Economic Development Element

A SUPPLEMENTAL ELEMENT TO THE CITY OF SANTA MARIA ADOPTED GENERAL PLAN

City of Santa Maria

Prepared by the Economic Development Element Staff Committee
Economic Development Element of the General Plan

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Santa Maria Public Airport District
Santa Maria Valley Chamber of Commerce
UCSB Economic Forecast Project
Vandenberg Air Force Base
Workforce Investment Board of Santa Barbara County
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Core Policies

Goal: To create more jobs and create jobs that pay higher salaries or compensation, thereby raising the standard of living for the citizens of Santa Maria.
Core Policies

1. Effectively target the recruitment of commercial, industrial, and retail enterprises that best fit Santa Maria’s market and infrastructure. Continue to identify target industries.

2. Utilize a sophisticated and effective Strategic Workforce Action Team (SWAT) that best responds to commercial/industrial (job producing) prospect contacts, resulting in ultimate job creation.

3. Provide a cost-effective, operational Geographic Information System (GIS) with the ability to have integrated layered information, easily updated, in operation after occupancy of the new library.

4. Provide sufficient commercial/industrial sites that meet the size and location needs of prospects. To that end, unless the subject property clearly cannot be used for industrial purposes, suppress the rezoning of any sites from existing industrial zoning unless an equal or greater amount of land is zoned to an industrial classification prior to or during the zoning process.

   The above policy shall be applied on a case-by-case basis and shall consider some or all of the following factors:
   
   a) The amount of industrially-zoned land (in acres) currently available at the time of the rezoning request that is readily available for construction.
   
   b) The land feasibility of the site for industrial development (due to such factors as the size and configuration of the parcel or remaining site area).
   
   c) Any county property approved by LAFCO for annexation which is prezoned to industrial and feasible for development.
   
   d) A Santa Maria Multiplier Impact rating at or above 2.11 and/or within one-half point of the average of all industries within the California RIMS II jobs multiplier.
   
   e) Additional factors may be considered as appropriate for the site being considered.

5. Create and utilize ordinance amendments to address problems that thwart business creativity.

6. Streamline development processes using proven methods, such as concurrent permit processing or Performance Evaluation Review Technology (PERT).
7. Turn the current state budget crisis and negative impact to businesses into a positive situation by contacting businesses threatening to leave the Tri-County regions by emphasizing the many assets common to Santa Maria including the relatively low cost of doing business.

8. Adopt and implement an industrial preservation zone to protect scarce industrially-zoned properties to facilitate long-term job growth.

*Note: Items 1, 2 and 7 are the primary responsibility of the Chamber of Commerce. Items 3, 4, 5, 6 and 8 are the primary responsibility of the City of Santa Maria.*
**Introduction:**

**Community Profile**

Goal: To create more jobs and create jobs that pay higher salaries or compensation, thereby raising the standard of living for the citizens of Santa Maria.
**Introduction**

**Rationale**

Economic Development means many things to many people. Historically, it meant only “industrial recruitment.” But, economic development is a process, not an event. It is where public policy and free enterprise intersect. Economic Development is a program, a group of policies, and/or an activity that seeks to improve the economic well-being and quality of life for a community. Ideally, it will create and retain jobs and provide a stable tax base. It’s about building better communities through three activities:

♦ Attracting business
♦ Expansion and retention of existing businesses
♦ Creation of new businesses

Economic development is the “process of creating wealth through the mobilization of human, financial, capital, physical and natural resources to generate marketable goods and services.” In order to optimize Santa Maria’s chances of “landing” job-generating businesses, it is important to position Santa Maria in the most advantageous way; providing accurate, useful information as quickly as possible, targeting businesses that best fit Santa Maria, making Santa Maria as entrepreneurial and receptive to prospective business as possible, creating and having suitable sites available and matching those sites with business prospects.

Santa Maria does not have a one-source document that spells out Santa Maria’s economic development policies in a consistent, non-conflicting manner. This Economic Development Element is intended to fulfill that purpose.

**History / Community Profile**

Santa Maria, with a population of 88,793 (1/1/2005 State of California Department of Finance (DOF) estimate), sits at the northern end of the Santa Maria Valley, immediately south of the Santa Barbara-San Luis Obispo County line and the Santa Maria River. Historically, the river flooded the valley floor, depositing rich alluvial soils and making the valley one of the most productive agricultural areas in the state. In 1882 the San Luis Obispo and Santa Maria Valley Railroad reached the Santa Maria Valley. Four early settlers – Cook, Thornburg, Miller and Fesler – each donated a quarter section of land, cornering on Main and Broadway streets, to form a city. The city name was changed from Grangerville to Central City and then to Santa Maria in 1882; the city incorporated as Santa Maria in 1905. The Main Street and Broadway intersection is the center of Santa Maria. The aforementioned four-square miles are now bounded by Donovan on the North, Highway 101 on the East, Stowell on the South and Blosser on the West.

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1 CALED Bulletin, August 2003
Since 1957, the local economy has been greatly influenced by the cycle of government spending on programs at Vandenberg Air Force Base (previously Camp Cook), located 15 miles southwest of Santa Maria. Throughout most of the 1960’s, program growth on Vandenberg Air Force Base helped to account for significant economic growth in Santa Maria. The oil industry also played a very significant economic role in the Santa Maria Valley from the early 1900’s to the 1980’s. Oil remains an important employer in the Valley but not as significantly as it once was.

In the 1970's, the City Council embarked on a redevelopment project to stabilize the local retail employment picture and increase local government revenues. The Santa Maria Town Center added over 400,000 square feet of shopping area within an enclosed shopping mall environment. Subsequently, the City Council has acted aggressively to preserve Santa Maria's position as a regional retail destination. Retail spending has increased sharply in the past two years with Santa Maria leading all of Santa Barbara County in retail sales growth.

In the early 1980's, the local economy experienced significant growth due to programs on Vandenberg Air Force Base. After 1987, many jobs related to defense contracts were lost when the Space Shuttle program ended, as a consequence of the Challenger disaster. Program losses at Vandenberg carried into the early 1990’s. The base’s programs have since stabilized, providing an economic benefit to the region.

Agriculture and agriculturally related businesses remain one of the region’s economic engines. Primary crops are strawberries, wine grapes, celery, lettuce, peas, squash, cauliflower, spinach, broccoli, and beans. These labor-intensive crops have historically attracted seasonal farm workers and their families to the Santa Maria Valley.

Over the past four decades, Santa Maria has actively sought industrial growth and employment to balance lower-paying agricultural and retail sector jobs.
In 1995, the Santa Maria Airport District received approval for a Specific plan that consisted of a golf course and over 3 million square feet of office industrial building space. In 2006, this plan will be revisited to address environmental issues. Development of the site could commence soon after the plan adoption to provide many opportunities for economic growth in the future.

The jobs / housing balance has been cyclical, experiencing either boom or bust. Yet, Santa Maria remains vigilant in its efforts to ensure the economic success of its businesses.

Santa Maria Airport Business Park Specific Plan

Community Assets

Santa Maria has an abundance of interrelated entities working in concert to further economic development efforts. The Santa Maria Valley Chamber of Commerce and Visitor and Convention Bureau is a nonprofit organization of approximately 1000 members that works to build a healthy, robust economy in the Santa Maria Valley. Established a century ago the Chamber is one of the most prestigious business organizations on the central coast. Its mission is to promote a favorable economic climate while making the region a better place to live and work. By offering a myriad of programs and services including, but not limited to, business-to-business referrals, advertising grants, networking opportunities, community events, government advocacy and operation of the visitor and convention bureau, the Chamber remains an active economic development partner.
In 1998, the Santa Maria Public Airport District received a Foreign Trade Zone (FTZ) designation. The entire Santa Maria Public Airport District – more than 2500 acres – lies within a FTZ. A FTZ offers an opportunity for the manufacture, assembly and importation/exportation of products, while deferring, reducing, or potentially eliminating custom duties. SMPAD endeavors to activate the FTZ proved challenging over the ensuing years. In 2004, SMPAD expanded its efforts, seeking a customs inspection facility to operate in concert with its FTZ. SMPAD will have a User Fee Customs Program in place by the spring of 2006. This Agent will serve as the FTZ coordinator and oversee the activities of the FTZ warehouse. SMPAD has received general approval of its FTZ secured warehouse area. FTZ and customs status will afford SMPAD and the Santa Maria Valley numerous economic development opportunities.

Allan Hancock Community College (AHC) is responsive to the workforce development needs of local employers. AHC identifies the training needs of business, industry and local government agencies and then facilitates the development of programs and classes to meet the identified needs.

The City operates a Façade Rebate and Loan Program designed to assist property owners and tenants of commercial buildings on West Main Street and North Broadway. Businesses are eligible to apply for assistance to upgrade and renovate the exteriors of their buildings. The program is available to neighborhood businesses that serve low- and moderate-income persons.

The City operates a Community Development Block Grant Economic Development Program Revolving Loan Fund (RLF) to help create employment opportunities for low-income residents. New businesses looking to relocate in Santa Maria and those that are considering expanding their operations are being targeted. The RLF may be used by businesses that may not qualify for funding from conventional sources.

The Community Development Department initiated relaxed regulations concerning building additions and intensification of commercial uses in the original four-square mile area from the
Main and Broadway intersection. Historically, commercial buildings on Main and Broadway were built on smaller lots many years ago. In most cases, zoning regulations that would have required building setbacks, landscaping, and off-street parking did not exist. The Four-Square Mile Ordinance allows buildings to be expanded provided the expansion area does not exceed 50% of the existing floor area and the area of expansion does not remove existing parking or expand into an area where off-street parking could be provided. The ordinance applies to buildings on lots of 15,000 square feet or less and requires that minor improvements such as: planter areas, window boxes, awnings, security lighting, painting of buildings and/or outside benches and tables be included as part of the expansion projects. Assembly Bill 1600 Mitigation Fees for commercial projects within the four-square mile area have been eliminated.

The Santa Maria Public Airport District (SMPAD) is embarking on developing 740 acres incorporating an industrial park, golf course and retail commercial property. This major undertaking is viewed, from the community perspective, as the economic generator for the continued growth of the Santa Maria Valley. It is expected that research and light industrial businesses at the Santa Maria industrial park will create 6,400 jobs. The businesses that will be attracted to the Santa Maria Research Park will include light manufacturing firms, technology companies, back office operations and headquarters for small corporations. Light manufacturing firms which compliment the existing agriculture industry include machines and equipment, electronic equipment, plastic products, communications equipment and other miscellaneous goods production. Technology firms will locate at the Santa Maria Airport Industrial Park in order to attract graduates from the two premier universities in the region – California Polytechnic University, San Luis Obispo to the North and University of California, Santa Barbara to the South. The less than ten-mile proximity to Vandenberg Air Force Base affords the Santa Maria Airport Business Park the opportunity to attract companies seeking to launch themselves into the commercial space arena.

Community Profile Information

The Housing Element of the General Plan includes detailed demographic profiles related to Census 2000 information for the City of Santa Maria, Santa Maria Valley, and Santa Barbara County. The University of California at Santa Barbara, Economic Forecast Project (UCSB-EFP) maintains an annually updated database. A summary of the UCSB-EFP Forecast for Northern Santa Barbara County is included, with permission of the authors, as Appendix A. Contact the UCSB-EFP at: http://www.ucsb-efp.com for more information about the availability of their publications. The Top 40 Employers in Northern Santa Barbara County are listed on Table 1-1.
### Table 1-1

**TOP EMPLOYERS**

**NORTHERN SANTA BARBARA COUNTY  -  MAY 2005**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>Location</th>
<th>Industry Code / Industry</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vandenberg Air Force Base</td>
<td>Lompoc</td>
<td>92 Public Administration</td>
<td>4,782</td>
</tr>
<tr>
<td>2</td>
<td>SM-Bonita School District</td>
<td>Santa Maria</td>
<td>92 Public Administration</td>
<td>1,615</td>
</tr>
<tr>
<td>3</td>
<td>Lompoc Unified School Dist</td>
<td>Lompoc</td>
<td>92 Public Administration</td>
<td>1,498</td>
</tr>
<tr>
<td>4</td>
<td>Marian Medical Center</td>
<td>Santa Maria</td>
<td>62 Health Care/Assistance</td>
<td>1,300</td>
</tr>
<tr>
<td>5 (6)</td>
<td>Allan Hancock College</td>
<td>Santa Maria</td>
<td>61 Educational Services</td>
<td>1,200</td>
</tr>
<tr>
<td>6 (5)</td>
<td>Lockheed Martin Corp.</td>
<td>Lompoc</td>
<td>33 Durable Manufacturing</td>
<td>967</td>
</tr>
<tr>
<td>7 (9)</td>
<td>Orcutt Union School District</td>
<td>Santa Maria</td>
<td>92 Public Administration</td>
<td>670</td>
</tr>
<tr>
<td>8</td>
<td>Federal Correction Inst.</td>
<td>Lompoc</td>
<td>92 Public Administration</td>
<td>640</td>
</tr>
<tr>
<td>9 (7)</td>
<td>SM Jt Union School District</td>
<td>Santa Maria</td>
<td>61 Educational Services</td>
<td>629</td>
</tr>
<tr>
<td>10 (-)</td>
<td>InDyne, Inc</td>
<td>Lompoc</td>
<td>51 Information</td>
<td>600</td>
</tr>
<tr>
<td>11 (13)</td>
<td>City of Santa Maria</td>
<td>Santa Maria</td>
<td>56 Admin/Supt/Waste Services</td>
<td>587</td>
</tr>
<tr>
<td>12 (11)</td>
<td>Den-Mat Corporation</td>
<td>Santa Maria</td>
<td>42 Wholesale Trade</td>
<td>585</td>
</tr>
<tr>
<td>13 (16)</td>
<td>WalMart</td>
<td>Lompoc/SM</td>
<td>45 Retail Trade</td>
<td>510</td>
</tr>
<tr>
<td>14 (12)</td>
<td>Lompoc Hospital</td>
<td>Lompoc</td>
<td>62 Health Care/Assistance</td>
<td>500</td>
</tr>
<tr>
<td>15</td>
<td>City of Lompoc</td>
<td>Lompoc</td>
<td>56 Admin/Supt/Waste Services</td>
<td>436</td>
</tr>
<tr>
<td>16 (-)</td>
<td>World Minerals</td>
<td>Lompoc/Goleta</td>
<td>10 Mining</td>
<td>600</td>
</tr>
<tr>
<td>17</td>
<td>C &amp; D Aerospace</td>
<td>Santa Maria</td>
<td>33 Durable Manufacturing</td>
<td>405</td>
</tr>
<tr>
<td>18 (-)</td>
<td>Boeing</td>
<td>Lompoc</td>
<td>33 Durable Manufacturing</td>
<td>360</td>
</tr>
<tr>
<td>19 (23)</td>
<td>Home Depot</td>
<td>Lompoc/SM</td>
<td>44 Retail Trade</td>
<td>340</td>
</tr>
<tr>
<td>20 (18)</td>
<td>Vocational Training Center</td>
<td>Santa Maria</td>
<td>62 Health Care/Assistance</td>
<td>300</td>
</tr>
<tr>
<td>21 (22)</td>
<td>Costco</td>
<td>Santa Maria</td>
<td>42 Wholesale Trade</td>
<td>270</td>
</tr>
<tr>
<td>22 (10)</td>
<td>United Parcel Tele-Service</td>
<td>Santa Maria</td>
<td>51 Information</td>
<td>256</td>
</tr>
<tr>
<td>23 (24)</td>
<td>U.S. Postal Service</td>
<td>Lompoc/SM</td>
<td>49 Transportation/Warehousing</td>
<td>199</td>
</tr>
<tr>
<td>24 (21)</td>
<td>Mid-State Bank &amp; Trust</td>
<td>Santa Maria</td>
<td>52 Finance/Insurance</td>
<td>192</td>
</tr>
</tbody>
</table>

*Source: UCSB Economic Forecast*

*Note: Includes both full and part-time employees (2003 Ranking is noted inside parenthesis)*

### Employment Characteristics

According to Census 2000, 33,646 persons living in the City were at least 16 years of age and in the labor force and 5.2 percent of the labor force was unemployed. According to the Labor Market Information published by the State, the 2003 average unemployment rate in Santa Barbara County was 5.0 percent and the average unemployment rate of the City was 6.4 percent. The 2004 and 2005 unemployment rates in the City of Santa Maria were 6.0 percent in 2004 and estimated at 5.7 percent in 2005.
In 1990, over 70 percent of all employment in the City occurred in five industry sectors:

1. Services – 25.6%
2. Retail Trade – 17.9%
3. Agriculture – 16.0%
4. Manufacturing (durable goods) – 7.4%
5. Construction – 7.1%

Census 2000 disaggregated the data, making direct comparisons difficult without knowing where the data categories originated. Table 1-2A compares the 1990 and 2000 Census data, which appears to indicate that the actual shifts and shares between different employment sectors have been relatively small and that two-thirds of all the employed persons living in Santa Maria work in Agriculture-Retail-Service sectors.

Table 1-2 A
RESIDENT EMPLOYMENT BY INDUSTRY (1990-2000)
City of Santa Maria

<table>
<thead>
<tr>
<th>Industry</th>
<th>1990</th>
<th>2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>16.0%</td>
<td>21.4%</td>
</tr>
<tr>
<td>Education, Health, &amp; Social Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail Trade</td>
<td>17.9%</td>
<td>12.2%</td>
</tr>
<tr>
<td>Arts, Entertainment, Accommodation and Food Services</td>
<td></td>
<td>8.8%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>12.2%</td>
<td>8.7%</td>
</tr>
<tr>
<td>Professional and Related Services</td>
<td>17.1%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Construction</td>
<td>7.1%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Other Services (except Public Administration)</td>
<td></td>
<td>5.2%</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>4.8%</td>
<td></td>
</tr>
<tr>
<td>Public Administration</td>
<td>3.9%</td>
<td></td>
</tr>
<tr>
<td>Finance, Insurance, Real Estate</td>
<td>3.7%</td>
<td></td>
</tr>
<tr>
<td>Transportation, Warehousing, and Utilities</td>
<td>3.0%</td>
<td></td>
</tr>
<tr>
<td>Information</td>
<td>1.7%</td>
<td></td>
</tr>
</tbody>
</table>

Source: U.S. Census 1990, 2000

Table 1-2 B lists the 2000 and the 1990 Census occupation categories and shows the percentage of total employment. The table shows increases in farming and service sector jobs and decreases in technical and construction sector jobs.
### Table 1-2 B

**OCCUPATION CATEGORIES (1990-2000)**

City of Santa Maria

<table>
<thead>
<tr>
<th>Occupation category</th>
<th>1990</th>
<th>2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical, Sales, and Administrative Support</td>
<td>27.8 %</td>
<td>23.4 %</td>
</tr>
<tr>
<td>Managerial and Professional Specialty</td>
<td>17.1 %</td>
<td>17.8 %</td>
</tr>
<tr>
<td>Operators, Fabricators, and Laborers</td>
<td>15.7 %</td>
<td>14.8 %</td>
</tr>
<tr>
<td>Farming, Forestry, and Fishing</td>
<td>14.5 %</td>
<td>18.7 %</td>
</tr>
<tr>
<td>Service</td>
<td>13.1 %</td>
<td>16.4 %</td>
</tr>
<tr>
<td>Construction, Extraction, and Maintenance</td>
<td>11.8 %</td>
<td>9.0   %</td>
</tr>
</tbody>
</table>

Source: U.S. Census 1990, 2000

### Travel Time to Work

- The average travel time to work increased from 15 minutes in 1980 to 18 minutes in 1990 and 20 minutes in 2000.
- 24.2 percent of the workers had commute times over 30 minutes.
- 60 percent of the workers living in the City also work in Santa Maria.
- 11.9 percent of the City residents work outside Santa Barbara County.

The Census 2000 data supports the inference that 40 percent of workers living in Santa Maria work in agriculture, work at Vandenberg Air Force Base or on the South Coast of Santa Barbara County, or work in San Luis Obispo County.

### Agricultural Employment

From 1980 to 1990, farming, occupations grew in number from 1,637 to 3,896—a 140 percent increase. From 1990 to 2000, the number of agricultural workers living in the City grew an additional 47 percent to 5,735. In 1980, agricultural employed 9.7% of the population in Santa Maria. This percentage increased to 14.5 in 1990 and again to 18.7 in 2000. Increasing production of labor-intensive row crop agriculture in the Santa Maria Valley is the primary factor attributed to the expanding farm worker population. This becomes most evident when looking at changing crop production and long-term increases in strawberry and wine grapes in Santa Barbara County (source: [http://www.countyofsb.org/agcomm/crops.asp](http://www.countyofsb.org/agcomm/crops.asp)).
**Farm Worker Wages**

Although the available Census data are not tabulated to show race/ethnicity (or citizenship) by occupation (or industry), using the available information for 2000, one can draw certain inferences.

- Almost 32 percent of the City population is foreign born; over 24 percent of the City population does not hold U.S. citizenship.
- Over 86 percent of the foreign born population was born in Latin America.
- Median Hispanic/Latino family income is about 81 percent of the median family income in the City.
- Per capita income for Hispanic persons was 65 percent of the per capita income citywide.

The data imply that farm workers earn lower wages than the City population as a whole. The data also suggest that the household size for farm workers is larger than for the City as a whole. Agricultural laborers have lower incomes and larger families than other distinct groups of workers in the City. Farm worker housing needs differ from the needs of most other groups in the community. These needs include:

- larger, low cost apartments;
- seasonal and transitional housing for individuals and families;
- support services to ease the transition into the community (i.e. interpreter services, on-site ESL classes, transportation, etc.).
Retail and Service Sector Needs

The retail and non-professional service sectors employ over one third of the working residents living in the City. The Workforce Investment Board of Santa Barbara County published the 2002-2003 State of the Workforce report for Santa Barbara County. That report lists the average annual salary by industry sector paid in the County. In 2002, the average wages paid for the three largest employment sectors in Santa Maria were: Services at $33,873; Retail at $19,415; and Agriculture at $21,955 per year. Often, retail and service industry employment is part-time work, which contributes to low annual wages.

Traditionally, employment in entry-level, low-wage jobs serve as training steps on the job skills ladder and result in increasing responsibilities and increasing wages. The lack of "middle steps" higher on the job ladder stifles employee motivation and productivity suffers. Workers may feel trapped because the jobs "dead-end" right where they are today.

Jobs/Housing Balance

The ratio of number of jobs (employment) to number of dwelling units defines Jobs–Housing Balance. "Dwelling units" includes occupied and vacant housing units of all types and tenures (e.g., owner occupied and renter occupied). A mathematically balanced jobs/housing ratio is 1 job:1 housing unit, but an "ideal" ratio is considered to be about 1.6 jobs:1 housing unit and a "balanced" ratio is considered to be within the range between 1:1 and 1.6:1 (source: City of Santa Maria Sphere of Influence Boundary Expansion and Concurrent Annexation EIR).

With a higher jobs/housing ratio at 1.6:1, housing would be in shorter supply in relation to jobs. A ratio nearer 1:1 generates more housing that would be in excessive supply in relation to jobs and encourage more commuters—effectively creating a bedroom community. From 1990 to 2000 Census data, the jobs/housing ratio fluctuated from about 1.38 to 1.47 in Santa Maria City. The higher jobs/housing ratio (1.47) in 2000 reflects the vigorous economy of the late 1990s (i.e. more jobs). In June 2003, the jobs/housing ratio declined to 1.25 in The City of Santa Maria, and this reflects higher unemployment rates experienced in January 2003. According to 1991 data, the jobs/housing balance had also fallen to about 1.22, which was also a period of declining employment. Nevertheless, during all periods between 1990 and 2003, the jobs/housing ratio fell within the "balanced" range according to the 1991 Sphere Study definition.

Household and Family Income

Census 2000 data show that the median household income in Santa Maria rose 24 percent from $29,492 in 1990 to $36,541 in 2000. The median income for families, excluding single person households, increased 22 percent from $32,170 to $39,277 during the same period.

Per Capita Income

The per capita income rose 13 percent between 1990 and 2000, from $12,118 to $13,780. The 11.8 percent increase in the average household population is believed to be a factor contributing to low per capita income.
Purpose and Performance
Proposed Policy

Create an Economic Development Element (EDE) consistent with, and made a part of, the City of Santa Maria adopted General Plan and have the Element certified as a Comprehensive Economic Development Strategy (CEDS) by the Small Business Administration. The Economic Development Element was originally adopted on February 17, 2004. Updates and revisions follow, as needed.

There are few examples of useful Economic Development Elements. Community organizations (Santa Maria Valley Chamber of Commerce, and North Broadway Improvement Group) have similar aims to further economic development and their efforts may be magnified if using a single-source document to focus these efforts. Additional challenges include limited staff, lack of data retrieval systems (GIS), and lack of coordination.

Future Resources

- Staff and staff time
- GIS
- Strategic Workforce Action Team
- Refinement of data to and from target industries
- A close working relationship with local businesses, and schools.
- A comprehensive understanding of what currently exists, strengths and weaknesses.

Benchmark/Timeline/Targets

- Have GIS operational on or before January 1, 2008.
Comprehensive Economic Development Strategy

A Comprehensive Economic Development Strategy (CEDS) is developed through a continuous planning process producing broad-based and diverse community participation that addresses economic problems and potential of an area. The strategy should promote sustainable economic development and opportunity, foster effective transportation systems, enhance and protect the environment and balance resources through sound management of development. A CEDS analyzes local conditions, identifies problems and opportunities, defines the vision and goals of the community, designs strategies to accomplish goals, coordinates activities to implement strategies and evaluates and updates the process.

The successful CEDS process leads to formulation and implementation of a program that creates jobs, raises income levels, diversifies the economy and improves the quality of life, while protecting the environment. The process adopts a logical approach to long-range development while identifying and implementing short-term problem solutions to achieve early results and maintain momentum and public support. A draft CEDS is then submitted to the Small Business Administration (SBA) for certification. This process is expensive and time-consuming. The County of Santa Barbara developed a countywide CEDS in 2003 at a cost of $45,000 over an eighteen-month timeframe. The County SBA approved CEDS includes a number of Santa Maria projects which by their inclusion become eligible for federal funding.

The Economic Development Element (EDE) of the Santa Maria General Plan is unique, reflecting the specific challenges and opportunities of this area. The EDE assesses the state of the regional economy, the opportunities and threats posed by external trends and forces and the availability of partners and resources for economic development together with an appraisal of the City’s competitive advantages and sets strategic directives. The EDE establishes priorities for implementation, establishes criteria and performance measures for evaluation of the process and for the periodic update of the document. None of the projects suggested for implementation require federal funding.

While it may be prudent to have a City CEDS, it is neither cost nor time effective to accomplish certification at this time. Sufficient projects necessitating federal funding are currently included in the County CEDS and the EDE is a stand-alone document, which will stimulate economic development on its own. No further action is to be taken on this item.
Goal: Target recruitment of industries having the best fit with Santa Maria in order to increase the number and pay level of Santa Maria’s workforce.
Agriculture

By the time a consumer purchases produce or other agricultural products, it has been processed, packaged and transported. The product may have been treated with a preservative or treated for appearance and refrigerated. All of the above steps add value to an agricultural product and increases by a high percentage, its cost to the consumer from its value at the time of picking by farm laborers. Employees involved in the above-described steps are usually paid at higher levels than a farm laborer. For instance, an employee operating a stamping or labeling machine normally is paid a salary above the average $18,000 commanded by a farm laborer. Given Santa Maria's many actively farmed lands, it seems to make sense to have the various industries that support the agricultural industry located in or very near Santa Maria.

Industries to Target

- Trucking/Distribution
- Food processing
- Container Manufacturing and Distribution
- Cold Storage Plants
- Labeling/Advertising
- Agricultural Administrative Offices (public/private)
- Commercial Warehouse and Distribution

Aircraft/Aerospace

Santa Maria Public Airport was initially constructed by the military in the 1940s on land purchased by the U.S. Government from area farmers and other landowners. Following World War II, the airport was turned back over from the military to Santa Barbara County and the City of Santa Maria. In 1964, the Santa Maria Public Airport District was formed to own and operate the airport. Shortly thereafter, the District reached agreement with the Federal Aviation Administration (FAA) to sell those portions of the Airport not needed for aviation with the understanding proceeds would fund airport revenue generating projects. Just recently, an agreement has been reached to sell the last three parcels. Now the Airport is proceeding with development of an Airport Research Park using land sale proceeds and low interest loans to create infrastructure to attract high tech companies to the Santa Maria Valley. The 156-acre park and adjoining 200-acre golf course can accommodate over 2 million square feet of building space creating nearly 10,000 new jobs. This project is projected to begin in 2004 and be ready for new business ventures the following year. The golf course is included in the first phase of the
project and will offer area residents an attractive, challenging course while providing aesthetic landscaping for Research Park companies.

There are several features of this proposed Research Park that will create interest from a wide variety of firms. The development is within a Foreign Trade Zone, potentially attracting companies that import foreign goods. A Master Development Plan depicting concept buildings allows businesses to bypass the formal planning approval process and receive administrative approval if it desires to construct within the parameters created by that plan. Companies complying with requirements of the Master Development Plan can immediately start on the construction document approval process. Finally, having an adjoining full-service air carrier airport capable of accommodating large jet aircraft offers great access for employees and rapid shipment of goods and materials.

Thanks to the physical capabilities of the Santa Maria Airport, attracting jet aircraft service centers and aircraft rehabilitation facilities are likely target industries. The airport’s 6,304-foot runway accommodates aircraft such as the Boeing 727 and Boeing 737, as well as the largest corporate jets. If an aviation user requires and even longer runway, the airport can extend its main runway up to 8,000 feet and still have all pavement and clear zones within the airport’s boundary. Another asset is having an upscale 150-room hotel and fine restaurant on site affording direct access for corporate aircraft and commercial passengers flying into the airport. This facility offers excellent opportunities for company executives, industrial site developers, planners, engineers and financiers to meet in comfort with convenient access to aircraft, right outside the meeting room doors.

The Airport’s close proximity to Vandenberg Air Force Base makes it a candidate for aerospace firms needing development and light manufacturing facilities that are easily accessible by employees, suppliers and contractors in the aviation and space industries.

**Industries to Target**

- Aircraft Service Centers
- Hanger/Aircraft Storage
- Aircraft/Aerospace Research Manufacturer
- Flight School
- Commuter/Feeder Airline
- Air Freight
- Aircraft Component Testing Laboratories
- Aircraft and Aircraft Component Testing
- Corporate Aircraft Storage and Flight Department Offices
Specialty Manufacturing

There are a plethora of examples of how a city or region becomes known as the center of craftsmanship or a particular type of industry. Often these trades/industries group together because of “economies of scale,” the ease of finding materials and the ability to refine the skills of workers. Mike’s Garage in Oxford, England created MG sports cars in the 1950’s-60’s and spurred on the sports car industry. Parocho, Mexico is a city within a woodworking region, prized for its classical and flamenco guitars. Closer to home, Pennsylvania and North Carolina are known as furniture-making states. In the Santa Maria Valley region we have several examples of specialty manufacturing.

At least a dozen guitar makers (luthiers) make hand-made guitars and approximately seven ukulele makers live and work in or near San Luis Obispo (SLO) and Santa Maria (SM). In addition, many manufacturers of accessories reside in our region (LL Baggs – transducers). National Guitar is a world-recognized leader in metal “resophonic” style guitars (SLO). Closer to home, Baker Guitars (Betteravia) make some of the finest guitars in the industry (Lennie Kravitz and Ronnie Montrose play Baker Guitars). Thus, like Parocho, the Central Coast cities of SLO and SM form a specialty-manufacturing region for guitars and accessories.

An example of an industry with market potential is kite manufacturing. Several kite stores from Pismo Beach to Santa Barbara call the Central Coast home. Individuals and groups can often be seen stunt flying their kites at local beaches. While local retailers sell kites, few are made in our area. While employment opportunities may seem small, these cottage industries can grow over time and can result in “spillover” benefits such as aiding promotional events.
Industries to Target

♦ Guitar Making and Accessories
♦ Ocean/Beach Gear (kayaks, surfboards)
♦ Kite Making
♦ Shipping of Specially Prepared Ag Products
♦ Automobile Racing/Customization (a tie into SM Raceway)
♦ Performing Arts (stage setting, props manufacturing, costumes)
♦ Warehousing and Distribution for Large Business
♦ Aerospace to Tier Off of Planned Aerospace Visitors’ Center
♦ Stealth Communication Towers (cell towers in the form of trees)

Market Driven Education

At times, a shortage of qualified labor may exist in specific markets. For instance, nationwide, there is a persistent shortage of qualified nurses. To fill this gap, recruitment excursions to the Philippines have yielded large numbers willing and able to fill the shortage. The Philippines utilize U.S. textbooks and generally meet U.S. standards of expertise. In the computer field many positions have been filled by natives of India, a country that produces numerous computer scientists and mathematicians. Microsoft is building a facility in India to bridge the gap in employment need. Obviously, if these demands for skilled workers could be met domestically it would aid our economies. A good place to start is improved matching of our education opportunities with market driven need. Matching educational needs with Santa Maria’s market is an important challenge that needs further exploration and is likely a key ingredient to facilitate long-term job growth.

Education to Match Educational Need

♦ Nursing/Physician’s Assistant
♦ Computer Science
♦ Aircraft Construction or Service
♦ Agricultural Mechanization
Resources to Work With

♦ Allan Hancock College (nursing, LVN, CAN and liaison with four-year colleges like CSU, Bakersfield, offering 4 year degrees and coursework)
♦ Santa Barbara Business College*
♦ Cal Poly*
♦ Police/Fire Academies*
♦ Other private or vocational trade schools.

*Including vocational instruction

Diversified Industry & Manufacturing

Santa Maria has a diverse base of industries that meets the area’s target needs of providing good paying jobs, but do not necessarily fit into a specific target industry.

Examples include:
♦ Okonite Cable: Manufactures and produces wire and cable
♦ Water Wonders: Produces waterfalls and waterfall products
♦ Computer Café: Computer generated work for the movie industry
♦ Melfred Borzal: Manufactures directional drilling tools

These miscellaneous companies are ideally suited for Santa Maria, and when they show an interest in our area, the Santa Maria Valley Chamber of Commerce responds to provide information and begins the process of working with the company to relocate here.
Hospitality and Tourism

Goal: To enrich the quality of life and improve the economy of Santa Maria by generating travel and enhancing the image of the region.
Background

The Santa Maria Valley Chamber of Commerce and Visitor & Convention Bureau (VCB) is the City of Santa Maria’s official destination marketing organization. Its primary mission is to improve the area’s economy and increase its tax base by attracting visitors to the Santa Maria Valley through sales and marketing efforts. The VCB has numerous marketing programs which:

♦ Attract new visitors to the Santa Maria Valley from its current markets
♦ Increase awareness of the Santa Maria Valley to multi-cultural audiences
♦ Send a compelling invitation to people of all cultures to enjoy the many attractions and recreational activities in the Santa Maria Valley.
♦ Encourage longer visits to the Santa Maria Valley through increased overnight stays, midweek promotions and extended weekend getaways.
♦ Promote venues including, but not limited to: golfing, fishing, agriculture tours, arts and culture, wine-tasting, and the beautiful natural areas of local beaches, lakes and the Dunes.
♦ Identify the Santa Maria Valley as a location for feature film and video production, commercials and still shoots.

Challenges to Tourism Industry

♦ Lack of visibility of core downtown from Highway 101
♦ Under-utilization of airport
♦ Lack of a central meeting place or plaza.
♦ Limited non-auto transit.
♦ Lack of pedestrian-oriented destination points
♦ Competition for travelers is fierce among locations
♦ Lack of signage off of Highway 101 for lodging, airport and wineries
Future Resources

The Chamber of Commerce and the City of Santa Maria have a partnership that provides uninterrupted funding for tourism promotion by sharing a portion of the transient occupancy tax (bed tax). It is vital that the community partners continue to participate, thus bringing together the interests of all local businesses, government and civic organizations.

Benchmarks / Timelines

Ongoing.

Promotions/Entertainment

Promotion of the City of Santa Maria and the beautiful Santa Maria Valley can do much to improve our local economy with emphasis on tourism, service and retail industries, in particular. Promotional services continue to improve Santa Maria’s identity by keeping Santa Maria “On the Map”.

Tourism Related Objectives

♦ Support and promote agri-tourism

♦ Offer viewing of space and missile operations and launches at Vandenberg Air Force Base

♦ Capitalize on the Elks Unocal Event Center as an interim facility for special events

♦ Promote partnerships between local hotels, wineries, restaurants, transportation providers, local businesses, attractions and the airport

♦ Support and promote the Santa Maria Public Airport which has a hotel within walking distance; restaurant on the premises; and several car rental agencies onsite

♦ Provide marketing support and promotion of the Santa Maria Fairpark as an interim facility for special events, conventions and meetings and as a possible film location

♦ Continue to promote and support live theatre performances at PCPA Theaterfest

♦ Build on existing recreational/entertainment facilities

♦ Support of cultural activities

♦ Capitalize on the Santa Maria Speedway/Raceway as an attraction and for use in feature films
Build Wealth and Create an “Intelligent” Community

BACKGROUND

Education is widely believed to be a major factor in advancing one’s career and increasing one’s earning potential. Clearly define issues and problems through an education-related visioning and planning process, then mobilize human, financial, physical and natural resources to increase median and household income providing more discretionary funds to families.

“Place” is fundamentally more important now than it ever was. It is what draws creative people to a city. Government and economic development professionals create a “people climate.” Creative people gravitate to stimulating environments rich with differences, lively and open character and distinctiveness.

PROPOSED POLICY

Determine the best and most effective ways to increase the wealth of the residents of the Santa Maria Valley. Develop a framework for creativity and seek specific projects to put that framework into action.

CHALLENGES

♦ Current economic base is agriculture, retail and service – three of the lowest paying employment sectors.
♦ Need to insure a constant workforce for the agriculture industry.
♦ Need a strategic plan inclusive of all stakeholders that is community-driven.
♦ There are few systematic offerings of incentives or inducements for companies to locate in City.
♦ Lack a stand-alone four-year college. Allan Hancock College offers the ability to obtain four-year degrees through liaison programs offered by four-year Universities, such as California State University Bakersfield, University of California Santa Barbara, and the Cal Poly Adult Degree Program.
♦ Few, if any, true live / work spaces
♦ Few strategies to attract and retain human and educational capital
♦ Few music venues or night life
♦ Few transit-oriented and/or mixed-use development strategies
♦ Attract additional fine dining establishments
**Future Resources**

- Responsible Parties: Farm Bureau, Grower / Shipper Association, Santa Maria Valley Chamber of Commerce, City of Santa Maria.
- Responsible Parties: School Districts, Allan Hancock College, CSM, Chamber of Commerce.

**Benchmarks / Timelines**

- Public Forums with report and recommendation within 18 months
- Report and recommendations within 180 days following public forums
Economic Development
Rapid Response
Strategic Workforce Action Team

Goal: Create a team of organized, trained professionals who can be quickly assembled and answer all of a prospect’s questions while portraying a positive image of Santa Maria.


**Economic Development Strategic Workforce Action Team**

**BACKGROUND**

Economic Development Prospects must gather a high volume of accurate, pertinent information that will lead to the decision of whether to locate in a city. Thus, the speed, accuracy and relevance of “hard data” comprise a key determinant in the economic development site selection process. Economic Development Prospects (hereinafter, prospects) are faced with a bewildering array of contacts often at remote relocations and may receive information that appears confusing or contradictory.

**PROPOSED POLICY**

Create an economic development Strategic Workforce Action Team (SWAT) of key professionals, who are experts in their field of authority, that can be assembled within a very short time (hours) to meet with prospects. Professionals would include the City Manager, Community Development Director, the Chamber of Commerce Executive Director and Membership Manager, and the Mayor. In each position, at least one alternate must be available to cover the absence of any key member. The SWAT would periodically meet as necessary for training and review any adjustments needed for meeting format, venue or participant role. The “team” would be “on-call” to address Santa Maria’s strengths and answer questions by the prospect. The team’s participation would be given priority over other tasks and the City Council and City Manager would support this priority. A Strategic Workforce Action Team meeting would be set by the Chamber of Commerce, which would serve as a hub of information. Prospect requests for meetings would be communicated to and from the Chamber of Commerce.

**CHALLENGES**

Team members must be given time to meet with prospects and, as a consequence, need a lowering of priorities that would otherwise take up the time of the team participants. Accurate, pertinent information should be prepared, to the extent feasible, before the meeting. A GIS system of data retrieval would assist the SWAT. Venue or conference room availability are, on occasion, needed. However, it is anticipated that most meetings would be held in the field.
Future Resources

♦ Availability of team members and alternates.
♦ GIS or equivalent data retrieval system.
♦ Suitable, available meeting locations.
♦ Preparation, in advance, of handout materials.

Benchmarks/Timelines

♦ The SWAT is operational with meetings and site visits coordinated by the Chamber of Commerce.
Figure 1

DISTINGUISHING FEATURES OF
STRATEGIC WORKFORCE ACTION TEAM

♦ Assignment of Team Members.
♦ Augment Team Membership, as needed.
♦ Team Members have an assigned alternate, if unavailable.
♦ Team Members follow a scripted outline.
♦ Team Members receive periodic training.
♦ Team Members have pre-assigned resources to bring to meetings.
♦ Team Members are on-call to meet within approximately 2 hours.
♦ Materials are available for Prospects to take with them.
♦ Focus is given to “closing the deal” at each meeting.
### Figure 2

**STRATEGIC WORKFORCE ACTION TEAM**  
**Example of Script for Meetings**

<table>
<thead>
<tr>
<th>ROLE</th>
<th>RESPONSIBLE PARTY*</th>
<th>TASKS DURING MEETING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Host</td>
<td>Chamber of Commerce Representative</td>
<td>Seats participants. Introduces everyone (name, title, their responsibilities, in brief)</td>
</tr>
<tr>
<td>Introduction</td>
<td>City Manager</td>
<td>Outlines economic values of the city. Conveys interest in business and willingness of staff to work with prospect.</td>
</tr>
<tr>
<td>Brief Comments of Support</td>
<td>Chamber of Commerce</td>
<td>Conveys business friendly climate and business success stories.</td>
</tr>
<tr>
<td>Comments re: Sites</td>
<td>Community Development Dir.</td>
<td>Identifies prospective sites and qualities of same. Process is outlined.</td>
</tr>
<tr>
<td>City Services</td>
<td>PW Director or Engineer (optional)</td>
<td>Identifies utility needs (in a positive way).</td>
</tr>
<tr>
<td>Costs</td>
<td>City Manager, PW Dir./Engineer, Com. Dev. Dir.</td>
<td>Explains in brief, costs/fees, as well as pertinent fee comparisons with cities, bonds, reimbursement arrangements, etc.</td>
</tr>
<tr>
<td>Wrap-up</td>
<td>City Manager</td>
<td>Conclusionary remarks.</td>
</tr>
<tr>
<td>Closing</td>
<td>Chamber of Commerce Representative/Chamber Representative</td>
<td>Any pertinent gift baskets, etc.</td>
</tr>
</tbody>
</table>

*Or designee
Rapid Information Collection and Distribution

GOAL: Create and implement a Geographic Information System (GIS) in order to rapidly retrieve accurate, pertinent information.
Rapid, Thorough, and Accurate Information Dissemination

**BACKGROUND**

Today's cutting-edge businesses require and expect a rapid response to requests for information from the jurisdictions in which they seek to locate. Any jurisdiction that requires extended periods of time to provide basic property and zoning information to a prospective client, or that requires excessive paperwork before the information can be obtained, cannot compete to locate innovative, entrepreneurial industries within their boundaries. Additionally, rapid, thorough, and accurate information dissemination is key for a successful economic development Strategic Workforce Action Team.

The City of Santa Maria (City) is actively planning for the future implementation of a Geographic Information System (GIS). The City will be hiring a staff GIS specialist to create a system that will best serve the needs of the City. Funding has been set aside for this purpose.

**PROPOSED POLICY**

Provide rapid, thorough, and accurate information to Economic Development prospects within one visit or phone call to the City or one visit to the City’s internet web site. This goal is attained by implementing the following:

- Create a Geographic Information System for use by the Community Development Department and other City employees or end users (such as Chamber of Commerce) and make limited, internet-based building permit, zoning, and land use information available for viewing by outside customers.
- Inform customers if their proposed use is permitted or conditionally permitted and the options available to them.
- Make available the status of each project as it moves through the system.
- Provide means that allow inquiries of all departments’ databases by City employees and end users.
- Make all the above possible on-line, via the Internet.

**CHALLENGES**

Technology, such as a Geographic Information System (GIS), to provide fast, accurate updated information to economic prospects, is vital. Staff must be available to collect, create and develop means to distribute the documentation, and to continually update the information in the GIS and on the Internet.
**Future Resources**

- Additional staff may be needed to create and keep current a system.
- A Geographic Information System to organize and store property information and demographics.
- Downloading data (such as County resources) is important to reduce time and cost to input the data by staff resources.

**Benchmarks/Timelines**

- Have all standard handout material prepared to coincide with the economic development Strategic Workforce Action Team.
- Have basic information (zoning, address, assessor parcel numbers, etc.) in the GIS and available to customers.
- Have a full arsenal of thorough and accurate information available on the City’s web site and at the Planning Division front counter.
- Have GIS fully operational on or before January 1, 2008.
Mixed Use Zoning

Goal: Remove obstacles to mixed uses (residential, commercial, office and light industries) for those that wish to pursue such uses, and to facilitate start-up businesses.
Mixed-Use Ordinance

♦ The Mixed Use Ordinance was adopted by the City Council on November 2, 2004, and went into effect 30 days thereafter.

♦ The Mixed Use Ordinance generally allows for mixed uses in most zoning ordinances except single-family residential and heavy industrial.

♦ The Mixed Use Ordinance allows for mixed uses subject to a Conditional Use Permit (CUP) in each case if the mixed use utilizes an existing structure or is subject to a Planned Development Permit (PDP) if the mixed use utilizes new construction.

♦ Within one year of the approval of the Mixed Use Ordinance, approximately ten projects are in various stages of planning and development.

♦ The Mixed Use Ordinance is expected to greatly improve the supply of affordable housing and opportunities for economic development.
Brownfields

Goal: To analyze and Consider Brownfield and Grayfield Sites for Economic Development
Brownfields

A brownfield is a property; the expansion, redevelopment or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. Since its inception in 1995, the US Environmental Protection Agency (EPA) Brownfields Program has grown into a proven, results-oriented program that has changed the way contaminated property is perceived, addressed, and managed. The EPA Brownfields Program is designed so that stakeholders in economic redevelopment work in a timely manner to prevent, assess, safely clean up and sustainably reuse brownfields. Through passage of the Small Business Liability Relief and Brownfields Revitalization Act, effective polices that EPA had developed over the years were passed into law. The Brownfields Law expanded EPA's assistance by providing new tools for the public and private sectors to promote sustainable brownfields cleanup and reuse.

Brownfields grants continue to serve as the foundation of EPA’s Brownfields Program. These grants support revitalization efforts by funding environmental assessment, cleanup, and job training activities. Brownfields Assessment Grants provide funding for brownfield inventories, planning, environmental assessments, and community outreach. Brownfields Revolving Loan Fund Grants provide funding to capitalize loans that are used to clean up brownfields. Brownfields Job Training Grants provide environmental training for residents of brownfields communities. Brownfields Cleanup Grants provide direct funding for cleanup activities at certain properties with planned green space, recreational or other nonprofit uses.

A grayfield is a former vacant or underutilized commercial site. More than 200 vacant parcels considered infill and/or grayfield/brownfield sites have been visually inspected with site characteristics noted. Following some needed further evaluation, this data will be furnished to the Chamber of Commerce, real estate agents/brokers and the public to facilitate development of industrial infill sites. Use of available brownfield clean-up funding will be encouraged and no further action will be required.
Refine Scope of Development Review

Goal: Reduce the complexity and “red tape” often associated with the development review process by focusing on what is relevant.
Refine Scope of Development Review

BACKGROUND

Application materials serve as the basis for conducting environmental review, writing staff reports, and checking plans for conditions and code compliance. Typical submission requirements are identified by staff at the counter and vary from project to project. Providing development checklists standardizes the submission requirements and puts everyone "on the same page" with the types and number of documents required by the City to process different applications.

PROPOSED POLICY

♦ Project complexity (Administrative, Minor, and Major) should determine the level of detail required for project review. The requirements for each complexity class should be consistent.

♦ A minimal number of plans should be required for simple projects.

♦ Eliminate redundant requirements for application submittals and combine applications whenever possible.

♦ Foster concurrent processing.

CHALLENGES

• Public understanding of work processes.
• Staff training and adherence to process.

FUTURE RESOURCES

Time for training.

BENCHMARKS/TIMELINES

Ongoing.
Fast Tracking – Plan Processing

Goal: Aid new businesses seeking entry into Santa Mar reducing the time from application to occupancy of structure.
Fast Tracking

BACKGROUND

Fast tracking utilizes reserve development review capacity in order to move a project through the approval process faster than normal.

PROPOSED POLICY

♦ Identify project thresholds that allow priorities to be established for planning and building projects.
♦ Set up fast track options.
♦ Establish fast-track procedures and desired timelines.
♦ Identify adjustments that may need to occur in viewing economic development processing versus non-economic development projects.
♦ Study alternatives to in-house project review and processing and implement the identified alternatives.

CHALLENGES

Lacking available reserve capacity, fast tracking allows overtime compensation or shifts processing priorities. It reallocates existing staff to work on projects out of the order that the projects are normally processed.

FUTURE RESOURCES

Additional staff or available temporary staffing resources in multiple departments.

BENCHMARKS/TIMELINES

Ongoing as staff resources permit.
**Outside Plans Examination**

**BACKGROUND**

During periods of very high building activity, the City of Santa Maria has employed plan-checking services and utilized former City staff to review and comment on building plans.

**PROPOSED POLICY**

- Investigate department organizational strategies to coordinate contract services and increase the contract service role during periods of high volume or low staffing.
- Maintain a list of approved plan-checkers to process single projects on a fee for service basis.
- Set up well-defined department procedures that move simple projects and rechecks to a point where these plan checks are not lost between high priority projects and new projects.
- Investigate "rover" positions that can shift from plan checking to building inspection on an as-needed basis.
- Establish criteria that warrant adding staff needed to perform plan checking and inspection services for economic development projects.

**CHALLENGES**

These services help expedite the speed of plan checking, but may sacrifice consistency of project review.

**FUTURE RESOURCES**

Objective workload measurement and projected workload measurement tools. Resources and tools to determine when and where workload diversion (management intervention) should occur.

**BENCHMARKS/TIMELINES**

Outside plan checking has become routine in the operation of the Building Division of the Community Development Department.
Joint City/School Facilities

Goal: to foster joint City of Santa Maria and School District projects, such as school/park facilities to maximize efficiencies of cost and utilization.
Recognizing that budgetary factors exist in the City and school districts, there is no reserve capacity in our community to fully add new capacity to serve the expected public demand. Thus, alternatives are being explored to raise service levels.

Efficient use of public facilities, like libraries, parks, City Hall, School District conference rooms, assembly rooms, gymnasiums, swimming pool, and other public facilities serves the public well by maximizing the community benefits of these facilities with little added capital expenditure.

- Establish a joint agency committee to identify opportunities for sharing public facilities.
- Create a Public Facilities and Open Space Plan that is incorporated into the Resources Management Element of the City General Plan.
- Encourage local school districts to incorporate a matching public facility and open space component in each district's Master Plan.
- Establish operational agreements between the City and school districts.
- Jointly seek funding for capital projects and community programs.

**Challenges**

- Organizational opposition.
- Control of scheduling, prioritization, and issues of cost and maintenance to allow full public use of the public facilities.

**Future Resources**

Open communication links between agencies

Formal and informal business processes between the city departments and schools

**Benchmarks/Timelines**

Ongoing.
Improving Relationships with Schools

Goals: Work with area school districts in site location and acquisition in order to provide availability and appropriate locations for neighborhood school sites, placed equitably in all areas of the community; and

Work with Santa Maria Joint Union High School District and Allan Hancock College to provide curriculum to meet the job markets.
Build Closer Relationship with Educational Institutions

With the aim of improving City / School relationships, the All-America City Committee reviewed the Economic Development Element and held discussions with the superintendents of both the Santa Maria-Bonita and Santa Maria High School districts. It was determined that the relationships with these two districts are at an all-time high and are expected to continue accordingly. As joint meetings and communications continue, representatives of the respective entities will continue to discuss data-sharing procedures between the school districts and City, project review for residential developments noting their effects on Schools and school site development.

The City continues to build joint use facilities with the school districts. Of particular note are the Westgate Park/Liberty School Multi-Purpose Building and gymnasiums at Fesler, El Camino and Kunst Schools. Future actions will include creating a Public Facilities and Open Space Plan that is incorporated into the Resources Management Element of the City General Plan. The local school districts are encouraged to incorporate a matching public facility and open space component in each district's Master Plan and perhaps consider a joint agency committee to identify opportunities for sharing public facilities.

The City and Allan Hancock Community College have worked cooperatively in the successful Atkinson Community Facility project and more projects of this type will be sought for funding for capital projects and community programs. The College currently provides a four-year university extension degree and is always at the ready to assist businesses with specialized training for employees. No further action is required at this time.

Proposed Policy

♦ Create the possibility of multiple-functionality into school campus design to potentially increase the integration of City services while maintaining the history of shared athletic field space and other joint use projects. School/public (branch) libraries, community-meeting rooms, internet connectivity and other shared resources are examples of potential multi-use considerations to benefit both the City and Schools.

♦ Establish and maintain data-sharing procedures between the school districts and City.

♦ Notify and seek comment from school districts in the early application stage and project review for residential developments noting their effects on Schools and school site development.

♦ Expand school program funding with corporate sponsorships and mentoring.

♦ Seek mutually beneficial joint-use projects which will maximize local resources when combined with available state project funds.
♦ Use professional resources at the College for specific industry job training to further economic development.

**Future Resources**

♦ Open communication links between agencies

♦ Formal and informal business processes between the city departments and schools

♦ A strong belief in the importance of City and School partnerships for the mutual benefit of each entity at the City Council, School Board, and leadership levels of each organization

♦ Mutual organizational opposition to giving up control of joint-use facilities is a potential barrier to increased use of shared facilities of all types

**Benchmarks/Timelines**

Ongoing.
Vocational/Educational Nexus

Goal: To best match educational resources with vocational needs.
Background

A skilled workforce is paramount to attracting higher paying jobs and clean, environmentally sensitive industries that will increase property taxes, sales tax and income tax revenue.

Proposed Policy

A ttract educational institutions including, but not limited to, trade schools and private colleges, in order to raise the skills of Santa Maria’s labor force. Analyze what job training opportunities are available and insure that what is available is meeting the needs of business and, if voids exist, seek to fill them.

Challenges

♦ Schools often seek low cost sites
♦ Vacant office-type buildings are a good resource
♦ Some in the community may be dissuaded by students moving into the community
♦ Schools may create their own demand for housing.
♦ Few, if any, vocational training opportunities
♦ Underutilized School-to-Work opportunities
♦ Need to bridge primary and secondary education with higher education
♦ Determine if there are sufficient older worker re-training programs

Future Resources

♦ Cooperative effort involving the Workforce Resource Center, High School, City.
♦ Contact trade schools and colleges and provide pertinent information. Work with the Chamber of Commerce to do the same.
♦ Support efforts of Allan Hancock College to provide 4-year university extension programs.
♦ Private colleges, universities and other trade schools.

Benchmarks / Timelines

Ongoing.
Electronic Permitting

Goal: Reduce time and complexity commonly associated with the development application process by fostering an electronic permitting process.
Electronic Permitting

BACKGROUND

Many cities and counties, in an effort to be proactive in their economic growth potential, have invested in streamlining their permit filing, review, and approval processes. Santa Maria’s current way of doing business does not effectively consider the customers’ needs or time in the permitting process. One way to streamline permitting is providing options to the applicants that are convenient to them. Specifically, many cities and counties offer applicants to file for permits “on-line.” Currently, Santa Maria requires the applicant to file for Building and Planning permits in person no matter how minor the permit request. In addition, applicants must make additional trips to submit revisions and to eventually pick up their permit. This system is inefficient, inconvenient, and time consuming to economic development prospects.

PROPOSED POLICY

♦ Study the effectiveness of electronic permitting, including applications, payment of fees, and transmission of required materials. Additionally, identify business processes effected by electronic permitting and transitioning to a paper-less process.

♦ Create a system that allows applicants to file for and gain approval of Building and Community Development permits electronically in an internet-based system. Specifically, the system could accept specific applications, and issue specific permits without having the applicant ever visit the Community Development department.

♦ Implement policies and procedures to monitor the effectiveness of electronic permitting.

CHALLENGES

♦ Front-end costs and expertise, such as securing payments over the Internet and enhancing the City’s computer systems to accommodate an internet-based permit system.

♦ Implementing a customer-oriented permitting process would encounter resistance from Staff not accustomed to change for the benefit of economic development prospects.

♦ The Development Code and other Building Codes require revisions to make the permitting process more streamline.

♦ Integrating all submittal mediums (Fed-Ex, Over-the-Counter, Mail, Facsimile, etc.) into a fair and uniform project/permit numbering system.

♦ The public customers or end users must utilize software that is compatible with the City of Santa Maria’s software.
System implementation has the potential to overload staff with another way to submit a permit on top of an unknown number of other work that is submitted in other forms (phone, fax, e-mail, UPS/FedEx, walk-in, drive-thru, etc.).

**Future Resources**

- Additional funding for staff and computer hardware and software.
- “Buy-In” from City Council and other decision-makers.
- GIS or equivalent data retrieval system.
- Compatible City/Public customer software.

**Benchmarks/Timelines**

- Ongoing study and implementation.
- In years to come, the City will have a City-wide unified software program that will function as a basic internet-based permitting system, which would replace our current Trak-It program.
Measurements of Success

Goal: To accurately measure the success of Economic Development goals, policies and programs.
Measurements of Success

BACKGROUND

Program evaluation for economic development is difficult. No broadly accepted standard evaluation method for assessing program usefulness and effectiveness exists in this rapidly changing economy. Competition for government funding is intense, and program evaluation findings are an important factor in determining funding levels. Implementing the first evaluation program could consume large amounts of time and resources.

PROPOSED POLICY

Implement performance measures as statistical indicators that show the extent to which economic development is achieving its goals. Since goals can be broad and general, performance measures express the goals as outcomes that can be described and measured. The following list is intended to allow visualization of the various ways to measure economic development activity.

REAL ESTATE

♦ Industrial space used
♦ Office vacancy rate
♦ Number of building permits issued
♦ Tenant Improvement activities
♦ Value of industrial and commercial property
♦ Percent of new residential lots

ECONOMIC MEASURES

♦ Capital investments per job
♦ Commercial investment
♦ Per capita debt
♦ GDP per capita
♦ Retail sales per capita
♦ Tourism/bed tax revenues
♦ Employment multipliers (RIMS II)
Labor & Workforce

♦ Total wage and salary jobs per employed resident
♦ Number of jobs in value-added manufacturing
♦ Net job growth
♦ Average salaries
♦ Measurement of salary trends
♦ Manufacturing wage and salary jobs as a percent of total jobs
♦ Unemployment rate
♦ Employment in hotel and lodging industry
♦ Employment by sector

Business Measures

♦ Number of companies who export
♦ Percent of companies developing new products or services
♦ New business started/New business licenses
♦ Value of goods exported internationally
♦ Farm acreage and crop value
♦ Job growth in identified clusters
♦ New sales of assisted exporters
♦ Amount of freight transported by air, water, and land
♦ New car inventories—US dealers’ day’s supply

A measurement and assessment plan will be developed using a prescribed mix of the real estate, economic, business and labor and workforce measures.

Challenges

♦ Gathering of consistent data from various sources
♦ Determining how and what to evaluate could be time consuming
♦ Understanding that simply counting the number of new jobs does not produce an accurate picture
Future Resources

Long term focus and strong commitments from the Chamber of Commerce and City to share information and data on a regular and consistent basis. Continued reporting by the Workforce Resource Center, UCSB Economic Forecast Project, and State EDD in manners that can segregate City and North County data from aggregated Santa Barbara County data.

Benchmarks / Timelines

Initiate in 2008 in conjunction with a GIS program and determine frequency of review.
Miscellaneous Programs and Support Actions

Goal: Support and promote existing and planned programs that will aid economic development efforts.
Support for “Priority” Programs

Some programs may be vital to the economic development effort however, no municipal action plan is currently developed. In these cases, a separate organization has primary responsibility for carrying out the program. The City may have a major role to play in the future. For now, it is considered important to identify the program and the City’s support for it. Below are programs listed that are considered important and have City support. The list is not exhaustive and should be updated periodically.

♦ Resolve California Tiger Salamander (CTS) matter and develop airport research park.
♦ Establish high speed fiber optic cable communications link and seek to implement additional advances to insure technological competency for businesses.
♦ Improve and solidify economic health/vitality of Town Center East.
Revolving Loan Fund

On January 4, 2005, the City Council adopted a resolution, which authorized staff to create a revolving loan fund for business retention and attraction with an allocation of $250,000 set-aside each quarter, over a one-year period for a total of $1 million. The revolving loan fund is financed through General Fund proceeds from the sale of surplus water and is to be administered by the Santa Maria Valley Chamber of Commerce (SMVCC).

Eligible Business Retention and Attraction Loan Program (Loan Program) applicants will include on-going and start up private-for-profit businesses, corporations, partnerships, sole proprietorships, and cooperatives located in or expanding within the City. The Loan Program is established to:

- Increase / create new sales tax revenue and retain top sales tax revenue generators;
- Increase / create jobs or retain top employers in specific industries;
- Redevelop under-utilized properties within the City limits;
- Increase/create new property tax increment and/or sales tax generating businesses; and
- Serve as a catalyst to stimulate additional private investment.

The Loan Program is part of the overall City economic development strategy that is coordinated by the SMVCC to promote economic activity and revitalization. Eligible uses of loan proceeds include:

- Business start-up and expansion;
- Interior and/or exterior leasehold improvements;
- Purchase of machinery and equipment, furniture and fixtures, and inventory; and
- Funding for work in progress and account receivables.

The SMVCC, in partnership with City staff, will market the Loan Program to local businesses and banks. This is an excellent example of cooperative economic development and no further action is required.
How do you build a truly creative community – one that can survive and prosper in this emerging age? The rise of the creative economy has altered the rules of the economic development game. The key can no longer be found in the usual strategies. Recruiting more companies won’t do it; neither will trying to be the next Silicon Valley. Companies were the force behind the old game and cities measured their status by the number of corporate headquarters they were home to. Even today many cities, states and regions continue to use financial incentives – some of them obscenely extravagant – in their efforts to lure companies. While companies remain important, they no longer call all the shots. As we have seen, companies increasingly go and are started where talented and creative people are.

The bottom line is that cities need a people climate even more then they need a business climate. This means supporting creativity across the board – in all of its various facets and dimensions – and building a community that is attractive to creative people, not just to high-tech companies. Instead of subsidizing companies, stadiums and retail centers, communities need to be open to diversity and invest in the kinds of lifestyle options and amenities people really want. In fact you cannot be a thriving high-tech center if you do not do this.

The key to success today lies in developing a world-class people climate. While it certainly remains important to have a solid business climate, having an effective people climate is even more essential. This entails remaining open to diversity and actively working to cultivate it and investing in the lifestyle amenities that people really want and use often, as opposed to using financial incentives to attract companies, build professional sports stadiums or develop retail complexes. The benefits of this kind of strategy are obvious. Investments in amenities like urban parks, bike lanes or off-road trails for running, cycling, rollerblading or just walking the dog – benefit a wide swath of the population and last for generations.

As described by Dr. Richard Florida in his book “The Rise of the Creative Class” these types of workers include scientists, engineers, artists, designers, architects and related “creative professionals” in the high technology, financial services, and health care fields. People who work in these wealth-generating occupations are attracted to interesting, diverse and accepting communities. As summarized in the EDE, “place” is fundamentally more important now than it ever was. It is what draws creative people to a city. Government and economic development professionals create a “people climate.” Creative people gravitate to stimulating environments rich with differences, lively and open character and distinctiveness.

To explore this concept of “place” – and to begin to develop a practical framework for the implementation of economic development strategies in Santa Maria consistent with this notion – the All-America City Committee hosted a series of public forums. In these forums, participants explored the ideas advanced by Dr. Florida, compared and contrasted those ideas with the economic development strategies currently being implemented by Santa Maria, and
brainstormed possible actions this community could take to build on current efforts in a more effective way.

The general conclusions of the forum participants are summarized as:

1) Santa Maria has numerous challenges and opportunities. The challenges – low educational levels, language barriers, limited "career ladders" – are well known, as are many of our opportunities – motivated workforce, family-friendly neighborhoods and pro-growth environment.

2) Santa Maria has several “hidden” strengths – its location on the central coast relatively close to two major research universities, near unique environmental resources and home to very interesting and diverse cultures.

3) Santa Maria’s primary challenge in seeking to expand our wealth using Dr. Florida’s concepts is our lack of a sense of “place” that can retain, attract, and engage the creative class. We have all of the raw material – but no specific vision to build upon.

To provide a real-life test of the creative class concept, Café FX CEO Jeff Barnes informally polled his staff and then shared his thoughts as to what Santa Maria might be able to do to grow and expand creative, wealth generating businesses like his. Café FX is a Santa Maria based technology firm whose employees fit the creative class description as outlined by Dr. Florida. The Café FX Top Ten list is as follows:

1. Improve the Downtown / Town Center Mall areas
2. Get a big name bookstore like Barnes & Noble or Borders
3. Promote more culture / arts
4. Improve Santa Maria’s “image.” Create a more attractive City design with some kind of identity
5. Generate more family-oriented activities / services
6. Affordable homes
7. Better restaurants
8. Paved bike-paths and jogging trails connecting the major parks, neighborhoods and shopping centers
10. Improve all schools – especially those in the North quadrant

Many of these ideas are already reflected in current plans and initiatives. The point is not that there is some magic bullet, but rather to validate what Dr. Florida argues in his book and what many intuitively sense:

Active, interesting places attract and retain active, interesting people. And active, interesting people create businesses, jobs, and social institutions.

There is no shortage of local opportunities to implement these ideas. Examples from the brainstorming sessions include:
♦ Build on existing efforts to create a “destination” along McClelland Street
♦ Create an “Olivera Street” type Hispanic marketplace along or adjacent to West Main Street
♦ Stimulate Town Center Mall activity with more community events and create an entertainment hub downtown
♦ Build on and/or replicate Old Town Orcutt art events and institute a murals project

All of these complex questions certainly cannot be answered definitively in a few evening workshops but the process was sufficient to draw the following three basic conclusions.

**Santa Maria should continue to implement the strategies contained in the adopted Economic Development Element:**

♦ The current strategies are logical, build upon existing community strengths, and are compatible with a vision to attract and retain creative class residents.

**Santa Maria should elevate the focus on the Downtown Specific Plan – with the intention to use it as a driver for the other strategies – particularly those associated with expanding target industries.**

♦ An interesting, vibrant downtown can only help grow tourism, for example, and growing tourism can only help improve downtown.

♦ A vibrant downtown that helps retain and attract creative class residents – will both help aerospace/aircraft and/or value added agricultural firms retain and attract skilled employees as well as induce entrepreneurs in those fields to choose Santa Maria over other alternatives to grow their businesses.

♦ A bustling art and cultural scene can provide numerous “career ladder” opportunities for skilled, but under-employed immigrant community members.

**Santa Maria should make a conscious choice to build on Santa Maria’s unique strengths as a potential center of knowledge work and innovation.**

♦ The right elements are in place – but it may require a shift in development priorities to better stimulate the kind of community improvement necessary to attract and retain knowledge workers. Additionally, local institutions to support and implement the vision must be created. Local government can build a policy framework – and perhaps even provide seed money or projects – but the heavy lifting is a private sector activity.

There is no one-size-fits-all model for a successful people climate. An effective people climate needs to emphasize openness and diversity and to help reinforce low barriers to entry. Thus, it cannot be restrictive or monolithic. Truly creative communities appeal to many different groups.
Incubators

Small business is a critical component of the City’s economy and insuring their success has always been a priority. One of the approaches to facilitate success is to nurture fledgling business in a small business incubator. Incubators are facilities in which a number of new and growing businesses operate under one roof with affordable rents, sharing services and equipment, and having equal access to a wide range of professional, technical, and financial programs. Incubator facilities provide an environment where public and private resources combine to meet the needs of small businesses during their critical stages of development. The typical low cost of operating a new business in an incubator facility is conducive to a more rapid growth and maturity into a viable business enterprise.

The Economic Development Element calls for a determination as to the feasibility of a small business mixed-use incubator, and the evaluation of potential operators, sites, and funding sources. Over the course of time, two consulting firms have validated the feasibility of a small business mixed-use incubator in the Santa Maria Valley.

Inventors Workshop International (IWI) is a Santa Barbara based non-profit, educational foundation with over thirty years of experience assisting inventors and entrepreneurs. Through the efforts of IWI President, Alan Tratner and others dedicated to insuring a small business mixed-use incubator in the Santa Maria Valley, an advisory committee has been formed and arrangements made with the Town Center Mall East owners to secure rent-free space for incubator operation. The Santa Maria Enterprise Center as the incubator is named has been meeting to designate Board Members, focus on operational fundraising and formation of a non-profit corporation have been undertaken. Subcommittees are working on tenants' criteria, incubee mentoring, fundraising and other endeavors.

Because of the dedicated efforts of community members, no further action shall be required as this time unless the Advisory Committee requests specific assistance.
Concluding Remarks
Concluding Remarks

The Economic Development Element (EDE) is intended to be a one-source “policy” document that is anticipated to make Santa Maria’s economic development effort the most effective it can be.

The EDE is considered a dynamic document that reflects the latest in ideas and policies. As a “living” document, it is expected to change often; review will take place annually with a comprehensive update every five years.
MISSION STATEMENT

The Mission of the Santa Maria Valley Visitor & Convention Bureau is to improve the area’s economy and increase its tax base by attracting visitors to the Santa Maria Valley through sales and marketing efforts. Convention and visitor services are provided to encourage longer stays and future returns. By attracting marketing partner participation and bringing together the interests of local businesses, government, and civic organizations, the Bureau creates an alliance that increases awareness and enhances the image of the Santa Maria Valley.

MARKETING OVERVIEW

The goals and strategies presented in this marketing plan are designed to promote the Santa Maria Valley as a desirable destination for business and leisure travel, thereby increasing convention and visitor activity. Consistent with our mission to promote the growth and development of the visitor industry in the Santa Maria Valley, the Bureau will continue its core programs of Sales, Public Relations and Advertising. It will routinely evaluate all program elements from advertising, trade shows, familiarization tours, and sales missions to brochure fulfillment, consumer traveling and coordination of promotional programs of special interest to our growing hospitality industry partners.

Advertising assistance will be provided to industry partners through traditional co-ops and the development of a partnership-advertising program. In addition, our sales department will continue to increase sales efforts in areas that have the greatest potential for return, while protecting those groups and events that remain strong supporters of the Santa Maria Valley.

Public Relations also yields invaluable coverage that the Bureau depends upon to reach potential visitors. During the 2003/2004 fiscal year, the Bureau will focus on a campaign that will address both domestic and international markets by conducting ongoing outreach to key newspapers, magazines, television, radio and on-line editors. The Bureau will also host journalists on an ongoing basis to allow face-to-face contact with key freelance syndicated and staff writers.
**Marketing Objectives**

1. Increase travel to and expenditures in the Santa Maria Valley.
2. Increase repeat visits to Santa Maria within the same season of visit, during another season, and annually.
3. Attract new visitors to Santa Maria from our current markets.
4. Grow travel to and awareness of the Santa Maria Valley from multicultural audiences. Send a compelling invitation to visit the City that incorporates people from all cultures recreating and enjoying our area.
5. Encourage longer stays in the Santa Maria Valley through increased overnight stays, midweek visits and extended weekends.
6. Increase inquiries for the Santa Maria Valley travel information through calls to the 800 number, visits to santamaria.com and visits to the Santa Maria Valley Visitor Center.
7. Continue to promote attractions including, but not limited to: golfing, fishing, agriculture, arts and culture.
8. Continue targeting niche markets such as extending business travel to include friends and family leisure travel, promoting the Santa Maria Valley as a destination for meetings and conventions, international business and leisure as well as group travel.
9. Provide enhanced marketing opportunities for attractions, hotels, restaurants and all tourism related businesses through Bureau programs.
10. Conduct, evaluate and share data to guide the Santa Maria Valley’s tourism efforts.
11. Assist in marketing the natural scenic beauty and vacation attributes of the Santa Maria Valley.
12. Promote the Santa Maria Valley as a location for feature film production, television commercial and video productions.

**Marketing Environment**

Leisure travel is expected to continue its steady but uneven recovery during the latter part of 2003. According to a recent travel survey by Yesawich, Pepperdine & Brown, the nation’s leisure travel industry is strained by a convergence of three forces: the prolonged impact of terrorism; the languishing national economy; and increasing expectations from technology-savvy travel consumers in search of deep discounts.

As a result, leisure travel will feature less exotic trips in favor of more car travel, intra-regional and weekend trips emphasizing emotional connections such as visiting friends and family,
active travel and cultural attractions. Travelers are less interested in gathering material possessions; rather, they seek life experiences, family reconnection and authenticity. Lifestyle explorations, multi-generational travel and knowledge-based tourism are rapidly emerging as primary reasons for visiting a destination. This, more often than in the past, means bringing children along when they travel for pleasure or work. Time is a more crucial currency than money and travelers are working to maximize the time value of their vacations.

In addition, the travel buyer will increasingly expect travel discounts and utilize the Internet for trip planning and purchasing.

Advertising & Promotions

To most effectively maximize the budget, the majority of our promotional efforts will focus on three proven primary markets: Los Angeles, Central Valley, and the Bay area. Advertisements in regional magazines, as well as increased emphasis on direct marketing, public relations and the Internet will allow us to cost effectively reach beyond these primary markets to other domestic travelers.

Recent trends show that the drive market is becoming increasingly important as traveler confidence in air travel has diminished. The traditional two-week vacation is disappearing and travelers are opting for more weekend travel and shorter trips closer to home. Travel decisions are also being made in the shorter term, with less long-term advance planning.

With this in mind, the Bureau will promote themes of relaxation, romance, extended family bonding, exploration, the arts, and on the stunning natural beauty of the Santa Maria Valley. We will also capitalize on the trend of closer-to-home family travel and the frequency of combining family and business travel.

Throughout the year, advertising campaigns will run in monthly travel publications and newspapers to further increase expenditures, encourage repeat visits and also to attract new visitors.

A. Annual Travel Guides
   Traveling California’s Central Coast
   Santa Barbara Destination Guide
   California Visitor Guide

B. Newspapers
   Bakersfield Californian
   LA Times
   Sacramento/Fresno/Modesto Bee
C. Periodicals

- SCOREGolf
- FORE Magazine
- Sunset Magazine
- AAA Guide Book
- LA Magazine

E-mail Marketing

The goal of the e-mail marketing program is to use technology as a one-to-one communication tool with leisure travelers. This marketing program is able to simplify travelers' lives by providing them with timely communications, discounts, and ideas for planning their Santa Maria travels. Through this strategy, the leisure traveler will be encouraged to stay longer, make more frequent trips, and try new things. The ultimate result is increased economic impact in Santa Maria.

The objectives of this program are to create a list of e-mail addresses in a customer database and maintain a high-quality e-mail list. Travelers who have opted to receive future promotions from us and have provided their e-mail address will be the target markets for this program.
Technology Marketing

Internet marketing has become an established and cost effective tool for promoting and selling to leisure and business travelers alike. As more travel planners use the Internet to plan vacations, the Bureau will continue to focus on updating santamaria.com content to ensure easy, user-friendly navigation and comprehensive, up-to-date information. New in 2003 will be the 360-degree panoramic photography.

We will also continue to expand and monitor vacation packages and the travel discount sections of santamaria.com to focus on drawing more visitors during the “off peak” times, mid-week and winter months.

Direct Mail

The goal of the direct mail campaign includes proactively mailing the visitor guide, special event packages, Santa Maria Valley Wine Trail rack card and other collateral material to travelers who requested the information in the previous year. The objective of these mailings is to get information in the hands of travelers to keep Santa Maria top-of-mind.

Other direct mail campaigns will be implemented to supplement our advertising efforts.

Direct Sales and Services

Activities designed to reach the meeting and group tour markets include trade shows, on-site educational visits, industry meetings, sales calls and direct mail campaigns. Trade shows are important for maintaining existing business and penetrating new markets while direct mail campaigns assist in increasing destination awareness and bookings.

The sales staff also provides services to meeting and tour planners that ensure the success of meetings and group tours booked through the Bureau. The department acts as a liaison for meeting and tour planners who have selected Santa Maria as a destination by providing a convenient and single source for reference, information and local supplier coordination.

Sales Missions

Bureau staff will attend two sales missions during the 2003/2004 fiscal year. Each mission will include 2 days of targeted appointments with key tour operators, meeting planners, travel writers and AAA offices in the Los Angeles and Central Valley area. The Bureau conducts these trips with local cooperative partners to strengthen our visibility and further build our image in key markets.
Meetings and Convention Market

A strong partnership with and involvement in the meetings and convention market is instrumental in promoting the Santa Maria Valley as a meeting destination. With membership in the Hospitality Sales & Marketing Association International and the California Society of Association Executives, the Bureau gains access to features such as attendance to trade shows, mailing lists, and other benefits with membership that puts the Bureau in contact with prospective clients.

During the fiscal year, the Bureau will attend the Affordable Meetings in the West trade show in Long Beach which has an attendance of over 800 meeting professionals from a variety of industry segments including Association, Corporate, SMERF (Social, Military, Education, Religious, and Fraternal), Government and Independent. At this show, the Bureau will work to attract attendees that are from a variety of organizations throughout the western United States, including 22 states and Canada.

Located in Anaheim, the Meetings Quest travel show reaches a variety of qualified meeting planners. The show includes a networking breakfast, educational sessions, exhibits and a closing reception. This year, the Bureau will coordinate attendance with our local cooperative partners to make personal contact and distribute printed material at this show.

Group Travel Market

The Bureau is responsible for the sales and marketing efforts in attracting group leisure visitors from both domestic and international markets. These markets not only bring in new visitors at a higher per-person-spending ratio, but they are also a key source of business for our low and shoulder seasons.

Activities designed to reach these markets include direct mail campaigns, trade shows, and familiarization tours, which are conducted in response to tour operator requests.

The website is another marketing tool that continues to be a valuable channel for tour operators to use when developing itineraries. Internet use for travel planning has increased, so keeping the site current and fresh remains a priority as motorcoach and tour operators become more reliant on it.

During the 2003/2004 fiscal year, the Bureau will continue to solidify relationships with tour operators by partnering with the National Tour Association, California Tourism and the California Travel Industry Association. These relationships provide avenues for trade show participation and allow the Bureau to aggressively promote the City as an attractive group leisure destination. Trade shows are very important for maintaining existing business and penetrating new markets since they allow the sales staff to make contact with group tour representatives through pre-schedules appointments.
Media & Communications

Press release distribution, securing familiarization tours, solicitation, maintenance of the online press room, photo CD library and Grapevine quarterly newsletter provide the foundation on which other Public Relation activities are coordinated.

Throughout the fiscal year the public relations program will disseminate positive news about our destination and coordinate responses to incoming press requests; continuously developing and promoting brand themes that will maximize destination coverage. The Bureau will also increase positive editorial media coverage of the Santa Maria Valley and of program offerings, specifically stimulating coverage of tour product, cultural attractions, hotels, excursions, off-season, transportation and active travel.

Familiarization Tours

The Bureau and the local hospitality industry will continue to host individual familiarization tours for selected media so they may experience Santa Maria first-hand. Providing this opportunity to explore the Santa Maria Valley is critical to the success of our public relations campaign since millions of dollars worth of high-quality coverage is yielded each year.

Reaching out to the Community

Involvement in various organizations allows the Bureau to participate in and support community events that directly contribute to tourism in the Santa Maria Valley. The Bureau staff actively participates in the Santa Maria Arts Council, the Revitalize Our City Committee, Santa Maria Valley Beautiful, the Central Coast Tourism Council, and the Santa Barbara County Film Commission.

Filming

Activities directed toward the film location and production audience include participation in the Santa Barbara County Film Commission familiarization tours, advertising in the Santa Barbara County Film Production Guide, upgrading the film section of our website and on-line photo library.

It is essential to highlight the convenience of Santa Maria as a location and the vast array of unique sites within the valley.
Special Projects Grant Program

The Special Projects Grant program provides partnership funding to help non-profit organization applicants promote tourism while maintaining a strong local tourism base in the Santa Maria Valley. Under this program, the Bureau funds up to 50% of a project's promotional operating budget and must be used to promote the event/activity outside of Santa Barbara and San Luis Obispo Counties. To be funded, projects must complement or supplement the Bureau's overall tourism marketing strategy.

The grant program offers non-profit tourism organizations a variety of options to assist in the development of marketing initiatives, with grants in five different categories: Advertising, Public Relations, Collateral Material, Video, and Special Events.

Throughout the past fiscal year, the Bureau’s Special Projects Grant Program allocated $50,000 to the following organizations: YMCA Tri For Fun, SMISO Soccerfest, PCPA Theaterfest, La Purisima Audubon Society, Celebration of Harvest, Elks Rodeo and Parade, Santa Maria Swim Club, Warbird Round-Up, State Fair Booth, Bent Axles Annual Cruise and BBQ Weekend, Autumn Arts Grapes & Grains Festival, Central Coast Tennis, Vintners’ Festival, Santa Maria Girls Softball Tournament, Chevy/GMC-Ford Showdown, Turkey Shoot Softball Tournament, Memorial Day Invitation Long Course, Central Coast Spring Automotive Weekend, and the Santa Maria Valley Strawberry Festival.

Promotions/Entertainment

The Santa Maria Valley Chamber of Commerce and Visitor & Convention Bureau (VCB) is Santa Maria’s official destination marketing organization. Its primary mission is to improve the area’s economy and increase its tax base by attracting visitors to the Santa Maria Valley though sales and marketing efforts, thereby diversifying the local economy and stimulating development.

To accomplish this goal, the VCB is committed to the following core objectives:

♦ To be a destination management organization that stresses partnership, productivity and maximum return on investments.
♦ To compete aggressively with destinations throughout the region in attracting first time and repeat visitors.
♦ To market the region in a way that maximizes the visitor’s experience while respecting the quality of life and environment in which we live.
♦ To offer exceptional customer service in all aspects of the VCB.
♦ To share expertise on industry issues, trends and product development with tourism partners.
♦ To measure and report the effectiveness of the organization in generating economic benefits for the community.
Cultural Tourism - Events, Agriculture, and the Arts

One of the most successful ways to capitalize on a community’s assets is to form strategic alliances between the visitor industry and the cultural community. Successful cultural tourism projects depend on collaboration, assessment, research, and marketing and visitor service. Such an alliance plays a crucial role in determining the image and, ultimately, the reality of a City’s character.

In order to expand upon cultural tourism opportunities, the VCB will partner with the Santa Maria Fairpark, Unocal Event Center, PCPA Theaterfest, and other tourism partners to support tourism development. The VCB will also work with the local agricultural community and with the Central Coast Agri-tourism Council to assist with the development of sustainable attractions that educate, elevate, and entertain the visitor and local community.

Over the next decade cultural tourism will become a significant travel trend that will dominate the tourism market. A growing number of visitors are becoming special interest travelers who rank the arts, heritage and/or other cultural activities as one of the top five reasons for traveling. Broadening participation in the arts, increasing opportunities for artists, preserving and promoting our cultural resources and investing in our city’s quality of life are among the reasons for supporting and leading cultural tourism initiatives.

Cultural tourism and agri-tourism enterprises might include:

- Outdoor recreation (wildlife study, horseback riding).
- Educational experiences (agricultural tours, cooking classes, or wine tasting).
- Entertainment (harvest festivals, theme dances or a kite festival).
- Hospitality services (guided tours or outfitter services).
- On-farm direct sales (u-pick operations or roadside stands).
Lodging, Dining and the Airport

Local hotels, restaurants, retail stores, attractions, special events, restaurants, the airport and other organizations have an opportunity to join together to create co-operative marketing efforts to promote the Santa Maria Valley as a premier destination on California’s Central Coast.

VCB advertising assistance is provided to industry partners through traditional co-ops and the development of a partnership-advertising program. In addition, the VCB sales department works to increase sales efforts in areas that have the greatest potential for return, while protecting those groups and events that remain strong supporters of the Santa Maria Valley.

Marketing efforts not only establish a bond between the Chamber of Commerce and Visitor & Convention Bureau and the hospitality industry, but also create alliances within the business community as a whole. Support and participation from the various partners becomes an integral part of every piece of collateral, advertisement, and special program. Each success is then spread throughout the community, gaining support and momentum as each business works together. Over the years, the public-private partnership that the local business community has forged continues to reap rewards, increasing each participant’s marketing budget and advertising impact.

Partnership opportunities might include:

♦ Tradeshows (consumer, group tour, meeting and convention markets)
♦ Advertising (annual travel guides, newspapers, periodicals, television, internet)
♦ Public relations (positive editorial media coverage)
♦ Discount offerings (internet and print)
♦ Familiarization tours (media, filming, group tour, and the meeting markets)
♦ Direct mail campaigns/E-newsletter (media, consumer, group tour, meeting and convention markets)
♦ Sales missions (out-of-town targeted appointments)