
“Economic competitiveness and access to opportunity are the foundation for a prosperous and thriving community and region.”

CEDAC 2017 Report
on Targeted
Economic
Development
Opportunities for El
Dorado County

July 2017

“Economic competitiveness and access to opportunity are the foundation for a prosperous and thriving community and region.”¹

CEDAC is tasked by the Board of Supervisors to “analyze economic development opportunities and present recommendations on how best to achieve the goal of creating prosperous and sustainable communities while maintaining the county’s quality of life”.² With this in mind, CEDAC presents the following 2017 recommendations which support the County’s General Plan and Strategic Plan.³ CEDAC recommendations for targeted economic development opportunities from 2016 are provided on pages 2 and 3.

1. Identify positive opportunities and strength of El Dorado County (General Plan Economic Development Element Goal 10.1 - Cooperation)⁴. See pages 4-5 for CEDAC suggestions.
2. Promote opportunities for economic development based on 1) El Dorado County’s positive opportunities and strength and 2) the Targeted General Plan Amendment-Zoning Ordinance Update (TGPA-ZOU) (approved by the Board in December 2015). (General Plan Economic Development Element Goal 10.1). See page 6 for potential business opportunities.
3. Encourage communities to identify opportunities for economic development appropriate for them (Strategic Plan Task 5.4).
4. Deploy a small business/entrepreneurial development strategy (Strategic Plan Task 1.2).
5. Promote new types of business opportunities (lodging) to increase Transient Occupancy Taxes (TOT) (Strategic Plan Macro Measure 5) (General Plan Objective 10.1.6 – Capture of Retail and Tourism Dollars).
6. Utilize Transient Occupancy Taxes to help tourist-oriented entrepreneurial business formation and expansion (Strategic Plan Task 1.2).

¹ From 2010 California Regional Progress Report, One State, Many Regions, Our Future.

² Board of Supervisors Resolution No. 147-2015, Passed and Adopted by the Board of Supervisors August 18, 2015.

³ First developed by CEDAC’s 2017 Targeted Economic Development ad hoc sub-committee Lead Linnea Marengo, and ad hoc sub-committee Members Maryann Argyres and Roberta Long.

⁴ El Dorado County’s Economic Development Element of the General Plan Goal 10.1 Cooperation reads: The County shall work with all levels of government and with the various economic development organizations including the business community to cooperatively identify and promote the County’s positive opportunities and strength.

CEDAC 2016

Targeted Economic Development Opportunities

After reviewing the Board approved Targeted General Plan Amendment-Zoning Ordinance Update (TGPA-ZOU), implemented in 2016, key opportunity areas for targeted economic development were identified by CEDAC in 2016. CEDAC looked for key economic development opportunities which could “help achieve the goal of creating prosperous and sustainable communities while maintaining the county’s quality of life” as per the Board’s request. The recommended key opportunities are listed below. Training of county staff is essential. Long Range Planning and Agriculture Department were consulted in November/December 2016.

- Outdoor recreation/natural resources tourism
- Agriculture/agricultural tourism
- New lodging facilities
- Improved home-based business ordinance
- New agricultural support services

Why agriculture/agricultural tourism and outdoor recreation/natural resources tourism?

1. El Dorado County excels at both and has earned a positive reputation extending far beyond El Dorado County. Tourism can be a major portal for relocation of people and businesses into El Dorado County.
2. Not only do these unique strengths help set El Dorado County apart from others, they maintain the County’s cherished quality of rural life.
3. These can be areas of interest to millennials. Local demographic trends currently portray an aging peak population while the younger population is declining in El Dorado County – it is important to create an environment inviting to those who are younger.
4. The General Plan supports these industries. General Plan Parks and Recreation Goal 9.3 encourages the development of additional recreation/tourism businesses and industries. General Plan Economic Development Element Policy 10.1.5.4 promotes agricultural based industries in El Dorado County and provides for the expansion of value added industries. The Economic Development Element of the General Plan (Policy 10.1.4.1 - Program 10.1.4.1.2) recommends promotion of increased tourism. A Principle of the General Plan Economic Development Element is to recognize, promote, facilitate, and support activities that provide a positive economic sustaining base for the County and to maximize the economic potential of the County’s natural resources (page 201).

5. El Dorado County is nearly two times more concentrated in the Arts, Entertainment and Recreation industry sector than is the Sacramento Region, an activity where the broader Region is somewhat under specialized.⁵
6. Tourism can generate revenue, jobs and sales tax to the County.
 - Tourism in California annually generates more than \$95.1 billion in direct travel spending into the economy
 - Tourism directly supports jobs for 873,000 Californians
 - Tourism generates \$6.1 billion in direct state and local tax revenues in California⁶
7. The County already has already accomplished a great deal to promote agriculture and natural resources tourism: e.g., the El Dorado County Visitor's Authority, Farm Trails and Visitors Guide, VisitElDorado.com, El Dorado Farm Trails Association, Eldoradoadventureloop.com to name a few. Continue to build on what has already been established - what we already know and do well.
8. There is a growing movement to promote health and well-being through outdoor recreation activities and active transportation, nationally and locally.⁷

New land uses were identified for new types of lodging facilities resulting from the TGPA-ZOU approved by the Board of Supervisors in December 2015. These new lodging facilities provide new business opportunities, create jobs, promote agriculture and natural resources, yet still allow the County to remain uniquely rural. They also generate Transient Occupancy Taxes (TOT). They are supported by General Plan Policy 9.3.9.1 which encourages the development of private lodging facilities for tourists. The newly approved land uses, and thus new economic opportunities which should be effectively promoted, are:

- guest ranch
- health resort and retreat center
- agricultural homestay

The new home-based business ordinance and agricultural support services were also noted as important in creating the potential for new business opportunities and jobs and should be promoted.

⁵ El Dorado County's share of regional industry employment is highest for Arts., Ent., and Recreation, according to Center for Strategic Economic Research, February 23, 2015, data source: CSER estimates based on Moody's Economy.com: CA Employment Development Department, Employment by Industry Date, and U.S. Bureau of Labor Statistics, Quarterly Census of Employment & Wages information

⁶ White Paper on California Tourism, produced by multiple key professional travel organizations, June 2011

⁷ El Dorado Hills Community Services District, Park & Recreation Facilities Master Plan Update, June 2016

Positive Opportunities and Strength of El Dorado County

With the county's investment in the Greater Sacramento Economic Council (GSEC)⁸ and competition for new businesses in general, it is important to define and market ways in which El Dorado County stands out in comparison to other counties also competing for businesses. The following suggestions from CEDAC should be reviewed by others, including local realtors, and may vary depending upon the given community.

This helps fulfill El Dorado County's Economic Development Element of the General Plan Goal 10.1 Cooperation: The County shall work with all levels of government and with the various economic development organizations including the business community to cooperatively identify and promote the County's positive opportunities and strength.

Quality of Life

- Rural lifestyle
- Outdoor recreation and world-class natural resources
- Strong sense of family
- Can quickly go from rural home to outdoor settings and activities in world-class natural environments
- Pace of life can be considered a little slower than other areas, e.g., the Bay Area
- Excellent public education system
- Close proximity to major shopping including Sacramento and San Francisco
- Residential gated communities for those who prefer living in a gated community
- Opportunity to work from home, which allows less commute time, less air pollution, flexible hours, and more time at home with the family
- Rural residential offers the opportunity to live and conduct an agricultural or other type of business on residential property
- Close to Sacramento and the Bay Area for work yet far enough away to offer a better quality of personal and family lifestyle
- Relatively low home prices; housing is more affordable than the Bay Area for example
- Relatively low traffic, especially in contrast to more urban areas found in the Bay Area and Southern California

⁸ GSEC is designed to develop strategies to make the larger Sacramento region, including El Dorado County, competitive with other markets.

Beauty of the natural outdoor resources, opportunity for outdoor recreation, and scenic landscapes

- Vast opportunities for outdoor recreation, including hiking, biking, snow skiing, horseback riding, white water river rafting, kayaking and other water sports, fishing
- Described as the Outdoor Disneyland for Adults
- Fifty percent of El Dorado County consists of timber and forest

Agriculture

- Agritourism such as Apple Hill ©
- Award winning wineries
- Agriculture is highly valued in El Dorado County including grape growing, cattle grazing, farm crops, and raising animals
- Agricultural scenic views – people enjoy seeing cows grazing and beautiful rolling hills with vineyards as they drive on country roads
- Agriculture can occur on small, residential properties, which can include a single family home, a second dwelling of up to 1,600 sq. ft, plus a guesthouse

Early California History

- The history of El Dorado County is rich; gold was discovered in El Dorado County and the resulting Gold Rush brought life to California
- Marshall Gold Discovery Site and Park in Coloma is open to the public and offers a glimpse of life during the days of the Gold Rush

Business Opportunities

- An inherent strength is the ability to attract a talented workforce because the quality of life is unmatched
- Multiple business parks with existing infrastructure
- Most businesses in the rural lands of El Dorado County are of a smaller, more personalized nature; many are family-owned and operated
- Home-based business opportunity – one can stay at home and work; home businesses may allow up to two employees
- Some properties allow agricultural support services and other smaller businesses on their rural residential property

Business Opportunities in El Dorado County

(These potential business opportunities are suggested by CEDAC and should receive input from others.)⁹

As of January 2016 El Dorado County offers a unique zoning ordinance provision which permits operating a business from home and allows 1 or 2 employees, depending on the size of the parcel. With proper permits and zoning, and in some cases, allowed by right, the following can occur on property where one lives: student instruction, a health resort and retreat center, bed and breakfast inn, agricultural homestay, guest ranch, crop production, animal raising, lodging facility, agricultural support services, vet clinic, ranch marketing and winery, to name a few. These types of economic opportunities can help create prosperous and sustainable communities yet still maintain the county's quality of life

El Dorado County has commercial land waiting to be developed especially near Highway 50. Opportunities to purchase existing businesses also exist. There is some leased business space available throughout the County. The majority of businesses are small (63 percent employ between 1-4 employees followed by those with 5-9 employees, combined accounting for almost 82 percent). Although El Dorado County does not presently have large-scale industries, research campuses, think-tanks or major universities, this means the potential to create them could exist. The aging population offers an opportunity. El Dorado County leads the state in increasing numbers of those 65 years and older per the AARP Public Policy Institute. As they age, many people want to downsize to a smaller home or assisted living with no acreage to care for, yet still remain in the county. There is a need for moderate housing, for the aging as well as the younger population.

Larger commercial centers are primarily located close to Highway 50 between El Dorado Hills and Placerville, but there are also smaller rural business centers distributed throughout the County. Rural Centers, such as Cool, provide more localized shopping and dining out. There are many one of a kind, unique, boutique, family owned stores and restaurants in El Dorado County. The recently updated zoning ordinances (approved by the Board of Supervisors in December 2015) permit more economic opportunities distributed throughout the County. Revisions to the zoning code allow more business opportunities, as well as a reduction of some fees.

It is important to keep in mind the desired and intended vision for the future of the County when considering economic opportunities to encourage and promote. Industries which could promote employment, but not destroy the rural character of the region include: destination tourism/promote tourism, agricultural industries, technological industries, energy farming (solar), lumber and timber production, health care education/four year, home-based businesses, recreational industries, farming and livestock, small scale/organic, medical technology and boutique medicine, research and development, bio fuels/waste wood and brush/forest slash.

Elevate to El Dorado County – A Wonderful Place to Live, Work and Play

⁹ El Dorado County's Economic Development Element of the General Plan Goal 10.1 – Cooperation reads: The County shall work with all levels of government and with the various economic development organizations including the business community to cooperatively identify and promote the County's positive opportunities and strength.