

Chapter 3.

Economic Development

INTRODUCTION

Please Note: San Bernardino is in the process of creating an Economic Development Strategic Action Plan. That plan will likely include goals, strategies, and specific actions, with a short-term horizon than the General Plan. Also, the action plan can and will be updated regularly to reflect successes and new challenges. Therefore, the Economic Development Element will provide long-term goals and policies, which can be expected to remain fairly consistent over several iterations of the action plan. Accordingly, much of the details and specific actions provided in the current General Plan's Economic Development Element have been excluded from the draft updated Economic Development Element.

The Economic Development Element is intended to support economic growth that equitably benefits all of the community, provides employment and business opportunities, and broadens the tax base to support and improve public facilities and services. The Economic Development Element is linked primarily to the **Land Use** and **Housing Elements**. Land use policy, in which the city takes an active role in defining development intensity, the balance and mix of land uses, and design guidelines, is fundamental to economic growth and fiscal well-being. Land use policy also helps the city plan in advance for the secondary effects of development, including employment growth, infrastructure requirements, and fiscal impacts. San Bernardino's housing policy also is linked to economic development planning in that economic relationships exist between housing types and employment opportunities, as well as between housing densities and the cost to maintain city service levels.

With regard to attracting industry and maintaining mobility for corporate activities, **Circulation Element** policies tie into a sound economic development strategy. Finally, a vital and robust economy supports **Environmental Justice** objectives by providing initiatives to attract businesses providing high-quality job opportunities and establishing programs to train and enhance the skills of residents and move up the economic ladder.

GOALS AND POLICIES

Goal ED-1 Economic Development Program

A comprehensive and effective, citywide economic development program that sustains long-term economic growth, attracts private sector investment in the city, grows and diversifies the tax base, supports the vision and other goals of the General Plan.

ED-1.1 Economic Development Strategic Action Plan. Adopt, implement, invest in, and regularly update an economic development strategic action plan elaborating the city's vision for economic development, establishing goals that complement or supplement the goals of the General Plan, and identify strategies and actions necessary to work toward the goals and realize the vision.

ED-1.2 Economic Development Integration. Integrate economic development thinking throughout city government by providing economic development training for key city staff, discussing economic and fiscal implications in staff reports for land use cases, and regularly communicating the city's economic development efforts and successes.

ED-1.3 Economic Development Partners. Leverage investments by the federal and state government and by private and non-profit entities, by collaborating with economic development partners, including but not limited to the San Bernardino County Workforce Development Board, the Inland Empire Small Business Development Center, the Inland Economic Growth and Opportunity Initiative, the San Bernardino County Economic Development Agency, the Inland Valley Development Agency, San Bernardino Area Chamber of Commerce, the Inland Empire Chamber of Commerce, Inland Empire Center for Entrepreneurship, the California State University, San Bernardino, San Bernardino Valley College, the school districts serving the city, and other stakeholders, such as existing businesses, commercial and industrial real estate brokers and developers, and other community organizations.

ED-1.4 Marketing and Communications. Continue to grow and expand a marketing and communications strategy in conjunction with the economic development strategic action plan and invest in marketing San Bernardino as an opportune location for new businesses and private investment.

Goal ED-2 Thriving Local Economy and Regional Jobs Center

A growing and resilient local economy that provides living-wage job options for residents, creates opportunities for entrepreneurs wanting to start new businesses, sustains businesses wanting to grow and expand, helps grow household incomes, and supports a continuing improvement in the quality of life in San Bernardino.

- ED-2.1 Business Retention and Expansion.** Facilitate the retention and expansion of local businesses with consistent dialog with the business community and helping connect regional economic development service providers with local firms.
- ED-2.2 Business Attraction.** Market San Bernardino to potential new businesses by investing in communications and public relations, attending industry events for target economic sectors, and collaborating with economic development partners promoting the city and the San Bernardino Valley.
- ED-2.3 Business Startups.** Grow the number of independent businesses to create opportunities for local entrepreneurs, diversify the local economy, and provide goods and services desired by local residents, by collaborating with the Chamber of Commerce and regional economic development service providers to provide entrepreneurial training and assistance.
- ED-2.4 Business Assistance.** Provide assistance to businesses navigating city hall and periodically evaluate municipal requirements to identify opportunities to streamline processes and eliminate ineffective regulatory requirements.
- ED-2.5 Tourism and Events.** Facilitate the development of a complete tourism sector with lodging, dining and entertainment, special events, and travel, including air and rail.
- ED-2.6 Workforce Development.** Collaborate with San Bernardino County Workforce Development, California State University, San Bernardino, San Bernardino Valley College, certified workforce training providers, and community organizations to increase local businesses' awareness of and access to workforce development assistance.

Goal ED-3 Economic Activity Centers, Districts, and Corridors

Well-developed and well-maintained centers, districts, and corridors where economic activity thrives in San Bernardino.

- ED-3.1 Commercial Corridor Infill Development.** Reduce excess commercial building space along corridors by facilitating mid-block multifamily housing

development, as stand-alone residential use or mixed-use when market conditions support ground-floor commercial uses.

- ED-3.2** **Mixed-Use Nodes.** Based on market conditions, identify key nodes along commercial corridors; support redevelopment of commercial buildings at key nodes with new commercial development or mixed-use development; support transit and multimodal improvements connecting key nodes along commercial corridors.
- ED-3.3** **Access to Commercial Services.** Invest in multimodal connectivity between residential areas and commercial districts and corridors to improve residents' access to commercial businesses.
- ED-3.4** **Experience-Oriented Commercial Districts.** To improve profitability and competitiveness, promote experience-oriented improvements in commercial areas that have sizeable residential populations within walking distance; such improvements may include convenient bike and pedestrian circulation, dining and outdoor dining, public gathering spaces; benches and other street furniture, public art, entertainment and recreation uses and activities, and events.
- ED-3.5** **Warehousing.** Maintain and enhance a high-quality range of industrial areas that accommodate warehousing in areas with lower impact to residents and sensitive receptors while requiring fees to pay for the cost of landscaping, buffers, truck route access to freeways, and other public benefits.
- ED-3.6** **Other Industrial Land Uses.** Maintain and enhance a range of industrial areas to preserve and accommodate operations and expansions of manufacturing and other industrial businesses; ensure that affordable industrial building stock is available for manufacturing and other industrial business startups.
- ED-3.7** **Economic Assets.** Prioritize development, businesses, and investments that capitalize on previous investments in economic assets, including, but not limited to, freeway infrastructure, BNSF rail yard and rail infrastructure, San Bernardino International Airport, San Bernardino Santa Fe Depot and other transit facilities, California State University, San Bernardino, San Bernardino Valley College, county, state, and federal government facilities, hospitals, the National Orange Show Event Center, and San Bernardino Theater Square, as well as future investments in Downtown San Bernardino.
- ED-3.8** **Entertainment District.** Capitalize on the potential of the entertainment district to attract visitor spending to San Bernardino by facilitating the attraction and start-up of entertainment businesses and support the marketing of the entertainment district, consistent with the economic development strategic action plan.

Goal ED-4: Supporting Personal and Social Potential

Land use and development and public and nongovernmental investments that sustain and improve the city's social and human capital.

- ED-4.1 Education.** Collaborate with and support public school districts, charter schools, the San Bernardino Community College District, and community organizations to continually improve the quality of and access to universal preschool, K-12 education, and adult education, including but not limited to general equivalency diplomas and English as a second language.
- ED-4.2 Career Development.** Collaborate with the San Bernardino County Workforce Development Board, California State University, San Bernardino, the San Bernardino Community College District, certified workforce training providers, and community organizations to expand residents' awareness of and access to career development services, job placement services, post-secondary education, and training programs.
- ED-4.3 Workforce Housing.** Support the development of housing that is available to those working in the city and that is in proximity to bicycle, pedestrian, and transit connections that serve commercial corridors and employment centers.
- ED-4.4 Home Ownership.** Collaborate with, help build the capacity of, and assist in obtaining grant funding for community organizations that promote home ownership for city residents, including any future City home ownership programs.
- ED-4.5 Business Startups.** Collaborate with, help build the capacity of, and assist in obtaining grant funding for community organizations that help city residents start new businesses, including but not limited to home-based businesses.
- ED-4.6 Culture.** To capitalize on the potential economic development benefits of creativity and innovation, grow an arts and heritage culture by encouraging organizations that promote and invest in local arts training and education, exhibitions and sales, historic and heritage preservation, and events; support cultural development by obtaining and investing grant funds following an adopted Arts and Culture Master Plan.
- ED-4.7 Employment Challenges.** Encourage existing and new businesses to provide employment opportunities for individuals with criminal records, youth, and other marginalized communities facing employment challenges.
- ED-4.8 Local Hiring.** In discretionary permitting and investment of city resources, take into consideration and prioritize the potential for above average wages, jobs with training and career advancement potential, and local hiring and other public benefits.

Goal ED-5: Fiscal Resilience

Fiscally sustainable land use and development patterns and well-managed municipal finances that result in a fiscally resilient municipal government with revenues sufficient to invest in the continual improvement of the quality of life for all residents.

- ED-5.1 Decision-Making.** Incorporate the full short-term and long-term economic and fiscal implications of proposed actions into public decision making and take into consideration how proposed developments will eliminate negative fiscal impacts; evaluate fiscal implications of applicant-provided fiscal impact assessments, expenditure requests and development plans going to the City Council for approval.
- ED-5.2 Additional Revenue Sources.** When appropriate to eliminate negative fiscal impacts and provide public benefits, establish statutorily authorized funding and financing mechanisms, including, but not limited to, special assessments, community facilities districts, business improvement districts, or enhanced infrastructure finance districts; regularly review policies for funding and financing mechanisms to ensure that additional revenue source requirements do not unnecessarily drive up the cost of housing.
- ED-5.3 Public Funding.** When providing municipal funding to community organizations, take into consideration measurable objectives of what will be accomplished with public funding, in accordance with any other standards adopted by the city for community organizations.
- ED-5.4 Long-Term Funding.** Require those requesting city funds to establish or renew a program or project lasting more than one fiscal year to identify and disclose if and how the program or project will be funded in subsequent years.
- ED-5.5 Staff Time and Costs.** Periodically assess the accuracy of projections for staff time and city resources and use the assessment results to improve fiscal decision making to set fees to recoup city costs.

Implementation

IMPLEMENTATION ACTIONS	RELEVANT POLICIES	RESPONSIBILITY	TIMING
Goal ED-1 Economic Development Program			
<u>ED-1.1 Economic Development Strategic Action Plan</u> Prepare and adopt an economic development strategic action plan	ED-1.1	Economic Development	Short term; Continuing
<u>ED-1.2 Fiscal Impact Model</u> Develop a policy on required components and methodology for applicant-prepared fiscal impact analyses	ED-1.2; ED-5.1	City Manager; Economic Development; Finance	Short term; Continuing
<u>ED-1.3 Economic Development Training</u> Periodically conduct training on economic development for key staff throughout the city organization (either in-house training sessions or through a program such as California Association for Local Economic Development)	ED-1.2	Economic Development	Short term; Continuing
<u>ED-1.4 Economic and Fiscal Reports Policy</u> Adopt a policy establishing when an economic impact and/or fiscal impact assessment is required for staff reports for City Council and the content of these assessments.	ED-1.2	City Manager; Economic Development; Finance	Short term
<u>ED-1.5 Economic Development Marketing and Communications</u> In conjunction with the economic development strategic action plan, establish a marketing and communications strategy for economic development	ED-1.2; ED-1.4, ED-3.8	Economic Development	Short term; Continuing

IMPLEMENTATION ACTIONS	RELEVANT POLICIES	RESPONSIBILITY	TIMING
Goal ED-2 Thriving Local Economy and Regional Jobs Center			
<i>Please Note: Implementation measures for much of Goal ED-2 will be determined through the economic development strategic action plan.</i>			
ED-2.1 Tourism Marketing Prepare a feasibility study to assess the potential for establishing a convention and visitors bureau or similar entity to market San Bernardino as a destination.	ED-2.5, ED-3.8	Economic Development	Mid term
ED-2.2 Special Events Policy Establish a policy that provides guidance on the City's role in supporting special events in San Bernardino.	ED-2.5	City Manager; Economic Development	Mid term
ED-2.3 Workforce Development Summit In collaboration with the City's workforce development partners conduct a workforce development summit to identify ways to better connect residents and businesses with available workforce development services.	ED-2.6; ED-4.1; ED-4.2	Economic Development	Short term
Goal ED-3 Economic Activity Centers, Districts, and Corridors			
<i>Please Note: Many of the policies for this goal provide an economic rationale for policies and more detailed actions in the Land Use Element.</i>			
ED-3.1 Market Studies Commission regular market studies to understand the market potential for and financial feasibility of residential, commercial, and industrial development in San Bernardino.	ED-3.1; ED-3.2; ED-3.4; ED-3.5; ED-3.6, ED-3.8	Economic Development; Planning	Short term; Continuing

IMPLEMENTATION ACTIONS	RELEVANT POLICIES	RESPONSIBILITY	TIMING
Goal ED-4: Supporting Personal and Social Potential			
<i>Please Note: Many of the policies for this goal reference collaborating with civic organizations to build human and social capital. The nature and extent of such collaboration will be addressed through the economic development strategic action plan. In addition, implementation measures for two policies (ED-4.3, Workforce Housing, and ED-4.4, Home Ownership) are included in the Housing Element.</i>			
ED-4.1 Education Summits Periodically convene education summits with local and regional education partners to identify ways to continuously improve the quality of and access to education services and lifelong learning.	ED-4.1; ED-2.6	City Manager; Economic Development	Mid Term
ED-4.2 Arts and Culture Master Plan Adopt an Arts and Culture Master Plan to identify strategies and implementation measures to grow an arts and heritage culture in San Bernardino.	ED-4.6	Community and Economic Development; Arts and Historical Preservation Commission; Parks, Recreation, and Community Services Commission	Mid Term
Goal ED-5: Fiscal Resilience			
ED-5.1 Funding and Financing Mechanisms Adopt a policy providing guidance on when funding and financing mechanisms should be employed and guidelines for establish districts.	ED-5.2	City Manager; Economic Development; Finance; Planning;	Short Term
ED-5.2 Public Funding Policy Adopt a policy regarding requests for public funding, including requirements for measurable objectives and long-term funding sources.	ED-5.3; ED-5.4	City Manager; Economic Development; Planning	Short Term

IMPLEMENTATION ACTIONS	RELEVANT POLICIES	RESPONSIBILITY	TIMING
ED-5.3 Staff Cost Assessment Prepare an assessment of staff time and city resources and adjust fees as appropriate.	ED-5.5	Finance; Human Resources; Community and Economic Development	Short Term; Continuing