

CEDAC 2017 Action Plan Item 1

April 12, 2017

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

2017 Objective and Strategy

Objective: Targeted business development based upon the revised 2016 Targeted General Plan Amendment-Zoning Ordinance Updates and unique attributes of El Dorado County.

- Strategy:

1. Identify unique/special attributes of El Dorado County. (General Plan Economic Development Element Goal 10.1)
 - ⇒ Rural lifestyle
 - ⇒ World class natural resources and outdoor recreation
 - ⇒ Home based business (including with up to two employees, a single family home plus a 2nd dwelling plus a guest house).
 - ⇒ Agricultural tourism
2. Promote opportunities for new business in El Dorado County based upon revised TGPA-ZOU (implemented 2016) and unique/special attributes of EDC. (General Plan Economic Development Element Goal 10.1)
 - ⇒ agriculture/natural resources tourism (etc. geotourism and agriculture tourism) and their related businesses.²
(Strategic Plan Task 1.6) (CEDAC Action Item 1) (Presentation to BOS on 3/28/2017 on Opportunities for Economic Development in EDC, pg. 16)
 - ⇒ home based business
(Strategic Plan Task 1.3) (CEDAC Action Item 1)

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

²El Dorado County is nearly two times more concentrated in the Arts, Entertainment and Recreation industry sector than the Sacramento Region, an activity where the broader Region is somewhat under specialized. 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

- ⇒ lodging
 - ⇒ guest ranches
 - ⇒ health resort and retreat centers
 - ⇒ agricultural homestays
 - ⇒ agricultural support services
3. Encourage communities to identify economic development opportunities appropriate for them. (Strategic Plan Task 5.4)
 - ⇒ develop business clusters and Geographically-Targeted Economic Development Areas (Strategic Plan Task. 1.1)
 4. Work with Community Outreach Manager to promote new business opportunities.
 - ⇒ deploy a small business/entrepreneurial development strategy. (Strategic Plan Task 1.2) ³
 - ⇒ communication, outreach, and image development, including branding and marketing, are important (CAO presentation to BOS on 3/28/17, pg. 18, Strategic Plan Goal – Economic Development)
 5. Promote new business opportunities (lodging) that can increase Transient Occupancy Taxes (TOT). (Strategic Plan Macro Measure 5)
 6. Utilize Travel Occupancy Taxes to help tourist-oriented entrepreneurial business formation and expansion. (Strategic Plan Task 1.2)

Recommended Name: Targeted Economic Development

³ The Center for Strategic Economic Research reports that 63 percent of El Dorado County’s establishments employ between 1-4 employees followed by those between 5-9 employees, combined accounting for almost 82 percent of all EDC establishments. (El Dorado County Technical Assessment of Economic and Demographic Conditions, February 23, 2015, Page 14 of 59 17-0245 Economic and Demographic Profile to BOS).

CEDAC Action Plan Matrix: First Project

2016 Results

The first action item or project listed in the CEDAC action plan matrix for 2016 was *to identify and promote new economic development opportunities in the General Plan after the TGPA-ZOU changes became effective in January 2016*. After reviewing the Targeted General Plan Amendment-Zoning Ordinance Updates (TGPA-ZOU), two key areas of special uniqueness worthy of promotion were noted by the ad hoc sub-committee: agriculture/agricultural tourism and outdoor recreation/natural resources tourism.

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.
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. Demographic trends currently portray an aging peak population while the younger population is declining in El Dorado County - we need to create an environment inviting to those who are younger.
4. The General Plan supports these industries. General Plan Goal 9.3 encourages the development of additional recreation/tourism businesses and 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. General Plan Policy 10.1.5.4 promotes agricultural based industries in El Dorado County and provides for the expansion of value added industries.
5. Tourism can be an important means of helping generate revenue 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 California⁴
6. The County already has accomplished a great deal to promote 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.

⁴ White Paper on California Tourism, produced by multiple key professional travel organizations, June 2011

New land uses were identified for several new types of lodging facilities resulting from the TGPA-ZOU implemented in January 2016:

- guest ranches
- health resort and retreat centers
- agricultural homestays

These new lodging facilities provide new business opportunities, create jobs, promote agriculture and natural resources, and showcase the County as unique. 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 new home-based business ordinance and agricultural support services were also noted as important in creating new business opportunities and jobs.

These business opportunities and strengths were reviewed with key staff in Long Range Planning and the Agriculture Department with status reports presented to CEDAC in November and December, 2016.