

**CHAPTER 8**  
**ECONOMIC DEVELOPMENT**

## **ECONOMIC DEVELOPMENT ELEMENT**

### **8.1 Authority and Purpose**

Local planning, through inclusion of an Economic Element in the General Plan, can be used to strengthen community development activities, enhance economic growth, and reinforce the planning process as a positive part of economic development. An improved local business climate which recognizes constraints and opportunities, expansion of local tax base, and enhanced employment are benefits of a planning effort that has an emphasis on economic development. An Economic Development Element can be directed at a wide range of economic issues. Reinforcement of the planning process through the adoption of an Economic Development Element can be an effective method of managing growth in order to achieve a broad range of community goals and objectives.

An Economic Development Element is not required under State law. However, California planning law states that "the general plan may include any element(s) or address any ...subject(s) which ... relate to the physical development (Government Code Section 65363)." The general plan guidelines, prepared by the Office of Planning and Research, states that "upon adoption, an optional element becomes an integral part of the General plan. It has the same force and effect as the mandatory elements and must be consistent with the other elements of the plan."

Through the General Plan the City of Colfax has the opportunity to strategically plan for the city and its role in a growing regional economy. This is done by providing for positive economic growth such as a full range of local employment opportunities, a more diversified local economy, greater capture of tourism, and increased retail sales.

The General Plan identifies goals, policies, and implementation measures which work to further economic self-sufficiency and foster a sound base to afford quality service levels while maintaining economic competitiveness and encourage retention of the City of Colfax's quality of life. The policies established in this element encourage economic activities that create employment opportunities that generate a positive sustained revenue flow into the City, maximize economic multiplier effects, and minimize reliance upon City services and expenditures. This element promotes and supports activities that provide a positive sustaining economic base for the City.

### **8.2 Colfax - Unique Qualities**

The City of Colfax and the quality of life in the community are enjoyed by the residents that live there. The community enjoys qualities that place it in a position for future economic advancement. These conditions include its location, climatic conditions, commuting potential to other communities, and home town atmosphere. The economic potential can be improved with participation of residents, the business community, city government, educational leaders, Chamber of Commerce, Economic Development Committee and other concerned individuals

and organizations. A unified plan and effort will create an improvement in the economic position of the City.

Economic development looms as one of the preeminent issues confronting the City of Colfax. The vitality of the City's economy is a direct determinant of the extent to which local residents can afford and will enjoy, an adequate level of public services. A healthy economy is also necessary to ensure adequate employment opportunities for those living in the City. The availability of income to local wage earners and households, the natural consequence of economic vitality, is one key to City residents' enjoyment of a desirable quality of life.

Local public and political commitment to economic development is strong. The business community, as well as public and political leaders have placed economic issues at a high level of importance. A common key element of virtually all successful economic development programs at the local level in California is a strong emphasis on retention and expansion of existing local business. This is in addition to encouraging out of area businesses to locate in the City.

One important opportunity for the City is the expansion of its tourist related industry. Colfax is rich in historic and scenic qualities that lend themselves to development. Tourism related business provides great potential for economic development in the area.

Sales tax and property tax are the major source of revenue for the City of Colfax. Consequently it is in the best interest to promote commercial and retail business that can prosper in the community. The City's continual attention to development will help ensure that plans become reality.

The overwhelming opinion of residents in the community is that Colfax should retain its single-family residential character while encouraging commercial retail services and establishments. In order to attract new operations - retail, office, and light industrial- it is essential that the City of Colfax become involved in an active process to inform outside businesses of the opportunity presented in the City. This would increase the economic potential of Colfax that would enable the City to provide a improved quality of life. A fiscal analysis of the City's Chamber of Commerce and its Economic Development Committee supports this conclusion.

### **8.3 Economic Issues**

The following issues and concerns identified by the Planning Commission need to be addressed:

- ▶ The need to strengthen economic health of the City and its commercial activities.
- ▶ City should provide adequate vacant land zoned for commercial and industrial uses in

relation to residential uses to provide for a Jobs/Housing Balance.

- ▶ Overall image. What do the people of Colfax think of themselves? What does the downtown look like? What does the non-downtown commercial area look like? Investors will look for a city that takes care of business, a city with community pride.
- ▶ The city itself. Is land or space available? Is it what developers want at a price they will pay? Is there appropriate zoning? Is there a qualified local labor force, cultural amenities, or schools? Negative factors that could discourage investment include high land costs, incompatible zoning or even high crime rates.
- ▶ Does Colfax make the permit process for development easy and painless? Is the time frame for the development permit process within acceptable limits? Excess time and inconsistent permitting processes can discourage potential investment.
- ▶ Is Colfax an inviting place for business? Is there adequate infrastructure and public service? Things that must be examined include public utilities, transportation, streets, parking, waste and sewage facilities, police services, fire protection, child care, education, recreation amenities and related items.

Knowing the City's strengths and weaknesses is essential to develop a plan for economic development. The Colfax Economic Development Committee should examine existing resources to create a viable plan. This plan should take into consideration the unique qualities of each neighborhood and district of Colfax. In creating a plan the positive and negative potential of development should be considered. It is essential to make changes that will improve economic conditions in the City. These improvements should include job creation, increased standard of living. Increased revenue for the City which will ultimately improve all aspects of community living. Any plan developed must be in line with the desires of the community.

In order to best meet the economic development needs of the community a comprehensive strategy must be developed in line with the City's strengths and potential. This strategy must include:

1. Rehabilitation and reconstruction of existing commercial buildings to current safety and design standards. This will increase the economic potential for these areas.
2. Development of underdeveloped or underutilized areas in order to attract new businesses, housing, and jobs.
3. Identification of parcels and areas within the City that have limiting factors such as size, shape, zoning, poor access, scattered ownership, or other limiting factors.

4. Provide and improve infrastructure including streets, storm drains, pedestrian pathways, water and sewer systems to accommodate development.

#### **8.4 Findings**

The following findings address the above issues and concerns:

- ▶ Current development and market need is not evaluated.
- ▶ There is no comprehensive economic plan for the City.
- ▶ Economic development in Colfax has been slower than other areas in Placer County.
- ▶ Need for continued downtown revitalization .
- ▶ Need of infill within older areas of City.
- ▶ Need for hotel/motel development in City.
- ▶ Need for a unified City tourism program.

#### **8.5 Economic Goals, Policies and Implementation Measures**

**Goal 8.5.1** Strengthen the fiscal health of the city through the diversification of its economic base from a primarily residential emphasis to one more evenly balanced with commercial and industrial components.

**Goal 8.5.2** Encourage development that will provide a wide and balanced range of goods and services while creating employment for the resident labor force.

**Goal 8.5.3** To have an Economic Development Plan presented by the Economic Development Committee that would map out a strategy for over all community economic development.

**Goal 8.5.4** Continue downtown revitalization.

**Goal 8.5.5** Utilize whenever possible existing infrastructure and developed lots and areas for future infill.

**Goal 8.5.6** Create an economic atmosphere that encourages retention of jobs and business within the City.

**Policy 8.5.1** Encourage a full range of commercial establishments and facilities to serve

the residents of the community, to provide local employment opportunities, and to improve the community's tax base.

**Policy 8.5.2** Support and encourage commercial uses that do not create adverse impacts on other nearby uses, including the continued rejuvenation of the historic business district for local and specialty shoppers.

**Policy 8.5.3** Provide for the shopping and service needs of residents, conveniently and pleasantly, by clustering commercial establishments to enable one-stop shopping where ever possible.

**Policy 8.5.4** Attract new industries, and promote commercial uses which provide employment for the resident labor force.

**Policy 8.5.5** Monitor the net fiscal impact of all development one-time to determine the need, if any, to encourage or delay certain types of activity.

**Policy 8.5.6** Encourage single-family, or single family planned development, over multi-family development.

**Policy 8.5.7** Develop a fee structure to insure that one-time public improvement costs, including all requisite off-site improvements, are fully covered by the developer.

**Policy 8.5.8** Require a fiscal impact analysis for all development projects for which environmental impact reports (EIRs) are prepared.

**Policy 8.5.9** Maintain a working relationship with the Chamber of Commerce and the Economic Development Committee to attract new development to the City.

### **Implementation Measures**

**8.5.A** Require that the Economic Development Committee develop an economic development plan and strategy for the City.

**8.5.B** Devise a capital improvement plan for infrastructure improvement and development. Including the implementation of community design standards for downtown development.

**8.5.C** Establish a priority of existing parcels in older areas of the City and provide incentives to utilize these parcels for infill development.

**8.5.D** Form a Tourism Council to encourage tourism within the City.

**8.5.E** Seek out developers and provide incentives for hotel/motel development along the I-80 corridor.