



ECONOMIC DEVELOPMENT ELEMENT

INTRODUCTION

This Element describes the City's goals, policies, and implementation programs to address job creation and other aspects of economic development between the present and 2030. Under California law, (Planning and Zoning Law, Government Code Section 65000 et seq.) economic development is not a mandatory element of a general plan. However, under California law, each community may decide the need for policy direction. Optional general plan elements may be prepared to address issues of particular local importance.

During the public outreach for this General Plan update, citizens, the General Plan Steering Committee, and decision makers determined that job generation and other economic development goals are some of the most important contributors to the local quality of life. The inclusion of this optional Economic Development Element is a reflection of the high priority of these issues for the community.

KEY ISSUES

A number of key issues guide the content and focus of this Economic Development Element:

- ✓ **High unemployment.** The city has the highest annual average unemployment rate in Sutter County. In part, this is a reflection of the predominance of agriculture in the local economy, a sector in which seasonal unemployment is high. The city is estimated to have fewer than 1,100 jobs to serve a local labor force of 2,700 people.
- ✓ **Jobs/housing balance.** With a jobs/housing balance of 0.48, many employed residents in the city commute to job centers as far away as the Sacramento region. In addition to contributing to traffic congestion and air quality problems, Live Oak is missing out on tax base that would be available if there was more local employment for residents.
- ✓ **Locational assets.** As a business location, Live Oak offers access to the northern California market along State Route (SR) 99. However, given the proximity of Yuba City at the junction of SR 99 and SR 20, as well as the larger cities in Butte County, Live Oak serves primarily a local market. However, it has a growing, skilled workforce and would be a suitable location for businesses interested more in telecommunications access to their markets than in physical transportation of goods.
- ✓ **Lack of retail base.** An important segment of the tax base is the retail sector, which generates sales taxes. In today's fiscal environment, the sales tax is a critical part of the City's revenue base. A healthy sales tax base is important for maintaining adequate community services. A vibrant and diverse commercial sector also contributes to the quality of life in the community and the appeal of Live Oak to residents and visitors alike. Live Oak retail businesses are primarily local serving, with grocery stores and eating places composing more than 50 percent of retail sales.



- ✓ **Need to create a downtown core area.** The city's historic downtown, centered primarily on the three-block frontage along Broadway between Pennington and Elm, contains historic buildings relevant to the City's past. In and around this existing historic downtown are vacant and underutilized properties. Looking beyond the very small historic downtown, the City envisions the creation of a vibrant downtown core area that could provide a central gathering place for residents, businesses, and visitors. However, the low levels of retail spending in the community and the lack of investment in the buildings and other improvements in this area today create challenges for redevelopment of the community's core. As new neighborhoods are created around the edge of the community and neighborhood commercial centers are developed to serve these new residential areas, it will be particularly important to maintain focus on the function, importance, and quality of the emerging downtown core. The City will need to provide many connections to and from the newly created downtown area from new neighborhoods. The City will need to increase development and activity in and around the downtown core area commensurate with the eventual overall size of the community.
- ✓ **Fiscal condition.** The economic development program should be geared to improving the fiscal strength of the community, so that City services can be maintained and expanded with population growth. The City will need a strategy to attract businesses and structure the development process to enhance the tax base and provide a positive net fiscal impact for the community.

CONTEXT

The City of Live Oak envisions substantial growth during the time frame of this General Plan (2030). As the Sacramento metropolitan area grows, Live Oak will see increased demand for new residential neighborhoods and business growth. Historically, development in Live Oak has been predominantly residential, while commercial growth has lagged behind population growth.

In terms of employment-producing industries, the city has a few agricultural processing facilities, but no major manufacturing industries. The Leo Chesney Center (a minimum security women's prison) is the city's largest employer, followed by the Live Oak Unified School District.

According to the 2000 Census, about 25 percent of the local labor force is employed in professional services, education, health, and public administration businesses and agencies. An additional 25 percent of the labor force is employed in manufacturing and distribution, while 25 percent are in farming. The remaining Live Oak workers are employed in various types of retail and service businesses.

One of the most important objectives of this General Plan is to ensure that economic development occurs along with residential growth. Economic development is required as the city grows to maintain and improve the fiscal balance, provide jobs for local workers, and enhance shopping opportunities and services available to city residents.



GOALS, POLICIES, AND IMPLEMENTATION PROGRAMS

Following are the City's goals, policies, and implementation programs addressing economic development. This information is presented according to five major topics, including: downtown and retail development, business attraction and job development, workforce development, business retention and expansion, and fiscal improvement.

DOWNTOWN CORE AREA AND RETAIL DEVELOPMENT

- Goal ED-1. Encourage development and redevelopment to create a vibrant commercial and civic center in the City's downtown core area.**
- Policy ED-1.1 The City will promote multiple functions (e.g., retail, entertainment, civic, cultural) that can contribute to the focus and depth of activities in the downtown core area (Figure ED-1).
- Policy ED-1.2 The City will encourage and provide incentives for mixed-use development in the downtown core area that adds nighttime, as well as daytime traffic and activities.
- Policy ED-1.3 The City will encourage multi-story development in the downtown core area in order to increase activity and market strength.

Implementation Program ED-1.1

The City will conduct a market analysis to determine the appropriate business mix in the downtown core area and throughout the community.

Implementation Program ED-1.2

The City will prepare urban design guidelines or a design manual addressing streetscapes, building façades, way-finding signs, and public space to enhance the attractiveness of the downtown core area.

Implementation Program ED-1.3

Following General Plan adoption, the City will comprehensively revise the Zoning Code and Public Works Improvement Standards. As a part of this effort, the City will make any necessary changes to encourage and incent mixed-use and higher-density development in the downtown core area.

Implementation Program ED-1.4

The City Redevelopment Agency will use authority and funding available under California Redevelopment Law to stimulate catalytic projects in the downtown core area.

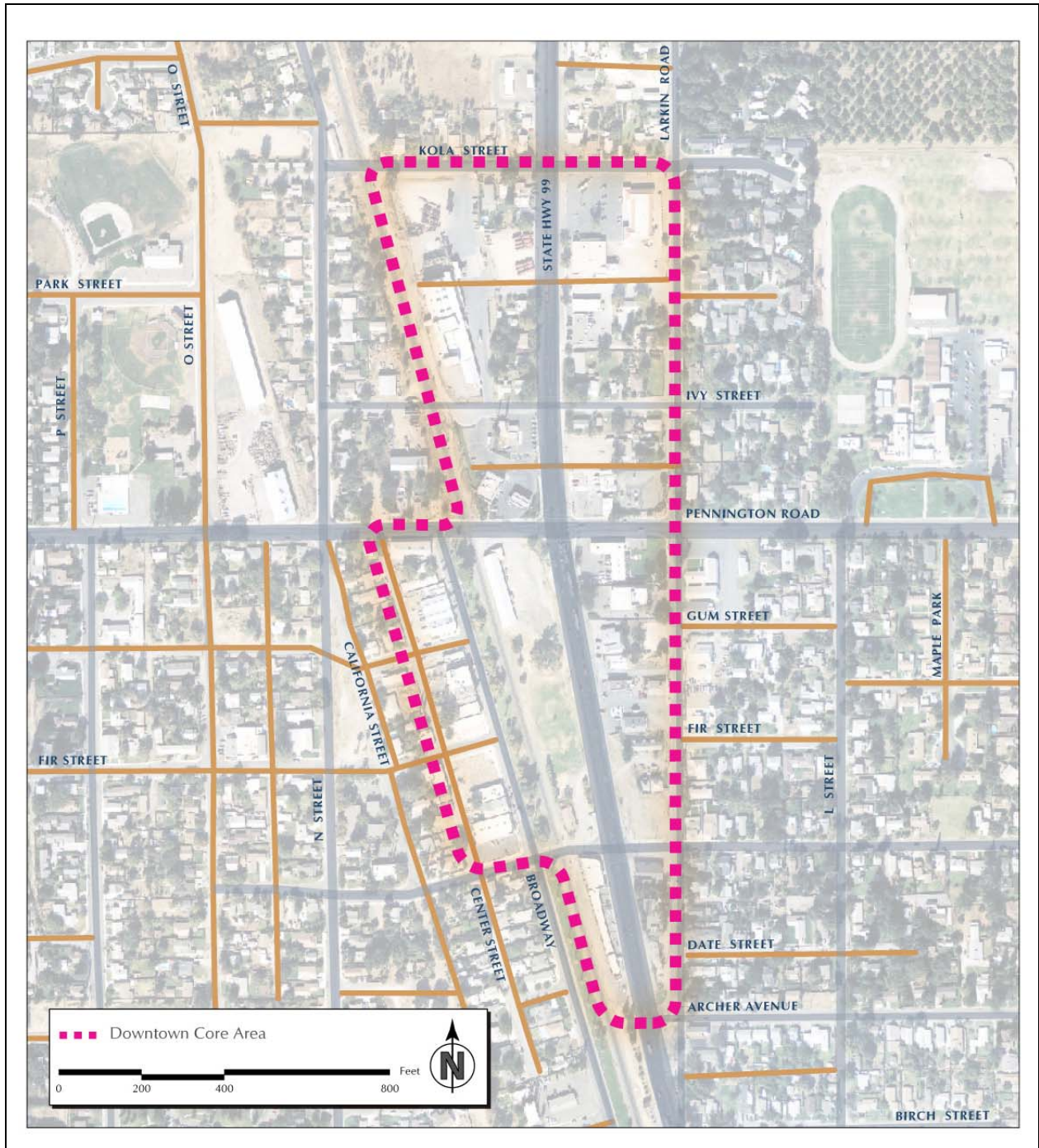


Figure ED-1
Live Oak Downtown Core Area



Implementation Program ED-1.5

The City will explore opportunities with merchants and property owners to implement a main-street style approach to revitalization of the downtown core area. If practical, this approach can help coordinate business enhancements with design improvements to create a more vibrant downtown environment.

Goal ED-2. Promote retail development in appropriate locations in the city to provide the maximum feasible shopping opportunities for local residents, visitors, and travelers along SR 99.

Policy ED-2.1 The City will provide for sites of appropriate size and location for neighborhood and community-serving retail centers, phased in accordance with residential growth.

Implementation Program ED-2.1

The City will prepare marketing materials to demonstrate to targeted retailers the business potential, both currently and in the future, of locations in Live Oak.

BUSINESS ATTRACTION AND JOB DEVELOPMENT

Goal ED-3. Attract and develop new employment uses in Live Oak that can provide jobs for local workers, enhance the City's tax base, and diversify the local economy.

Policy ED-3.1 The City will provide for suitable business sites and locations to support a variety of business types, including manufacturing, office development, and visitor-serving businesses.

Policy ED-3.2 The City will coordinate with Sutter County to ensure a mutual City-County benefit from agricultural processing plants that locate near Live Oak.

Policy ED-3.3 The City will identify and proactively engage agricultural service businesses that could locate in Live Oak and support nearby agricultural processing and sales.

Policy ED-3.4 The City will encourage development of lodging and restaurants in Live Oak to better capture the benefit of tourism in the region, particularly as new visitor attractions are developed at Sutter Buttes and along the Feather River.

Policy ED-3.5 The City will identify creative approaches to funding and constructing necessary infrastructure improvements in advance of business growth and development in the community.

Policy ED-3.6 The City will target attracting the types of industries that are not only suited to the assets offered by Live Oak's location, but also industries that will provide viable career ladders for local workers, from entry level through management positions.



Policy ED-3.7 The City will maintain and enhance a strong business climate in the community through a high level of customer service from City departments involved in business development and expansion projects.

Implementation Program ED-3.1

The City will maintain cooperative working relationships with regional economic development partners, including the Yuba-Sutter Economic Development Corporation and other appropriate regional entities, to help leverage the City’s limited marketing resources.

Implementation Program ED-3.2

Following General Plan adoption, the City will develop an economic strategic plan that inventories the City’s locational assets, such as access along SR 99 and a diverse workforce, and identifies potential target industries. The City will explore business opportunities related to specialty food processing, new energy technologies, health care, agricultural services, and other potential local growth industries. The City will consider strategies to address wastewater demand associated with new industries as a part of the wastewater master plan (see the Public Utilities, Services, and Facilities Element).

Implementation Program ED-3.3

The City will consider establishing funding mechanisms in which residential and mixed-use development contribute fair share fees toward the development of facilities and infrastructure needed to create a job base for the new resident workforce.

Implementation Program ED-3.4

The City will develop and publish a one-stop guide using a web-based format or other appropriate technology for businesses needing to secure project approvals and permits for new development and existing business expansion projects.

Implementation Program ED-3.5

The City will continue to use the Community Development Block Grant program and other economic development funding sources to improve the capacity of sites and infrastructure to support economic development.

WORKFORCE DEVELOPMENT

Goal ED-4. Promote job opportunities in the community that provide sustainable career opportunities for local workers.

Policy ED-4.1 The City will encourage growth in businesses that provide primary jobs with career ladder opportunities, particularly for workers transitioning from agricultural industries.

Policy ED-4.2 The City will leverage existing workforce training and job referral services provided by other agencies to help match job opportunities with local workers.



Policy ED-4.3 New development shall provide a diverse range of housing types to provide residential opportunities for the full range of workers in the community.

Implementation Program ED-4.1

Following General Plan adoption, the City will prepare an economic strategic plan that provides information about skills and occupational requirements of target industries. Action steps of the economic development strategic plan should involve necessary education and training to provide the local workforce with skills appropriate for target industries.

Implementation Program ED-4.2

The City will maintain and disseminate at City Hall current contact information for the major job training and referral agencies, including the State Employment Development Department, local colleges, and private agencies.

Implementation Program ED-4.3

The City will explore funding sources and partnerships with workforce agencies to conduct a survey of the commuter workforce in Live Oak to determine what skills and experience levels can be marketed to prospective business targets.

BUSINESS RETENTION AND EXPANSION

Goal ED-5. Foster growth and expansion among existing businesses in the community as a primary strategy for improving the economic health of the City.

Policy ED-5.1 The City will engage the business community in preparing an economic development strategy so that growth plans of local business can be anticipated and incorporated.

Policy ED-5.2 The City will accommodate, wherever possible, the needs of local business expansion, including adequate sites and designs for infrastructure and community facilities.

Policy ED-5.3 The City will provide timely and effective information to businesses to help them access services and resources needed to pursue expansion plans or maintain stable operations.

Implementation Program ED-5.1

The City will maintain a business resource guide, with assistance from the Yuba-Sutter Economic Development Corporation, to help local businesses network with available agencies that can provide assistance for access to capital, workforce training, planning, and other business needs.



FISCAL IMPROVEMENT

Goal ED-6. Attract and develop businesses that will enhance the tax base and provide a positive net fiscal impact for the community.

Policy ED-6.1 The City's economic development program should prioritize businesses that will help create a strong tax base for the community, particularly those that generate sales taxes.

Policy ED-6.2 City fee and funding programs will be structured to ensure that new development pays for its share of the cost of City services and facilities.

Policy ED-6.3 The City may consider the fiscal impact of proposed projects in its approval process to allow off-setting of fees and/or to establish a priority system for projects.

Implementation Program ED-6.1

Following General Plan adoption, the City will prepare an economic strategic plan that identifies and targets businesses that would have a strong potential to generate sales taxes and/or property taxes.

Implementation Program ED-6.2

The City will evaluate all its fee and assessment programs and make updates to ensure that user charges and fees keep pace with rising costs. The City may consider including escalation clauses in fee programs and user charges, if appropriate.

Implementation Program ED-6.3

The City will periodically review its fee and assessment programs to ensure they are reflective of the full cost of facilities and services.