

**CITY OF REDDING, CALIFORNIA
COUNCIL POLICY**

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ECONOMIC DEVELOPMENT PROGRAM	99-012	2101	12/08/98	1

BACKGROUND

The City of Redding Economic Development Program (ED Program) Policy was originally adopted in 1998 as a result of initial work with participants of a “Draft General Plan Workshop.” The vision outlined in the original document also took into consideration the Economic Development Corporation of Shasta County’s (EDC’s) five-year strategic plan.

Since the 1998 policy was adopted, there have been a number of considerable changes, including the adoption of the City’s first General Plan Economic Development Element in 2000. In addition, the City of Redding Policy on Economic Development Incentives was also revised in December 2004, and there have been other substantive changes in the programs and activities related to a number of City and countywide economic development programs.

PURPOSE

The purpose of the ED Program is to provide a comprehensive document that outlines the City’s economic development General Plan goals. The ED Program is also meant to provide a snapshot of the City’s specific economic development activities in business development and local development and describe how they align with a number of interrelated countywide programs. In addition, the program provides an overview of the City’s incentives and also lists information on related economic development studies and documents.

POLICY

The ED Program is a comprehensive summary of how the City utilizes its resources to enhance business investment and job opportunities for its residents. The ED Program also describes various economic development strategies and tactics. Furthermore, it provides detail regarding how the City’s programs are linked to other local resources and how these resources from throughout the County work together toward similar goals.

The basis for the ED Program is the General Plan Economic Development Element (Element). After considerable review and extensive community and business participation, the City’s General Plan was adopted by the Redding City Council in 2000. The ED Program spells out the vision that was shared by the authors of the Element. In addition, the ED Program chronicles economic development resources and support organizations that are in place in Redding to implement the various strategies that are outlined in the program.

It is widely recognized that economic development is a process and not a singular event. The ED Program is based on this premise as it is applied to both local development and business recruitment strategies. Redding is pleased to be recognized as the “figurative capital” of the upstate region of California and takes seriously its regional responsibility to be a catalyst for job creation

**CITY OF REDDING, CALIFORNIA
COUNCIL POLICY**

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ECONOMIC DEVELOPMENT PROGRAM	99-012	2101	12/08/98	2

and capital investment. To that end, the ED Program also recognizes that quality jobs and investment transcend political boundaries. A quality job anywhere in Shasta County is valuable to Redding.

The ED Program is a multi-faceted approach. It recognizes the value of attracting and retaining higher-paying, primary industry jobs in the community; but it also recognizes the baseline importance of growth in small- and medium-sized businesses.

A key element of the ED Program is the Stillwater Business Park (Stillwater), a valuable tool to attract new manufacturing and other primary industry jobs and ensure long-term economic stability for the region.

Stillwater will not only provide much needed, large, “shovel ready” sites for large employers; it will also act as a catalyst for vendors, suppliers, and support industries that will strengthen the base of small- and medium-sized primary industries in the entire region. In addition, by adding more primary industry employers, the overall strength of the economy will be improved, because a primary industry employer is the only business sector that adds new revenue into an economy. This, in turn, fuels the other sectors of a local economy.

Finally, the ED Program recognizes the importance of all segments of the local economy, including retail, services, and tourism. A strong and diverse economy is one that provides a cadre of job options for its residents. Every economic sector provides employment opportunities, some seasonal and some cyclical; but, nonetheless, jobs that fill a need for the various ages, education, and skill levels of all residents. Even though primary industries are specifically identified in the Element because of their strong economic value, every job is important to the economy.

THE ELEMENT

The overall goals, as written in the Element, are to:

- Develop a strong and competitive economic base.
- Increase the average earnings per worker in the community and the number of job opportunities in the mid-to higher-wage rate areas.
- Provide adequate resources to ensure a high level of public services.
- Strike an appropriate balance between economic development efforts and maintaining the community’s natural and manmade assets.

**CITY OF REDDING, CALIFORNIA
COUNCIL POLICY**

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ECONOMIC DEVELOPMENT PROGRAM	99-012	2101	12/08/98	3

The Element further asserts that:

It is clear that attracting high wage jobs will have a positive impact on the retail, services, and tourism industries. It will also lead to an increase in sales tax receipts for the City, since workers have more discretionary income to spend. However, the City also recognizes that additional strategies must be initiated to work in concert with industrial expansions.

While the community must focus considerable energy and resources on attracting and promoting higher paying industries, it must continue to attract retail, services, and tourism . . . Further, the medical industry has expanded significantly over the past two decades and continues to play a vital role in providing relatively high-wage, high-skilled employment opportunities.

GOALS OF THE ELEMENT

- Attract new primary and other industries which are proven to provide higher paying jobs.
- Facilitate the retention and expansion of existing business.
- Utilize economic incentives in a cost-effective manner and ensure that the use of incentives results in substantial benefits to the residents of the City.
- Preserve and enhance the community's assets and character, which make the community an attractive area to live, work, and invest.
- Maintain and expand Redding's influence as a regional retail trade center.
- Establish the downtown area as a vibrant, healthy City core that serves as the City's social, cultural, and speciality retail center.

BUSINESS ATTRACTION

The Element identifies a number of policies that would support the business attraction goal.

Business attraction is carried out through a Countywide effort, with the EDC being the lead agency. The City of Redding, along with the Cities of Anderson and Shasta Lake and Shasta County, all support the EDC's five-year business plan, which is focused on business development and recruitment activities. In addition to public support, more than 60 local companies invest in this Countywide effort, thus forming a true public-private partnership.

**CITY OF REDDING, CALIFORNIA
COUNCIL POLICY**

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ECONOMIC DEVELOPMENT PROGRAM	99-012	2101	12/08/98	4

The recruitment strategy utilizes a targeted industry approach. A detailed target industry analysis has been completed that focuses on those industries most likely to sustain growth and expansion and most likely to fit into the Redding region. Targets are evaluated for value based on labor force needs, utility requirements, (especially electric), and for transportation characteristics. Targeting does not exclude industries, but rather provides a framework so that limited resources can be used more effectively. Primary industries, such as manufacturing, are targeted because of higher wages and because of the value they bring to the economy by generating the flow of new dollars.

The marketing plan employed by the EDC and funded by the City of Redding focuses on contacting those companies in California that are most likely to expand within the targeted industries. The plan relies upon an array of techniques aimed at providing information to potential companies and ultimately assisting them in visiting the area for site tours. The work of economic development marketing is tedious and time consuming, in that many times decisions by companies to relocate or expand often takes multiple years.

By utilizing the multi-agency approach, the City of Redding is able to leverage resources into one consolidated effort, rather than compete against other local jurisdictions for new primary industry investment dollars. The City of Redding's investment of \$140,000 annually toward this effort leverages a \$500,000 total budget. In addition, by using this process, clients seeking sites anywhere in the County can receive dedicated, one-stop service by the EDC, without having to call on each jurisdiction separately. This process serves the client, provides a business friendly image, and still allows City staff the access to each and every solicitation that comes into play.

In addition, the City of Redding Economic Development Team, comprising staff from key departments, can work directly with clients as they are being served in the process. Redding's benefit is that most of the improved industrial sites and buildings are located within the City limits.

Stillwater Business Park

One of the Element's policies for business attraction is to maintain an inventory of developable industrial sites, including large parcels. The Stillwater Business Park is an investment that the City of Redding has made to fulfill the documented need for large, "shovel ready" industrial sites. This project has gained widespread community support and has been a City Council priority for the many years that it has been going through the development process. Stillwater will now provide the City with competitive, large sites for companies seeking a western market presence.

This investment by the City of Redding sends a clear message that Redding is "open for business" and is more than casually interested in working to site large manufacturing, distribution, or office projects that will generate capital investment and significant primary industry job creation.

**CITY OF REDDING, CALIFORNIA
COUNCIL POLICY**

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ECONOMIC DEVELOPMENT PROGRAM	99-012	2101	12/08/98	5

RETENTION AND EXPANSION

Redding’s position as the business center for the upstate region of northern California has provided area residents with consistent job growth, especially in recent years. Although there has not been any major trend with companies leaving the region, there is still a strong interest in preserving and enhancing the growth of the companies that are already here.

The forest products industry has been the exception in that there has been significant job loss over the last 10-15 years due to environmental constraints placed on the logging of both federal and private forest lands. The result has been a drop in manufacturing employment from 10 percent of the workforce in the 1990's to only 4 percent currently. These plant closures and job losses have been outside the control of any local intervention, but they reflect just how fragile the economy can be.

With respect to retention and expansion, the Element’s policies focus on establishing strong communication lines between the City of Redding and the business community. Additionally, the ED Program is intended to facilitate and remedy any impediments to the expansion of existing business.

Retention & Expansion Resources and Programs

The City of Redding has a variety of programs and activities that relate to the policies in the General Plan.

A specific Countywide retention program is in place through the EDC of Shasta County. The City of Redding’s Economic Development Director and Redding Electric Utility Key Account Representatives work with the EDC on calls to Redding manufacturing businesses. The City’s Economic Development Director also focuses his attention on the various other business sectors, such as healthcare, financial services, etc. In this way, more companies receive personal contact and assistance. With all of the local organizations working together, a common survey tool has been developed and a shared data base allows each entity to track trends and issues as they relate to the whole and/or to each specific industry cluster.

All of these efforts are collaborative, and the purpose of the personal calls is threefold:

1. Make companies aware that their businesses are appreciated and that they have a personal contact for existing problems or issues and for any future needs.

**CITY OF REDDING, CALIFORNIA
COUNCIL POLICY**

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ECONOMIC DEVELOPMENT PROGRAM	99-012	2101	12/08/98	6

2. Explain the various resources and benefits of the Shasta Metro Enterprise Zone.
3. Capture data through the survey that will assist in determining common trends or issues that the City may be of assistance with.

It is anticipated that hundreds of Redding companies will receive personal contact annually as a result of this effort.

Shasta Biz

The City of Redding is a partner in Shasta Biz, a collaboration of local business service organizations. Shasta Biz is an outcome of a collaborative study that was completed in 2004 to ascertain the effectiveness of local business organizations and to determine if there were any gaps or overlaps in services.

From that study, it was recommended that local business services organizations work together to leverage resources, especially in marketing their services to local companies. Although the study found that there was already good communication between the groups, it also determined that there could be improvement. Shasta Biz is the result. It is a collaboration that has been created to help market all local services cooperatively, initially through a web portal, www.shastabiz.com. Shasta Biz is also a communication network that was determined to be the link for promoting Shasta Metro Enterprise Zone tax benefits to zone businesses.

The City of Redding and EDC utilize Shasta Biz as part of the retention program, referring companies directly to the resources they require. The most important element of this networking process is to insure to the greatest extent possible that local companies are aware of the business services available to them.

Shasta Biz partners include, but are not limited to, the SMART Resource Center, Redding Electric Utility, the Cascade Small Business Development Center, the Superior California Economic Development District, the Economic Development Corporation of Shasta County, the Employment Development Department, Shasta College Workforce and Economic Development, the City of Anderson, the City of Redding, the City of Shasta Lake, and the County of Shasta.

Small Business Financing

Another important aspect of the City of Redding's expansion and retention program is access to capital. Redding is fortunate to have a multitude of traditional bank financing resources being represented in the market by national banks as well as numerous "community banks." These

**CITY OF REDDING, CALIFORNIA
COUNCIL POLICY**

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ECONOMIC DEVELOPMENT PROGRAM	99-012	2101	12/08/98	7

lenders provide a variety of small business resources, including access to various specialty lending programs such as the U.S. Small Business Administration (SBA). In addition, the City of Redding is a funding partner of the Superior California Economic Development District (SCEDD), a four-county agency funded partly with a planning grant from the U.S. Economic Development Administration (EDA). The City of Redding’s “match” for this grant provides City businesses access to various small business “gap” lending resources including a revolving loan fund program and a micro enterprise loan fund program. The SCEDD also provides professional loan packaging services for the U.S. Small Business Administration 504 Program, which can be used for the acquisition or construction of owner-occupied commercial or industrial buildings.

Cascade Small Business Development Center (SBDC)

With offices located in downtown Redding, the SBDC provides an array of quality business services, including “no-cost” access to consultants who help businesses with business plans, marketing plans, and mentoring. The SBDC is under the umbrella of the Shasta College Economic Development and Workforce Development Program, which also has the capacity for various credit and/or non-credit training and vocational education programs.

COMMUNITY IMAGE

The Element addresses the importance of adequate infrastructure to facilitate economic development; including educational, cultural, and recreational opportunities. Some of the more recent examples of Redding’s investment in these amenities include the Big League Dreams Sports Complex, the Soccer Park, the Aquatic Center, the new Redding Library, and enhanced development of the Sacramento River Trail System. The goal is to “preserve and enhance the community assets and character which make the community an attractive area to live, work, and invest.”

In today’s competitive environment, companies will seek out communities that understand the needs of industry, including the elements that are critical to recruiting and retaining labor supply. A healthy and strong community is one that recognizes the importance of “place” as part of the recruitment process.

RETAIL AND SERVICE INDUSTRIES

This category provides a broad array of business sectors; and, as delineated in the General Plan, includes retail, tourism, and healthcare. There is no doubt that following a national trend, Redding has seen its fair share of growth in retail and services.

**CITY OF REDDING, CALIFORNIA
COUNCIL POLICY**

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ECONOMIC DEVELOPMENT PROGRAM	99-012	2101	12/08/98	8

Redding's retail market share has historically been consistently ahead of the norm, with per capita retail sales roughly twice the state average. Although this is excellent, there are important decisions to be made that will help Redding continue this trend. The Element discusses policies that will encourage retail development and even suggests potential incentives for developments that will help defuse the leakage of sales outside of the area.

The Dana Drive shopping area is now almost fully developed, thus setting the stage in the future for the Oasis Road interchange which has an approved specific plan with significant potential development for retail, housing, and office.

As retail continues to shift in the region as outlying areas grow, the City of Redding will need to insure that there is sufficient land available to support future needs. Because Redding has been successful in the past does not mean that the City should not look ahead to the future for the needs of the retail market. Retail, in fact, provides a significant part of the tax base that funds many of the City's General Fund necessities, including police and fire services. The Airport Road Auto Mall will also help continue Redding's place as a regional outlet for both new and used auto sales, a generator of sales tax revenue that is also very important to the City's General Fund.

In addition to these large developments, there are numerous other retail centers around the City poised for development. Redding also continues to market itself successfully as a tourism center for the region. The Convention and Visitors Bureau, in tandem with the Shasta Cascade Wonderland Association, provides a comprehensive marketing program to promote both Redding and the region as a recreation paradise.

Redding also continues to develop as a service hub for the upstate region of northern California. As such, health care is one area of the service sectors that continues to see significant growth. This sector is valuable, not only because of the type of services that it provides, but also because of the fact that the jobs generated pay higher than the area average. The growth in this economic sector is largely due to market driven activity.

Also driven by market conditions is the business and professional services sector, another economic sector that has shown strong growth in Redding. Again, due to Redding's development as a regional hub, financial institutions, real estate agencies, and the legal profession are strong presences in the Redding area. Most of the job growth in this sector also produces employment at or above the area's average wages.

**CITY OF REDDING, CALIFORNIA
COUNCIL POLICY**

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ECONOMIC DEVELOPMENT PROGRAM	99-012	2101	12/08/98	9

DOWNTOWN REVITALIZATION

The Downtown Redding Specific Plan (Specific Plan) was adopted by the Redding City Council in January 2001, culminating nearly two years of hard work to develop a blueprint for revitalizing Downtown Redding. Adoption of the Specific Plan emphasizes the City's commitment to a revitalized Downtown area. The vision for Downtown is to see it become the social, cultural, and specialty retail center of the community.

For the past several years, the Redding Redevelopment Agency (Agency) has worked very closely with its Downtown stakeholder partners — Viva Downtown, the Downtown Redding Business Association, and Midtown Mall Benefit Corporation — and business and property owners to revitalize Downtown. The Downtown area is within the boundaries of the Market Street Redevelopment Project and, as such, has provided opportunity for the Agency to assist and invest in projects identified in the Specific Plan to enhance the viability for Downtown as a 24-hour district.

Some of the redevelopment projects that have enhanced Downtown revitalization include the Market Street and Yuba Street Streetscape Projects, the Cascade Theatre renovation project, rehabilitation of the Redding Hotel, the Downtown Mall roof removal project in concert with the Shasta College Health Sciences & University Center, the Cascade Square Retail Project development partnership, and the Storefront Improvement Loan Program.

In addition to these projects and others, the Agency is working hard to develop up to 300 housing units in the Downtown area over the next three to five years. The goal is to develop Downtown as a neighborhood with a balance of housing, shopping, jobs, and recreation. The Agency also has plans to enhance the Downtown Mall renovation by removing the remainder of the Downtown Mall roof by 2009. This investment will be a major step toward the ultimate revitalization of the entire Downtown Mall landscape.

INDUSTRIAL DEVELOPMENT INCENTIVES

The City of Redding Industrial Development Incentive Policy was revised in December 2004. The purpose of the policy is to provide economic incentives in the area of job credits, fee deferrals, traffic impact fees, and permit processing to enable Redding to compete with other communities for industry and jobs. The policy is also to facilitate the expansion of existing local industry by providing the same incentives for new job creation.

**CITY OF REDDING, CALIFORNIA
COUNCIL POLICY**

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ECONOMIC DEVELOPMENT PROGRAM	99-012	2101	12/08/98	10

- Job Credits, Fee Deferrals and Fee Waivers

Primary industries that create not less than 10 new full time jobs which pay a wage rate that meets or exceeds the medium wage rate for the County can qualify for this program (Council Policy #804).

- Traffic Impact Fee Waiver

For industrial companies meeting the criteria in the above referenced policy, traffic impact fees will be waived.

- Economic Development Electric Incentive Rate

The Redding Electric Utility (REU) has established an electric rate incentive schedule for industrial users.

- Expedited Permit Processing

The City understands that time is extremely valuable for business expansions and has developed an expedited process using an economic development planner to meet specific time lines.

Shasta Metro Enterprise Zone

The City of Redding, along with its Countywide economic development partners, has been successful in being awarded a coveted California Enterprise Zone designation. The original Shasta Metro Enterprise Zone was awarded on November 6, 1991, and expired 15 years later on November 6, 2006.

Knowing that the designation was expiring, the City of Redding and its partners collaborated in putting together another successful application, which was completed in September 2006. Once again the competition was keen, but the Shasta Metro Enterprise Zone conditional award was made on November 3, 2006. By putting forth the resources to complete the application and by taking advantage of excellent partnering relationships, the Cities of Redding, Anderson and Shasta Lake, along with the County of Shasta, were again successful in this endeavor.

The outcome of the new Enterprise Zone designation is significant State tax credits and other benefits that are available for local businesses.

**CITY OF REDDING, CALIFORNIA
COUNCIL POLICY**

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ECONOMIC DEVELOPMENT PROGRAM	99-012	2101	12/08/98	11

The Shasta Metro Enterprise Zone encompasses most commercial and industrial areas from Mountain Gate in the north to Cottonwood in the south. It is one of the largest enterprise zones in California and adds tremendous value to the businesses that are within the boundaries of the zone. The Shasta Metro Enterprise Zone application was the highest point scoring application in the competitive process.

Enterprise Zones in California provide significant tax benefits that can sharply reduce the amount of State tax liability for profits generated by companies within enterprise zone boundaries. It is a program that is easy to understand and easy to utilize. Enterprise Zone tax benefits are available for any existing company or any new company that opens a business within the boundaries of the zone.

Taxpayers investing or operating a business in the Shasta Metro Enterprise zone may be eligible for the following credits and deductions:

- Hiring credit
- Sales or use tax credit
- Business expenses deduction
- Net interest deduction for lenders
- Net operating loss carryover deduction

ECONOMIC DEVELOPMENT REPORTS AND RESOURCES

Redding and Shasta County have had the benefit of numerous studies and reports that relate directly to economic development planning. It is generally understood that before a community can “market” itself, it needs to know what its strengths and weaknesses are, as well as what is expected of it in the marketplace. Some of these studies and reports are specific to a project, while others relate more to more generalized information.

The Shasta County Workforce Report

Commissioned by the EDC, this report provides documentation on the number of people in the workforce that are “underemployed,” working in positions that are below their experience and/or education level. The importance of this kind of report is that it provides companies with some knowledge of workforce availability, which is not often available in other data.

Stillwater Business Park Targeted Industry Study

This document analyzes the industries that are most suitable for Stillwater and discusses important requirements as transportation, utilities, labor supply, etc. The study provides an overview of the industries, why they are expected to be growing and why they would be a good fit for Stillwater.

**CITY OF REDDING, CALIFORNIA
COUNCIL POLICY**

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER	EFFECTIVE DATE	PAGE
ECONOMIC DEVELOPMENT PROGRAM	99-012	2101	12/08/98	12

Stillwater Business Park Occupational Training Reports

This series of three reports prepared for Shasta College by Chabin Concepts — Target Occupation Research, Meeting Occupational Training Requirements, and Occupational Training Models — documents the occupational needs of the local employment base and the industries targeted for Stillwater. It also notes the specific skills, knowledge, and educational requirements for these occupations and the organizations in Shasta County that are currently providing occupational training. It offers sample curricula for two-year programs, certification programs, and custom training courses that will address the skills and knowledge requirements of the critical occupations.

Stillwater Business Park Economic Impact Study

In May 2006, a study was conducted by the Center for Economic Development at California State University, Chico to estimate the economic impact of the Stillwater Business Park at 33 percent, 66 percent, and 100 percent build-out.

Shasta County Economic Resource Alignment Plan

This is a review of the current level of collaboration among the existing economic development programs and services and the formalization of an interagency network to coordinate marketing and outreach efforts — Shasta Biz.

Historical Analysis of the Redding/Shasta County Economy

This Comparative Economic Analysis examines in great detail the composition, history, and trends of the Redding/Shasta County Metropolitan Statistical Area. By examining the contents of this report, the reader can gain significant insight as to what is driving the economy and how it compares to the rest of the nation.

Attachment: General Plan Economic Development Element

**Original Policy Adopted 12/08/98, by Resolution No. 99-012
Policy Amended February 5, 2008, by Resolution No. 2008-12**

Economic Development Element

INTRODUCTION

PURPOSE AND CONTENT

Economic development has received increasing attention over the past several decades as the region's natural resource-based and other industries have declined. Between 1988 and 1997, Shasta County lost 30 percent of its manufacturing base, or about 1,400 manufacturing jobs. During this same period, employment in the retail/service sector has increased dramatically, resulting in an over-concentration of low-wage jobs. While significant gains have been made over the years to attract additional industries to the area, it is clear that a multifaceted approach to economic development will bring increasing benefits. This approach must recognize the importance of attracting and retaining higher-paying primary industry and jobs and other types of industry that demonstrate strong economic benefit to the city and its citizens, while maintaining a commitment to creating a community that is attractive and well-planned. Redding should provide a rich cultural and recreational environment and display a commitment to its historic Downtown. It will take a sustained effort on these fronts to realize the growth in the economy and job base that is considered essential by the community. No single policy or approach will be as successful as a coordinated effort made in these areas.

This element establishes the basic framework that will guide economic growth over the coming years. Its underlying premise is threefold: First, the element recognizes the importance of attracting (and retaining) high-paying, primary industry jobs to the community. It recognizes that the growth in small- and medium-sized businesses will represent the best potential for job growth over the long term. This can be accomplished by focusing efforts on attracting new industry, assisting

existing local firms to grow, and ensuring that adequate infrastructure is provided.

Second, the element places importance on quality of life—on establishing a greater sense of community. It strives to create a city that has ample cultural, entertainment, and recreational opportunities. It also emphasizes the economic benefits that can be realized from attracting and accommodating additional convention activity. Together with the other elements of this Plan, the strategy also strives to create a more visually pleasing community by establishing policies that will result in more attractive streets and a better harmony between different land uses. In short, creating a community that will be sought out by business owners who value these attributes in a community in which they want to live as well as invest.

Third, the element recognizes the importance of generalized economic activity such as the retail and service industries. Service jobs, particularly for the medical industries, provide excellent wages and benefits. A healthy retail base provides the City with needed sales tax revenue to fund police and fire services as well as planning, parks, and other vital City functions.

This General Plan element complements existing City of Redding Council policies and establishes direction and guidelines concerning how and where the City of Redding's economic development efforts will be concentrated to obtain the greatest potential long-term returns. Guiding policies include the following topical areas: Business Attraction, Business Retention and Expansion, Use of Incentives for Job Creation, Quality of Life, Retail and Downtown Development, and Infrastructure Investments.

The overall goal of this element is to:

- ▶ Develop a strong and competitive economic base.
- ▶ Increase the average earnings per worker in the community and number of job opportunities in mid- to higher-wage rate areas.

- ▶ Provide adequate resources to ensure a high level of public services.
- ▶ Strike an appropriate balance between economic development efforts and maintaining the community's natural and manmade assets.

While the community must focus considerable energy and resources on attracting and promoting higher-paying industries, it must continue to attract retail, services, and tourist industries. It is these industries that currently provide the primary source of discretionary income for the City. Sales taxes in particular fund public-safety services, such as police and fire, as well as providing funds for community parks, planning, and other important and necessary services. Further, the medical industry has expanded significantly over the past two decades and continues to play a vital role in providing relatively high-wage, high-skill employment opportunities.

It is clear that attracting high-wage jobs will have a positive impact on the retail, services, and tourism industries. It will also lead to an increase in sales tax receipts for the City, since workers have more discretionary income to spend. However, the City also recognizes that additional strategies must be initiated to work in concert with industrial expansions.

AUTHORITY

In addition to the General Plan elements listed in Government Code Section 65302, local governments may adopt "any other elements or address any other subjects which . . . relate to the physical development of the county or city" (Government Code Section 65303). The Economic Development Element is an optional element that provides specific guidance on industrial, retail, and related development in the City.

GOALS AND POLICIES

BUSINESS ATTRACTION, EXPANSION, AND RETENTION

This section addresses efforts that the City will make in bringing additional primary industries, jobs, and other types of industry that demonstrate strong economic benefit to the city of Redding as well as protecting the job base that we currently have. The principal focus of the City's efforts should be on small- and medium-sized businesses which demonstrate a long-term commitment to the community. Accomplishment will require a focused effort on the part of numerous organizations, all working toward this common goal.

It should be noted that there are circumstances where it will be in the City's best interest to provide incentives to stimulate the local economy beyond that which would normally occur without public-sector involvement. Incentives are appropriate when the additional revenues or benefits received from a project are greater than the cost of the incentives provided by the City. In exceptional cases, the City may choose to participate financially in a project in the absence of a direct employment, revenue, or image-enhancement benefit. Direct City financial participation in a project should occur when the City's participation is key to the success of the development and the development directly fulfills an important community health, safety, and well-being goal. Examples may include a project that creates higher-paying jobs or a project that acts as a catalyst to bring other desirable projects into the City.

The Redding City Council has adopted numerous policies intended to facilitate economic growth. The following goals and policies are intended to complement and expand upon existing and future Council policies regarding economic development.

GOAL

ED1

ATTRACT NEW PRIMARY AND OTHER INDUSTRIES WHICH ARE PROVEN TO PROVIDE HIGHER-PAYING JOBS AND MULTIPLIERS THAT WILL CREATE A MORE BALANCED AND STABLE ECONOMY.

Policies to achieve this goal are to:

- ED1A. Maintain an inventory of developable industrial land free of significant development constraints in order to accommodate projected industrial growth over a 20-year time frame.
- ED1B. Establish an economic development fund using a portion of proceeds from the sale of surplus property or other appropriate revenue sources to acquire/improve industrial sites, provide financial incentives, or to undertake other initiatives to accomplish the goals of this element.
- ED1C. Facilitate the acquisition and development of one or more large industrial sites as a means of attracting appropriate industrial or distribution facilities.
- ED1D. Continue to utilize the Shasta Metro Enterprise Zone, the job credit incentive program, and other economic incentives to attract primary and other industries to Redding.
- ED1E. Work with the Economic Development Corporation, Shasta County, the Cities of Shasta Lake and Anderson, and other appropriate entities to market the area's opportunities to those industries with the highest potential of meeting economic and fiscal goals.
- ED1F. Facilitate appropriate training for both existing jobs and in preparation for the needs of new employers by:
 - ▶ Supporting practical job training and vocational programs geared to specific industries and occupational needs within the community.

- ▶ Continuing to encourage the development of a four-year university within the region.
- ▶ Attracting technical and business schools to the City.

ED1G. Pursue environmental mitigation strategies designed to remove impediments to industrial growth, including mitigation banks, habitat conservation plans, regional storm-water detention, and air quality programs.

ED1H. Facilitate establishment of air cargo and similar transportation- and aviation-oriented businesses at the Redding Municipal Airport through appropriate facility planning and expansions.

ED1I. Encourage and facilitate the establishment of a rail-side facility for freight-container loading/unloading in cooperation of the Union Pacific Railroad to augment rail transportation opportunities.

ED1J. Streamline the development and economic development process through code revisions and internal policies and project review efficiencies.

ED1K. Support public and private efforts to create viable incubator projects and other appropriate programs.

ED1L. Explore opportunities to leverage existing utility infrastructure to provide high-bandwidth telecommunication connections to properties in industrial areas.

G O A L **FACILITATE THE RETENTION AND EXPANSION OF EXISTING BUSINESSES.**

ED2

Policies to achieve this goal are to:

ED2A. Identify and remedy any City impediments to the retention/expansion of existing businesses in Redding.

ED2B. Foster a better business climate by enhancing communication among the business community and City administration.

ED2C. Develop a Business Retention and Expansion Incentive Program for existing primary industries and other industries that provide higher-paying jobs and multipliers within the local economy.

G O A L **UTILIZE ECONOMIC INCENTIVES IN A COST-EFFECTIVE MANNER; ENSURE THAT THE USE OF INCENTIVE RESULTS IN SUBSTANTIAL BENEFITS TO THE RESIDENTS OF THE CITY.**

ED3

Policies to achieve this goal are to:

ED3A. Utilize City-sponsored incentives for those businesses that demonstrate a long-term commitment to the community.

ED3B. Ensure that City-sponsored incentives provided will result in a net economic benefit for the City and its residents.

ED3C. Utilize incentives in a manner that maintains community standards and a sound financial base for infrastructure.

ED3D. Analyze proposed incentives from both fiscal and economic perspectives, including using a return on investment methodology.

ED3E. Leverage funds for City-sponsored incentives from a combination of sources such as redevelopment, Community Development Block Grant, and other programs where feasible.

COMMUNITY IMAGE

The image a community portrays is a vital component of economic development. Redding must continue to mature into a city that looks beyond providing basic needs for its citizens. It must also strive to become a community where excellence in civic, cultural, educational, and the natural environment are the norm.

The Community Development and Design Element addresses a number of actions and policies to accomplish this end. These include strong code enforcement efforts; provision of adequate infrastructure; and supplementation of plans for educational, cultural, and recreational opportunities, as well as other measures.

GOAL

ED4

PRESERVE AND ENHANCE THE COMMUNITY ASSETS AND CHARACTER WHICH MAKE THE COMMUNITY AN ATTRACTIVE AREA TO LIVE, WORK, AND INVEST.

Policies to achieve this goal are to:

ED4A. Develop and implement plans for enhancement of educational, cultural, and recreational facilities for the City that attract visitors and improve the quality of life for residents, such as:

- ▶ Developing a sports complex.
- ▶ Completing the Turtle Bay Museum Complex and Sacramento River pedestrian bridge.
- ▶ Developing the Park Marina riverfront area.
- ▶ Adding to the existing and proposed trails network
- ▶ Expanding existing and adding new community parks.
- ▶ Integrating public art into the life of the community.
- ▶ Providing a full-service library.
- ▶ Facilitating community events, such as MarketFest, Kool April Nites, Redding Jazz Festival, and similar events.

ED4B. Develop multiuse, public-assembly facilities in support of the conventions and hospitality industry and as a means of enhancing the

cultural level of the community and the quality of life.

RETAIL AND SERVICE INDUSTRIES

A large portion of the City's revenue is derived from the retail industry. It is this revenue which enables the City to provide a variety of necessary public services such as police and fire protection, parks, and other services. The regional nature of Redding's retail market (approximately 27,000 square miles) significantly enhances the ability of the City to provide public services at a level that surpasses many similarly sized cities because of the considerable sales tax that is captured.

The community need not rely solely on the trade area noted above for the health of the retail and service sectors. A tremendous opportunity exists for attracting conventions that bring additional dollars to the community from outside this area. The natural recreational amenities offered by this region, together with an impressive variety of lodging and eating establishments, clearly suggest that the potential for an increase in convention activity is untapped.

GOAL

ED5

MAINTAIN AND EXPAND REDDING'S INFLUENCE AS A REGIONAL RETAIL TRADE CENTER.

Policies to achieve this goal are to:

ED5A. Pursue development of a new convention center and conference facilities in order to remain competitive in the convention industry.

ED5B. Encourage proposals for major shopping, specialty retail, cultural, entertainment, tourism, and convention facilities that are regional in scope and which will strengthen Redding's position as the North State hub for these activities.

ED5C. Consider providing financial incentives for regional retail developments where retail sales leakage will be reduced. Establish return-on-investment criteria for public funds.

- ED5D. Support efforts to increase the number of businesses operating in Redding to generate more sales tax, transient occupancy tax, and business and personal property taxes.
- ED5E. Aggressively promote the City to the visitor and convention markets.
- ED5F. Support efforts directed at capturing sales taxes from Internet and catalog sales.
- ED5G. Support efforts to expand medical facilities and services in the community.

- ED6B. Preserve and enhance historic structures that contribute to the unique character of Downtown and add to the Downtown pedestrian retail attraction.
- ED6C. Explore the feasibility of assuming responsibility for portions of the State highway system in Downtown.
- ED6D. Facilitate additional attractions and amenities that bring people Downtown, including restaurants, local shopping, festivals/special events, and entertainment.

DOWNTOWN REVITALIZATION

A vibrant downtown says much about a community. It is a place where businesses thrive and cultural events and entertainment opportunities abound. It is a setting that provides a true heart to a community and expresses the community's basic values. A strong downtown conveys a positive message to prospective businesses about the community's pride and concern.

GOAL

ED6

ESTABLISH THE DOWNTOWN AREA AS A VIBRANT, HEALTHY CITY CORE THAT SERVES AS THE CITY'S SOCIAL, CULTURAL, AND SPECIALTY RETAIL CENTER.

- ED6E. Encourage retail diversity, including the establishment of small specialty retail shops in the Downtown and Park Marina Drive areas.
- ED6F. Facilitate and promote the expansion of cultural and entertainment opportunities Downtown that will attract retail customers during nonpeak hours.
- ED6G. Encourage Shasta College, Simpson College, Chico State University, and other institutions to conduct evening classes Downtown to expand retailing opportunities into the evening hours.

Policies to achieve this goal are to:

- ED6A. Facilitate the revitalization and redevelopment of the Downtown Redding core.