

REPORT TO GENERAL PLAN 2040 STEERING COMMITTEE

Subject: Economic Vitality Element Policies

EXECUTIVE SUMMARY

Staff has prepared Draft Economic Vitality policies for the 2040 General Plan. The policies incorporate feedback from City staff and the General Plan Steering Committee, as well as an “audit” of the policies in the prior (2020) General Plan. The new Economic Vitality Element is approximately the same length as the existing plan, but has been augmented with updated policies and action programs.

The proposed 2040 policies are included in this staff report. Attachment A compares the 2040 policies with the 2020 policies in two side-by-side columns, with a third column provided for Steering Committee comments.

REPORT

Background

The Economic Vitality Element is considered an “optional” element of the General Plan. A growing number of cities have adopted such elements in their plans, recognizing the relationship between the local economy and topics such as land use, housing, and transportation. In Marin County, Novato, Mill Valley, Sausalito, and the County of Marin have added economic elements to their Plan.

Overview

The Draft 2040 Economic Vitality Element includes three goals:

- (1) A healthy, sustainable economy
- (2) A range of goods and services
- (3) Distinctive business areas

The first goal focuses on attracting investment, creating jobs, supporting businesses, and creating positive fiscal conditions in the city. The second goal emphasizes San Rafael’s role as the business hub of Marin County and a full-service location for shopping, services, and hospitality. The third emphasizes the quality of the City’s business districts, including Downtown, Northgate, East San Rafael, industrial and business parks, and community and neighborhood centers. The goal supports creative, compatible infill development in each area.

The Draft Element incorporates feedback from the Steering Committee and City staff. Several Committee members submitted written comments on the Economic Vitality policy audit provided in July 2019. In addition, oral comments from the July 10, 2019 Steering Committee meeting were reviewed to identify new issues and potential policies and programs. Staff also considered input from the City's Economic Development Department, the findings of the baseline report completed by the General Plan economic consultant, and "best practices" in other general plans.

Policies

The proposed Economic Vitality goals, policies, and programs are included on the following pages. There are 21 policies (there were 17 in the prior plan), summarized below:

- Policy 1.1 emphasizes the importance of a strong economy to the City's fiscal health and quality of life.
- Policy 1.2 addresses partnerships and positive relationships between the City and business community.
- Policy 1.3 addresses business attraction. It calls for a City economic development strategy.
- Policy 1.4 encourages a business-supportive environment in the city.
- Policy 1.5 is a new policy covering San Rafael's marketing and branding.
- Policy 1.6 carries forward an existing workforce housing policy.
- Policy 1.7 addresses workforce development (this was a Program in General Plan 2020).
- Policy 1.8 promotes sustainable business practices and green businesses, tying in language from the Climate Action Plan and the Sustainability Element from General Plan 2020
- Policy 1.9 addresses economic resiliency and the engagement of the business community in disaster preparedness planning.

- Policy 2.1 emphasizes San Rafael's regional role as a "full service" city.
- Policy 2.2 addresses the health of the retail sector and its adaptation to national and regional trends.
- Policy 2.3 promotes local shopping and purchasing.
- Policy 2.4 calls for industrial land preservation.
- Policy 2.5 recommends a robust tourism and hospitality sector.

- Policy 3.1 addresses the quality of the City's business districts.
- Policy 3.2 covers revitalization and upgrading of older commercial and industrial properties.
- Policy 3.3 recognizes the importance of authenticity to San Rafael's economic success. This is a new policy.
- Policy 3.4 emphasizes the city's economic identity as a waterfront city. This is a new policy.
- Policy 3.5 calls for investment in business-supportive infrastructure. This is a new policy.
- Policy 3.6 addresses relationships between the business community and nearby neighborhoods.
- Policy 3.7 encourages creative infill development. This was expressed as a Goal in General Plan 2020.

Economic Vitality Element

GOAL EV-1: A HEALTHY AND SUSTAINABLE ECONOMY

Maintain a healthy and sustainable local economy that attracts investment, creates jobs, and provides services for residents and visitors. *San Rafael will strive for a diversified tax base that provides the revenue needed to sustain City services and infrastructure while maintaining fiscal health. The City will adapt to economic change and foster the success of local businesses.* Goal 8

POLICY EV-1.1: QUALITY OF LIFE

Recognize the importance of a healthy economy to the quality of life, especially the ability to provide excellent schools, public safety services, recreation, and other government services. Policy EV-1

Program EV-1.1A: Education About the Local Economy. *Continue to provide information to decision-makers and the public about the inter-relationship of community life and economic vitality. This should include data on the local economy, including indicators of San Rafael's economic health.* Program EV-1A and 1B

Program EV-1.1B: Economic and Fiscal Impacts. *Continue to evaluate economic and fiscal impacts in reports to the Planning Commission and City Council. Land use decisions should consider potential City revenues and costs, impacts on jobs and housing, the potential for community benefits, and opportunity COSTS.* Program EV-4A

POLICY EV-1.2: RELATIONSHIP BUILDING

Strengthen positive working relationships between the City and the business community, neighborhoods, and surrounding communities. Policy EV-5

Program EV-1.2A: Chamber of Commerce and Business Improvement District. *Sustain partnerships with the Chamber of Commerce and Downtown Business Improvement District to improve the business climate and support local businesses.* Programs EV-2a and 5C

Program EV-1.2B: Commercial Broker Relationships. *Engage the local commercial real estate and development community in identifying and resolving barriers to doing business in San Rafael.* New

Program EV-1.2C: Marin County Economic Forum. *Work with the Marin County Economic Forum to improve the economic health of the region and encourage businesses success in San Rafael.* Program EV-5A

Program EV-1.2D: Communications with Residents. *Regularly communicate with residents on economic issues through meetings with neighborhood associations, the City website, the Citizens Advisory Committee, and similar means.* Program EV-5B

POLICY EV-1.3: BUSINESS ATTRACTION

Build on San Rafael's strengths, including its location, housing diversity, transportation system, weather, scenery, history, culture, and people, to leverage economic growth and private investment. The City will work with local partners to attract businesses that enhance and diversify the City's economy. Replaces Program EV-2C

Program EV-1.3A: Economic Development Strategy. *Develop and periodically update an Economic Development Strategy that provides guidance for maintaining economic health, fostering business success, and responding to economic trends.* New Program

Program EV-1.3B: Industry Clusters and Supply Chains. *Identify core industries and develop economic development programs to attract these business types. Encourage supply chains for core industries and encourage business-to-business relationships.* New

POLICY EV-1.4: BUSINESS SUPPORT

Create a favorable environment for business in San Rafael. Maintain ongoing communication with the business community and respond to needs and concerns as they arise. Replaces Policy EV-2 and EV-9

Program EV-1.4A: Development Opportunities. *Provide site location assistance to developers and prospective businesses by maintaining data on vacant and underutilized sites in the City, including vacant buildings. Data should include allowable uses and intensity, site availability, and potential issues.* Program EV-2B

Program EV-1.4B: Permit and Technical Assistance. *Where feasible, provide ombudsperson services to assist local businesses. Seek opportunities to innovate with technology to help improve service delivery.* New

Program EV-1.4C: Small Business Support. *Partner with the Marin Small Business Development Center to provide small business advisory and training opportunities including business plan development, marketing and social media, human resources strategies, and access to capital/investment.* Program EV-9A

Program EV-1.4D: Business Incubation. *Encourage business mentoring, education, and incubation programs that could be undertaken in cooperation with public, institutional and/or private sector partners.* Program EV-9B

Program EV-1.4E: Business Recognition. *Support recognition programs for exemplary businesses, such as annual awards programs.* New

POLICY EV-1.5: MARKETING AND BRANDING

Encourage and support marketing and branding efforts that promote San Rafael. New

Program EV-1.5A: Media Relations. *Generate media coverage that communicates a positive image of San Rafael and increases the City's recognition as a great place to do business. Implement social media strategies that reinforce this message.* New

Program EV-1.5B: Competitive Edge. *Market San Rafael's competitive edge relative to other Marin cities and mid-sized Bay Area cities. San Rafael's branding should highlight the City's reputation as the business, civic, cultural, dining, and entertainment hub of Marin County.* New

POLICY EV-1.6: WORKFORCE HOUSING

Aggressively encourage creation and retention of housing that is affordable to low and moderate-income wage earners providing essential local services, such as public safety, health care, elder care, and education. Policy EV-12

Program EV-1.6A: Benefits of Workforce Housing. Work with community partners to educate residents regarding the benefits of workforce housing. Program EV-12A

Program EV-1.6B: School Partnerships. Work with local school districts to explore opportunities to build housing for teachers, public safety employees, and other essential service employees on public land.

Prog 12B

POLICY EV-1.7: WORKFORCE DEVELOPMENT

Support education and workforce development programs that improve access to employment and promote career advancement for all San Rafael residents. Program EV-10C

Program EV-1.7A. Workforce Development Programs. Support the efforts of businesses, labor organizations, non-profits, schools, and the public sector in providing job training and other services that help San Rafael residents find local employment. Policy EV-10

Program EV-1.7B. Mentoring Programs. Continue to participate in mentoring, apprenticeship, and internship programs, including participation in programs run by other agencies and organizations. Program EV-10A

Program EV-1.7C: English as a Second Language. Continue to support community wide efforts to provide English as a Second Language (ESL) training, citizenship, and other educational programs for foreign-born residents. Program EV-10B

POLICY EV-1.8: SUSTAINABLE BUSINESS PRACTICES

Promote sustainable business practices that reduce the consumption of non-renewable resources and support the City's climate action goals. Policy EV-7

Program EV-1.8A: Green Economy. Support the creation of environmentally beneficial jobs and green businesses opportunities. Policy SU-12, Program SU-12A, SU-12C

Program EV-1.8B: Green Business Practices. Coordinate with Marin County, environmental organizations and the Chamber of Commerce to promote greener business practices and participation in the County's Green Business Program. Program EV-7A, Program SU-12B, and CCAP CE-E5

Program EV-1.8C: Innovation Working Group. Convene an economic development and innovation working group to explore ways to move toward a low-carbon economy while fostering local business success. (CCAP Program CE-C4)

Program EV-1.8D: CCAP Implementation. Work with local business to help achieve the goals of the 2030 Climate Change Action Plan (CCAP), including a shift toward renewable energy, reduced waste, increased composting, and low-carbon transportation. New

POLICY EV-1.9: ECONOMIC RESILIENCE

Encourage economic resilience, including energy independence and improved ability to function after a natural disaster. New

Program EV-1.9A: Business Engagement. Actively engage the business community in disaster preparedness planning.

GOAL EV-2: A RANGE OF GOODS AND SERVICES

Sustain a diverse and balanced local economy that provides a wide range of goods, services, and opportunities. San Rafael is widely recognized as Marin’s “go to” city for shopping, dining, entertainment, and an array of day-to-day and specialized services. Local businesses provide jobs in both traditional and emerging sectors of the regional economy. *Goal 9*

POLICY EV-2.1: FULL-SERVICE CITY

Keep San Rafael a full-service city by retaining and supporting a broad range of businesses. *Policy EV-8*

POLICY EV-2.2: RETAIL SECTOR

Respond to changes in the retail economy so that San Rafael’s commercial areas can adapt and remain an integral part of the City’s economy. *Policy EV-7*

Program EV-2.2A: Shopping Center Evaluation. Periodically evaluate the performance of the City’s retail centers. Use the data to help improve retail performance or assist centers with attracting other compatible uses. *New*

POLICY EV-2.3: PROMOTING LOCAL PURCHASING

Encourage local purchasing of goods and services by residents, workers, businesses and City government in order to cycle dollars back into the local economy, support local businesses, and generate revenue for the City. *Policy EV-6*

Program EV-2.3A: Local Shopping Campaigns. Support campaigns to “Shop Locally” and raise awareness about the benefits of supporting local businesses. *Program EV-6B*

Program EV-2.3B: Event Promotion. Continue to promote events that bring people to Downtown, Northgate and other community commercial centers to support local businesses. *Program EV-6A*

Program EV-2.3C: Local Preference. Continue to explore the viability of a local business preference policy for City purchases of goods and services. *Program EV-6C*

Program EV-2.3D: Day and Evening Visitors. Attract a variety of retail businesses to encourage patronage during both day and evening hours. *Program EV-4c*

POLICY EV-2.4: INDUSTRIAL LAND SUPPLY

Preserve the City’s supply of industrial land. *Policy EV-8*

Program EV-2.4A: Industrial Zoning. Maintain zoning for industrial areas to prevent a loss of industrial businesses. *Program EV-8B*

POLICY EV-2.5: TOURISM

Recognize and support tourism as a significant contributor to San Rafael's economy. Policy EV-3

Program EV-2.5A: Tourism Strategies. Explore strategies to enhance local tourism, improve hotel and conference facilities, and support tourism programs of the Chamber, Downtown Business Improvement District, and Marin County Visitors Bureau. Program EV-3A

Program EV-2.5B: Downtown Arts District. Support the Downtown Cultural Arts District through marketing, programs, and partnerships. New

Program EV-2.5C: Special Events. Encourage special events and festivals that draw visitors to San Rafael, showcase its vibrant arts and cultural scene, and have net positive effects on local businesses and City revenues. New

Program EV-2.5D: Transient Occupancy Taxes (TOT). Explore ways to increase economic development program funding through increased TOT revenues. Program EV- 3D

See the Land Use Element for policies on home occupations. See the Mobility Element for policies on telecommuting, flextime, and other strategies to reduce peak hour commuting.

Goal EV-3: DISTINCTIVE BUSINESS AREAS

Sustain vital, attractive, distinct business areas. Downtown, Northgate, West Francisco, East San Rafael, and the Miracle Mile each play a unique and complementary role in the City's economy. These districts are complemented by attractive, convenient neighborhood centers that provide local services and gathering places. Goal 10

POLICY EV-3.1: BUSINESS AREAS

Strengthen the positive qualities of each business area in San Rafael to create a stronger sense of place and brand identity. Policy EV-13

Program 3.1A: Zoning Regulations. Ensure that zoning regulations for each business area help support their unique economic role and enhance their identity as satisfying, attractive places. Program EV-13A

POLICY EV-3.2: REVITALIZATION

Support and encourage redevelopment and upgrading of commercial and industrial properties while retaining economic and business diversity. The City should work with property owners, businesses, and business organizations to address issues such as parking, beautification and landscaping, streetscape improvements, and circulation and access. Policy EV-14

Program EV-3.2A: Business Improvement Districts. Support the use of BIDs to improve services to business districts and provide a funding source for localized improvements. New

Program EV-3.2B: Public Private Partnerships. Encourage public/private partnerships as one means of revitalizing deteriorated and underdeveloped areas. Policy EV-16

Program EV-3.2C: Business Assistance Programs. *Explore the feasibility of programs to assist local businesses with property improvements, such as landscaping, signage, façade improvements, and design assistance. New*

POLICY EV-3.3: AUTHENTICITY

Recognize the value of local historic resources as an economic asset and placemaking tool that distinguishes San Rafael from other cities. Leverage historic buildings, sites, and districts to promote the city as an authentic and distinct place. *New*

POLICY EV-3.4: WATERFRONT

Enhance San Rafael’s identity as a waterfront city. Leverage opportunities to create attractive waterfront gathering places and vistas along the San Rafael Canal and San Francisco Bay shoreline for business, visitors, and residents. *New*

POLICY EV-3.5: BUSINESS INFRASTRUCTURE

Support investment in telecommunications infrastructure so that San Rafael’s business districts remain economically competitive and can meet changing business needs and technology requirements. *New*

See the Infrastructure Element for policies on fiber optics communication and similar services

POLICY EV-3.6: MUTUAL SUPPORT BETWEEN BUSINESS AREAS AND ADJACENT NEIGHBORHOODS

Promote productive relationships between residential neighborhoods and adjoining business areas. Policy EV-15

Program EV-3.6A: Business/Neighbor Collaboration. *Seek innovative ways for businesses and their residential neighbors to collaboratively solve mutual concerns and conflicts. Work with commercial property owners to encourage businesses that benefit local neighborhoods and contribute to their vitality.*

Program EV-15A

Program EV-3.6B Neighborhood Upgrades. *Use the planning and development review process to support improvements to commercial centers that can be used by workers and residents, such as community gathering places and child care facilities. Prog 15B*

POLICY EV-3.7: CREATIVE INFILL

Encourage creative infill development and redevelopment that maximizes existing resources and makes the best use of limited available space. Expedite the development review process by establishing clear expectations for design, and effectively involving the community. Goal 11/Policy EV-17

Program EV-3.7C: Pre-submittal Process. *Improve the efficiency and speed of the development review process by revisiting neighborhood notification and meeting procedures and updating the pre-submittal process to identify initial concerns and encourage higher quality applications. Program EV-17A*