



COUNTY OF SOLANO GENERAL PLAN UPDATE

CAC WORKBOOK *ECONOMY*

JUNE 11, 2007

This workbook is designed for use by CAC members to prepare for the June 11, 2007 CAC meeting addressing economic issues in the General Plan to accommodate local business and economy. **This workbook will not address agricultural economic issues such as the County's agricultural economy, agricultural industries, support facilities, agricultural servicing, and related uses. These issues will be addressed in the Agricultural Background Report and CAC Agricultural Workbook, which will be presented and discussed at a future CAC meeting.**

The workbook consists of two Parts:

- I. This workbook consists of two parts because the existing General Plan does not contain specific policies related to the economy.
- II. A summary of State General Plan requirements for economics and a brief summary of gaps between current policies, State requirements, and background information.
- III. A summary of issues presented in the Local Economy Background Report for CAC discussion. Spaces are provided for CAC members to record comments to be addressed at the CAC meeting.

CAC members are encouraged to review the information in this Workbook, review the Local Economy Background Report (Sections 8-1 to 8-6); make notes on the items listed in Section III of the workbook; and come prepared to discuss these items at the June 11, 2007 CAC meeting.

I. EXISTING GENERAL PLAN POLICIES

The current Land Use and Circulation Element does not contain policies for commercial and industrial land uses. However, there are no specific economic policies in the current general plan.

ECONOMIC PROJECTIONS

Regional Employment

Association of Bay Area Governments (ABAG) projects that employment will grow approximately 46 percent between 2005 and 2030 within the nine-county region. The largest increases will be in the Health, Educational, and Recreational service sector, followed by the Financial and Professional services sector. The Agriculture and Natural Resources sectors will grow the least, gaining just 1,000 jobs, a four percent increase.

Local Employment

The local economy paper Section 8.4 (pages 8-23 to 8-25) provides ABAG's projection data of employment by industry for Solano County.

According to the data, Solano County will experience the greatest job generation in the Financial and Professional Services sector between 2005 and 2030. Health, Educational, and Recreational Service jobs will also increase significantly between 2005 and 2030 in each of the areas. Retail jobs are also expected to increase significantly for the County, and other areas, but will grow less than the other employment sectors. This indicates that within the County, and within each of the sub-areas (Benicia, Dixon, Fairfield, Rio Vista, Suisun City, Vacaville, Vallejo, and Unincorporated County), the majority of jobs created will likely pay more than minimum wage. The projected growth will lead to economic expansion in the County.

ECONOMIC DEVELOPMENT STRATEGY

Section 8.3 of the Local Economy paper (pages 8-10 to 8-16) suggests potential locations for employment generating uses in unincorporated areas. It also includes an inventory of commercially zoned parcels that would support commercial development and provide the best opportunities for new job generating uses. These areas include Suisun Valley, North Vacaville, Collinsville, Cordelia, and North Fairfield (see Table 12 page 8-10 for complete list). This section further describes these areas and the locations within these areas available for economic development.

II. GAPS ANALYSIS

This section of the workbook examines State General Plan requirements and identifies gaps between current County General Plan policies, State requirements, and new background information presented in the Land Use, Local Economy, Energy, and Population and Housing Background reports.

State Requirements

State of California requirements for general plan content are provided in the *California General Plan Guidelines*, which are published by the Governor's Office of Planning and research (OPR). Economic issues may be encompassed by the Land Use and Circulation Element of the General Plan.

Land Use Element Requirements

General plan law requires the Land Use Element guide planners, the general public, and decision makers as to the ultimate pattern of development for the county at build-out. The Land Use Element should provide the location and distribution of all land use types, including public facilities (schools, solid waste facilities, etc.). The land use element should also focus on the future growth and physical development of the community and planning area.

Circulation Element Requirements

The circulation element is not simply a transportation plan. It is an infrastructure plan addressing the circulation of people, goods, energy, water, sewage, storm drainage, and communications. The provisions of a circulation element affect a community's economic environment as follows:

- Economic—Economic activities normally require circulation for materials, products, ideas, and employees, thus the viability of the community's economy is directly affected by the circulation element. The efficiency of a community's circulation system can either contribute to or adversely affect its economy.

Recommendations

EDAW and County staff recommend the following approach to resolving known policy gaps as part of the General Plan update, as described in the General Plan Issues discussion in the subsequent section.

1. Develop specific economic policies related to business retention, employment development, distribution of business and industry, and business recruitment to assist in economic development within the County.
2. Develop policies related to circulation that are vital to economic activity.
3. Develop policies to support economic development in the County Unincorporated area.

CAC Comments

Are there other gaps to the County’s economic policies that should be addressed?

III. GENERAL PLAN ISSUES FOR CAC DISCUSSION

Based on existing trends regarding population and housing, EDAW and County staff have identified the following General Plan issues. Spaces are provided below each topic discussion for CAC members to record comments for discussion at the June 11, 2007 meeting. The issues are identified at the end of the following reports: 1) Local Economy Report pages 8-38 –8-39.

The CAC should discuss these issues and provide guidance to EDAW and County staff regarding a preferred approach to each. Following CAC discussion, EDAW and County staff will then complete draft policies and chapters of the updated General Plan for CAC review prior to consideration by the Planning Commission and Board of Supervisors.

ECONOMY

There are four issues for the CAC to consider regarding local economics taken directly from the Local Economy Background Report.

ISSUE 8-1: POTENTIAL MANUFACTURING OPPORTUNITIES

Employment projections indicate the largest gains in manufacturing jobs will be located in the unincorporated areas of the County. The County could initially focus economic development efforts for manufacturing uses in areas that are most likely to only be able to support manufacturing. These sites include parcels surrounded by other industrial uses, and located away from residential uses. Based on the likely uses of candidate parcels (as specified in Table 11), the County could focus on filling the vacancies in the Lambie Road Industrial area. Given its location away from residential uses, it is unlikely that office users would want to be located in this area.

Developing this area for further industrial use would provide the County with an additional 20,550 manufacturing jobs.

The County could also promote manufacturing or transportation uses in the Cordelia area, on the parcels located west of I-680. Currently, similar transportation uses are located on adjacent parcels. Given the proximity to I-80 and I-680, manufacturing users will likely want to be located in this area.

In addition, the County should direct new manufacturing uses toward vacant parcels located in the North Vacaville area that are currently zoned for manufacturing. These parcels sit on approximately 22 acres on either side of I-80, and can support approximately 485 manufacturing jobs. Given the site's location along I-80, it should be desirable to firms looking for freeway access and proximity to manufacturing and R&D firms located in Vacaville.

Finally, provided that there is sufficient demand for additional manufacturing space, the County could next focus on the area west of Rio Vista. Given the location along SR-12, near the Rio Vista airport and the Delta, there should be sufficient demand for this space as either manufacturing or warehouse space. As manufacturing positions tend to pay higher wages than warehouse positions, the County should develop this site for a manufacturing use. If this site were developed for manufacturing uses, it could support an additional 480 manufacturing jobs.

Together, these areas present the opportunity for an additional 21,500 manufacturing jobs. ABAG projects an additional 10,300 manufacturing jobs in the overall County, but only an additional 70 jobs in the unincorporated area. Thus, the County could use these parcels to provide a release valve for manufacturing space demand in the County, if the cities cannot provide adequate space to meet growing demands.

ISSUE 8-2: POTENTIAL OFFICE DEVELOPMENT OPPORTUNITIES

Based on the likely uses for areas that can support commercial development in unincorporated areas, as specified in Table 11 of the Local Economy Background Paper, the County should focus on promoting office development in the nearest term in the Cordelia area. This area currently contains both the infrastructure and critical mass to support additional office development. In total, development of office space in the Cordelia location would provide approximately 55 office jobs.

ISSUE 8-3: REGULATORY LIMITATIONS ON ECONOMIC DEVELOPMENT

As noted throughout this report, several areas within unincorporated Solano County can potentially or currently do support job-generating uses, based on their current designations. This is critical, because of the County's existing Orderly Growth Initiative. This policy, approved by voters in 1984, and reauthorized in 1994, requires that in almost all cases, before the County can rezone or redesignate land currently zoned or designated for agricultural or open space purposes to "urban" designations, it must put the proposed action to a vote of the people.

In 2010, the Orderly Growth Initiative will sunset, if County voters do not renew the ordinance through an election. A 2006 draft renewal ordinance is being circulated that would reauthorize the initiative through 2036, but allows for additional residential units on agricultural parcels to serve the affordable housing needs of agricultural workers. County residents will vote on this version of the Initiative in November, 2006.

Furthermore, under the Williamson Act, landowners can not currently develop commercial uses where are not identified by the County as a compatible use incidental to the commercial agricultural use of the land for lands under Williamson Act contract. For example, some of the uses that would assist in the development of Suisun Valley as a tourist destination, such as bed and breakfast inns, and restaurants, are not identified as a compatible use under the Williamson Act program. In addition, these uses currently would not be an allowed or permitted use

under the County’s current Agricultural zoning regulations. The County has begun the process of trying to allow for some of these uses in Suisun Valley, but no substantial changes have yet been made.

Numerous other federal and State regulations affect the future use of lands currently used as open spaces or agriculture including those of the Bay Conservation and Development Commission (BCDC), State Lands Commission, Water Resources Board, and US Army Corps of Engineers. The County will need to consult with these and other agencies throughout the planning process to ensure that any future economic development opportunities pursued also meet the objectives of these agencies.

ISSUE 8-4: INADEQUATE INFRASTRUCTURE TO SUPPORT ECONOMIC DEVELOPMENT

Although the County has the opportunity to attract many new employers, it must address the issue of inadequate infrastructure in several locations. The County will not be able to develop the Collinsville area until it addresses infrastructure issues in the immediate area, and on roads that lead into the area from the east. The County should plan for sufficient infrastructure to carry the critical mass required to make Collinsville a successful tourist destination. If the County opts to develop the Collinsville area as water-dependent manufacturing, it will still require the completion of Loop Road to mitigate the impacts to local farmers of additional truck traffic in the area. Furthermore, the County has additional infrastructure needs in the Lambie Road Industrial Area, Homeacres and Starr Subdivision Areas, which it should address if economic development is desirable in these areas.

CAC Comments

What additional steps would you like to see the County take to address economic issues?

ADDITIONAL POPULATION AND HOUSING ISSUES

What additional economic issues would you like to see the County address in the General Plan update?
