ◆ Training on how to identify Innovative Entrepreneurs and critical data on needs and market potential for these businesses ◆ Front end web presence that brands Santa Rosa as a VentureCommunity™ ◆ Resource documents and links ◆ National network of resources, services, capital and specialized consultants (connected via web) ◆ National recognition <p>Santa Rosa should invite partners such as the Sonoma Economic Development Board, Sonoma State University’s Department of Science and Technology, North Bay Angels, North Bay Technology Roundtable and the Sonoma County Workforce Development to collaborate on this unique opportunity.</p> <p>Continue to participate with the Santa Rosa Chamber of Commerce in discussion forums with these businesses on services and resources that are critical for their growth.</p>
<ul style="list-style-type: none"> ▪ Economic Development Department ▪ Public Affairs Department ▪ Santa Rosa Chamber of Commerce 	<p>To enhance the visibility and image of the City as a location for entrepreneur-innovative technology companies, the City should:</p> <ul style="list-style-type: none"> ✓ Promote the existing technology resources and services of the North Bay region in all marketing and promotional materials to existing and new businesses. ✓ Create links on the City website to all special industry groups (SIG’s), including but not limited to: <ul style="list-style-type: none"> ◆ North Bay Technology Roundtable, SofTech, and the North Bay Life Sciences Group ◆ Ensure links to University resources connect directly to the resource page ✓ Investigate opportunities to co-sponsor or host any special industry group (above) events, meetings or forum. ✓ Include in the Business Outreach Recognition program an Innovation Business or Innovator of the Year Award.¹⁹

Sub-Strategy 2.2

<p>Sub-Strategy 2.2</p>	<p>Position the continued planning of the downtown core as a marketing opportunity to attract small, innovative, entrepreneurial individuals and companies. Promote the downtown as the key <u>signature catalyst project</u> for Santa Rosa creating a “Sense of Place” image that is desired by knowledge workers - a model urban live-work-play environment that is linked to community, cultural and open space amenities.</p>
<p>Key Data Findings:</p>	<ul style="list-style-type: none"> ▪ The City has made excellent progress on planning and zoning and made significant investments and improvements to the downtown. ▪ Several reports have been prepared on the downtown which city staff are currently compiling into one document to create a single downtown strategy. ▪ The Main Street Association is working on forming a Business Improvement District. ▪ Urban planning and socio-economic studies by authors such as Joel Kotkin and Richard Florida have underscored the importance of the creative class and the need for urban live-work-play environments for knowledge workers in downtown. ▪ Resurgence in downtown core and central business district planning and City investment to attract these workers and businesses and capture the market demand.
<p>Implementation Team</p> <ul style="list-style-type: none"> ▪ City Manager ▪ Planning, Building, Redevelopment and Economic Development Departments ▪ Santa Rosa Main Street Association 	<p>Recommended Tactics 2.2 Downtown “A Sense of Place”</p> <p>The City efforts of planning and investment in the downtown should be promoted as “catalyst” progress by positioning the future plans and investments as “smart urban growth”, a signature project for creating a premier urban environment to attract young “top talent” and connecting to the other developments underway:</p> <ul style="list-style-type: none"> ✓ Continue reviewing and utilizing existing reports and studies to compile one cohesive Downtown Specific Plan and Strategy. ✓ Work with Main Street Association, business and property owners on a Common Vision / Plan for Downtown to enhance the competitiveness of downtown for new market demands; research and visit other downtown development and redevelopments that are positioning for the new “sense of place and creativity” concepts. ✓ Build on emerging population diversity and investigate opportunities for live-work centers, such as, Orenco Station²⁰ (Community of Year), or Villebois²¹. These concepts are planned for the population mix that supports a lively village atmosphere mixing loft-style living with restaurants and shops. Other urban design concepts include an inviting plaza surrounded by sidewalk cafes and balconies from the homes above, pedestrian-friendly paths, trails and tree-lined streets connecting you to parks, woods and open green spaces.

Sub-Strategy 2.2

	<ul style="list-style-type: none"> ✓ The City should review existing policies supporting entertainment, dining and housing in the downtown to ensure there flexible parking requirements for desired retail/restaurant uses, reasonable fees and flexible building and planning ordinances.²² ✓ Use zoning to require mixed-use development in the downtown (if necessary use public funds) that includes some office space on the second and third floor below housing and above retail. Professional service firms such as architects, media, engineers, accountants and attorneys desire these types of office spaces. <p>If downtown as a new urban environment is selected as a priority goal for the City, provide priority development review of mixed-use projects in the downtown.</p>
<ul style="list-style-type: none"> ▪ Redevelopment and Economic Development Departments ▪ Santa Rosa Main Street Association 	<p>Promote downtown development sites at key real estate industry conferences and events such as those sponsored by the International Council of Shopping Centers and the Urban Land Institute as well as to local and regional developers.</p> <ul style="list-style-type: none"> ✓ Create professional marketing materials, outlining benefits of downtown location and projecting the vision. ✓ Encourage and assist the Main Street Association in completing the creation of a downtown business improvement district (BID) to support downtown marketing and promotion, maintenance and business assistance. ✓ Promote the services of the “downtown development” team in newsletters and outreach efforts to the development community as a tool for expediting revitalization projects. ✓ Continue to facilitate the development of a Wine Center in the downtown to help draw shoppers and tourists, but carefully evaluate its benefits versus other uses for any prime site designated for the center.

Sub-Strategy 2.3

Sub-Strategy 2.3	Facilitate and help strengthen emerging partnerships between K-12, higher education, businesses and workforce development
Key Data Findings:	<ul style="list-style-type: none"> ▪ Technology and research-based companies are fueled by a high-caliber scientific and engineering workforce. Santa Rosa has a smaller share of college students earning degrees in science and engineering fields than the Bay Area (18 vs. 28%). ▪ Graduation rates are about 8 % lower than the Bay Area or California and 19% lower than the U.S. average. ▪ A strength for Santa Rosa is 72% of the children in public schools have access to computers in the classroom.
Implementation Team	Recommended Tactics 2.3 Business – Education – Workforce Development Partnerships
<ul style="list-style-type: none"> ▪ Economic Development Department ▪ Sonoma State University ▪ Santa Rosa Junior College ▪ K-12 schools ▪ County Office of Education ▪ Santa Rosa Chamber of Commerce 	<ul style="list-style-type: none"> ✓ Economic development staff could participate in new initiatives currently underway to establish partnerships between local companies and the university.²³ <ul style="list-style-type: none"> ◆ Host these meetings. ◆ Sponsor on-going programs, relevant industry forums, and conferences/events focused on the local economy and be listed on all relevant communications and marketing materials. ✓ Through its participation on the Sonoma County Workforce Investment Board, and relationships with industry clusters, economic development staff can provide connections to technology companies to expand resources and partnerships with public education (K-12 and higher education). <ul style="list-style-type: none"> ◆ Local technology companies can expand investments in local schools by participating in instructional and mentoring programs for students and donating equipment.²⁴

Sub-Strategy 2.4

Sub-Strategy 2.4	Build on the City and region’s increasing population diversity by expanding opportunities for new entrepreneurs and markets.
Key Data Findings:	<ul style="list-style-type: none"> ▪ Almost 20% of Santa Rosa’s population is Latino vs. 30 % for San Jose, a large metro area that has a knowledge economy. ▪ Strong diversity is a hallmark of globally competitive communities. In addition these emerging populations represent new market demand and also new entrepreneurs for the community.
Implementation Team	Recommended Tactics 2.4 Supporting Population Diversity
<ul style="list-style-type: none"> ▪ Economic Development and General Services Departments ▪ Hispanic Chamber of Commerce ▪ Black Chamber of Commerce 	<ul style="list-style-type: none"> ✓ Work with the minority chambers to ensure that any economic development resources and tools accommodate unique requirements and needs of minority-owned businesses. With economic development department’s assistance, the minority chambers should complete a business needs assessment survey of their members to determine what their priority issues and needs are.²⁵ ✓ Collaborate with minority chambers and the Redwood Empire SBDC to provide resources and customize programs and services (if necessary) to meet cultural and language needs of these businesses. ✓ Develop training and outreach to help diverse businesses access City procurement opportunities for goods and services.

Strategic Action Initiative III

STRATEGIC ACTION INITIATIVE III. Business Climate, Culture & Communications

<p>Purpose:</p>	<p>Although the city has taken many actions to <i>improve</i> its image as a progressive city with a pro-business climate, the overriding issue identified during the project background research was the pervasive perception currently held by business, stakeholders and the development community, both internal and external to the city, that “Santa Rosa is not business-friendly and that the City’s corporate culture is not responsive to the needs of businesses.”</p> <p>Whether true or not, the perception and confidence in the City to make change, is and will continue to affect Santa Rosa’s ability to compete for new and expanding business and quality jobs to sustain a healthy and transitioning economy.</p>
<p>Goal:</p>	<p>Initiate actions and communicate to business a City corporate culture and business climate that is oriented and supportive of global business values, such as, understanding the dynamic challenges businesses face in a global market - speed-to-market driven, flexible, innovative, and productivity - and recognizing the value business brings to the City of Santa Rosa.</p>
<p>Challenge:</p>	<p>Changing perceptions and creating an image that “government” is supportive of business and is capable of balancing and sustaining economic vitality, environment and equity will require:</p> <ul style="list-style-type: none"> ◆ Continued visible actions supporting priority economic goals, ◆ Opening lines of communications with business, ◆ Frequent reports of progress on priority actions.
<p>Performance Measures:</p>	<ul style="list-style-type: none"> > Change in perception and confidence held by local businesses about the City’s business climate > Change in customer satisfaction about the timeliness and service provided in the development review process > Change in the perception of the City’s corporate culture held by businesses and the development community > Increase in the number of public/private partnerships and initiatives that support and increase the visibility of the City’s economic development program

The sub-strategies and tactics for this Initiative are recommended as methods to address and change **PERCEPTIONS** and are outlined in three categories - Business Climate, Culture and Communications.

Sub-Strategy 3.1

Sub-Strategy 3.1	Initiate a change in the City’s corporate culture to reflect the values and drivers important to a knowledge economy –flexibility, innovation, productivity, and speed-to-market.
Implementation Team	Recommended Tactics 3.1 City Corporate Culture
<ul style="list-style-type: none"> ▪ Mayor and City Council ▪ City Manager ▪ All City Department Directors 	<p>Achieve consensus on <u>economic vision</u> and prioritize economic development goals.</p> <ul style="list-style-type: none"> ✓ City Council leads and participates in a facilitated work session to define and gain consensus on: <ul style="list-style-type: none"> ◆ Economic Vision, such as, making Santa Rosa a strong knowledge economy, become recognized as North Bay’s a premier business location, etc. ◆ Incorporate City values, such as, sustaining health existing business, providing environment for the creative class, understanding the drivers of knowledge economy (flexibility, innovation, productivity, and speed-to-market), economic and environmental balance, etc. ◆ Prioritize economic development goals and strategies.²⁶ ✓ Economic development staff work session to formalize work plan, specific tasks and actions, roles and timetable for implementation of priority goals and strategies. ✓ Council adopts economic vision, economic development goals, strategies and implementation plan. ✓ Communicate actions to business and residents; continue communications with follow-up to build confidence that City’s vision and priority goals are being initiated. ✓ Prepare a “white paper” program-presentation-work session for City departments to assist them in understanding how economic development affects the city and the key role they play in successful implementation of the City’s economic development strategy. <ul style="list-style-type: none"> ◆ A similar program-presentation can be tailored for other City stakeholder groups such as neighborhood associations and service groups. ✓ Develop a cross training program that allows departments that are key partners for economic development to educate other departments about their role, services, and critical issues facing their service areas. Updates from each department should be provided annually.

Sub-Strategy 3.1

<ul style="list-style-type: none"> ▪ Mayor and City Council ▪ City Manager and City Department Managers and Supervisors 	<p>After adopting the economic vision and goals, the Council and Management may want to review citywide vision and mission that drives the city’s Corporate Culture.</p> <ul style="list-style-type: none"> ✓ The City could hold a second facilitated work session to create or change current vision and mission statements and citywide goals to reflect the knowledge economy values and drivers of the economic vision. ✓ These values could be incorporated into department performance goals for management and staff; department work plans, and the City budget goals.²⁷
<ul style="list-style-type: none"> ▪ Mayor and City Council ▪ City Manager ▪ Economic development ▪ Chambers of Commerce ▪ Key industry sectors 	<p>Create stronger public/private partnerships to foster business relationships, leverage resources and promote City’s vision and goals.</p> <ol style="list-style-type: none"> 1. The City’s internal Economic Development Committee should consider expanding and inviting representatives of industry clusters, other businesses, key economic development partners and other stakeholders to work with the Committee, staff and Council on implementing economic development strategy. Also including some residents from a cross section of the city would strengthen support for the City’s economic development goals and mission and help communicate the importance of economic development to the community. <p>Other benefits of broadening the membership of the committee include:</p> <ul style="list-style-type: none"> ◆ Provide a means for consistent communication between the City and businesses and residential constituencies ◆ Facilitate greater communication and understanding between these two groups <p>Meetings, Schedule and Communications:</p> <ul style="list-style-type: none"> ◆ Meet twice a year to monitor strategy implementation, provide input, direction and consensus. ◆ As available committee members should attend Industry Roundtables. ◆ Schedule study session meetings local business sectors (that are not part of the Outreach Program) and other economic development partners such as education and workforce development. ◆ Schedule meetings with other business and community and neighborhood groups to introduce the strategy and provide updates on implementation. ◆ Identify members who could be key messengers (as well as Council members, City Manager, department heads, staff, commissioners) who can make presentations about the economic development strategy to these groups. ◆ Post committee agendas and actions on City website.

Sub-Strategy 3.1

<ul style="list-style-type: none"> ▪ Economic Development Department ▪ Santa Rosa Chamber of Commerce 	<p>2. Continue strengthen collaboration and partnership with Santa Rosa Chamber. City Economic Development staff and the Santa Rosa Chamber of Commerce should meet to review and discuss alignment of City’s economic development strategy with Chamber’s White Paper, collaborate on implementation (co-participation), define roles on execution to leverage capacity and resources and prepare a Economic Development Partnership paper outlining the alignment.</p>
<ul style="list-style-type: none"> ▪ Economic Development Department ▪ Sonoma County Workforce Investment Board 	<p>3. Enhance partnership with the Workforce Investment Board. Recommend to the Workforce Investment Board to add members from local economic development and knowledge companies such as Medtronics and the telecom industry sector in order to broaden the board’s ability to meet the skill requirements of employers in those sectors.²⁸</p> <p>City’s economic director/manager should sit on the Workforce Investment Board to strengthen the linkage between economic and workforce development and the relationships with industry clusters.</p>
<ul style="list-style-type: none"> ▪ Sonoma County Alliance ▪ Sonoma County EDB ▪ Economic Development Department ▪ Sonoma County Workforce Development 	<p>4. Participate in Regional Collaboration. City should continue to drive alignment and coordination of key economic development organizations’ mission, goals, resources and services to create collaborative regional economic development initiatives that will gain higher visibility and more effective public policy. The long-term reality is the region will have greater economic strength, visibility and competitiveness for existing and new businesses.</p> <ul style="list-style-type: none"> ◆ Participate in Sonoma County EDB’s <i>Economic Cluster Study</i> project, May-August 2005; focus is on 1) updating the economic cluster study completed in 1995 and 2) utilizing new cluster analysis to identify potential workforce development opportunities. The plan could provide additional, more in-depth data on clusters and specific industries as best opportunities for growth and attraction as well as workforce preparedness. The project will involve focus groups with local business as well as analytical research. The project outcome is a county strategic plan that would provide the framework for assessing and prioritizing future projects and initiatives.

Sub-Strategy 3.2

<p>Sub-Strategy 3.2</p>	<p>Address the perceptions that the City’s “Business Climate” is not supportive of business by initiating a series of Business Climate ACTIONS to visibly communication an action-oriented, responsive council and government concerned with Santa Rosa’s economic future balanced with other priorities such as environment, safety, and quality of life.</p> <p>Communicate the openness city government has to learn the dynamics businesses face in doing business in Santa Rosa.</p>
<p>Implementation Team</p>	<p>Recommended Tactics 3.2 Business Climate</p>
<ul style="list-style-type: none"> ▪ Mayor and City Council ▪ City Manager ▪ Building and Planning Management and Staff 	<p>Address the perceptions that the City’s regulatory public policies are not consistent and supportive of economic development goals.</p> <ul style="list-style-type: none"> ✓ Review the City’s General Plan to ensure that its land use policies are aligned with the City’s new economic development goals. ✓ Continue reviewing and streamlining City regulatory processes and policies to ensure they are cost sensitive and aligned to the changing location needs of businesses and their operations. ✓ Convene a focus group of real estate brokers and developers who work in the region to find out what they consider to be best practices in terms of the planning and building review process. ✓ Develop a quarterly progress report to identify the specific actions being taken to streamline the development review process and the results to date along with benchmarks and timeline for additional improvements to the system.
<ul style="list-style-type: none"> ▪ City Manager ▪ Directors of Planning, Building, Public Works, Redevelopment and Economic Development ▪ Mayor and City Council 	<p>Ensure that development fees and taxes are reasonable and, as much as possible, competitive with other surrounding communities in the North Bay.</p> <ul style="list-style-type: none"> ✓ Initiate a comparative study of development fees and taxes as a competitiveness review that compares fee and taxes in Santa Rosa to other surrounding cities. (The City’s costs may not be as high as other communities). ✓ Use “FAQs” on the City’s web site to explain the purpose of fees and taxes and the reasons for increasing them. This approach can also be used to explain new city policies and changes to existing policies (either for residents or businesses).²⁹ ✓ Appoint and use a Development Review Advisory Committee comprised of representatives from the development community, residents, environmental interests, and businesses to provide feedback and guidance for any future increases or changes to fees and taxes or land use policy.³⁰

Sub-Strategy 3.2

<ul style="list-style-type: none"> ▪ Economic Development Department ▪ Planning & Building Departments 	<p>Address the perception that environmental and economic development goals are not balanced.</p> <ul style="list-style-type: none"> ✓ Continue to review and monitor the City’s zoning and building requirements to ensure they are reasonable with respect to environmental regulations. ✓ Use the Development Review Advisory Committee to obtain feedback and provide comment on existing and new planning and building regulations that affect development. ✓ Identify any regulations and ordinances that should be amended to achieve greater balance or clarity between the two goals and recommend policy changes to the Planning Commission and City Council.
<ul style="list-style-type: none"> ▪ Mayor and City Council ▪ City Manager ▪ Economic Development Department ▪ Public Affairs Office 	<p>Address the perception the City places a greater emphasis on retail development than primary, job creating business.</p> <ul style="list-style-type: none"> ✓ Stronger emphasis on outreach and support for existing and emerging industry clusters and achieving consensus on city-wide economic development vision and goals should help offset the perception that the City is too focused on retail development. ✓ The internal development review team, comprised of key department staff that process development, could establish criteria for processing priority development projects that are consistent with the City’s economic development goals and recommend that the City Council create appropriate policy. For example, if key economic development goals are creating high value jobs or focusing on downtown as a new urban environment, then projects that achieve these goals would receive priority review by the team.³¹
<ul style="list-style-type: none"> ▪ Mayor and City Council ▪ Planning, Public Works and Economic Development Departments ▪ Representatives from the industrial/commercial real estate firms 	<p>Ensure there is a range of sites and buildings to meet the needs of emerging and expanding companies.</p> <ul style="list-style-type: none"> ✓ Continue the inventory of key sites that can be redeveloped for industrial uses and ensure there is a balanced inventory of sites available for future industrial needs. ✓ Review existing zoning ordinances to ensure that they facilitate the repositioning of existing industrial space into smaller “incubator” type spaces.³² ✓ Ensure ordinances are flexible or that planned community zoning is an option for developers and businesses. ✓ Preserve the City’s current industrial and business park employment centers (existing operating businesses) by supporting the integrity of industrial zoning, such as, creating zoning ordinances that protect industrial areas from encroaching uses such as housing and retail development.³³ Often because of the demand for residential buffers from existing industrial operations are not preserved allowing residents and retail to encroach causing an incompatibility with industrial operations, such as, noise, trucks, etc.

Sub-Strategy 3.2

During the Business Outreach Program and Roundtables determining potential expansion needs of the businesses in the existing employment centers will also help to understand the potential demand in for industrial-business park zoned property.

- ✓ Economic Development Department should invite a diverse group of local developers, industrial property owners and corporate real estate/facility directors as a Real Estate Advisory Team; meet two - three times a year to learn about any changes in demand for industrial space. This action is to open communications lines, build relationships between the Real Estate Advisory Team and Economic Development Staff and utilize the Real Estate Advisory Team as a resource.

Utilize information from meetings with Real Estate Advisory Team to review, create new zoning and/or re-position existing space for new demand.

Sub-Strategy 3.3

<p>Sub-Strategy 3.3</p>	<p>Implement a communication strategy to promote City’s efforts to implement strategic economic and business development initiatives supporting a healthy economy for business and residents.</p>
<p>Implementation Team</p>	<p>Recommended Tactics 3.3 Communications Strategy</p>
<ul style="list-style-type: none"> ▪ Mayor and City Council ▪ City Manager ▪ Economic Development Department 	<p>Create 3-5 key economic development messages to be used in all promotional materials to set the stage, reinforce the City’s commitment to business and economic vitality and begin to change the current perceptions of Santa Rosa’s business climate:</p> <ul style="list-style-type: none"> ✓ After approving the goals and strategies, hold a “messaging” work session with council, committee members, stake and other key stakeholders to define 3-5 key messages and proof points. The purpose of a “messaging” work session is to clear define, and have consensus on the city message(s) to both the internal audience (local businesses and external businesses) to be used in all communications (verbal and print) with business, public and media that promote the city’s business culture, direction and competitive attributes. Messages to the internal and external markets are typically not the same, i.e.: <ul style="list-style-type: none"> ◆ Internal messages to existing businesses and residents should promote the City’s vision, economic development direction and implementation of strategic programs to sustain economic vitality in Santa Rosa. These messages are key to “changing currently held perceptions on the business climate.” <p>Sample: Santa Rosa is leading Innovation and Entrepreneurship as Bay Area’s first VentureCommunity™...</p> <p>City is commitment to business appointing a dedicated Business Team...</p> <p>In collaboration with the Chamber, City is initiating...</p> <p>Meeting the dynamic demands for business to competitive in the global market, City has instituted...</p> <p>Listening is a City priority, business concerns are being addressed...</p> ◆ External messages are intended to <u>position</u> the City with the marketplace (North Bay), promoting unique advantages and attributes that appeal to targeted audiences <p>Sample: Santa Rosa is the premier location for technology and entrepreneur business in the North Bay...</p> <p>Santa Rosa is emerging as the North Bay’s innovation hot spot...</p> <p>Businesses find welcome mat in Santa Rosa....</p>

Sub-Strategy 3.3

	<p>Santa Rosa leads the way in urban environment for X Generation creative class....</p> <ul style="list-style-type: none"> ✓ Hold “message sessions’ with staff and stakeholders to present a unified approach on Santa Rosa message as the place to do business in the North Bay. Provide “message” cards to all stakeholders. ✓ From the message session, create a image to be used on all that projects the message and reflect the values of a knowledge economy should be included on all City communications <p>Promote the City’s economic vision, values and mission statement on web site and other marketing collateral as appropriate.</p>
<ul style="list-style-type: none"> ▪ Economic Development Department 	<p>Implement a marketing plan using multiple vehicles to communicate to residents and businesses the economic development vision, goals and programs promoting the importance of economic development to sustaining the quality of life in Santa Rosa:</p> <p>1. Communications</p> <ul style="list-style-type: none"> ◆ Database of businesses, partners and key stakeholders ◆ Message Sessions – hold with key stakeholders ◆ ED Strategy Collaboration Meetings – Chambers of Commerce, Main Street, ED organizations ◆ Invitations – invite community representatives participate on committees ◆ Launch a news brief - announcing economic development vision, committee, goals and strategy ◆ Monthly news brief - 1-page, print and electronic, bullet point updates and status reports on strategic initiatives and actions; (quarterly news brief should be more in depth) ◆ Business Outreach Program – One-on-One Visitations, Roundtable Meetings (initiation, schedule) <ul style="list-style-type: none"> ▪ Quarterly executive staff (department heads) meetings, hold at different business locations and invite the business host to make a presentation about their business operations, goals and challenges. ◆ Welcome letters from Mayor and City Manager to new business ◆ Community meetings – schedule community meetings and presentations to stakeholder groups (such as neighborhood associations, Rotary, special industry groups, associations, community groups, etc.); use committee members as speakers ◆ Announcements – post card announcing new appointments, actions, policy decisions

Sub-Strategy 3.3

- ◆ Surveys – collaborate with ED organizations on business needs surveys; customer service and business feedback surveys (web-based)
 - ✓ Reports – copies of reports, studies, white papers, analysis and customer surveys should be posted on website, inform stakeholders via news brief, post card announcement, letter from Mayor or Committee Chair that a report has been posted.
- 2. Media**
- ◆ Comprehensive media list, local, regional, trade publications, real estate/development, League of Cities, industry associations, venture capital, key stakeholder organizations
 - ◆ Press Releases
 - ◆ Quarterly news brief update – expand news brief to provided more story line
 - ◆ By-line stories on creative initiatives and projects, submit to media
 - ◆ Collaborate with local paper/journal on quarterly column by Mayor, Committee Members, City Manager, Economic Development Manager)
 - ◆ Editorial desk side briefings
 - ◆ Prepare committee members as spokespersons for the City on the Economic Development Vision and Strategy
- 3. Events**
- ◆ Events – Business & Economic Vitality Recognition Event
 - ◆ Annual Stakeholder Report – formal annual report on progress
 - ◆ Special meetings and roundtables
 - ◆ Sponsorships of partner events that support goals and strategies
- 4. Promotional Materials**
- ◆ Creative Collateral should be convey an message consistent with the economic development direction, i.e., innovation, and include:
 - Economic Development Services Description
 - Promotional piece on each adopted programs – Existing & Emerging Cluster Development, Innovation, Downtown (use as a leave-behind along with following meetings with business
 - Maps highlighting specific areas of the City for development, transportation routes, business parks, downtown, key facilities (businesses, college, etc) location; with short description; business parks could also have separate maps which should be posted on the web
 - Post card template
 - News brief template

- Business fulfillment piece for inquires; content should outline a compelling business case of why the business should consider Santa Rosa for their location and promote Santa Rosa business image, business proposition (services, business parks, workforce, adjacency to San Francisco “hub of North Bay”) and lifestyle creative class, open space, recreation amenities and accessibility to the wine country.
- ◆ Directory of city staff that are important contacts for local businesses
- ◆ Directory of staff involved in the development review process that lists their specific areas of responsibility
- ◆ Business Surveys
- ◆ Press kit – positioning statement, background, key economic facts, map and photos (can be on CD)

***Note:** at this time, it recommend city focus on existing business, providing creative business services to existing businesses (such as Innovation and Downtown), and focusing on infrastructure and business climate communications strategy – not business attraction. However, city should have creative promotional material to respond to inquiries and provide marketing collateral consistent with the Santa Rosa message for distribution by stakeholders and business locations data available in print and on the web.*

5. Website

- ◆ Promote with partner a regional web portal, one-stop website with separate url, *should be supported by all partners in economic development; describing services in detail, promote and link to all resources (federal, state, local) .*
- ◆ If web portal is not created in the business section of the city website post such things as:
 - Business survey
 - Directory
 - List new programs, assistance and services provided to businesses (link to web portal if available)
 - Edit current write-up on partners to promote services offered by those agencies that would be benefit to business; change title from Business Partners to Resources Partners
 - Rapid Response Ombudsman intake form, post phone numbers as well as email address
 - Add link to manufacturer Buyer-Supplier to www.connectory.com, connecting local businesses and services to California market
 - Reports, Documents, White Papers, Meetings, Agendas – post to web

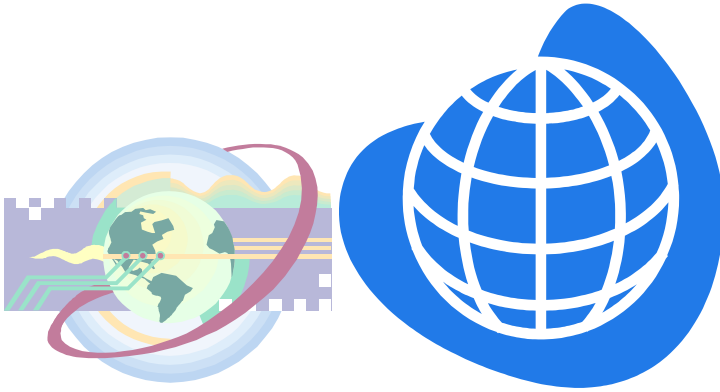
Sub-Strategy 3.3

	<ul style="list-style-type: none"> ▪ Consider direct navigations links to important information being promoted, i.e., retail opportunities, downtown ▪ Maps - Industrial Park and specific development area maps should be posted along with the property listings; current Opportunities Map should have more text description on each site of why the city has identified them as opportunity site (list benefits of the site, i.e., for retail sites specific demographic data on a 1-3-5 mile radius for the site) ▪ Press room and kit ▪ Calendar of events - Information on special events and information of interest to local businesses ▪ Include link to economic development page ▪ Consider in navigation under Business News & Latest Updates ▪ Consider re-titling Business Directory connecting to local businesses ◆ Consider upgrading existing using a GIS Real Estate Inventory, such as, www.gisplanning.com which can be updated directly by brokers and provide demographic, business and workforce data to every site. ◆ Ensure website is listed on various search engines and key <i>business, real estate and economic development</i> words are on front page. ◆ Business Ombudsman should be listed on front page – easy to find for business. ◆ Business Overview section should include a list of the existing clusters, high tech and innovative businesses, and employers.
<ul style="list-style-type: none"> ▪ Economic Development Department 	<p>To help overcome perceptions, increase the <u>visibility</u> of the City’s economic development program.</p> <ul style="list-style-type: none"> ✓ As recommended in Strategic Action Initiatives I & II, the Business Outreach Program and VentureCommunities Program should be the cornerstones for the city Economic Development program which will create visibility in the business community. ✓ Economic development staff should provide annual presentations to commercial and industrial brokerage firms and other real estate development organizations such as the Building Industry Association on the state of economic vitality in the City of Santa Rosa. ✓ Economic development staff should participate in and sponsor more key regional economic development initiatives, events, and board meetings. (See <i>Public Sector Findings: Alignment of economic development organizations.</i>)

Sub-Strategy 3.3

<ul style="list-style-type: none"> ▪ Economic Development Department 	<p>As a service to business, use every opportunity to promote local businesses and local business connections.</p> <ul style="list-style-type: none"> ✓ Include a link to the web sites of local businesses listed in the business directory on the City’s web site. ✓ When the City is completing construction or street improvements that have an impact on the operations of local businesses, insert a banner promotion that flashes a business’ logo on the City’s web site.³⁶ ✓ Identify local products made by Santa Rosa companies and promote them at community events and festivals, local stores and through the chambers of commerce. ✓ Retain a clipping service to collect news articles about local businesses and send a personal note from the Mayor to each business featured in a positive or noteworthy article. If the article notes a problem or issue the business is facing, use it as an alert for assistance for business retention.
<ul style="list-style-type: none"> ▪ Economic Development Department ▪ Public Works ▪ Planning 	<p>Use gateways to promote the “quality first impression” and message of the City</p> <ul style="list-style-type: none"> ✓ Create gateways to the City along major arterials using aesthetically designed signage and markers. ✓ Design and install attractive, user-friendly signs that direct visitors to the downtown, commercial districts, and other attractions.

FOOTNOTES & ENDNOTES: Case Studies & Resources



¹ The **City of Henderson, Nevada**, has created a business retention and expansion program that includes a web-based survey to learn more about what local businesses need to be successful. After completing the survey, businesses can expect a contact (call or meeting) with an economic development staff person. Other elements of their strategy include Business One-on-One, which are visitations between the city government, the Henderson Development Association, and area companies; Executive Welcome, designed to greet and assist in familiarizing executives new to Henderson; and Business Roundtable, which are regular meetings between the Mayor, area companies and City Council members for feedback, networking and discussion of issues relevant to business. See <http://www.cityofhenderson.com/ecodev/php/ecodevbizsurvey.php>

² **Connectory.com® -- the California Network** is a business-to-business, buyer-supplier marketing and communication tool that covers the State of California. Connectory.com began in San Diego's East County in the late 1990s and has since expanded throughout the state. Its customers include the companies that profile in and use Connectory.com to find suppliers, each other, potential markets/clients, and teaming/alliance partners. In addition, Economic Development organizations throughout California use Connectory.com as a tool to support a wide range of economic development tasks. Connectory.com® is the regional source to find products, technologies, services, company capabilities, capacities and expertise. Because Connectory.com searches the entire profile and a company's web site content inquiries are not limited to specific categories or topics but can use specific phrases or search strings. They can search the California-wide Connectory or limit your search by geography (county, city, and zip code -- even street address). Other field specific searches include Company Name, Industry Code, and Certifications. Starting in mid-2004, Connectory.com will support regional portals that focus on the industry/technology companies -- and their suppliers -- with a specific region. It will also launch industry portals that focus on and provide information for specific industries. (Look for a Space Enterprise portal first!)

Companies can profile and search Connectory.com® at NO COST to them. For companies that participate in Connectory.com®, the site will:

- ▲ Raise company exposure locally and globally and increase traffic to company websites.
- ▲ Provide information about the company's products/services, core capabilities and capacities to potential customers, strategic partners, and candidate workers.

-
- ▲ Increase company exposure to opportunities in government contracting, subcontracting, and development partnerships.
 - ▲ Provide a dynamic buyer-seller and networking resource across California's regional and statewide industrial and technology base.
 - ▲ Showcase the vitality and depth of regional and statewide industry/technology clusters and demonstrate job mobility.

To learn more about the Connectory®, please contact Sunny Miller, East County EDC (619) 258-3670 or e-mail us at connectory@eastcountyyedc

³ When **Sarasota, Florida** initiated a study of their economy, the follow-up was an active participation of public and private to address specific cluster actions, work groups calendars, reports, and next action are posted on their website under individual CLUSTERS, <http://www.sarasotaeconomy.org>

⁴ Many cities with redevelopment agencies administer a **façade improvement program**, which provides grants to businesses for upgrading their storefronts. Grants vary from as little as \$5,000 to over \$25,000; but whatever the amount, the applicant usually matches it. Recently, programs that offer smaller grants have not been as well received as those offering more funding because there is now a state prevailing wage requirement on construction. The City of Mountain View's Façade Program includes higher allowances for qualified historical buildings. It also requires improvements to each side of the building, not just the front. <http://www.ci.mtnview.ca.us/citydepts/cd/ed/facade.htm> The City of San Mateo's façade improvement program is termed a "forgivable grant." The City offers both a general and a signage improvement program; these can also be combined. <http://www.cityofsanmateo.org/business/sip.html>.

⁵ The **San Jose Redevelopment Agency's Façade Improvement Program** includes free architectural design services, bidding and construction management assistance, and permit processing and fee payment assistance. The program has contributed to more than 475 façade improvements and totaling approximately \$18 million since 1987. The program has often used these services to create a master plan or individual design for each building in a neighborhood commercial area to ensure there is continuity of design. See <http://www.sjredevelopment.org/programs.htm>.

⁶ **Economic Gardening - The Center for Economic Development (CED)** specializes in such areas as planning, community development, employment generation, natural resource management, leadership training, and hundreds of other areas. Through the California State University system, the CED utilizes information, knowledge, and expertise in the above areas. It is the CED's goal to assist Northern California communities in sustained growth, and to promote empowerment and expertise among its residents.

The CED frequently responds to requests for such data as economic development planning, community development, and export trade information. Requests for data might be as simple as county population or as detailed as research on a particular subject such as competitive communities, the definition of rural, and other subject areas. Generally these requests come from the twenty-one counties of Northern California, however, the center also responds to requests from throughout other rural parts of the state. <http://www.csuchico.edu/cedp/ABOUT.shtml>

⁷ **The Centers for International Trade Development (CITD)** is funded through the California Community Colleges, Economic and Workforce Development Program (EWD) www.ccewd.net the premier provider of economic and workforce programs in California, which includes strategic units for Biotechnology,

Environmental Technology, Manufacturing Technologies, Advance Transportation, Multimedia & Entertainment, Small Business, and Health Occupations. The CITDs are the strategic unit for international trade and assist thousands of companies annually in conducting international business. With [14 offices](#) throughout California, each CITD is hosted by a local community college and provides a variety of free or low-cost [programs & services](#) to assist local companies in doing business abroad. These include one-on-one technical assistance and consulting, market research, [training and educational programs](#), trade leads and special [events](#). As a community focused agency, the CITDs have developed numerous strategic partnerships with other associations and agencies, both locally and globally. Working closely with such organizations allows the CITD to gain access to additional resources and offer more programs, and extend its already powerful network of support around the world. CITD strategic partners include:

- ▲ California Commission on Jobs & Economic Growth
- ▲ Small Business Development Centers (SBDC)
- ▲ United States Department of Commerce (USDOC)
- ▲ Local and Regional Chambers of Commerce
- ▲ Industry Associations

See also <http://www.citd.org/>

⁸ An example of a successful lean manufacturing program was created by New Vision, an initiative of the Yakima County Development Association (State of Washington). In partnership with local educational and training agencies, a **Lean Manufacturing Training Initiative** was designed to improve the efficiency and competitiveness of its local manufacturers and prepare them to manage and capitalize on increased workloads once the economy turned. New Vision recruited the Tri-County Workforce Council and Washington Manufacturing Services (WMS) to build the program around the common needs identified by Yakima Valley manufacturers. Results have been impressive: **Fifty percent of the area's larger manufacturing companies** and **twenty percent of all manufacturing companies** have been through the training. A handful of non-manufacturing businesses have also attended the training and found its principals applicable. Many have discovered returns on investment, some of them significant, which include increased productivity, improved use of space, and cross-training opportunities. Based on research conducted by the National Institution for Standards and Technology (NIST), local Yakima businesses have **increased sales by at least \$1 million**, and **saved more than \$300,000** by eliminating waste **in the less than two years** New Vision and its partners have offered Lean training.

⁹ See <http://www.manex.org/site/do/about/contact> MANEX is a public sector consulting company that helps California companies increase profitability, productivity and quality. The program focuses on eliminating waste, reducing costs and improving quality by delivering Lean Implementation Services, Quality Services and customized Training Services. MANEX offers hands-on consultants who can help manufacturers increase their profitability, productivity and quality. Even through the most difficult times, MANEX's clients have achieved significant impacts. Since the year 2000, over 450 client projects were delivered, with clients reporting significant cost savings and increased productivity.

¹⁰ The **Georgia Department of Technical and Adult Education** uses customer focus groups to determine the skills needs of employers in a particular industry and then designs certificate programs of short courses focused on those specific skill areas (customer service, basic warehousing and manufacturing, basic computer

skills, etc.) State board members are from a variety of industry backgrounds including textile manufacturing, insurance, luggage manufacturing, and health care. See www.dtae.org.

¹¹ Several cities have implemented **business incubators**. Those that are successful have a clear business plan or mission that targets a specific industry sector such as software or biosciences. It is important that the community have a strong emerging cluster of businesses that the incubator can support. The City of San Jose has four operating incubators, two of which are located in the downtown. The City of San Jose contracts with the San Jose State University Foundation to operate the incubators (for an administrative fee). The software incubator, which is the most successful, has been in operation for almost ten years and has spawned over 80 companies. See <http://www.sjsbc.org/wn>. Recently, San Jose opened a bioscience incubator in August 2004 in an industrial park located in the southern part of the city. The incubator already has seven tenants and more in the pipeline. See http://www.sjsitefinder.com/pdfs/Bio_Brochure_704.pdf

¹² Many barriers to housing production rest in the public planning and permitting process. The **Bay Area Council housing program** is focused on making changes to policies and regulations that currently block and deter housing from being produced in order to support the smart growth of the region. The committee annually produces an accountability report card on the housing production of local governments in relation to their stated goals. The committee acts as advocates for legislation that contribute to smart growth and adequate housing policies <http://www.bayareacouncil.org> > Committee > Housing.

¹³ To encourage **mixed-use development** in its downtown, the **City of San Carlos** ensures that housing located above retail establishments in the downtown is by “right” and does not require any zoning change. The City also provides density bonuses for exceptional design and other benefits provided by a development.

¹⁴ The **City of San Jose** developed a council policy that provided **development review** priority to affordable housing projects and also suspended or waived any development fees for affordable housing projects. The policy also provided priority review to industrial development projects that met a threshold of newly created jobs and for development projects in the downtown. http://www.sanjoseca.gov/planning/counter/policies/pol_spehand.pdf

¹⁵ The **City of Riverside** offers several types of **housing incentives programs**, including some free building permits during Home Improvement month. Other programs include the Community Energy Efficient Program, which is designed to encourage residential building practices that conserve energy ; the Smart Home Infrastructure Program that provides incentives for homebuilders to pre-wire homes to accommodate future technologies; and the Infill Incentive Program, which encourages the use of vacant property within a built-up area for further construction and development. <http://www.riversideca.gov/planning/building/programs.htm>

¹⁶ The **City of Milpitas** used **redevelopment funds to pay for improvements** (on and off ramps) to **Highway 880** and **San Jose’s redevelopment agency** funded improvements to **Highway 87**. The **City of San Jose** recently used **Section 108 CDBG bond** funds to purchase a large tract of land located across the street from the airport. The land is being banked for parking or airport expansion.

¹⁷ The **City of Redding** has subsidized major improvements to the **Redding Municipal Airport** and spent \$2.5 million on land to create a buffer between the airport and adjacent residential areas. The Redding Municipal Airport has been able to expand commercial air service because it had the runway and facility improvements

along with other airport amenities in place. Horizon Air has flights from Redding to Los Angeles, Portland/Seattle, and Eureka/Arcata while United Express offers five daily flights to and from San Francisco. <http://www.ci.redding.ca.us/airports/rma/rma.htm>

¹⁸ **Golden Capital Network (GCN)** is an organization that works in communities to link financial, business and technical assistance with local entrepreneurs. GCN currently offers two annual programs per year in Reno and Sacramento and is looking for a third location. GCN also works with local communities to develop more customized programs for linking local entrepreneurs with sources of capital and strengthening their business plans. GCN has partnerships and collaborative arrangements with many of the leading entrepreneurship and public policy organizations in the country, including Kauffman Foundation, National Commission on Entrepreneurship, National Governor’s Association, Milken Institute and others. Jon Gregory, president and CEO of Golden Capital Network, is a member of the CALED board of directors and managing director of the regional technology alliance initiative in Sacramento. He is a frequent speaker on the subject of entrepreneurship and economic development and has testified before the California State legislature on this topic. GCN public policy forums include the Best of West Public Policy Forum, held in Tahoe each year in conjunction with the Tahoe Venture Capital Conference, and the New Wave Economic Development Conference, held each year in Sacramento. GCN manages over \$3m in publicly funded entrepreneurship and economic development grant and contract projects throughout California from EDA, CDBG, state Technology, Trade and Commerce, Workforce Investment Board and ETP. See <http://www.goldencapital.net/>

¹⁹ The **Greater Albuquerque Chamber of Commerce** honors innovative companies during its **Innovate Albuquerque Awards Breakfast**. The awards honor entrepreneurial business leaders and innovative companies that will lead the Albuquerque area to a new prosperity. Awards given include Innovate Albuquerque Awards; the Maxie Anderson award, which is given to a business owner who has demonstrated excellence in the areas of business success, reputation, community involvement, humanity and humor; and the Home-based Business Award, which is given for the business owner’s ability to champion their trade while working from home. <http://www.abqchamber.com/content/divisions/EconomicGrowth/smallbizrecognition.asp>

²⁰ **Orenco Station in Hillsboro, OR**, the “America’s Most Awarded Community” is an excellent example of the **new live/work designs** for downtowns attracting young “creative class” and “boomerang” children-the X Generation. It has been featured in Better Homes & Gardens, and was named the 1999 Master Planned Community of the Year by the National Homebuilder Awards. <http://www.orencostation.com/> The urban team responsible for Orenco Station includes Fletcher-Farr-Ayotte Architects, Costa Pacific Homes and Pacific Realty Associates. www.ffadesign.com

²¹ **Villebois**, which translates to “village near the woods,” represents an entirely new concept in community development. Based in Wilsonville, Ore., Villebois is inspired by the traditional **European village** and built around the idea that thoughtfully planned communities add to our quality of life. Quite simply, a community built for the people who live there makes life better <http://www.villebois.net/>

²² Many cities have **reviewed and amended downtown zoning policies in order to encourage desired retail and restaurant uses**. Recently, the City of San Carlos implemented a parking moratorium for new full service restaurants occupying 2500 square feet of space in order to attract higher quality restaurants. In addition, because the downtown does not have enough large buildings for higher quality retail, San Carlos now prohibits banks from locating in buildings at key corners of the downtown.

²³ Recently, a meeting was held to explore ways in which local companies, the **Sonoma Economic Development Board and Sonoma State University’s School of Science and Technology** could establish **working partnerships**.

²⁴ **Joint Venture Silicon Valley**, a public-private partnership in Silicon Valley, created a **tutoring program for local schools** in which staff (primarily engineers from local high-tech companies) spent time in the classroom teaching selected subjects and working one-on-one with students on projects. <http://www.jointventure.org/> For information on other action steps and initiatives, see the study “Preparing Tomorrow’s Innovators” by Joint Venture Silicon Valley, <http://www.jointventure.org/PDF/preparingtomorrowinnovators.pdf>

The **San Diego Regional Economic Development Corporation** and the **San Diego Workforce Partnership** partnered with **Junior Achievement** to create a program called **Corporate Leaders Advocating Success Skills (CLASS)**. CLASS brings business leaders into the classroom to help at-risk students connect between schools, skills and careers. The program also arranges for the students to visit the job site of business volunteers. In 2002, CLASS placed 35 high-level business volunteers from banking, science, engineering and technology who taught over 1000 students on topics such as communication, teamwork, resume writing, interview skills and how to make a good impression. Since CLASS first began at San Diego High, Spring 2001, it has grown to 175 classes, reaching over 5,000 students in virtually every high school that has the AVID (Advancement Via Individual Determination) program in San Diego County. <http://www.sandiegobusiness.org/class.asp>

²⁵ The **San Jose Redevelopment Agency** completed a **business needs survey of Hispanic businesses** located in a commercial area of the City to determine what business assistance tools and resources they needed. As a result of the survey, the Agency retained a consultant to develop a small business training program in Spanish called the “Latino Business Connection.” The program includes one-on-one business consultation, small business development seminars and computer training for owners of businesses located in East San Jose. For more information contact the San Jose Redevelopment Agency, 408 791-4000 and ask for the Neighborhood Business District program staff for Story and King Road.

²⁶ Several cities have completed or will complete **economic development strategies** that included a **City Council visioning and goal setting process**. Often the process involved the community through a public visioning process. Cities that have completed or are underway in this economic development visioning and goal setting process include the City of Belmont and San Carlos. For the City of Belmont’s vision statement and update, go to <http://www.belmont.gov/subContent.asp?CatId=240000372>. For the website of the visioning process for the City of San Carlos, go to http://www.cityofsancarlos.org/is/display/0,1124,deptid-20_isid-594,00.html

²⁷ The **City of San Jose’s economic development department** embarked on a two-year program to **educate and inform other city departments about the importance of economic development** to the city and the key role these departments played in successful economic development implementation. The department began annual briefings for planning, public works and building staff on current issues in economic development (these departments also provided briefings for economic development staff about their key issues and change in regulatory policies). Economic development staff was also expected to have a basic understanding of the planning and building review process in order to better advocate for economic development projects. Finally, economic development staff also made regular presentations on the local, regional and global economy and the city’s economic development goals and work program to City senior staff. In order for an economic

development program to be successful, all City staff must vest in its economic development goals and the responsibility for sustaining the city’s economic vitality.

²⁸ The **Nova Workforce Investment Board** (Silicon Valley) includes members from a cross section of businesses (both high tech and non-high tech firms):

- ▲ Applied Materials
- ▲ Intel
- ▲ Proofpoint Systems
- ▲ Analog Devices
- ▲ Intuit
- ▲ Narus Inc.

²⁹ The **City of Rohnert Park** uses “FAQs” (Frequently Asked Questions) to explain why fees and taxes are increased and their purpose. See <http://www.ci.rohnert-park.ca.us/services/newwatersewer.cfm>

³⁰ Increase outreach to the business and real estate community and environmental groups to obtain their feedback on new planning and building regulations and fees. The **City of San Jose’s planning department created a “business climate” advisory committee** to advise them on changes to fees, taxes and regulatory requirements.

³¹ The **San Jose City Council** (and other cities) have created **special policy that gave development review priority** to projects that created a desired threshold of quality jobs, affordable housing units or supported revitalization of the downtown

³² Many cities are allowing **greater flexibility** in their industrial zoning (**regarding parking and office space vs. production/warehousing requirements**) to accommodate changes in business operations such as warehousing and manufacturing. For example, a building proposed recently in the **City of San Carlos** is designed to look like an office building but there are roll-up doors that allow the street level space to be used for light manufacturing if necessary.

³³ Ten years ago, the **City of San Jose** created a “**Non-Industrial Uses**” policy that created defined boundaries around the City’s prime industrial areas and restricted non-industrial uses such as retail, housing and non-profits from using and building facilities in those areas. For San Jose General Plan Report 2002, go to http://www.sanjoseca.gov/planning/gp/PDF/Stuff_Reports/GP02-02-04.pdf.

³⁴ The City of San Jose’s economic development department embarked on a two-year program to educate and inform other city departments about the importance of economic development to the city and the key role these departments played in successful economic development implementation. The department began annual briefings for planning, public works and building staff on current issues in economic development (these departments also provided briefings for economic development staff about their key issues and change in regulatory policies). Economic development staff was also expected to have a basic understanding of the planning and building review process in order to better advocate for economic development projects. Finally, economic development staff also made regular presentations on the local, regional and global economy and the city’s economic development goals and work program to City senior staff. In order for an economic development program to be successful, all City staff must vest in its economic development goals and the responsibility for sustaining the city’s economic vitality.

³⁵ The Nova Workforce Investment Board (Silicon Valley) includes members from a cross section of businesses (both high tech and non-high tech firms):

Applied Materials

Intel

Proofpoint Systems

Analog Deices

Intuit

- Narus Inc.

³⁶ The **City of San Carlos' business directory** lists those businesses that have business licenses and provides a link to the business' web sites (an incentive for business to obtain an annual license) on the City's web site. In addition, when the City embarked on public improvement projects in the downtown and industrial areas, staff inserted a banner promotion on the City's web site for businesses that were impacted by the construction. San Carlos website: <http://www.cityofsancarlos.org/bgide/1,1076,depid-16,00.html>.