

---

# 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.

---

## **GOAL ED2**

### **FACILITATE THE RETENTION AND EXPANSION OF EXISTING BUSINESSES.**

---

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.

---

## **GOAL ED3**

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

---

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.

**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.**

---

**Policies to achieve this goal are to:**

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