

ECONOMIC DEVELOPMENT STRATEGY AND IMPLEMENTATION PLAN

KICK-OFF MEETING

Wednesday, December 9, 2009

2:00 – 4:00 PM

Petaluma Community Center, Activity Room

320 N. McDowell Blvd., Petaluma, CA 94954

AGENDA

1. Introductions
2. Outline of Planning Process, Public Input Process, and Timeline
3. Future Meeting Dates
4. Public Comment

1. INTRODUCTIONS

City Manager, John Brown, introduced the members of the Advisory Group and the staff at Applied Development Economics to the audience.

2. OUTLINE OF PLANNING PROCESS, PUBLIC INPUT PROCESS, AND TIMELINE

ADE presented the timeline for both the technical work and the public input process. See attached timeline. The plan will be developed over a period of six months, and will involve five meetings with the Advisory Group, about 40 interviews with community stakeholders, four focus group meetings and a public forum.

Initial Discussion of Strengths, Weaknesses, Opportunities, Threats

To begin the process of identifying Petaluma's economic strengths and distinctiveness, ADE facilitated a discussion with the Advisory Group. Their discussion is summarized below.

Strengths

- Petaluma River – water transportation/water based industries.
 - Jerico – company located on river that harvests high-value calcium
 - Recreational boating
- Petaluma marsh (largest Sacramento marsh), 150K visitor days
- Dairy/agriculture – lots of support industries
 - Employment down 70% in 30 years
 - Organic niche
 - Food processing

- Blue collar/unionized workers
- Great work ethic
- Historic character of the city
 - Heritage tourism
 - Well-positioned downtown with river
 - Iron-front buildings
- Santa Rosa JC/CSU Sonoma
 - Add to interviews
- Hi-Tech – still significant, should have good futures
- Santa Rosa airport is important to business

Weaknesses

- Congested transportation system
 - Lots of commuters travel to Marin County to work
 - Most commuters go north to Sonoma County
- Isolated market that is bracketed by Novato/Rohnert Park
- Most expensive housing in Sonoma County; average wage is \$45K, can't live here
- Lack of parks, especially in the Southeast quadrant; lacking especially in regional parks
- Schools are good, but should be better
- Significant city staff cuts may decrease level and quality of services
- Lack of start-up spaces, particularly for arts-oriented businesses
- Need structural upgrades to downtown buildings, also sprinklers
- Fairgrounds not used efficiently or to fullest extent possible
- Cultural dichotomy: market divided north and south; the north seems to identify with Redwood Empire and the south seems to identify with San Francisco Bay Area

Opportunities

- Cultural, heritage and Eco-tourism, but would need more hotels
- Unrealized visitor potential; if had 100,000 sq. ft. convention space available for conventions and exhibits & hotel would be able to attract more visitors
- Fairgrounds could be used better
- SMART commuter train and future development of rail station area
- Art industry: expansion of arts and culture to attract visitors and spending
- Redevelopment Project Areas and Brownfield sites could be re-developed to be useful
- Petaluma enterprise fund
- Locational asset, top end of SF Bay and close to San Francisco (also threat)
- Leakage of medical care expenses to other cities
- Close to attractions but not services like SFO
- Potential good marketing location for food processing
- Lots of potential to expand sports facility

Threats

- Budget cuts at UC/CSU in long term will diminish attractiveness of state and region to businesses, especially tech industries
- Entire education system is under-funded
- State budget and the State's raiding of Redevelopment funds leaves less for city to work with
- Over-retailing – need right balance
- High cost of water/wastewater and rising
- Aging population – young people not returning to the City
- If ED strategy is not implemented; needs to be action-oriented; “Smart” course of action; Need broad organizational involvement in implementation; Need champions for economic development
- Political dissention among leaders
- Need public education

Stakeholder Interviews and Focus Group Participants

During the months of December and January, ADE will be conducting interviews with community stakeholders. In late January or early February, ADE will facilitate four focus group meetings. ADE asked the Advisory Committee and the City Manager to submit names of individuals to be interviewed. The Advisory Committee made the following suggestions for types of organizations that should be on the list of people to interview and to participate in focus group meetings:

- Retailers --local and national chain
- Latino community
- Labor
- Eco tourism
- NGO's
- Financial institutions
- Startup businesses – inventions and incubators
- JC/CSU – private schools
- Arts and culture
- RDA/Brownfields

3. FUTURE MEETING DATES

The next four meeting dates have not yet been determined, but are likely to be during the 1st or 2nd weeks of February, March, April and May.

4. PUBLIC COMMENT

At the end of the meeting, the public was encouraged to ask questions and offer comments on any of the agenda items. Public comments focused on participation in interviews and focus groups. The public suggested that the following categories of businesses, non-profits be included in the focus groups.

- Retail – Marketing directors, older centers
- Police/Fire unions

- Hi-Tech/Business parks
- Public access channel
- Heritage tourism
- Life sciences/medical/engineering/scientific
- Cultural tourism
- Tech and telecom advisory commission
- 1-Person professional specialties – Entrepreneurs, Home occupation
- Women in business
- Catalog firms
- Petaluma gap
- Viticulture separate from Agriculture
- Advertising/PR/Marketing firms
- Arts community very strong – two new galleries
- Email through business license – 2010 mailing?
- Non-profits eg. City Hall – lawn transformation
- Recently moved businesses, in and out

Other Public Comments

- Multiplier benefits of building local business suppliers
- What should be the incentives?
- Remove disincentives
- Look at locally-based models
- Better weather than San Francisco
- 80/20 reduce energy use – shift spending to local business