

STAFF REPORT

Lancaster Redevelopment Agency

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DATE: August 10, 2010

TO: Chairman Parris and Agency Directors

FROM: Vern Lawson, Jr., Economic Development/Redevelopment Director

SUBJECT: **Lancaster Economic Development Initiative: Positioning for Prosperity**

Recommendation:

Approve the appropriation and implementation of the Lancaster Economic Development Initiative: Positioning for Prosperity.

Fiscal Impact:

The adopted Agency budget includes a line item for funding this effort of \$1,000,000. The specific program and project allocations will be made with Council approval once the initial data is available.

Background:

In a unique interdepartmental effort, City Staff have created a comprehensive economic development plan aimed at positioning the City and the community for a proactive, vibrant and effective economic recovery. The City of Lancaster, its residents and business community have experienced severe financial losses as a result of the national recession. Economic indicators such as a double-digit unemployment rate, drastic reductions in sales tax revenue, high commercial vacancy rates and a significant drop in property assessed valuation portray economic hardship levels in Lancaster far exceeding the state and national averages. In response to this economic picture, City leadership has called for a timely, comprehensive and objective driven economic revival plan. Positioning for Posterity is a plan intended to meet this call to action.

Summary:

Economic development, even in the best of times, requires a unique approach to meeting the needs of a community. Positioning a particular community such as Lancaster for economic growth and revival requires an innovative partnership with the local business community, City and County staff and experts in commercial and industrial development. An effective plan for Lancaster must target job creation, attraction of new investment dollars and revitalization of existing business centers. This will require a strong commitment to collaboration, targeted area research and strategic occupier marketing. Positioning for Prosperity is staged to set these strategies in motion.

This unique Economic Development Plan is a project driven, partner based model for economic innovation aimed at an effective community economic recovery. The model is designed to increase local tax revenue and make job creation a priority supported by innovative approaches to address current economic challenges. Projects will focus on commercial and industrial solutions supporting economic growth and recovery. The plan initiates critical projects which define specific deliverables, timelines and metrics.

Commerce initiatives will target three primary areas: Downtown Blvd transformation, City-wide merchant support and development of local tourism through Destination Lancaster. Each of these measures is aimed at increasing local tax revenues. Greater self sufficiency will help us control our own destiny. Industry initiatives will target job creation through local entrepreneurial training, development of a new business park and attraction of new investment partners including foreign investment. Lancaster will make job creation priority one by attracting, retaining and expanding businesses with family supporting jobs, thus attaining a high performance economy. Innovation will be the catalyst to the programs in this plan and will include defining new metrics of success, reinventing the resources of local government, and partnering with real estate and development experts.

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