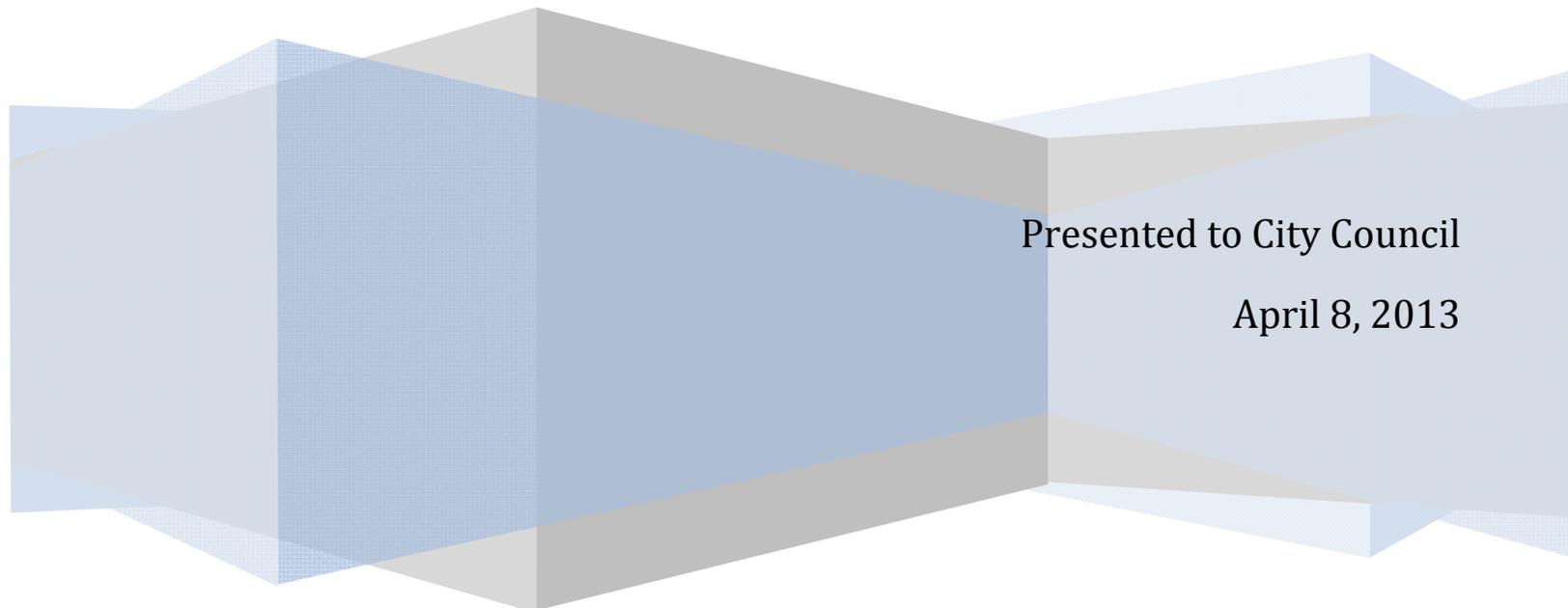


City of Solvang

Status Report: Economic Development Strategic Plan

Year One

3rd Quarter FY 2012/13



Presented to City Council

April 8, 2013

Background:

On June 11, 2012, the City Council approved the Economic Development Strategic Plan (EDSP) for the City of Solvang. The EDSP has a five-year implementation schedule for projects and procedural improvements to enhance and support the community's existing businesses, and to attract new businesses.

The EDSP has five initiatives which set forth the areas of focus.

Initiative #1: Strengthen & expand diversity and opportunity in Solvang's retail and service economy.

Initiative #2: Strengthen and expand Solvang's appeal to a broader cross section of visitors.

Initiative #3: Adopt more business-friendly policies and processes to encourage new investment and support business expansion.

Initiative #4: Promote and support business retention and expansion.

Initiative #5: Support the targeting and attraction of new business that complement Solvang's commercial character, leverage regional assets and/or serve local residents.

The initiatives are to be achieved by action items which were developed during the SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats).

This report describes the work performed on the Year 1 action items during the third quarter of FY 2012/13.

Status Report:

Initiative #1, Action No. 2: Permit greater flexibility in architectural design and other standards in the current Tourist Related Commercial District (TRC).

This action calls for updating the City's Design Guidelines. The goal of the update is to allow modern Danish architecture in the TRC while protecting design quality.

A sub-committee has been formed with Council Member Duus, Board of Architectural Review (BAR) members Melissa DeLeon and Ed Flynn, architect David Goldstien, and business owner Max Hanberg. The sub-committee meets monthly. When the sub-committee completes its review and recommendations, the recommendations will be reviewed by the Planning Commission, and then the City Council.

Status Report (Continued):

Initiative #1, Action No. 3.a: Improve adequacy of street lighting.

This item involves improving pedestrian lighting and crosswalk safety on Mission Drive. A three-year timeframe is identified for this project, as it will involve coordination with Caltrans and PG & E. A consultant contract for the Mission Drive Corridor Traffic Circulation Study was awarded on February 25, 2013. The study is anticipated to be completed by January 2014. As an initial step in the Study, a Public Workshop to discuss Mission Drive traffic issues, concerns and needs is scheduled for Wednesday, April 10, 2013 at 6:00 p.m. in the City Council Chambers.

Initiative #1, Action No. 3.b: Install directional signage at entries to Village.

During the SWOT analysis, the business group expressed the need for signage in the Village to direct visitors to retail facilities, especially those off Copenhagen Drive. This action calls for creation of a sub-committee to pursue this project. A sub-committee has been formed, and a preliminary proposal has been developed. The sub-committee anticipates bringing the proposal to Council in the spring.

Initiative #1, Action No. 3.c: Provide temporary closure of Village block defined in Tivoli Square Plan

During the SWOT analysis, some members of the business group expressed interest in pursuing street closures on Copenhagen Drive from Alisal Road to First Street, and on First Street from Copenhagen Drive to Mission Drive. This concept was introduced in the Tivoli Square Plan, which proposed permanent closure of these streets. Street closures in retail areas have mixed success, and after discussion, the group proposed to conduct several temporary closures to assess the level of success. Work has not begun on this action; it is anticipated that the temporary closures would be desired in the late spring or summer.

Initiative #2, Action No. 1: Pursue development of a conference center, possibly in the location of the existing Veterans' Memorial Hall.

A sub-committee has been formed for this action. Members include Mayor Richardson, Tracy Farhad of the Solvang Conference and Visitors Bureau, Mary Harris of the Santa Ynez Valley Hotel Association, Planning Commission Chair Aaron Petersen, Ken Harwood, and staff. The sub-committee has met twice, prepared a draft of a Request for Proposals for a feasibility analysis, and discussed scope and operation of a potential conference facility. The sub-committee has toured facilities in the area to view options for multi-functional facilities.

Status Report (Continued):

Initiative #3, Action No. 1: Create a new “Business Packet” for new businesses.

Work is underway on this action. In the first quarter, staff completed a handout on the newly revised Sign Ordinance, which is provided to new business owners. In the second quarter, staff completed a handout regarding change of use and commercial tenant improvements.

Initiative #3, Action No. 2: Provide applicants with clear and complete instructions for permit process.

Staff meets with applicants when projects are initially submitted to go over the review and approval process. Work is underway on a handout which will be included in the New Business packet.

Initiative #3, Action No. 3: Give counter staff ability to help applicants minimize multiple fee costs.

This is an ongoing practice; the service is currently provided. Staff meets with applicants prior to initial submittal of projects to advise of opportunities for phased work, particularly with BAR applications. This helps applicants plan for future work and minimize the number of reviews necessary for land use entitlements, which reduces fees and processing time.

Initiative #3, Action No. 5: Improve communication with business and real estate communities.

Council Member Duus and staff made a presentation to the Santa Ynez Valley Board of Realtors on December 4, 2012. The presentation addressed the Building and Planning process for tenant improvements. The presentation was well received and the Board expressed interest in future presentations to the group.

Initiative #3, Action No. 6: Explore the feasibility of hiring an “in house” plan checker.

Work has not commenced on this action item.

Initiative #4, Action No. 1: Establish Economic Development Partnership.

This item calls for expansion of the Economic Development Ad Hoc Committee to include Allan Hancock College, the Small Business Development Center, the Vintners Association, the Santa Ynez Valley Visitors Association, and the City of Buellton Chamber of Commerce. Staff will extend invitations to these groups for the next Economic Development group meeting.

Status Report (Continued):

Initiative #4, Action No. 2: Publish Economic & Demographic profile of Solvang.

The profile is now available on the City's website under the tab entitled "Doing Business."

Initiative #4, Action No. 3: Develop a dedicated Economic Development page on the City's website.

A three-year timeframe is identified for this project. To date, a "Doing Business" page has been added to the City's website. As handouts and other business assistance items are developed, staff will add these materials to the page.

Initiative #4, Action No. 4: Support the development and promotion of workshops and conferences for local businesses.

Staff gave a presentation to the Santa Ynez Valley Board of Realtors regarding tenant improvements and changes of occupancy. Staff has worked with the Chamber of Commerce to develop a monthly City Connection lunch program. The first lunch meeting was held on March 28th; staff provided copies of the revised Sign Ordinance and gave a presentation regarding the sign regulations.

Initiative #4, Action No. 5: Provide a venue for delivery of technical services to small businesses.

This action involves locating meeting space for small business assistance programs such as SBDC consultants and SCORE mentors. Work has not yet commenced on this action.

Initiative #4, Action No. 7: Encourage commercial landlords and brokers to list details of available property on Economic Development website page.

Staff will also assess the interest level of the realtors in making this information available.

Initiative #4, Action No. 8: Consider updating or revising City's logo.

The Economic Development group agreed to use the Centennial logo for economic development documents and on the "Doing Business" page on the website.

Status Report (Continued):

Initiative #5, Action No. 1: **Form a taskforce of stakeholders to clearly define and oversee the process.**

Initiative #5 focuses on new business attraction. This item calls for formation of a taskforce to clearly define the community's efforts and oversee the process. The taskforce would proceed with Actions 2 and 3 listed below.

Initiative #5, Action No. 2: **Retain the services of a tenant mix expert for retail, IT, medical, etc.**

Work has not yet commenced on this item.

Initiative #5, Action No. 3: **Develop a marketing plan.**

Work would commence on this item after the tenant mix/retail study is completed.