

**REPORT TO THE
CITY COUNCIL**
City of Salinas, California

DATE: June 17, 2014

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Economic Development Element

SUBJECT: **PUBLIC REVIEW DRAFT OF THE GENERAL PLAN ECONOMIC
DEVELOPMENT ELEMENT**

RECOMMENDATION:

This is a report on the Public Review Draft of the General Plan Economic Development Element (herein referred to as the “Draft ED Element”) that provides an opportunity for the City Council and the public to review and comment on the proposed document. Further, the Draft ED Element is presented to the City Council along with a recommendation that it be “accepted” as a key strategic document for the City of Salinas, as formal approval as an Element of the General Plan will be presented to the Council at a later date following the necessary CEQA analysis and preparation of required General Plan Amendments. It is also recommended that the City Council authorize the City Manager to enter into contracts for professional services, as necessary to: 1) complete analyses to advance the ED Element towards consideration for formal approval; 2) analyze the resource requirements for implementation of the 5 Year Action Plan, and; 3) assist in implementation of strategies and actions within the ED Element that are deemed eligible for action without additional CEQA analysis or General Plan Amendment.

DISCUSSION:

Background

At their regular meeting of August 8, 2013, the City Council received an informational report from Doug Yount, Project Manager and the ED Element Project Team regarding the progress of the Draft ED Element, with particular emphasis on the Community Outreach Program.

Additionally, at their regular meeting of November 5, 2013, the City Council received a second informational report from Mr. Yount and the ED Element Project Team regarding the progress of the Draft ED Element, with emphasis on the Economic Area Opportunity Map, Technical Studies, preliminary goals or topic areas, and sample economic development indicators developed as part of the preparation of the Draft ED Element.

As noted in the November 5, 2013 report and detailed in Volume II of the Draft ED Element, an extensive public outreach process was also conducted by City staff, the ED Project Team and others from August 2013 and planned to continue through February 2014. This process consisted of individual and group interviews with stakeholders, business owners and other interested parties, four Resource Group Meetings, meetings with residents of the East Salinas area (including one meeting conducted in Spanish) and other meetings/events to gather public input on issues to be addressed in the Draft ED Element.

At the joint City Council/Planning Commission meeting of April 8, 2014, Mr. Yount and the ED Element Project Team presented the draft ED Element, consisting of two volumes: Volume I Economic Development Element; Volume II Appendices, and a detailed staff report summarizing the document and how the policies and strategies within the document align with previously adopted City Council goals. After a comprehensive presentation and extensive Council/Commission questions, more than 25 community members spoke under public comment regarding the draft Element. Almost without exception, public speakers commented in favor of the draft document's policies and the community outreach process.

Progress Since the release of the Draft ED Element

Since the meeting of April 8, members of the ED Project Team have made presentations on the draft ED Element to the following groups:

- Transportation Agency of Monterey County, Executive Committee
- Local Agency Formation Commission
- Monterey County Business Council
- Old Town Salinas Association
- Salinas United Business Association
- Salinas Rotary
- Monterey Bay Area City Managers Group
- Health in All Policies Committee/Building Health Communities

Additionally, the ED Project Team anticipates participating in additional presentations in June and July to the Steinbeck Innovation Cluster/Foundation, the Grower-Shipper Association, the Farm Bureau, Hartnell College, and CSUMB.

Furthermore, an announcement of the draft ED Element with hyperlinks to the document on the City's website was provided to each of the 705 individuals, representing nearly 341 agencies/interest groups, in the ED Element's stakeholder data base.

Finally, an announcement of the release of the draft ED Element was put on the home page of the City's website with links to the draft ED Element volumes and the staff report.

<http://www.ci.salinas.ca.us/news.cfm#EDE>

To date, the EDE Project Team has received only one letter and two email comments on the draft ED Element, in addition to comments at the presentations. Overwhelmingly, the comments have been positive with recognition of the comprehensive nature of the document beyond traditional economic development areas, its balance in land use policy between expansion and infill redevelopment, and its emphasis on policies and action items to improve the safety and health of the community. Some concerns have been raised relative to the cost and need for the potential expressways and the need for expansion into the Sphere of Influence or newly annexed areas where farmland may be affected.

Next Steps

The Draft ED Element is being presented to the City Council for purposes of “acceptance” only as a key strategic document for the City. The City Council cannot formally adopt the proposed document as a General Plan Element until the CEQA analysis and General Plan Amendment process is completed and presented for consideration. The extent of the CEQA analysis and General Plan Amendments required is undetermined at this point, and necessitates the assistance of professional consultants to evaluate the policies and action items of the Draft ED Element for their potential for environmental impact and the level of CEQA review required, including their consistency with the existing General Plan.

Given the importance of the Draft ED Element as a strategic document for the continued prosperity of Salinas, it is equally necessary to evaluate the Policies and Action items of the Draft ED Element to determine those that can be implemented *without* the necessity of further CEQA analysis and General Plan Amendment. Many strategies, including some of those that are proposed in the Five Year Action Plan, are currently being implemented by City staff through a number of programs and projects.

Finally, it is important to prepare a detailed analysis of the resources required to implement the 5 Year Action Plan of the ED Element, and to move forward in continuing to implement, where appropriate, ED Element Policy and Action items to capture near term economic opportunities.

To proceed forward with the analyses and implementation activities mentioned above, the following authorizations are requested for consideration by the City Council:

- 1) Authorize the City Manager to enter into contracts for professional services, as necessary, to complete planning analyses to advance the ED Element towards consideration for formal approval, including the following tasks: determine what General Plan Amendments are required in approving the ED Element and the level of CEQA analysis necessary to incorporate the Amendments formally into the General Plan; determine what items can be implemented without CEQA review or a General Plan Amendment; determine if the Draft ED Element implementation will trigger an update to the General Plan, or if the Draft ED Element can stand alone with its own CEQA review.
- 2) Authorize the City Manager to enter into a contract for project management and economic development professional services relating to: oversight of the formal approval process for the draft ED Element; completing a more detailed review of resources, staffing, services, and other costs required for implementation of the 5 Year Action Plan; and assistance in implementation of key strategies within the ED Element that are deemed eligible for action.

ISSUE:

The issue before the City Council is whether to adopt the resolution accepting the draft ED Element as a key strategic document for the City, and authorizing the City Manager to proceed with entering into contracts related to preparing information necessary for the consideration of the approval of the document as an element of the General Plan, and for the implementation of strategies of the draft Element where feasible and appropriate.

FISCAL IMPACT:

There is no fiscal impact associated with the Council’s consideration for acceptance of the Draft ED Element as a key economic development strategy for the City of Salinas.

On June 3, 2014, the City Council adopted the FY 2014 Capital Improvement Program. In this program, funds are appropriated for the City Manager to contract for professional services to complete the analyses and assistance for those activities relating to approval and implementation of draft ED Element as described previously.

TIME CONSIDERATIONS:

While consideration of formal approval of the Draft ED Element will proceed in the next fiscal year, initial acceptance of the document is important for setting an overall framework or vision for future prosperity for the City. Timely acceptance helps to ensure those in the community, the region, and beyond, that there are near term and future opportunities for investment in Salinas, whether they are in land use, workforce training and education, or in quality of life. Such opportunities may be temporal and investment may go elsewhere; therefore, it is important that timely action be taken to move the Draft ED Element towards consideration for approval and implement, where appropriate, those strategies and action items to capture these opportunities.

ALTERNATIVES/IMPLICATIONS:

As an alternative, the City Council could request staff to modify the document and return for further consideration, refer the document to other Boards or Commissions, take no action regarding the document, or other actions the City Council deems appropriate in this manner.

CITY COUNCIL GOALS:

This Draft ED Element, as a strategy document aligns closely with the City Council’s goals of Economic Diversity and Prosperity, Safe Livable Community, Effective Sustainable Government, Excellent Infrastructure and Quality of Life as these goals have been recently updated for FY 2013-2015.

CONCLUSIONS:

This Draft ED Element, as a potential critical component of the City’s General Plan, will allow the City to prioritize and focus its economic development policies, programs and projects to provide maximum benefit and return to the City ensuring a prosperous, safe and healthy community.

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