Paso Robles
Economic Strategy
ECONOMIC STRATEGY TASK FORCE

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THERE HAS BEEN A MOUNTING SENSE OF ANTICIPATION AND APPREHENSION ABOUT THE FUTURE OF PASO ROBLES. AFTER A DECADE OF ECONOMIC AND POPULATION GROWTH, SOME WONDER WHAT IS NEXT FOR PASO ROBLES.

Is growth necessary or desired? What form might it take? Can or should there be an effort to encourage jobs and commerce, as well as accommodate housing? If so, how can small town character continue to thrive while promoting economic vitality and individual opportunity? Can a way of life distinct from suburbia and metropolis be sustained?

The effort to address these questions, to craft a wholly new economic strategy, evolved out of an interest on the part of many that care deeply about the future of Paso Robles. The City Council and the Chamber of Commerce have led the effort. They have drawn on the talents and expertise of accomplished individuals from the worlds of business, commerce, finance, agriculture, education, government, tourism, publishing, entertainment, and economics.

Their collective endeavor has produced a vision – a strategy for the future – presented here for consideration.
A VISION FOR PASO ROBLES' ECONOMY

Paso Robles is at a crucial juncture. It faces significant change – in population, demographics, technological advancements, competition, and financial responsibilities – locally, regionally, and state-wide. A parallel transformation of approach to economic vitality is needed if the City is to maintain, even improve, quality of life for its residents.

When and how change is addressed will shape the economic future. A vision and strategy for economic and community development is called for – one that increases opportunity, spurs investment, encourages local enterprise, serves the needs of local residents, workers and businesses, promotes stable employment, reduces poverty, offers family and neighborhood life, and is both inclusive and sustainable.

The City Council has called for just such a reformation of the community’s economic vision and strategy. This report lays out the rationale for a wholly new economic vision and strategy as it contains data and analysis that reveal community assets, challenges, and opportunity. And, most importantly, it offers a new vision, or strategy, for increasing and sustaining economic vitality.

Representatives of the City, Chamber of Commerce, and other key public and private stakeholders collaborated to develop this new strategy. Its principle goal is to improve livability and the quality of life in the City through economic growth. The strategies included in this new vision are fashioned to enhance the competitive position of individuals, local industry and commerce, the City, and the region as a whole, by building on and promoting community assets, addressing barriers to progress, and mobilizing public and private resources.
June 29th 2005 the community received a report concerning its economic performance and forecast for the near term. The conclusion: gross domestic product is experiencing real growth at a healthy and sustained rate. The growth is fueled by retail sales and services, construction, rising home values and sales, agriculture, and wine industry-related tourism. Industry mix is better balanced than other area communities, and a vibrant, distinctively identified community center (downtown) offers a range of commerce, dining, entertainment, and civic uses.

The forecast is a testament to the community’s historical consensus and commitment to economic vitality. This result is earned – and good news.
In the midst of this good news, there are some challenges:
• Low average worker and household earnings,
• Low educational attainment of the community workforce,
• Projected job growth predominantly in unskilled positions in low paying industries.

And, there are other factors that will impact the local community and its economic future:
• Influx of “wealthy” and active retirees,
• Housing affordability (as measured against earnings),
• Location midway between major metropolitan areas,
• California population growth, especially in the Central Valley.

These issues and trends are not unique to Paso Robles, but are compelling in that they reflect greater California dynamics. When and how these challenges and issues are addressed will shape the economic future. A vision and strategy for economic and community development is called for – one that encourages local enterprise, serves the needs of local residents, workers and businesses, promotes stable employment, increases opportunity – individual, corporate and societal, reduces poverty, offers family and neighborhood life, and is both inclusive and sustainable.

The scope of tomorrow’s economic development strategy must be fashioned to achieve its own self-sustaining vitality. It would target improvement of the livability and quality of life in the City through economic growth – economic growth that stimulates investment, high quality jobs, and wealth.
To meet this challenge, successful cities across North America have modeled their economic development strategies upon principles for building prosperous and livable communities. These principles provide a common guide to promoting economic vitality. The principles are:

**Vision and Inclusion**

Communities need a vision and strategy for economic development. Visioning, planning and implementation efforts should continually involve all sectors, including the voluntary civic sector.

**Human Investment**

Because human resources are so valuable in the information age, communities should provide life-long skills and learning opportunities by investing in excellent schools, post-secondary institutions, and opportunities for continuous education and training available to all.

**Industry**

Communities should identify specific gaps and niches their economies can fill, and promote a diversified range of specialized industry clusters, drawing on local advantages to serve local and international markets.
Local Focus

Because a community’s most valuable assets are the ones they already have, and existing businesses are already contributing to their home communities, economic development efforts should give first priority to supporting existing enterprises as the best source of business expansion and local job growth. Community economic development should focus on promoting local entrepreneurship to build locally based industries and businesses that can succeed among national and international competitors.

Distinctive Communities

Having a distinctive identity will help communities create a quality of life that is attractive for business retention, future residents and private investment. Community economic development efforts should help to create and preserve each community’s sense of uniqueness, attractiveness, history, cultural and social diversity, and include public gathering places and a strong local sense of place.

Center Focus

Communities should have an appropriately scaled and economically healthy center focus. At the community level, a wide range of commercial, residential, cultural, civic, and recreational uses should be located in the town center or downtown. At the neighborhood level, neighborhood centers should contain local businesses that serve the daily needs of nearby residents.
Compact Development

To minimize economic, social, and environmental costs and efficiently use resources and infrastructure, new development should take place in existing urbanized areas before using more agricultural land or open space.

Livable Communities

To protect the natural environment and increase quality of life, neighborhoods and communities should have compact, multi-dimensional land use patterns that ensure a mix of uses, minimize the impact of cars, and promote walking, bicycling, and transit access to employment, education, recreation, entertainment, shopping, and services. Economic development and transportation investments should reinforce these land use patterns and the ability to move people and goods by non-automobile alternatives wherever possible.

Wired Communities

Communities should use and invest in technology that supports the ability of local enterprises to succeed, improves civic life, and provides open access to information and resources.
Poverty Reduction

Economic development efforts should be targeted to promote jobs that match the skills of existing residents, improve the skills of low-income individuals, and insure the availability of quality affordable transportation and housing.

Environmental Responsibility

Communities should support and pursue economic development that maintains or improves, not harms, the environment and public health.

Corporate Responsibility

Enterprises should work as civic partners, contributing to the communities where they operate, protecting the natural environment, and providing workers with good pay, benefits, opportunities for upward mobility, and a healthful work environment.
Publicly supported economic development programs and investments should be evaluated on their long-term benefits and impacts on the whole community, not on short-term job or revenue increases. Public investments should be equitable and targeted, support environmental and social goals, and prioritize infrastructure and supportive services that promote the vitality of all local enterprises instead of individual firms.

Since industries, transportation, land uses, natural resources, and other key elements of a healthy economy are regional in scope, communities and the private sector should cooperate to create regional structures that promote and respect local character and identity.
Integrated Approach

Government, business, education, and the community should work together to create a vibrant local economy, through a long-term investment strategy that:

• encourages local enterprise,
• serves the needs of local residents, workers, and businesses,
• promotes stable employment and revenues by building on local competitive advantages,
• protects the natural environment,
• increases social equity,
• is capable of succeeding in the global marketplace.

Applying these principles to Paso Robles’ challenges and opportunities, the economy needs to stimulate investment in high-value added activities — high order, innovation based, high productivity activities — often referred to as the knowledge economy. An economy based not so much on raw materials and cost containment, but on intellectual capital, technical know-how, innovation, flexibility, and entrepreneurship.

The source of these knowledge economy attributes is people. The generation of new ideas, and the translation of ideas into innovative products and services is the primary way to add value. Education, training, and opportunities for continuous learning must be created to feed the demand for innovation, the demand to add value. The new economy would, therefore, consist of not only a means of producing goods and services, but a way of life and civic culture that embraces and fosters continuous learning.

And this continuous learning must be promoted and pursued not only in established educational institutions, but other informal hubs of social interaction, expression and creativity. Places as diverse as restaurants, cafes, theaters, museums — art and culture, coupled with public and private places of exceptional design, and open spaces that inspire and connect with the natural environment, are features that can spark creativity (the very features sought by knowledge workers). It follows therefore, that quality of place attracts people, and what attracts people can attract investment.
The quality of neighborhoods, parks, rivers, schools, theaters, museums, galleries, and urban design as well as industrial centers, roads, sidewalks, trails, telecommunications, utilities, and public transit also have a direct impact on this quality of place, as do the resources and programs that provide education, health, social and recreational services. These features are strategic assets that can be leveraged to support economic growth, or competitiveness – competitiveness to develop, attract and retain knowledge workers and high-value added activity investment.

One of the keys to making these desirable, attractive and needed quality infrastructure investments is to make them more efficient and cost-effective. Efficiency can be achieved by attracting and “housing” sufficient labor force and employment in a more compact urban form. Compact form can result in efficiencies in major infrastructure investments and enhance opportunities to house the labor force – who will be needed to power the knowledge economy.

Transition to a knowledge economy is a significant commitment, and to be realized, it must be communicated. More specifically, a community needs to actively promote local industry, products, services and destinations to the world – let them know what is here; let them know there is opportunity.
Such is the opportunity here and now. Economists suggest a move towards high-value added, specialty activities. High-value added specialty commerce is typically driven by knowledge and know-how, creativity and flexibility, entrepreneurship and strategic alliances. Producing, attracting and retaining knowledge investment, industry, commerce, and workers requires a strategy that promotes:

### Quality of life

**Quality of place**

- Create opportunities for personal and professional growth;
- Maintain safe, healthy and attractive physical environment;
- Encourage and enrich urban culture and center (downtown) focus;
- Establish cohesive, compact and livable community for individuals and families.

### Human intellectual capital, creativity, and technical capabilities

- Focus on knowledge and skill development;
- Support for high-quality basic, advanced, and technical education.

### Local institutions of innovation, learning, and networking

- Establish strategic alliances with institutions of higher learning and business associations;
- Encourage diverse informal centers of creativity, learning and interaction (theatres, galleries, museums, performing arts centers, restaurants, community centers, etc.).
Regional presence and profile

- Brand Paso Robles locally and regionally;
- Promote local industry, products, services, and destinations regionally.

Unity of vision

- Establish a common vision and broad base of public and private support;
- Mobilize public and private stakeholder resources toward improving competitive position.

**Built, natural, and social environment**

- Improve overall quality of built form (design/architecture);
- Preserve, enhance, and provide access to key natural features/places;
- Provide quality education, health, arts, culture, and recreation programs and services;
- Expand and maintain high quality transportation systems and facilities, public places and buildings, telecommunication systems, and utilities.
A strategy that promotes and charts a course to realize these ideals is offered.
People
Place
Positioning
Partnership
Develop people to power the knowledge economy. Increase educational attainment and skills of, opportunities, and demand for local labor force.

Promote and support a full continuum of education opportunities.

- Encourage bilingualism and honor cultural diversity;
- Support delivery of basic literacy and numeracy programs;
- Promote quality, relevant education and training programs;
- Recognize academic achievement (of individuals and institutions);
- Establish information clearinghouse of available education and training programs;
- Recognize and promote programs providing youth with relevant work experience.

Recognize and increase community and business investment in, and commitment to, education.
• Support long-term education facility and program funding alternatives.

• Support development of specialized education/vocational training, baccalaureate, and graduate degree programs and facilities.

• Develop, implement, and promote bilingual learning programs for residents and businesses.

• Expand and promote basic literacy and numeracy programs to residents and businesses.

• Business and education jointly expand and develop work experience/apprentice programs.

• Establish joint City/business/labor endowment fund and scholarship program for all education levels.
Improve quality of place to attract investment and knowledge workers stimulate investment by establishing distinctive, quality, stable, safe and sustainable physical improvements and attractions that welcome industry, commerce, tourism, employment, and wealth necessary to maintain and enhance quality of life.

Implement development policies to achieve more efficient use of infrastructure.

- Encourage community development in live/work, mixed use, and compact, pedestrian oriented forms to accommodate all income levels and lifestyles;
- Prepare road, utility, and communications infrastructure to facilitate private investment;
- Establish stable, long-term funding for infrastructure;
- Increase labor force residents in the City.

Develop distinctive design standards and invest in design excellence to:

- Create inspiring and memorable places;
- Emphasize the appearance and qualities of the public realm;
- Create streetscapes, pathways, and public spaces of beauty, interest, and functional benefit to pedestrians;
- Encourage adaptive reuse of historic buildings;
- Preserve energy and natural resources.

Stimulate investment in strategic areas and under-utilized sites.

- Develop the Salinas River as a signature landscape and attraction;
- Enhance and expand the downtown to a mixed use dining, entertainment, culture and shopping destination featuring a new river front;
- Allocate public resources to support and promote arts, culture, and conferencing;
  - Develop a downtown center for the arts, culture and conferences,
  - Encourage and recognize business investment and involvement in the arts, culture and major events.
- Prepare the Airport for high quality business, transportation, and visitor investment and activity.

Support agriculture as a viable industry and visitor attraction by featuring it as the distinguishing community environment.

Increase intensification, supply, and range of housing to attract and accommodate a skilled labor force.
• Develop and implement form based code and architectural design, “green” building, and historic preservation/reuse standards.

• Prepare and implement target area vision/plans including Downtown Center – Salinas River Corridor Plan, Downtown Expansion Plan, Civic Center Plan, City Park Master Plan; and, Airport – Master Plan.

• Develop a Culture Plan to establish and support facilities for the arts and culture.

• Develop, fund and implement the “purple belt” plan.

• Identify and evaluate alternatives to increase the labor force resident in the City.

• Develop design for, and invest in, transportation and utility infrastructure for targeted areas – downtown/civic center/river front and Airport – to create development ready sites and attract private investment.

• Identify, evaluate and seek out long-term infrastructure funding alternatives.
Develop and market the unique character, heritage and special attributes of the community as the region’s destination to visit, shop, invest, work and live.

Promote the City as a center of high value agriculture and industry.

- Showcase the Paso Robles wine appellation and industry as the emerging center of world class wines;
- Promote viticulture investment/business opportunities in winery production, tasting, equipment research/design/production/sales/service, marketing and sales, and end-destination attractions;
- Develop and promote year-round and special events that highlight viticulture, olive oil, and equestrian attractions.

Market Paso Robles as an ideal setting for the emergence and convergence of value-added medical, health and wellness services.

- Encourage public/private partnerships to develop integrated medical research/business/destination facilities – to host medical research and promote technology transfer/commercialization to specialized medical interventions, rehabilitation clinics, and health and wellness spas;
- Promote health and wellness service/facility investment/business opportunities in end destination medical and visitor attractions;
- Entice investment in, and showcase, natural hot springs as a unique Paso Robles asset and cornerstone to health and wellness visitor destination attractions.

Promote local industry, products, services and destinations.

- Identify and feature the interests of industry clusters;
- Develop web-based links to local industry and commerce;
- Implement high visibility business recognition and appreciation programs;
- Attract major events and conferences that focus attention on Paso Robles’ assets;
- Expand and diversify hotel products, including end destination full-service resorts;
- Encourage and expand tourism attractions that highlight Paso Robles’ unique identity and heritage (agricultural/equestrian education and entertainment – Paso Robles Event Center, historical and cultural sites, collections, and events).
• Develop and advance cluster group common interests and action plans to address human resource needs, technical and professional development necessities, infrastructure requirements, supply chain gaps, research and development challenges, and business incubation opportunities.

• Develop and implement web-based industry cluster and business information system and linkages to attract investment, expand markets, and sell local goods.

• Develop trade shows to showcase industry clusters, investment opportunities, and expand their markets.

• Implement business retention program to showcase businesses and identify/link common industry needs.

• Develop high visibility business recognition program.
PARTNERSHIP

Create an alignment of strategic intent to collectively foster economic growth and improve the quality of life.

Establish a common economic vision with a broad base of support.

Mobilize public, private, and community resources to improve competitive position through partnership.

- Continually forge closer working relations with Cal Poly, Cuesta College, and local schools for:
  - increased/improved educational opportunities,
  - innovations in technology, design, programs and services,
  - joint beneficial development and application of services and resources.
- Intensify public/private collaboration to expand and enhance the unique flavor of downtown.
- Support regional marketing efforts that recognize and promote Paso Robles’:
  - unique assets, heritage and distinctive character,
  - as a great place to visit, shop, invest, work and live,
  - as a year round dining, entertainment, event and conference destination,
  - as an emerging center of entrepreneurial, commercial, and business opportunity.
• Establish community economic development roundtable to facilitate on-going public/private involvement in policy and program development, business outreach and recognition, and investment and market development.

• Improve linkages between industry clusters and education to address specialized labor requirements.

• Identify and encourage school and college joint development/use of education facilities and programs.

• Encourage synergy amongst and between, and reinvest in, attractions that showcase Paso Robles’ unique identity and heritage including the Paso Robles Event Center, Pioneer and Historical Museums, historic buildings, agriculture, local artisans and culture, historic downtown, and the river front.

• Attract conventions that promote Paso Robles industry clusters and assets (to generate mid-week visitor demand, lure investment, and expand markets).

• Support regional cooperative marketing efforts and initiate joint marketing programs.

• Provide adequate, stable funding for tourism marketing and economic development.
University of California Santa Barbara – Economic Forecast Project –
2005 Paso Robles Forecast

California State Employment Department/Development Department –
Job Growth Projections for San Luis Obispo County

The Tribune – A Graphic of US Census Bureau Data –
“How Education Levels Affect Income”

Public Policy Institute of California – “What Kind of California Do You Want?”

Regents of the University of California – Demographics


The San Jose Mercury News – 11/25/05 – “Construction Trades Woo Younger Workers – Competing with College Cachet Not Easy for Industry”

Local Government Commmission – Ahwahnee Principles for Economic Development for the 21st Century

Local Government Commmission – Ahwahnee Principles for Resource-Efficient Communities

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Drawings and Architectural Renderings are from:

Olsen/Beechwood Specific Plan – Moule & Polyzoides
Architects and Urbanists  180 East California Boulevard at Pitcher Alley
Pasadena, California  91105

The Salinas River Design Workshop (2005)

Robert Hall Winery Photograph – Courtesy of Steve E. Miller
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