

Economic Development Strategic Plan

Technical Appendices

2004 - 2009



ARCATA *Redwoods, Ocean, Fields and Town*



City of Arcata

Economic Development Strategic Plan

Technical Appendices

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City of Arcata

Economic Development Strategic Plan

Technical Appendices
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Baseline Demographic Profile

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Introduction:

The population characteristics of Arcata are useful to analyze to understand the city's demographic make-up and its changing profile. Population trends, considered with land use, business make-up, and other data, point towards specific economic development strategies. For example, in Arcata, the presence of a large population of highly educated young people predicts a need for certain business sectors, such as entertainment. Likewise, an aging population in the future might call for infusion of services in the medical sector.

This section provides an overview of general demographic data only. More detailed labor force and employment data can be found in Attachment C, where it is used in conjunction with business and land use data to predict what type of jobs Arcata needs in the future.

Source of Information: In developing this baseline profile and Arcata's economic development strategies for the future, several data sources were used. The tables in this section reflect primarily U.S. Census and California Department of Finance data. In addition, the *City of Arcata General Plan Update 2020* and the *City of Arcata Housing Element 2004* were reviewed for the greater variety of data that they contain that is specific to Arcata. Key tables from these documents were added, and others were only referenced in the appropriate place in this section. Those seeking additional data on Arcata population and other trends are referred to these documents for further information.

Definitions: The U.S. Census defines a *household* as “all the persons who occupy a housing unit. A housing unit is a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or if vacant, is intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live and eat separately from any other persons in the building and which have direct access from the outside of the building or through a common hall. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.”

The U.S. Census defines a *family* as “consist[ing] of a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. All persons in a household who are related to the householder are regarded as members of his or her family. A household can contain only one family for census tabulations. Not all households contain families since a household may comprise a group of unrelated persons or one person living alone.”

The U.S. Census defines a *married-couple family* as a “family in which the householder and his or her spouse are enumerated as members of the same family.” Other family consists of two classes: Male householder, no wife present is a “family with a male householder and no spouse of the householder present”, and a female householder, no husband present is a “family with a female householder and no spouse of the householder present. A spouse is a

person married to and living with a householder. This includes persons in formal marriages, as well as persons in common-law marriages.”

A.1 Population

As shown in Table A.1.1 below, population growth between 1990 and 2000 in Arcata was slightly less than one percent per year (0.92%), a growth rate that ranged approximately midway between that of Humboldt County and the State of California. This was slower than the rate of growth between 1980 and 1990, which was about 2.1 percent per year.

While the number of total households increased by 16.1 percent between 1990 and 2000, the number of family households decreased by nearly 2.7 percent, meaning fewer people with children under age 18 are living in Arcata. In contrast, the number of family households increased by 1.86 percent in Humboldt County, and by nearly 11 percent for the State of California.

Table A.1.1: Population and Household Data

City of Arcata	1990	2000	%Change '90-'00
Population	15,197	16,651	9.57%
Households	6,073	7,051	16.10%
Avg. Household Size	2.29	2.16	-5.68%
Family Households (Families)	2,893	2,815	-2.70%
Avg. Family Size	2.87	2.81	-2.09%
Humboldt County	1990	2000	%Change '90-'00
Population	119,118	126,518	6.21%
Households	46,420	51,238	10.38%
Avg. Household Size	2.49	2.39	-4.02%
Family Households (Families)	30,086	30,645	1.86%
Avg. Family Size	3.02	2.95	-2.32%
State of California	1990	2000	%Change '90-'00
Population	29,760,021	33,871,648	13.82%
Households	10,381,206	11,502,870	10.80%
Avg. Household Size	2.79	2.87	2.87%
Family Households (Families)	7,139,394	7,920,049	10.93%
Avg. Family Size	3.32	3.43	3.31%

*Source: Census 2000

Continuing the trend of a slowing rate of growth in the 1990's, future growth of Arcata's population is currently projected to be one half percent a year (0.50%) from 2005 until 2020. As shown in Table A.1.2 below, growth appears to be slightly slower than the projections in

Arcata's *General Plan: 2020*, which indicates an anticipated "modest growth rate, up to a population of around 20,000" by 2020. In practical terms, there will be an additional 1,878 people added to Arcata's population between 2000 and 2020.

The *Humboldt County General Plan Update 2025* anticipates slightly faster 0.63 percent annual growth rate for Arcata between 2000 and 2025, which is just slightly faster than Humboldt County as a whole. It is important to note that these projections are based largely on historical trends, growth is hard to predict more than several years out, and migratory patterns could change for a variety of economic, demographic, or social reasons.

Table A.1.2: Population Projections

	1990	2000	2005	2010	2015	2020	2025
Arcata	15,197	16,651	17,225	*	*	18,529	19,500
Humboldt County	119,118	127,700	132,500	136,500	139,200	142,100	143,100
State of California	29.83 million	34.48 million	37.48 million	40.26 million	42.71 million	45.82 million	

*Projections unavailable.

Source: Census 2000 (Arcata), California State Department of Finance (Table P1 for Humboldt County and California), and County of Humboldt General Plan Update 2025.

A majority of the population in Arcata lives in non-family households. The distorting effect of HSU students is evident in comparing table A.1.3 below with County and State data in tables A.1.4, and A.1.5. Over 60 percent of Arcata households in 2000 were non-family households, a dramatic increase of 33.2 percent from 1990. The comparable figure for Humboldt County is 40.2 percent, and 31.1 percent for California.

It is notable that in 2000 only 21.6 percent of all households in Arcata had children under 18 living in them (comparable figures are 31.4 percent for Humboldt County and 39.7 percent for California).

Table A.1.3: Households by Type, Arcata

	1990		2000		% Change '90-'00
	#	%	#	%	
Family Households (families)	2,893	47.6%	2,815	39.9%	-2.7%
Non-family households	3,180	52.4%	4,236	60.1%	33.2%
Households with individuals under 18 years			1,522	21.6%	
Households with individuals 65 years and over			1,096	15.5%	
Total households	6,073	100.0%	7,051	100.0%	16.1%

Source: U.S. Census

Table A.1.4: Households by Type, Humboldt County

	1990		2000		% Change '90-'00
	#	%	#	%	
Family Households (families)	30,086	64.8%	30,645	59.8%	-7.7%
Non-family households	16,334	35.2%	20,593	40.2%	14.2%
Households with individuals under 18 years			16,094	31.4%	
Households with individuals 65 years and over			11,327	22.1%	
Total households	46,420	100.0%	51,238	100.0%	

Source: U.S. Census

Table A.1.5: Households by Type, State of California

	1990		2000		% Change '90-'00
	#	%	#	%	
Family Households (families)	7,139,394	68.8	7,920,049	68.9	0.1
Non-family households	3,241,812	31.2	3,582,821	31.1	-0.3
Households with individuals under 18 years			4,569,910	39.7	
Households with individuals 65 years and over			2,570,170	22.3	
Total households	10,381,206	100.0	11,502,870	100.0	

Source: U.S. Census

Additional detailed data on the size, composition and other characteristics of households is available in the City of Arcata Housing Element, 2004 in Tables HE-10 through HE-14.

A.2 Age Distribution

Arcata's age distribution shown in Tables A.2.1 and A.2.2 on the following page reflect that it is primarily a "college town." The percentage of Arcatans who are between the ages of 18 and 24 is approximately three times as large as for the State of California, and should continue to make up an even more disproportionately large share of the city, since Humboldt State University has announced that it plans to increase enrollment from about 8,000 in 2004 to 12,000 by 2040, a growth rate of over 1.4 percent per year for the next 36 years, which is faster than the city's growth rate.

Householder age data largely confirms the age distribution data showing that Arcata has a large population of young people. Those between the ages of 15 and 24 make up 25.1 percent of the population of Arcata, compared to only 8.7 percent in Humboldt County and 4.7 percent in California. Considered with Table A.1.3 showing the relative lack of family households, it appears that much of the household population between 15 and 24 are the college students between ages 18 and 24.

Table A.2.1: Age Distribution

City of Arcata	1990		2000	
	#	%	#	%
Under 18	2,697	17.75%	2,551	15.32%
18 – 24	4,561	30.01%	5,378	32.30%
25 – 34	2,732	17.98%	2,856	17.15%
35 – 44	1,919	12.63%	1,773	10.65%
45 – 54	995	6.55%	1,741	10.46%
55 – 64	855	5.63%	908	5.45%
65 and over	1,438	9.46%	1,444	8.67%
Total	15,197	100.00%	16,651	100.00%
Humboldt County	1990		2000	
	#	%	#	%
Under 18	30,607	25.69%	29,413	23.25%
18 – 24	13,224	11.10%	15,662	12.38%
25 – 34	19,493	16.36%	16,016	12.66%
35 – 44	20,261	17.01%	18,679	14.76%
45 – 54	11,473	9.63%	19,861	15.70%
55 – 64	9,429	7.92%	11,111	8.78%
65 and over	14,631	12.28%	15,776	12.47%
Total	119,118	100.00%	126,518	100.00%
State of California	1990		2000	
	#	%	#	%
Under 18	7,750,725	26.04%	9,249,829	27.31%
18 – 24	3,412,257	11.47%	3,366,030	9.94%
25 – 34	5,686,371	19.11%	5,229,062	15.44%
35 – 44	4,639,321	15.59%	5,485,341	16.19%
45 – 54	2,902,569	9.75%	4,331,635	12.79%
55 – 64	2,233,226	7.50%	2,614,093	7.72%
65 and over	3,135,552	10.54%	3,595,658	10.62%
Total	29,760,021	100.00%	33,871,648	100.00%

*Source: Census 2000

The City of Arcata Housing Element, 2004 provides additional detail on population projections by age groups (see tables HE-5 and HE-6)

Table A.2.2: Age of Householder, 2000*

	City of Arcata		Humboldt County		State of California	
	#	%	#	%	#	%
15 to 24 years	1,771	25.1%	4,483	8.7%	538,613	4.7%
25 to 34 years	1,552	22.0%	7,933	15.5%	2,131,308	18.5%
35 to 44 years	1,051	14.9%	10,111	19.7%	2,798,057	24.3%
45 to 54 years	1,105	15.7%	11,612	22.7%	2,388,616	20.8%
55 to 64 years	563	8.0%	6,708	13.1%	1,483,789	12.9%
65 years and over	1,009	14.3%	10,391	20.3%	2,162,487	18.8%
65 to 74 years	443	6.3%	5,194	10.1%	1,114,732	9.7%
75 to 84 years	429	6.1%	3,985	7.8%	809,072	7.0%
85 years and over	137	1.9%	1,212	2.4%	238,683	2.1%
Occupied housing units	7,051	100.0%	51,238	100.0%	11,502,870	100.0%

* Note: Data on age of householder data were not developed in the 1990 census.

While the above tables show that the population is younger, it is also experiencing aging, consistent with national trends. In 1990, there were 2.4 times as many youths as elderly persons in Humboldt County, decreasing to 2.2 in 2000 and projected to drop to 1.2 in 2025. According to the *Humboldt County General Plan 2025 Update*, "while the birthrate continues to fall, [State] Department of Finance projections point toward a rapidly aging population in Humboldt County. Humboldt County's median age is projected to rise from 36 to 41 over the next 25 years, while California's median age is expected to remain stable.

Department of Finance data for Arcata for 2005 to 2020 project that seniors over age 65 will grow from a population of 1,494 to 1,543, an increase of 6.6 percent over 15 years, or 0.44 percent per year, about the same as the overall Arcata growth rate. We conclude that while the Arcata population is likely to age (older median age) and continue the trend of fewer families, the disproportionate growth in seniors over age 65 that is projected for the county applies largely to areas outside of Arcata.

Given the aging of the population and the projected increases in the student population, by 2020 we anticipate Arcata's age distribution will have somewhat of a bimodal distribution, with large numbers of college-age and retirement-age residents, and relatively fewer families with children. The population could be subject to change, however. For example, Arcata could become a more attractive community for seniors. Arcata's value as a natural resource hub could be more highly valued as other locales continue to lose these resources to sprawl, and consequently more people may move here to capture the quality of life. Unaffordable housing prices in other areas could lead to an influx of residents. The City could also annex new areas, increasing the population, although not altering its composition greatly.

A.3 Race/Ethnicity

Tables A.3.1 and A.3.2 below show summary information on racial data for Arcata, Humboldt County, and California. Arcata and Humboldt County have a similar race/ethnicity profile, and both are markedly less racially and ethnically diverse than California as a whole. Most of the decline in the share of white Arcata and Humboldt County residents can be attributed to the "two or more races" category that was included in the 2000 census.

Table A.3.1: Race/Ethnicity, 1990

Race	Arcata		Humboldt Co.		State of California	
	#	%	#	%	#	%
White	13,923	91.6%	107,881	90.6%	20,524,327	69.0%
Black	185	1.2%	960	0.8%	2,208,801	7.4%
American Indian, Eskimo, or Aleut	408	2.7%	6,568	5.5%	242,164	0.8%
Asian or Pacific Islander	409	2.7%	2,315	1.9%	2,845,659	9.6%
Other Race	272	1.8%	1,394	1.2%	3,939,070	13.2%
Total	15,197	100%	119,118	100%	29,760,021	100%

Table A.3.2: Race/Ethnicity, 2000

Race-2000	Arcata		Humboldt Co.		State of California	
	#	%	#	%	#	%
White alone	14,072	84.5%	107,179	84.7%	20,170,059	59.5%
Black or African American alone	259	1.6%	1,111	0.9%	2,263,882	6.7%
American Indian and Alaska Native alone	442	2.7%	7,241	5.7%	333,346	1.0%
Asian alone	378	2.3%	2,091	1.7%	3,697,513	10.9%
Native Hawaiian and Other Pacific Islander alone	34	0.2%	241	0.2%	116,961	0.3%
Some other race alone	581	3.5%	3,099	2.4%	5,682,241	16.8%
Two or more races	885	5.3%	5,556	4.4%	1,607,646	4.7%
Total	16,651	100%	126,518	100%	33,871,648	100%

A.4 Income and Poverty

A far higher percentage (36.7) of Arcata residents reported income below \$15,000 than for Humboldt County or the State of California. However, the presence of thousands of HSU students distorts the household income distribution data for Arcata, since there are likely to be many low-wage and part-time employees among these students.

Table A.4.1: Household Income Distribution, 2000

Income Range	Arcata		Humboldt County	California
	#	%		
Less than \$10,000	1,657	23.59%	13.78%	8.40%
\$10,000 - \$14,999	924	13.15%	9.87%	5.64%
\$15,000 - \$24,999	1,126	16.03%	17.18%	11.45%
\$25,000 - \$34,999	897	12.77%	14.25%	11.42%
\$35,000 - \$49,000	834	11.87%	16.42%	15.17%
\$50,000 - \$74,999	720	10.25%	15.88%	19.14%
\$75,000 - \$99,999	529	7.53%	6.80%	11.52%
\$100,000 and above	337	4.80%	5.82%	17.26%
Total	7,024	100.00%	100.00%	100.00%
Median Income		\$22,315.00	\$31,226.00	\$47,493.00

*Source: Census 2000

To some extent the evaluation of family household income distribution can overcome the distorting effect of HSU students, since most students presumably live in non-family households. However, even with the effect of students diminished, the percentage of Arcata families in the lower income categories is still slightly higher than that of Humboldt County, and substantially higher than for California. Median family income in Arcata is about seven percent below that of Humboldt County, and is a dramatic 44 percent below that of California.

Table A.4.2: Family Income Distribution

Income Range	Arcata		Humboldt County	California
	#	%		
Less than \$10,000	248	8.81%	7.80%	5.72%
\$10,000 - \$14,999	246	8.74%	7.17%	4.58%
\$15,000 - \$24,999	421	14.95%	14.37%	10.45%
\$25,000 - \$34,999	421	14.95%	14.15%	10.94%
\$35,000 - \$49,000	430	15.29%	19.69%	15.13%
\$50,000 - \$74,999	474	16.84%	20.81%	20.23%
\$75,000 - \$99,999	355	12.62%	8.58%	12.96%
\$100,000 and above	220	7.80%	7.43%	20.00%
Total	2,815	100.00%	100.00%	100.00%
Median Income		\$36,716	\$39,370	\$53,025

*Source: Census 2000

The *City of Arcata Housing Element, 2004* presents additional detailed data on income by occupation, household and other data in Tables HE-27 through HE-31 of that document. Highlights of these data include several positive trends that show income growth among Arcata's residents. For example, there was significant growth ranging from 200-400 percent from 1990 to 2000 in the number of people in Arcata who are in the higher income groups earning over \$75,000 per year. From 1990 to 2000, households earning less than \$25,000 per year declined from 63.0 percent to 52.8 percent of all households, and households earning over \$45,000 per year increased from 12.9 to 24.3 percent of the population.

Even with increases in personal income, Arcata continues to have a high poverty rate, as shown in Table A.4.3 below. A higher percentage (14.3%) of families in Arcata were in poverty than the county, and both poverty rates were higher than the statewide rate.

Consistent with nationwide trends, particularly acute is the poverty rate for families without an adult male present. Approximately 60 percent of Arcata and Humboldt County families with a single female parent and children under age five fall below the poverty level, according to the 2000 census figures. While this high poverty rate has been consistent between 1990 and 2000 in Humboldt County, it increased sharply in Arcata since 1990.

Table A.4.3: Poverty Status

	Arcata		Humboldt	California
	1990	2000	2000	2000
Families below the poverty level	374	423	3,987	845,991
Percent below poverty level	12.7%	14.3%	12.9%	10.6%
With related children under 18 years	351	329	3,311	699,159
Percent below poverty level	22.9%	22.0%	20.8%	15.3%
With related children under 5 years	174	167	1,554	366,529
Percent below poverty level	25.0%	29.0%	27.8%	19.0%
Families below the poverty level with female householder, no husband present	218	241	2,122	350,138
Percent below poverty level	34.7%	33.6%	35.4%	25.0%
With related children under 18 years	212	197	1,964	310,533
Percent below poverty level	41.4%	40.4%	44.6%	32.5%
With related children under 5 years	85	88	833	147,900
Percent below poverty level	43.8%	58.3%	61.0%	44.0%
Individuals below the poverty level	3,903	4,947	24,059	4,706,130
Percent below poverty level	28.1%	32.2%	19.5%	14.2%
18 years and over	3,233	4,371	17,441	2,949,030
Percent below poverty level	28.6%	28.6%	18.4%	12.3%
65 years and older		missing	1,118	280,411
Percent below poverty level		missing	7.2%	8.1%

The Federally established poverty threshold is widely recognized as inadequate to reflect real cost of living needs. Therefore more people and families may be financially struggling than is reflected by these data. On the other hand, it may be entirely acceptable for students who are sharing housing to have an annual wage that is in fact “poverty level.”

A.5 Cost of Living

Since income is really only relevant according to one's expenses, the cost of living of a community should be considered in tandem with earnings of the population and wages paid by the predominant industries. The lower the wages, the less families can afford comparatively high costs for food, clothing, housing, transportation, and other costs. A large discrepancy between income and cost of living may mean that creation of higher wage jobs and affordable housing are desirable goals.

Living Wage

A living wage is defined as how much a person would need to be paid in order to cover the cost of living for him/herself and their dependents. Unlike federal minimum wage standards and poverty thresholds, a living wage can be based on the local cost of living. There is no formally recognized way of calculating a living wage, however, and a single living wage rate cannot address the cost of living for families of different sizes, needs, and numbers of wage-earners. Nevertheless a number of cities around the U.S. have implemented living wage standards.

As an illustrative example, using generally accepted methodology, we can derive the following living costs based on a single wage earner in a family of 3 (note that the average family size in Arcata in 2003 was 2.81):

1. Housing: according to a market survey conducted for the City of Arcata Housing Element, 2004 a two-bedroom apartment rents at a median monthly rate of \$575 and a two-bedroom house for \$650. For this scenario, we will use the average of these two, or \$612.50.
2. Food: The USDA's Food Plan <http://www.usda.gov/cnpp/FoodPlans/Updates/foodaug03.pdf> for August 2003 was used for the scenario of a low-cost food plan for a three-person household that includes a male and a female age 20-50 and a child age 6-8. Based on this scenario the monthly food cost is \$462.
3. Transportation: According the 1990 Census data reported in the *General Plan: 2020*, the most common mode of transportation to work among Arcata residents is driving alone to work (66%), followed by walking (12%). Many low-income people cannot afford a car, and car ownership is not always the norm. On the other hand, much of the most affordable housing is at a distance from the city center, perhaps necessitating a car. Moreover, we speculate that many families with a young child might feel the need for a car. For this scenario, we will figure the living wage with and without a car. For the latter, we assume that a person would spend \$40 per month in transit fares. For car ownership, we assume the costs of owning, maintaining, and insuring a vehicle at the Bureau of Labor Statistics average of 16% of monthly income.
4. Healthcare: For the purposes of this scenario we will assume that all members of the family are either covered by Medi-Cal, Healthy Families insurance, or avail themselves of the services of a community clinic. However, these have share of cost for all but the lowest

incomes. Most full-time employed people do not qualify, and would pay a sliding scale fee to a clinic. For this scenario, we will assume \$25 per month in medical and prescription costs.

5. Utilities – According to the U.S. Department of Housing and Urban Development Section 8 housing allowances for Humboldt County, an estimate of costs for electricity, gas, water, and sewer are \$85 per month. For renters, garbage is usually paid by landlords. We will estimate telephone costs at \$25 per month, for a total utilities estimate of \$110 per month.

6. Household, clothing and personal expenses: The Northwest Job Gap Study <<http://depts.washington.edu/npc/npcpdfs/TechNotes.pdf>> estimated that 16 percent of a household's income goes to this category.

7. Taxes: It is beyond the scope of this scenario to conduct a full tax analysis for this family. Based on a family of three and the projected living wage income level, it is unlikely that the family will face a significant federal or state income tax liability. Moreover, renter and/or child tax credits will be offset by sales tax costs. We will assume the family pays a combined Social Security tax and Medicare tax of 7.65 percent on gross income.

8. Savings: For this scenario we will ignore savings. Some living wage analyses assume a minimal level of savings to offset family emergencies.

Based on the data from 1-8 above, the total estimated (minimal) monthly cost of living for a family of three who do not own a car in Arcata would be \$1,636.54. Assuming one wage earner working full-time for 160 hours per month, this implies a living wage of \$10.23 per hour.

If this same family owned a car, the total estimated monthly cost of living would be \$1,962.72. In this scenario, assuming the same 160 hours of full-time work per month, the living wage would be \$12.27 per hour. Note that this living wage estimate approximates the \$12/hour living wage figure proposed in AB 1093 (California Living Wage Act, vetoed by Gov. Davis in October 2003) for workers not covered by employer-provided healthcare benefits.

By way of comparison, the U.S. Department of Health and Human Services (HHS) poverty guidelines <<http://aspe.hhs.gov/poverty/poverty.shtml>> for 2003 give a poverty income threshold for a family of 3 of \$1,272 per month, implying a gross wage of \$7.95 per hour.

A.6 Housing Affordability

An assessment of housing costs is a useful tool to indicate what kind of wages are needed by residents to be able to afford renting or owning a home in Arcata

There is an acute housing affordability gap in Arcata. Tables A.4.1 and A.4.2 showed that median family incomes in Arcata and Humboldt County are relatively low compared to

California, which in turn means that North Coast families have less housing "buying power" than for California as a whole.

Table A.5.1 shows that the maximum a family could afford (at 30% of income) is \$1,015 in housing cost (mortgage) in Arcata. According the *City of Arcata Housing Element 2004*, 17.7 percent of owner households in Arcata are overpaying (in excess of 30 percent of income per month).

Table A.5.1: Housing Affordability, 2003 Family Income*

	Estimated Annual Median Income (AMI) (HUD)			Maximum Affordable Monthly Housing Cost by Family AMI
	Annual	Monthly	30% of AMI	
Arcata	\$40,605	\$3,384	\$12,182	\$1,015
Humboldt Co.	\$42,600	\$3,550	\$12,780	\$1,065
State of California	\$61,174	\$5,098	\$18,352	\$1,529

* Source: National Low Income Housing Coalition. Arcata data estimated from Census 2000 median income increased by a weighted average of Humboldt County and California growth rates developed by HUD

For renters, who have a much lower median income, the maximum affordable housing cost is projected at \$542 per month, shown in Table A.5.2. A January, 2003 rental survey conducted by Pacific Municipal Consultants found that the median rental price for a two-bedroom apartment was \$575 and a two-bedroom house was \$650 (see Table A.5.3). While this may be feasible for two students, each of whom can occupy a bedroom, it is beyond the affordability of many renters.

Table A.5.2: Housing Affordability, 2003 Renter Households*

	Renter Median Annual Income	Income Needed to Afford 2 BR FMR as % of Renter Median	Percent of Renters Unable to Afford 2 BR FMR	Monthly Rent Affordable at Renter Annual Income
Arcata	\$21,688	148%	N/A	\$542
Humboldt Co.	\$21,285	120%	58%	\$532
State of California	\$36,895	119%	58%	\$922

* Source: National Low Income Housing Coalition. FMR refers to fair market rent and 2 BR refers to a two-bedroom apartment. Arcata data are estimates based on estimated annual median income from Census 2000 and decreased by a weighted average of Humboldt County and California growth rates developed by HUD.

As also reported in the *City of Arcata Housing Element 2004*, the median of \$21,688 is considered "very low income" according to Department of Housing and Community Development income limits for 2003. The lower limit of very low income, \$18,150 per year, is expected to be able to afford rent of \$454 per month. As shown in Tables A.5.3 and A.5.4 on the following page, that less than most rentals cost in Arcata.

According to the U.S. Census 2000, 64.0 percent of renters in Arcata were overpaying for housing based on their income.

Table A.5.3: Median Rental Costs by Housing Type, Arcata, 2003

Bedrooms	Apartment	House
1	\$425	\$500
2	\$575	\$650
3	N/A	\$975
4	N/A	\$1,275
Median	\$525	\$763
Overall Median	\$598	

Source: Pacific Municipal Consultants, 2003

Table A.5.4: Arcata Rental Costs, 2003

Rent	1 Bedroom	2 Bedrooms	3 or more Bedrooms
Less than \$200	71	32	12
\$200 to \$299	65	59	23
\$300 to \$499	672	258	160
\$500 to \$749	326	1,045	121
\$750 to \$999	68	240	262
\$1,000 or more	25	49	268
Total	1,227	1,683	846

Source: Pacific Municipal Consultants, 2003

The housing wage is the hourly wage needed to afford rent and other expenses, based on a formula provided by the National Low Income Housing Coalition. This provides another level of detail beyond the monthly income needed, and enables comparison with median industry wages to predict what kind of jobs are desirable. Housing wage estimates are shown in Table A.5.5 below. Arcata's housing wage falls between that of Humboldt County and California. It is notable that Arcata's housing wage for the scenario of the two-parent one child family used in the example on living wage above *would* earn enough for one-bedroom but not a two-bedroom housing.

Table A.5.5: Housing Wage*

	Hourly Wage Needed to Afford (@ 40 hrs./wk.)				
	Zero Bedroom	One Bedroom FMR	Two Bedroom FMR	Three Bedroom FMR	Four Bedroom FMR
Arcata	\$7.69	\$10.10	\$15.38	\$23.08	\$30.77
Humboldt Co.	\$6.77	\$9.37	\$12.27	\$17.13	\$20.27
State of California	\$14.38	\$16.88	\$21.18	\$29.05	\$33.63

* Source: National Low Income Housing Coalition. Note that Arcata data are based on estimated "fair market rent" from interviews with real estate professionals. 30% of income is considered affordable.

While we lack the data to derive these time series data for Arcata, one can see in Table A.5.6 below that the trend in Humboldt County and California is one of an increase in the needed housing wage. It is likely that the housing wage has increased in Arcata as well.

Table A.5.6: Percent Change in Two-Bedroom Housing Wage*

Year	%	
	Humboldt Co.	State of California
2002-2003	2.74%	7.59%
2001-2002	3.85%	7.34%
2000-2001	3.10%	20.92%
1999-2000	1.38%	2.10%

* Source: National Low Income Housing Coalition. Note: Arcata trend data are not readily available.

The problem of affordability for renters is not a small problem. The data in table A.5.7 show that nearly two-thirds of all households in Arcata are renter households, largely due to the student population but also likely due to the higher rate of poverty among families and the higher cost of home ownership in Arcata. In contrast, less than half of households in Humboldt County and in California are renter households.

Table A.5.7: Renter households as percent of total households*

	Arcata	Humboldt Co.	State of California
Total households	7051 (occupied housing units)	51,238	11,502,870
Renter households	4405 (renter occupied units)	21,704	4,956,536
Renter households as percent of total households	62.5%	42.4%	43.1%

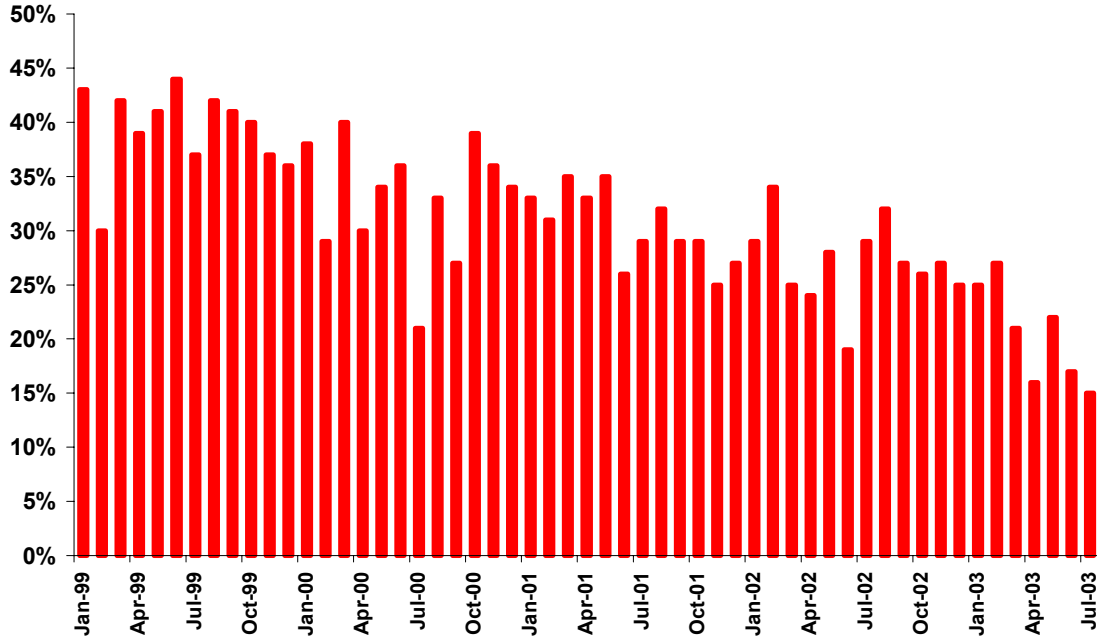
* Source: National Low Income Housing Coalition. Arcata data derived from Census 2000.

For purchasers of homes, the median price has surged in recent years, as shown in Figures A.5.1 and A.5.2 on the following page. The housing affordability index is found by first deriving a standardized "qualifying income" required to purchase the median priced home (based on standard lending practices, prevailing interest rates, tax rates, and insurance rates), and then determining the percentage of households at or above this qualifying income.

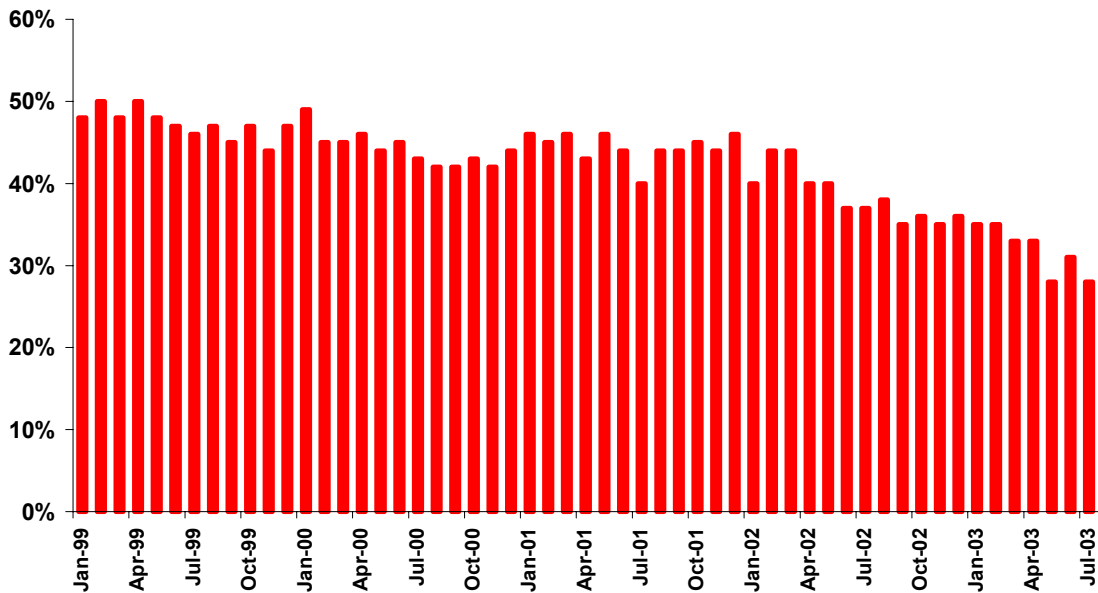
While housing affordability clearly deteriorated in both Arcata and Humboldt County between 1999 and 2003, the effect is more acute in Arcata. In 1999 approximately 40 percent of Arcata households could afford the median-priced home in Arcata. By mid-2003

less than 20 percent of Arcata households could afford the median priced Arcata home. In the table below, the y axis is the percent of people who can afford the median priced home.

Housing Affordability Index for Arcata



Housing Affordability Index for Humboldt County



Permission was granted by Humboldt Association of Realtors to reproduce the housing affordability diagrams above.

City of Arcata

Economic Development Strategic Plan

Technical Appendices

Appendix B

Economic Development Resources

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Introduction

The following is a summary of economic development resources that are currently available to assist Arcata businesses. Economic Development resources have been divided into the following categories:

- Local Economic Development Organizations
- Local Business Organizations
- Education and Employment Agencies
- Lending and Funding Sources
- Banks and Credit Unions
- Other Economic Resources Agencies
- Other Funding Sources

Reference materials used to compile these summaries include NorthCoast Small Business Development Center's (NCSBDC's) Business Resource Directory, Prosperity! The North Coast Strategy Volume III, and the World Wide Web.

Tables that display economic development resources include the following information:

- Name and Specialty
- General Description of Resource
- Funding Types Available (if appropriate)
- Funding Detail (if appropriate)
- Other Business Services
- Organizational Structure
- Contact Information

B.1 Local Economic Development Organizations

Name	Arcata Economic Development Corporation	Specialty	Lending to small entrepreneurial businesses
GENERAL INFORMATION			
Description:			
The AEDC provides business lending services, technical assistance, micro-enterprise training programs, and community and economic development assistance to communities on the North Coast. AEDC offers a variety of loan opportunities, including start-up capital, financing for improvements and equipment purchases, and loans for real estate acquisition			
AEDC is under contract with the City of Arcata through spring 2004 to service the Business Loan Program, the Housing Rehabilitation Loan Program and the Home Loan Program. This includes marketing the loans, documentation, application and eligibility assistance, loan servicing and collection, monitoring and reporting to the City, and CDBG reporting. The focus of much of this lending has been on local industry clusters, although AEDC also serves a 5-county region. AEDC is also a Revolving Loan Fund lender for the County’s Headwaters Fund.			
AEDC is this region’s Certified Development Corporations (CDC's) and can provide SBA 504 Loans. 504 Loans are used for land purchase, buildings, new construction, machinery and equipment.			
Funding Types Available	Working Capital and Inventory; Machinery and Equipment; Real Estate Acquisition, Construction, and Expansion; Leasehold Improvement; and Business Acquisition and Startups		
Funding Detail	SBA micro loan program (loans from \$500 to \$25,000); USDA Rural Development Fund (loans from \$25,000 to \$250,000); 504 loans provide 90% financing, low down payments (10%), longer-term, fixed-rate second mortgage, and reduced monthly payments.		
Other Business Services	The AEDC provides technical assistance, micro-enterprise training programs, and community and economic development assistance.		
Funding Sources	\$3.5 million for USDA loans; \$1.3 million in CDBG funds (of which \$800,000 was for Arcata); and \$500,000 in SBA micro loans for the 5-county area. \$600,000 USDA Rural Development Fund		
Organizational Structure	Year Formed	1978	
	Governance	9-Member Board of Directors elected by its 40 member organizations	
Contact Information	Address	100 Ericson Ct, Arcata, CA 95521	
	Phone/Fax	Ph: 822-4616 / Fx: 822-8982	
	Internet/e-mail	www.aedc1.org / info@aedc1.org	
Relationship with the City of Arcata	Subcontracted by the City to: Administer and service the City’s Business Loan Program. Service the City’s First-Time Homebuyer Program. Service the City’s Housing Rehabilitation Loan Program.		

Name	Redwood Region Economic Development Commission (RREDC)	Specialty	Loan funds for businesses that don't meet commercial lending qualifications
Description:			
<p>The RREDC's purpose is to "support countywide economic development by making loans to local businesses and organizations, providing leadership in regional policy and program development, and adding economic development capacity to local agencies and organizations." RREDC manages the "Prosperity Center", which houses the North Coast Small Business Development Center/BIZNET, the Humboldt County Economic Development Division, College of the Redwoods Professional Development Center, Hispanic Affairs Office/Tu Casa, and the Workforce Investment Board. In addition, RREDC is now a Revolving Loan Fund lender for the County's Headwaters Fund. RREDC has a 25-year track record, with a total of \$14 million in loans.</p> <p>As an "Economic Development Lender", RREDC's loans should have an economic development purpose, such as bringing in dollars from outside the county; creating jobs; reducing blight; or providing services to underserved areas. RREDC cannot compete with private lenders. RREDC provides "gap funding" when private funds are not available. RREDC gives priority for funding to businesses from Prosperity! industry clusters.</p>			
Funding Types Available	Loan types include Working Capital and Inventory; Machinery and Equipment; Real Estate Acquisition, Construction, and Expansion; Leasehold Improvement; and Business Acquisition and Startups		
Funding Detail	Loans range from \$5,000 to \$300,000, plus larger loans through the Headwaters Fund, with terms varying from 5 to 20 years, depending on needs and collateral. Loans are fixed interest, and generally 10 to 25% equity injection is required (down payment) depending on loan type		
Other Business Services	Business technical support; operator of the <i>Prosperity Center</i> (one-stop support center for business);		
Funding Sources	\$3.3 million in EDA funds, \$400,000 in HUD funds, Headwater Fund		
Organizational Structure	Year Formed	1977	
	Governance	Joint Powers Authority; 19-Member Board of Directors representing County; Cities; Hoopa Tribe, Yurok Tribe; & Special Districts	
Contact Information	Address	520 E Street, Eureka, Ca., 95501	
	Phone/Fax	Ph: 445-9651 / Fx: 445-9652	
	Internet/e-mail	www.rredc.com / rredc@northcoast.com	

Name	Arcata Community Development Agency (City of Arcata)	Specialty	Promote vitality of City through administration of City Redevelopment Area.
Description:			
<p>The Arcata Community Development Agency administers the Arcata Community Development Project Area. The Project Area includes most of the developed portions of the City and provides programs to assist businesses and landowners in eliminating blight within the Area. The Project Area Plan includes the following goals: to improve the local circulation system, enhance the vitality of Arcata's downtown, promote a stable, diversified, and expanded economic base, and improve public infrastructure. The Agency uses tax-increment financing (bond financing repaid through the growth in property tax revenue within the Area) and other state and federal grants to support its programs, which include facade grants, the Arcata Business Incubator (Foodworks), infrastructure development projects, loans, technical assistance to business, and public-private projects to facilitate business expansion.</p> <p>The City of Arcata also has access to numerous state and federal economic assistance programs, such as:</p> <ul style="list-style-type: none"> ▪ Community Development Block Grants (CDBG) through State Department of Housing and Community Development; ▪ Industrial Development Bonds through the State Commerce & Economic Development Program. (see CEDC description below) ▪ Brownfields Program environmental cleanup funds through U.S. Environmental Protection Agency 			
Funding Types Available	Facade grants (through Arcata MainStreet); infrastructure development; loans, low income housing loan financing, housing rehabilitation loans		
Funding Detail	Flexible		
Other Business Services	Depending on business needs		
Funding Sources	Tax increment financing, state and federal grants		
Organizational Structure	Year Formed	1983	
	Governance	City Council as the Agency Board of Directors and staffed by the Community Development Department pursuant to California Community Redevelopment Law	
Contact Information	Address	736 F Street Arcata, CA 95521	
	Phone/Fax	Ph 822-5955 / Fx 822-	
	Internet/e-mail	www.arcatacityhall.org/com_dev_dept.html /	

Name	Humboldt County Economic Development Division (County of Humboldt)	Specialty	Administer countywide economic development program
Description:			
<p>The Humboldt County Economic Development Division is a part of the County Community Development Department. The Economic Development Division includes the following programs: Business Development; Redevelopment and Housing; Headwaters Fund management (to be discussed later); and Workforce Investment (to be discussed later). The County is in the process of evaluating eight study areas in the unincorporated area for inclusion in the Humboldt County Redevelopment</p>			

Plan. The Samoa Townsite and Glendale area, both near Arcata, are included within the eight study areas. The Economic Development Division also administers housing related grants and revolving loan funds for low-income households.		
Funding Types Available	First time homebuyer assistance, housing related grants and revolving loan funds for low-income households	
Funding Detail	Primarily housing related	
Other Business Services	Administration of Prosperity program	
Funding Sources	Federal and state grant funds	
Organizational Structure	Year Formed	1997
	Governance	County Board of Supervisors
Contact Information	Address	520 E Street, Eureka, CA 95501
	Phone/Fax	Ph 445 -7745 / Fx: 445 -7219
	Internet/e-mail	www.co.humboldt.ca.us/planning/econdev/ jdebets@co.humboldt.ca.us

Name	Headwaters Fund	Specialty	Community development funding
Description:			
<p>The Headwaters Fund is a public fund administered by Humboldt County for the advancement of economic and community development in Humboldt County. The three programs of the Headwaters Fund are the Revolving Loan Fund, the Community Investment Fund, and the Grant Fund. The Headwaters Fund arose out of the purchase of the 3,000-acre headwater forest by the State and Federal governments and the \$22 million combined state and federal appropriation to the County of Humboldt to offset local economic losses of transferring these lands from private to public (tax exempt) ownership. The following is a description of the three Headwaters Fund programs:</p> <ol style="list-style-type: none"> 1. The <i>Grant Fund</i> supports projects that benefit base industries in Humboldt County, and projects identified in the <i>Prosperity</i> industry cluster workplans. 2. The <i>Community Investment Fund</i> is intended to support industry clusters, enhance the quality of life, and to increase economic and social capital development funds. 3. The <i>Revolving Loan Fund</i> makes credit available to create and retain jobs and encourage the participation of local banks/private lenders by partnering and through gap financing. 			
Funding Types Available	Competitive grants; Loans		
Funding Detail	Periodic Grant offerings; Community Investment Fund structure to be determined; See Redwood Region Economic Development Commission and Arcata Economic Development Corporation for further detail regarding Revolving Loan Funds		
Other Business Services	None		
Funding Sources	Headwaters Fund		
Organizational Structure	Year Formed		
	Governance	County Board of Supervisors; 7-Member Headwater Fund Board of Directors appointed by Board	

Contact Information	Address	520 E Street, Eureka, CA 95501
	Phone/Fax	Ph 445 -7745 / Fx: 445 -7219
	Internet/e-mail	www.theheadwatersfund.org/ tshen@co.humboldt.ca.us

Name	Humboldt County Workforce Investment Board (HCWIB)	Specialty	Local workforce development
Description:			
<p>The HCWIB was formed in January of 2000. The Board was formed in response to the Workforce Investment Act legislation of 1998 that requires each local workforce investment area to form a Board comprised of at least fifty one per cent business membership to oversee and provide policy direction to the expenditure of Title 1 WIA funds in our area.</p> <p>Mission Statement: The Workforce Investment Board brings together resources to meet employer and employee needs to advance the prosperity of our communities.</p> <p>The HCWIB meets every other month. There are three committees of the WIB (Executive, Business & Industry, Resources) as well as a Youth Council.</p> <p>Business & Industry Committee - The primary purpose of the Business and Industry Committee is to identify, prioritize, and refer workforce needs in Humboldt County to the Resources Committee, so that they can determine how to most effectively mobilize efforts and respond.</p> <p>Resources Committee - The Resource Committee's primary purpose is to meet Humboldt County's workforce needs as identified by the Business & Industry Committee of the WIB.</p> <p>Youth Council - It is the vision of the Council to provide leadership, direction, and support in coordinating youth services to meet the needs of all youth in the County.</p>			
Funding Sources	Title 1 WIA funds		
Organizational Structure	Year Formed	2000	
	Governance	County Board of Supervisors; Workforce Investment Board appointed by Board of Supervisors	
Contact Information	Address	520 E Street, Eureka, CA 95501	
	Phone/Fax	Ph 445 -7745 / Fx: 445 -7219	
	Internet/e-mail	www.co.humboldt.ca.us/planning/econdev/	

Name	Arcata MainStreet	Specialty	Promotion of Arcata Downtown and its businesses
Description:			
<p>Arcata became a MainStreet "Demonstration City" in 1988 as part of the national MainStreet Program of the National Trust for Historic Preservation with the intent to preserve and invigorate Arcata's historic downtown and commercial district. The MainStreet Program is a voluntary business organization with over 100 members. MainStreet focuses on leadership for the Arcata downtown by organizing events such as Arts Arcata, Godwit Days, and the Oyster Festival, providing a forum for business workshops, and advocating downtown related issues to the City of Arcata.</p>			
Funding Types Available	Administers the City's grant funds for the Commercial Facade Grant Program		

Funding Detail	Administers at least 5 façade projects per year, averaging in size from \$2,000 to \$25,000, with a 25% match required	
Other Business Services	Administers Street Tree Program and Event promotion	
Funding Sources	MainStreet is funded primarily through member dues and event revenue.	
Organizational Structure	Year Formed	1988
	Governance	501(c)3 corporation; Board of Directors elected by members; membership is voluntary
Contact Information	Address	791 8th Street, Ste 6.5, Arcata, CA 95521
	Phone/Fax	Ph 822-4500 / Fx: 822-4555
	Internet/e-mail	www.arcatamainstreet.com / mailto:michael@arcatamainstreet.com
Relationship to the City of Arcata	Subcontracted by the City of Arcata to: Market businesses, services, and events in Arcata. Plan and implement seasonal festivals, downtown image-building campaign, and provide tourist information. Recommend to the City buildings in need of funding for façade renovation.	

Name	North Coast Small Business Development Center (NCSBDC)	Specialty	Supporting local small business
Description:			
The NCSBDC is a non-profit business assistance center serving Humboldt and Del Norte Counties that is managed by a seven Member Board of Directors. The NCSBDC provides one-on-one business counseling on a broad range of topics, including legal and regulatory issues, business issues from start-up to operation, marketing and finance, and e-commerce. NCSBDC also provides workshops for businesses on various subjects, operates a public-use resource library, and maintains a variety of directories, electronic forms, and other resources useful to business on its website. The NCSBDC is funded largely through state and federal grants.			
Business Services	Counseling; technical assistance; workshops; business resources		
Funding Sources	Federal and state grant funds		
Organizational Structure	Year Formed		
	Governance	7-Member Board of Directors	
Contact Information	Address	520 E Street, Eureka, Ca 95503	
	Phone/Fax	Ph: 443- 9720 / Fx: 443-9652	
	Internet/e-mail	www.northcoastsbdc.org /	

Name	Arcata Chamber of Commerce	Specialty	Supporting local business and visitor services
Description:			
The Arcata Chamber of Commerce is a non-profit corporation managed by a twelve-member Board of Directors, elected by the membership. The Chamber manages the California Welcome Center - Arcata, located at the north end of the City near the intersection of Highways 101 and 299. The Chamber and the Welcome Center provide a wide range of visitor information on topics such as local			

accommodations, dining, local events, things to do, and relocation information.		
Business Services	Community promotion; relocation information; Refer new business leads to City of Arcata	
Funding Sources	Membership dues; Contract with City of Arcata	
Organizational Structure	Year Formed	
	Governance	
Contact Information	Address	1635 Heindon Road, Arcata, CA 95521
	Phone/Fax	Ph-822-3619 / Fx 822-3515
	Internet/e-mail	www.arcatachamber.com / chamber@arcatachamber.com
Relationship to the City of Arcata	Subcontracted by the City of Arcata to: Refer businesses to the City for assistance programs. Promote Arcata through calendars and tourist information at the Welcome Center.	

Name	Humboldt County Convention and Visitors' Bureau	Specialty	Tourism. Convention and filmmaking marketing
Description:			
The Convention and Visitor's Bureau is Humboldt County's official visitor marketing organization and film commission. Funded by local municipalities and the county through membership dues and program revenues, the nonprofit Bureau works actively to attract individual travelers, group tours, meetings and s and film/video productions. The Bureau also provides information to those who would like to find out more about relocating their home or business to Humboldt County.			
Business Services			
Funding Sources			
Organizational Structure	Year Formed		
	Governance		
Contact Information	Address	1034 2 nd St, Eureka 95501	
	Phone/Fax	Ph 443-5097 / Fx 443	
	Internet/e-mail	www.redwoodvisitor.org / info@redwoodvisitor.org	

Name	Redwood Technology Consortium (RTC)	Specialty	Advocating for the local technology industry and technology infrastructure improvements
Description:			
The RTC is a non-profit public benefit corporation created to serve as an information and educational resource on issues related to the technology industry on the California north coast. Through its Internet site, the RTC seeks to provide an online forum for all things technology related, including links to local and national business and technology related websites, as well as serve as a host for Internet based discussions on local technology issues, and job and talent listings. RTC also organizes regular meetings and events to discuss local technology related issues.			
Business Services	Access to technology related consultants; information and technology related education resources		

Funding Sources		
Organizational Structure	Year Formed	
	Governance	Five-member Board of Directors
Contact Information	Address	
	Phone/Fax	
	Internet/e-mail	www.redwoodtech.org

Name	Local Economic Development Networking
Description:	
Networking Information :	
<ul style="list-style-type: none"> • <u>Redwood Technology Consortium</u>: monthly meetings to discuss local technology issues. http://www.northcoastprosperity.com/forum.html - www.redwoodtech.org • <u>Humboldt Economic Development Forum</u>: monthly meetings regarding the development of the economy of the North Coast Region. www.northcoastprosperity.com/forum.html • BizNet: One-Stop/One-Call Assistance for free business resources. Workshops and classes and fee business consultation. www.northcoastsbdc.org/Biz/index.htm • <u>Prosperity! North Coast Strategy</u>: coordinated economic development strategy for north coast communities. www.northcoastprosperity.com/ • <u>Institute of the North Coast</u>: facilitates the North Coast Leadership Roundtable and the Humboldt Economic Development Forum. (contact Humboldt Area Foundation) 	

Name	Private Business Consultants
Description:	
Private Business Consultant Information:-	
<ul style="list-style-type: none"> • Local Technology Consultants - www.redwoodtech.org • S C O R E (Senior Corps of Retired Persons) one-on-one counseling by retired persons covering most types of businesses - www.score.org • Local Businesses (general listing) - www.arcatachamber.com and www.arcatamainstreet.com/about/services.shtml • HumGuide business resources - www.humguide.com/category.php?cat_id=122 • Northcoast Internet business resources - www.northcoast.com/regional/meet/business.shtml 	

B.2 Education and Employment Agencies

Name	HSU, Office for Economic and Community Development	Specialty	Connecting HSU knowledge with local government and business
Description:			
Humboldt State University has recently established the Office for Economic and Community Development and the Economic Development Portal. The Portal is intended to connect the intellectual and creative capital of Humboldt State University to opportunities for fostering economic development in the North Coast region. Services offered include referral service to connect with HSU faculty and staff, assistance in project development, and in identifying project and internship opportunities in the community. The Portal can also provide information regarding HSU facilities and media equipment available for community use.			
Business Services	Technical support from faculty and staff; student interns		
Funding Sources	University funds; grant funds and contributions		
Organizational Structure	Year Formed	2002	
	Governance	University program; steering committee	
Contact Information	Address	Humboldt State University, Siemens Hall 206A, Arcata, CA 95521	
	Phone/Fax	826-3922	
	Internet/e-mail	www.humboldt.edu/econdev econdev@humboldt.edu	

Name	College of the Redwoods (CR)	Specialty	Business skills development
Description:			
CR's policies state that it will participate with local business and industry and other educational and government agencies to foster the economic vitality of the North Coast region. Through a lease agreement with the City of Arcata, the Arcata Foodworks building is now the CR - Arcata Instructional Site, and CR is currently offering general education classes and a computer center at this location. CR is developing a Hospitality and Tourism program that will take advantage of the capabilities of the Foodworks building in the near future.			
Business Services			
Funding Sources	Fees; local, state, and federal grants; property tax; State education funding		
Organizational Structure	Year Formed		
	Governance	Redwood Community College District and its nine-member independently elected Board of Trustees	
Contact Information	Address	7351 Tompkins Hill Rd, Eureka, CA 95501	
	Phone/Fax	Ph 476 4137 / Fx 476-4412	
	Internet/e-mail	www.redwoods.edu / raymond-geary@redwoods.edu	

Name	Humboldt County Office of Education (HCOE) Regional Occupation Program (ROP)	Specialty	Job training and entry-level job skills
Description:			
The ROP is an important partner in local workforce development. The HCOE administers the Regional Occupation Program, which includes the following job related programs: tuition-free classes and on-the-job training; entry-level job skills; skill upgrading if you're already employed; preparation for advanced training or education; and help in getting a job. The HCOE and General Growth Management, owners of the Bayshore Mall, also operate the Technology Center at the Bayshore Mall that provides the business community and the general public with access to a modern technology training center.			
Business Services	Job training		
Funding Sources	State and federal grants		
Organizational Structure	Year Formed	N/A	
	Governance	Humboldt County Board of Education, an independently elected seven-member Board representing the residents of the County.	
Contact Information	Address		
	Phone/Fax	Ph 445-7020 /	
	Internet/e-mail	www.humboldt.k12.ca.us/wfp/hrop/ pvecchio@humboldt.k12.ca.us	

Name	California Employment Development Department (EDD)	Specialty	Matching business with jobs and individuals seeking employment
Description:			
The EDD is the State agency charged with providing resources to both employers and individuals seeking job placement, labor market information, implementation of the Workforce Investment Act, and employment related insurance issues. EDD also makes available a broad range of employment data to government, business, and individuals. The EDD works closely with local government to reduce unemployment and support workforce development. EDD maintains an employment office in Eureka.			
Business Services	Career center, job placement, wage data; employment data		
Funding Sources	State budget		
Organizational Structure	Year Formed	N/A	
	Governance	State Agency	
Contact Information	Address	409 K Street, Eureka, 95501	
	Phone/Fax	Ph 445-6531 / Fx 445-6781	
	Internet/e-mail	www.edd.ca.gov/	

B.3 Lending and Funding Sources

Name	United States Department of Agriculture (USDA Rural Development)		Specialty	Economic development and utility grants and loans for local agencies and business
Description:				
USDA Rural Development manages several community development related programs to assist business and local government, including the Business & Cooperative Program that contains a variety of business loans and grants; Community Development Programs that administers Empowerment Zone/Enterprise Community Initiatives; Community Facility Loan Programs that contains low interest loans and grants to local jurisdictions to construct facilities to build stronger rural communities; Housing grants and loans; and Utility Programs that provide grant funding to local government for water and wastewater systems as well as distance learning and telemedicine. USDA has a local Rural Development office in Eureka.				
Funding Types Available		Various loans and grants for local government and business.		
Funding Detail		Business and Industry Guaranteed loans (up to 90% guarantees, working capital up to \$25 million); Rural Business Enterprise Grants (includes TA and revolving loans); Intermediary Relending Program (up to \$150 K); Rural Technical Development Grants; Rural Economic Development loans (\$750K, 10 years, zero interest to rural utilities service borrowers); and Business and Industry Direct Loans (up to \$10 Million per borrower).		
Other Business Services				
Funding Sources		Federal budget		
Organizational Structure		Year Formed	N/A	
		Governance	Federal Agency	
Contact Information		Address	5630 South Broadway, Eureka 95503	
		Phone/Fax	Ph 443-6714x4 / Fx 442-7514	
		Internet/e-mail	www.rurdev.usda.gov/ca/ / deborah.coggins@ca.usda.gov	

Name	U.S. Department of Commerce, Economic Development Administration (EDA)	Specialty	Grants and loans to local government to create jobs
Description:			
The EDA is part of the U.S. Department of Commerce and has as its mission to “enhance community success in attracting private capital investment and higher-skill, higher-wage job opportunities." EDA provides direct grants, on a cost-share basis, for projects that will create and retain private-sector jobs and leverage public and private investment in distressed areas. EDA provides community and regional economic development assistance for the following program activities: Planning and Technical Assistance to build local capacity for economic development programs and projects; Public Works and Development Facilities to support industrial, commercial, and technology-based employment in eligible areas experiencing significant economic distress; Economic Adjustment Assistance to address severe economic dislocations, natural disasters, or other special needs.			

Funding Types Available	Various loans and grants for local government and business.	
Funding Sources	Federal budget	
Organizational Structure	Year Formed	N/A
	Governance	Federal Agency
Contact Information	Address	One World Trade Center, 121 S.W. Salmon Street, Suite 244, Portland, OR 97204
	Phone/Fax	Ph 503-326-3078 / Fx 503-326--6351
	Internet/e-mail	www.eda.gov / aberblin@orednet.org

Name	U.S. Small Business Administration (SBA)	Specialty	Direct loans to business
Description:			
<p>SBA's 18 programs include, among others, the SBA 504 Loan Program. This program provides small businesses with long-term, fixed-rate financing for major fixed assets, working with a CDC and a private lender in your area. There are 270 CDC's nationwide. Maximum is \$1.3 million, for fixed asset projects, and not for working capital, inventory, or refinancing.</p> <p>The SBA's Small Business Investment Company (SBIC) offers qualified small business applicants equity capital and long-term loans, leveraging up to 300%, but not in excess of \$113 million. Most SBIC's are owned by small groups of local investors, but some are publicly traded. SBIC's issue SBA guaranteed debentures. SBIC's have greater flexibility than other SBA programs and ensure greater private lender involvement.</p>			
Funding Types Available	Basic Loan Guaranty 7(a), the 79(m) Microloan Program, SBA 504 Loan Program for fixed asset projects; SBIC small business equity capital and long term loans		
Funding Detail	Micro loans up to \$35,000; SBIC leverages up to 300%, but not in excess of \$113 million		
Other Business Services	Advocacy, financial assistance, disaster aid, surety bonds, minority and women's assistance		
Funding Sources	Federal budget		
Organizational Structure	Year Formed	N/A	
	Governance	Federal Agency	
Contact Information	Address	455 Market Street, 6th Floor, San Francisco, CA 94105-2420	
	Phone/Fax	(415) 744-6820	
	Internet/e-mail	www.sba.gov /	

Name	California Commerce and Economic Development Program	Specialty	California's economic development Agency
Description:			
Formerly the California Technology Trade and Commerce Agency the California Commerce and Economic Development Program (CEDP) is a cabinet level State agency that provides assistance to businesses and public agencies. The mission of the CEDP is to "to serve as the state's principal catalyst			

for innovation, investment, and economic opportunity, to enhance the quality of life for all Californians.” To achieve this, CEDP manages the California Infrastructure and Economic Development Bank (I-Bank) to finance public infrastructure and private investments that promote economic growth; support for small businesses including financial assistance, Enterprise Zones; as well as grants and other programs to support innovation. The following is a partial listing of CEDP programs:

California Capital Access Program (CalCAP) encourages private loans to small businesses by providing loan loss guaranty accounts. \$100,000 to \$2.5 million. Most California-based smaller employers, service and retail excluded.

California Technology Investment Partnership Program (CalTIP) is to accelerate technical development. Provides matching grants and technical assistance to businesses, nonprofits, agencies, and consortia. Regional Technology Alliances rank the proposals.

California Export Finance Loan Guarantees. The California Export Finance Office helps businesses finance their export sales through loan guarantees to financial institutions for working capital loans. Up to \$750,000 loan guarantee (up to \$833,000 at 90%). This can be doubled by co-guarantee agreements with SBA and the Ex-Im Bank.

Old Growth Diversification Revolving Loan Fund.

Through the capital lending for job creation and retention in California areas affected by timber harvest reductions and plant closures. Value-added wood products and resource-related manufacturing, or diversification of the local economy. Preference to employing displaced workers. Humboldt is an eligible county. Businesses must create at least one job for every \$35,000 borrowed, and provide a 25% match. Applications are accepted on a continuous basis.

Public Infrastructure Financing. Financial assistance to cities and counties for public infrastructure projects. CIED Bank issuance of loans, sale of bonds, provides credit enhancements to local jurisdictions. Projects include street, highways, public transportation, flood control, educational facilities, environmental mitigations, solid waste, sewage, water treatment, parks and recreation, power, and communications.

Rural Economic Development Infrastructure Program (REDIP) to promote economic revitalization of rural California through infrastructure improvements leading to job creation or retention. \$1 million maximum, bond interest rates.

Funding Types Available	Industrial Development Financing	
Funding Detail		
Other Business Services	Training and technical assistance; export assistance and export financing and sponsorship of international Trade shows for the display of California products	
Funding Sources	State budget	
Organizational Structure	Year Formed	N/A
	Governance	State Agency
Contact Information	Address	1102 Q Street, Suite 6000, Sacramento, 95814
	Phone/Fax	Ph 916-322-1394 / Fx 916-323-2887
	Internet/e-mail	http://commerce.ca.gov

Name	Recycling Market Development Zone (RMDZ)	Specialty	Financing and technical assistance for waste reduction businesses
Description:			
The RMDZ covers Humboldt and Del Norte Counties and all seven cities within Humboldt County. This State designation provides recycling-based manufacturers located within the RMDZ with access to low-interest loans and other assistance provided by the local zone administrator and by the California Integrated Waste Management Board's (CIWMB) Recycling Business Assistance Referral Team. In addition to loans, the CIWMB offers financial assistance, product marketing (for example, through the RecycleStore), and permitting assistance. Local government incentives may include relaxed building codes and zoning laws, streamlined local permit processes, reduced taxes and licensing, and increased and consistent secondary material feedstock supply.			
Funding Types Available	Funds for real estate acquisition, equipment, working capital, improvements, or refinancing.		
Funding Detail	Loans up to \$2 million, up to 75 % of the project cost, through the Integrated Waste Management Board. Businesses may apply directly.		
Other Business Services	In addition to loans, financial assistance, product marketing, and permitting assistance are available to eligible RMDZ businesses; RMDZ staff also helps to secure CIWMB grants.		
Funding Sources	State Budget		
Organizational Structure	Year Formed	N/A	
	Governance	State designation administered by Humboldt County Health Department, and State of California Integrated Waste Management Board	
Contact Information	Address	27 South G St. Arcata, CA 95521	
	Phone/Fax	Ph 822-9502 / Fx:822-9577	
	Internet/e-mail	www.ciwmb.ca.gov/RMDZ/ mailto:hartmo@humboldt1.com	

B.4 Banks and Credit Unions

Information regarding lending services for particular banks was derived from Bank brochures, web sites, and from conversations with loan officers. Banking services change over time and loan offerings and terms should be verified with each bank.

Name	U.S. Bank	Specialty	Business lines of credit and term loans
Description of Business Services:			
<u>Lines of Credit:</u> Cash Flow Manager: \$10K to 100K, variable rates, up to 50K unsecured; 50 - 100K secured, minimum monthly payments; Business Line of Credit: \$10K - \$1 M, variable rate, flexible collateral options; Business Reserve Line: \$10K overdraft protection, unsecured.			
<u>Business term loans</u> U.S. Bank Business Term Loan: \$10K - 1 M, fixed/variable; 84 months; flexible collateral Commercial Real Estate Loan: \$10K - 1M, competitive rates, secured, up to 20 years. Commercial Real Estate Construction Loan: \$10K - 1 M, secured, competitive rates, 6-12 months terms SBA Lending/Real Estate up to \$4 M; competitive rates, monthly P&I, 25 years, RE secured, up to 10% financing SBA Lending/Non-Real Estate: \$50K - 1 M, monthly P&I, competitive rates, 10 years, up to 90% financing Equipment Financing: \$5 - 250K, 12-60 months, secured by leased equipment Agriculture Line of Credit and Loan: \$10-500K, line of credit up to 500K for seasonal production, or 500K loan for equipment, competitive rates, flexible rates and repayment, up to 84 months.			
Contact Information	Address	953 G Street, Arcata, 95521	
	Phone/Fax	Ph 822-7031 / Fx 822-6416	
	Internet/e-mail	www.usbank.com /	

Name	Humboldt Bank – Umpqua Bank	Specialty	Business lines of credit and term loans
Description of Business Services:			
Commercial Loans (commercial real estate, construction, seasonal and revolving lines of credit, equipment and vehicle financing, business expansion, land development, and agribusiness financing) Government Guaranteed Business Loans , from \$35,000 to \$10 million, partially guaranteed by federal SBA or USDA, for the same purposes as above, plus business acquisition and expansion, working capital, equipment purchases. Minimum down payment of 10%, low rates, 5 to 30 year repayment, quick approvals. They are an SBA Preferred Lender.			
Contact Information	Address	1063 G Street, Arcata, 95521	
	Phone/Fax	Ph 822-5165 / Fx 822-9416	
	Internet/e-mail	www.humboldtbank.com /	

Name	Redwood Capital Bank	Specialty	Small Business Banking Managment.
Description of Business Services:			
<p>Commercial Loans, credit/deposit services for small businesses, secure and revolving loans, and commercial real estate loans.</p> <p>Redwood Capital Bank will soon (4/20/04) have small business administration (SBA) loans – 7A and 504 . They are also willing to share credit responsibility with economic development corporations (EDS's) in large lending situations.</p>			
Contact Information:	Address	402 G Street, Eureka, CA, 95501	
	Phone/Fax	Ph. 444-9822	
	Internet/e-mail	www.redwoodcapitalbank.com/ wshaffer@redwoodcapitalbank.com	

Name	Wells Fargo	Specialty	Business lines of credit and term loans
Description of Business Services:			
<p>Short-term capital, business credit card programs, term loans for working capital financing up to 72 months, equipment loans, business real estate loans, and government guaranteed loans and lines for mortgages, lines of credit and long-term financing, and construction loans for tenant improvements or new construction.</p> <p>Business Line Loan: up to \$100 K, unsecured, variable, revolving, monthly interest and fee payments. Business Card Loan: up to \$50 K, unsecured, for business expenses, variable, revolving, payments of interest and fees. Business Secured Card loan: up to \$100 K, business expenses, secured by savings deposit equal to credit limit; prime plus 5.9%, revolving, interest and fees payment. Equipment Express: up to \$100K, secured by the equipment, fixed rate, 3 to 5 years, payments of principle and interest Business Prime Loan: up to \$100 K, secured or unsecured, for long-term working capital, business expansion, or to refinance existing debt; fixed/variable plus spread, up to 5 years, payments of principle and interest.</p>			
Contact Information	Address	1103 G Street, Arcata, 95521	
	Phone/Fax	Ph 822-3642 /	
	Internet/e-mail	www.wellsfargo.com /	

Name	Bank of America	Specialty	Business lines of credit and term loans
Description of Business Services:			
<p>In addition to its various banking services and credit card offerings, B of A offers loans up to \$1 million, including:</p> <p>Commercial Real Estate Loans: owner-occupied, fixed/variable, 15 years Business Lines of Credit: Advantage Line of Credit offers \$2500 up to \$100 K, low interest, simple application. Business Line of Credit up to \$1 million secured and unsecured. SBA Loans: as an SBA preferred lender, they offer lower down payments, longer terms, and lower payments.</p>			

Equipment Loans: Equipment leasing, finance 100% of purchase price		
Contact Information	Address	697 Eighth Street, Arcata, CA 95521
	Phone/Fax	Ph 825-4781 / 826-7321
	Internet/e-mail	www.bankofamerica.com /

Name	Washington Mutual	Specialty	Business lines of credit and term loans
Description of Business Services:			
Contact Information	Address	780 7th St, Arcata, CA, 95521	
	Phone/Fax	Ph .826.8600 / Fx826-8606	
	Internet/e-mail	www.wamu.com	

Name	Coast Central Credit Union	Specialty	Personal and Commercial Loans and Banking Services to Members
Description of Business Services:			
Coast Central Credit Union is a portfolio lender providing			
Commercial Real Estate Loans: owner and non-owner-occupied, fixed/variable, 15 years			
Business Lines of Credit: Advantage Line of Credit offers \$2500 up to \$200 K, low interest, simple application. Business Line of Credit up to \$100 k and unsecured.			
Equipment Loans: Equipment leasing, finance up to 75% of purchase price.			
Contact Information	Address	1551 Giuntoli Lane, Arcata, Ca 95521	
	Phone/Fax	Ph 826-8900	
	Internet/e-mail	www.coastccu.org	

Name	Northern Redwood Federal Credit Union	Specialty	Personal Loans and Banking Services to Members
Description of Business Services:			
Northern Redwood Federal Credit Union is a community-based credit union serving Northern Humboldt County as well as any Simpson employee or Teamster's Local #137 Member anywhere in California since 1955. Entirely "member owned", NRFCU offers high savings dividends and low loan rates, a full range of financial services, and federally insured deposits up to \$100,000.			
Contact Information	Address	4001 West End Road, Arcata, CA 95518	
	Phone/Fax	Ph 822-5902 / Fx	
	Internet/e-mail	www.northernredwoodfcu.org	

B.5 Other Economic Resource Agencies

Name	Institute of the North Coast	Specialty	Supporting planning for economic development and quality of life
Description:			
<p>The Institute for the North Coast spearheaded the effort to create a coordinated economic development strategy for Humboldt County and <i>Prosperity</i>: The North Coast Strategy is the result. The Institute for the North Coast brought together community leaders, representatives from all levels of governments, with local businesses and nonprofit organizations, and local economic development entities focused on building a successful economic future for the region to develop the strategy.</p> <p>The Institute for the North Coast was established to accomplish five goals:</p> <ol style="list-style-type: none"> 1. Develop an economic development strategy for Humboldt County; 2. Foster a partnership between government and business; 3. Encourage cooperation between economic development organizations; 4. Improve the image/identity of Humboldt County through internal and external marketing efforts; and 5. Develop a land use plan that is coordinated with the economic development strategy. <p>The first three goals have been largely accomplished, and local business interests, economic development organizations, government agencies, and the Institute of the North Coast are working to complete the final two goals.</p>			
Business Services	Encourage cooperation between government and business to achieve mutual economic development objectives		
Funding Sources	Originally funded through Irvine Foundation Grant, now supported by Humboldt Area Foundation		
Organizational Structure	Year Formed	1996	
	Governance	See Humboldt Area Foundation	
Contact Information	Address	373 Indianola Road Bayside California 95524	
	Phone/Fax	Ph: 442-2993 x308 / Fx: 442-9072	
	Internet/e-mail		

Name	City of Eureka Redevelopment Agency	Specialty	Administering City of Eureka Redevelopment Plan
Description:			
<p>The Eureka Redevelopment Agency strives to create a vibrant, livable and thriving community by:</p> <ol style="list-style-type: none"> 1. Fostering commercial growth and residential development in the downtown and Old Town areas, the Waterfront, and the Westside Industrial areas 2. Creating programs that stimulate employment and generate robust industries ranging from agriculture to high tech to tourism 3. Collaborating on projects that elevate Eureka's position as the commercial, cultural and social hub of the North Coast 4. Advocating for diverse housing projects that meet the needs of all residents 			

The Eureka Redevelopment Agency is the oldest and most experienced agency in the area and is therefore is a resource to other local Redevelopment Agencies in Humboldt County.		
Business Services	Façade grants; infrastructure development; revolving loans, low income housing loan financing, enterprise and foreign trade zone administration, other redevelopment functions	
Funding Sources	Tax increment financing, grants	
Organizational Structure	Year Formed	1970
	Governance	Redevelopment Agency Board of Directors (City Council)
Contact Information	Address	531 K Street Eureka, CA 95501
	Phone/Fax	Ph: 441-4209 / Fx: 441-4138
	Internet/e-mail	www.eurekaredevelopment.com/index.cfm / info@EurekaRedevelopment.com

Name	Humboldt Bay Harbor, Recreation and Conservation District (HBHRCD)	Specialty	Port of Humboldt Bay development and management
Description:			
The HBHRCD is a special district that was formed by special act of the legislature in 1970 for the purpose of managing the port of Humboldt Bay, overseeing the use of the Bay for recreational purposes, and the managing the condition of the bay as a natural and commercial resource. Its mission is “to serve all the people of Humboldt County by promoting harbor use, enhancing recreational opportunities and protecting bay and tidal environments.” The day-to-day responsibilities of the HBHRCD include the operation of Woodley Island Marina, improvement of the port, recreation, wildlife area management, the regulation of development, and information gathering and database development.			
Business Services			
Funding Sources	Property taxes; tideland leases from dock operators and mariculture operations; grants, and other rents and leases		
Organizational Structure	Year Formed		
	Governance	Five-member independently elected Board of Directors	
Contact Information	Address	601 Startare Dr, Eureka, CA 95502	
	Phone/Fax	Ph: 443-0801 / Fx: 443-0800	
	Internet/e-mail	humboltdbay.cnrs.humboldt.edu	

Name	Local Government Commission (LGC)	Specialty	Local government technical assistance
Description:			
The LGC is a Sacramento-based nonprofit serving municipalities and counties throughout California. This network often provides information about new lending and funding opportunities for rural areas. They have a special interest in and focus on energy, economic development, livable communities, land use, waste prevention, and smart growth. The new joint powers authority in Humboldt County - the Redwood Coast Energy Authority -- was formed to increase energy efficient infrastructure in the region, with the assistance of the LGC. See also "energy-related funding" section of this draft			

document.		
Business Services		
Funding Sources		
Organizational Structure	Year Formed	
	Governance	
Contact Information	Address	1414 K St, Ste 600, Sacramento, CA 95814
	Phone/Fax	Ph 916-448-1198 / Fx 916-448-8246
	Internet/e-mail	www.lgc.org

Name	CEED, Center for Environmental Economic Development	Specialty	Research and Development of Environmental Economies
Description:			
<p>The Center for Environmental Economic Development (CEED) is a non-profit corporation founded in 1983. The Board of Directors includes local as well as state and national members. Based in Arcata, CEED conducts research and assists in a variety of community-based economic and environmental development projects.</p> <p>CEED's mission is to further the combined goals of environmental protection and social justice by improving the quality of community life through the creation of environmentally beneficial businesses and employment. To work towards this goal, CEED's services are in five main program areas:</p> <ol style="list-style-type: none"> 1) Research and development projects that provide information and services to help communities create jobs that support environmental reparation and protection, including: resource conservation through materials reuse, repair, and recycling; watershed restoration and sustainable forestry; energy and water conservation; pollution prevention; and hazardous materials clean-up; 2) Demonstration projects that illustrate how business development and environmental protection can be mutually beneficial for communities; 3) Public education using the organization's research and demonstration models to influence local, national and international policy. 4) Technical assistance and training for small businesses, community-based organizations, and Low-income communities in the western states. 5) Sustainable business practices, workplace training and environmental audits. 			
Funding Types Available	The Tobin Tax initiative, The Green Marshall Plan, Local Funding Sources for Sustainable Projects.		
Funding Detail	private nonprofit organization		
Other Business Services	Facilitate Community visioning and action planning		
Funding Sources	N/A		
Organizational Structure	Year Formed	1993	
	Governance	501 c3 Nonprofit Organization	
Contact Information	Address	P.O. Box 4167, Arcata, CA 95518	
	Phone/Fax	(707) 822-8347	
	Internet/e-mail	www.ceedweb.org	

Name	Foodworks Culinary Center	Specialty	Provide training in food preparation, as well as serve as a small business incubator.
Description:			
<p>To date, the "Culinary Center" has graduated ten businesses, created over 60 jobs, and currently supports 13 local businesses that have over 65 local employees. The mission of the Foodworks project is to support the advancement of economic diversification throughout Humboldt County by fostering the growth of small food related businesses, with a focus on job creation. The <i>goal</i> is to incubate "sustainable" businesses that are able to operate in a competitive marketplace by encouraging development of realistic business and personal expectations, improvement of entrepreneurial skills and enhancement of ability to attain short and long-term business goals and objectives.</p> <p>Businesses nurtured at Foodworks are expected to "graduate" and relocate into the open marketplace. Attention is focused on collaboration with the local, regional, state and international food processing industry and by providing information and assistance to the Humboldt Harvest Food and Beverage Marketing Association.</p>			
Funding Types Available	Funded and Managed by College of the Redwoods, with additional funding by the Headwaters Fund.		
Funding Detail	Created by the Arcata Economic Development Agency, purchased by the city of Arcata in 2001, a five year lease for the operations of Foodworks was signed in 2002 by College of the Redwoods.		
Other Business Services	Food service training center, small business development training.		
Funding Sources	CR and Headwaters		
Organizational Structure	Year Formed	1991	
	Governance	City of Arcata, leased by CR	
Contact Information	Address	100 Ericson Ct. Arcata, CA 95521	
	Phone/Fax	Phone: (707) 822-8629	
	Internet/e-mail	michelle-henson@redwoods.edu	

Name	Northern California Indian Development Council	Specialty	research, develop and administer programs designed to meet the specific social and economic needs of the American Indian people
Description:			
<p>The Northern California Indian Development Council, Inc., (NCIDC), was founded to research, develop and administer programs designed to meet the specific social and economic needs of the American Indian people. Since its inception in 1976, as a California nonprofit corporation, NCIDC has provided assistance in virtually all areas of community development and has evolved into one of the largest American Indian Human Service Agencies in the State of California.</p> <p>The Northern California Indian Development Council, Inc. is governed by a nine member Council elected from NCIDC's membership. The membership consists of eighteen American Indian community</p>			

<p>organizations located in the Northern California Counties of Humboldt, Del Norte, Siskiyou and Trinity.</p> <p>Active concerns and efforts span a great number of areas from environmental preservation and restoration, to economic and cultural development. Through the efforts of tribal governments and organizations such as NCIDC, Indian people will continue to play an increasingly important and central role in the ongoing development of our local communities and the State of California for future generations.</p>		
Funding Types Available	Provides emergency services to economically disadvantaged American Indians and assists with improving social and economic conditions Provides emergency services to economically disadvantaged American Indians and assists with improving social and economic conditions	
Funding Detail	private nonprofit, 501 c3	
Other Business Services	<i>Resource Center:</i> Use of computers for resumes and job search activities. Television and videos for job preparation and self-help. Job referral board.	
Funding Sources	N/A (private nonprofit organization)	
Organizational Structure	Year Formed	1976
	Governance	N/A
Contact Information	Address	241 F Street, Eureka, California 95501
	Phone/Fax	Ph 445-8451 / Fax 445-8479
	Internet/e-mail	www.ncidc.org

B.6 Other Funding Resources

Additional State Lending and Funding Resources

State Assistance Fund for Enterprise, Business and Industrial Development Corporation (SAFE-BIDCO)

The SAFE-BIDCO offers a variety of solutions to financial needs. A non-traditional financing source for the North Coast Region, it was originally created by the Legislature to help small businesses. It offers SBA, OSB, Energy, USDA Rural and Micro Loans.

See www.safe-bidco.com

California Community Economic Revitalization Team (CERT)

Links to various California funding programs may be viewed at www.ceres.ca.gov/cert/grants

State Grants

The "Get Grants" website at www.getgrants.ca.gov identifies grant sources within state agencies through a single search by topic.

Federal Lending and Funding Sources and Resources

A variety of loans and grants programs are available through the federal government. These may be viewed at the Catalog of Federal Domestic Assistance website, at www.cfda.gov. Federal Agencies with economic assistance programs include the Economic Development Administration (EDA), the United States Department of Agriculture (USDA), and the Department of Housing and Urban Development (HUD). These agencies, offer a range of programs, each with varying eligibilities, criteria, and terms.

There are many other topic-specific grants and loans available through the federal government. The most useful section of the Catalog's website, at least for overview purposes, was the listing of programs by Agency and Sub-Agency. For example, there are links to:

- 21 programs of the National Foundation on the Arts and Humanities;
- 74 programs of the US EPA, including 27 in water and 16 in solid waste;
- 13 programs of the US Forest Service;
- 102 programs of the HUD, including 16 programs in Community Planning and Development;
- 52 programs of the Bureau of Indian Affairs;
- 6 programs of the Economic Development Administration; and,
- 18 programs of the Small Business Administration. The new Department of Homeland Security has 56 programs, and the Department of Energy has 28.

Energy Funding and Lending Sources and Resources

There are many energy related lending and funding opportunities. Many provide economic development opportunities to businesses and organizations, or provide for cost-savings to business operations. Federal, state, and local governments are also beginning to recognize the high priority that must be placed on replacement of outdated, pollution causing and fossil-fuel based energy systems over the next few decades. This is a high priority area for the City of Arcata, and programs are available, including examples listed below.

A consultant put a listing of Energy-related Loan Programs available in Humboldt County together for the City, and for the Humboldt Energy Task Force, two years ago. Although loan rates and terms have changed, the broad variety of programs available to residential and commercial sector may be viewed in this 17-page document included in the Appendix.

U.S. Department of Energy (DOE)

The DOE has more than two-dozen energy-related assistance programs. See the Catalog of Federal Domestic Assistance, and look under DOE.

Local Government Commission

The Local Government Commission has a listing funding opportunities in Energy on their web page. The listings are annotated, and may be found at www.lgc.org. The Local Government Commission also published a 111-page document, available in PDF format, entitled “Energy Programs for California Local Governments”, and dated December 2001. A copy of the Table of Contents for this document is included in the Appendix.

Step-by-Step Guide to Using Solar Electricity for Grid-Connected Homes and Businesses in Humboldt County

Renewable Energy Development Institute (REDI) has authored a document entitled Step-by-Step Guide to Using Solar Electricity for Grid-Connected Homes and Businesses in Humboldt County. This guide, partly technical, includes a section on calculating solar cost-effectiveness and payback periods: very helpful for local lenders when equipment or construction loans are applied for.

California Energy Commission

California Energy Commission renewable energy financing programs are listed on their website, and copies of charts providing extensive information regarding their loan options are available in the Appendix. Energy Options and Incentives for Renewable Energy (a loan program) see www.consumerenergycenter.org Institutional Financing Options for Renewable Energy (includes loans), see www.consumerenergycenter.org

Climate Change concerns have also generated funding opportunities for energy, including the **U.S. EPA's Sustainable Development Challenge Grants; the U.S. DOE's Clean Cities Program**, and others. The City of Arcata is a member of the Cities for Climate Protection program of the International Council on Local Environmental Initiatives (ICLEI). As part of ICLEI's program, the City is preparing a "Greenhouse Gas Action Plan" which will relate directly to some of the City's vision and mission statement.

Landowner Assistance, Land and Watershed Restoration Funding Resources

Opportunities exist for job-creating land restoration. A great number of state and federal programs are available for financial assistance to land restoration employers, California landowners, and local jurisdictions including California tribes. Directories compiling these sources and resources are published, describing funding programs in detail. The PDF or electronic version of “Cost-Share and Assistance Programs for Individual California Landowners and Indian Tribes” (Sept. 2000) and “Financial Incentives for Stewardship of Non-industrial Private Forestland in Humboldt County” published by the Redwood Community Action Agency, are two of these directories. While these two documents are too lengthy to include in the appendix, a shorter 7-page listing of watershed funding opportunities, compiled by For the Sake of the Salmon, has been included in the Appendix. Information on many of these programs is available on the funder’s websites, and local information is often available through either the RCAA or the Collaborative Learning Circle.

Miscellaneous Lending and Funding Sources and Resources

Topical areas important to the Economic Development goals and mission of the City of Arcata include environmental quality, affordable housing, and quality of life concerns. A few financing programs offered topically are listed below:

Underground Storage Tank Loans

The Barry Keene Underground Storage Tank Cleanup Fund Act of 1989 (Act) created Underground Storage Tank Loans to help owners and operators of underground storage tanks satisfy federal and state financial responsibility requirements. Proceeds relating to Underground Storage Tank Loans must be used to repair, replace or upgrade underground petroleum tanks and ancillary equipment. Up to 100% loans, up to \$750,000.

Hazardous Waste Reduction Loans

Hazardous Waste Reduction Loans may be available to assist small businesses to reduce waste generation or hazardous properties. Loans can fund equipment acquisition and installation for up to 100% of \$150,000, with terms up to 7 years.

Brownfields Redevelopment

The U.S. EPA provides funds for Brownfields Cleanup and Redevelopment. Contaminated sites are potential for cleanup funding, for eventual redevelopment or reuse. Revolving loan funds of up to \$500,000 over 5 years. See the EPA website for current announcements, at www.epa.gov/brownfields.

Other Environmental Grants

See California's Get Grants website, at www.getgrants.ca.gov, for California listing of grant-funded projects, as varied as grazing land protection, woodlands conservation, habitat enhancement and restoration, wetland conservation, solar energy and distributed generation.

Arts and Humanities Businesses

Often funded through nonprofit foundation grants, organizations can help individual artists build their clientele and market their products more effectively, through infrastructure and financial assistance. Some of this is offered through the California Arts Council and the National Endowment for the Arts. The NEA serves rural areas to foster arts education and outreach funds.

Emerging Financial Institutions

Community Development Financial Institutions (CDFI's), can apply to the CDFI Fund for technical and financial assistance, a part of the US Treasury. See the Catalog of Federal Domestic Assistance for details.

Other Housing Development Lending and Funding Sources. The Federal Home Loan Bank has an Affordable Housing Program. Nonprofit housing development assistance is also helpful. See ruralhome.org and related links. The USDA's Rural Housing Service offers additional programs. For a longer, broader view of housing development, see the Smart Growth section of the Local Government Commission, at www.lgc.org. Additionally, the US-EPA funds proposals for a variety of smart growth projects. See www.epa.gov/smartgrowth/grants2003.html

Rural Community Assistance Corporation (RCAC)

The RCAC serves Northern California, as well as the rural communities in 12 states, providing a wide range of housing and community development services. It provides predevelopment and land acquisition

loans, as well as technical assistance and capacity building for local officials and community based organizations.

City of Arcata

Economic Development Strategic Plan

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APPENDIX C ADDENDUM – OCCUPATIONAL OUTLOOK FOR HUMBOLDT COUNTY AND TARGETED JOB CREATION

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C.1 General Overview

Arcata's land use designations and mix of existing businesses are primary considerations when planning for the appropriate type and location of business expansions or other future development. A review of current conditions was conducted in this section to determine whether Arcata is predominated by or underrepresented in particular types of zoning, business sectors, or business sizes. A further consideration is the make-up of the population, its education level, and the size of the labor force, to determine if there are adequate jobs in the right industries.

Infrastructure considerations are also important when planning strategies to match the right kind of industries to the land use zoning and the labor force profile. While lack of infrastructure and the supply of land traditionally limit growth, Arcata has adopted a strategy of infill of existing vacant parcels, as opposed to sprawling to the further boundaries of the City.

This section includes information on infrastructure (6.1.B), land use zoning (6.1.C) existing commercial, industrial and service sector businesses (6.1.D), employers (6.1.E), business clusters and links with the regional economy (6.1.F), employment projections (6.1.G) land supply needs (6.1.H) and Vacant and Underutilized land supply and market conditions (6.1.I).

C.2.A Infrastructure

The following is a general description of the overall infrastructure systems that serve existing and future development in the City of Arcata. Specific infrastructure needs and deficiencies are listed in the neighborhood where they are located (see Section 6.2). The City collects a combined monthly utility bill for residential and non-residential water, sewer, and solid waste service. Fees cover the regular cost of operating and maintaining the systems. The City also imposes connection fees for new service installations that contribute to a capital fund for the replacement of water system components. Other utility costs are collected directly from the utility provider.

Water Supply. The City of Arcata maintains an Urban Water Management Plan (as required by the California Water Code) that defines the current and future capacity of the system. The City last updated its Urban Water Management Plan in 2000. The *Arcata General Plan: 2020* (General Plan) requires that this plan be updated every five years and the City will begin updating this plan later in 2004. The City of Arcata operates its own municipal water system and provides service to users within the Urban Service Boundary or zone, as described in the General Plan. The City water system is supplied by the Humboldt Bay Municipal Water District (HBMWD), which draws its supply from wells located within the bed of the Mad River and City owned and operated wells along Janes Road.

The City estimates that current available water supply from the HBMWD is approximately two million gallons per day with an unsustained maximum peak draw at 3.9 million gallons per day. An additional 0.5 million gallons per day is drawn from the Jane Road wells. At these rates the City has approximate supply of one billion gallons of water per year and a current demand of approximately 737 million gallons per year. Current water supply exceeds demand by over 260 million gallons per year. By 2020, the City of Arcata projects that water supply will remain

constant and demand will increase to approximately 813 million gallons per year. Arcata's water supply is more than adequate for projected growth through 2020.

The following table contains past and projected data regarding water service connections by type of user and volume of water consumed per year.

Table C.2.A. - 1: Historical and Projected City of Arcata Water Service Data
CITY OF ARCATA WATER SERVICE CONNECTIONS

	1990		1995		2000		2005		2010	
	No.	%	No.	%	No.	%	No.	%	No.	%
Single Family	4121	81%	4324	81%	4554	81%	4634	81%	4714	80%
Multi Family	439	9%	451	8%	495	9%	508	9%	519	9%
Commercial	460	9%	476	9%	476	8%	485	8%	494	8%
Industrial	10	0%	58	1%	55	1%	64	1%	73	1%
Instit/Govt.	30	1%	42	1%	46	1%	54	1%	62	1%
Total	5,060	100%	5,351	100%	5,626	100%	5,745	100%	5,862	100%

	1990		1995		2000		2005		2010	
	Vol.¹	%	Vol.¹	%	Vol.¹	%	Vol.¹	%	Vol.¹	%
Single Family	263.5	41%	274.4	37%	343.7	47%	352.2	45%	361.0	44%
Multi Family	134.8	21%	176.7	24%	147.9	20%	174.5	22%	190.2	23%
Commercial	173.5	27%	152.2	21%	120.4	16%	121.6	16%	122.8	15%
Industrial		0%	26.2	4%	27.3	4%	27.6	4%	27.9	3%
Instit/Govt.	70.6	11%	104.4	14%	98.3	13%	107.7	14%	111.1	14%
Total	642.4	100%	733.9	100%	737.6	100%	783.6	100%	813.0	100%

¹Vol. = Volume of water consumed, measured in millions of gallons per year.

Source: City of Arcata Urban Water Management Plan, 2000.

Commercial and industrial users currently comprise almost ten percent of total water service connections (eight percent and one percent, respectively) and consume 20 percent of City water (16 percent and 4 percent, respectively). According to the Urban Water Management Plan, commercial and industrial users consumed significantly more water in the 1990s than they do presently. The reduction in consumption could be due to closures of local timber industry business and changes in facility and plant operations.

The "City of Arcata Water System Evaluation Summary Report" (Water System Report) (SHN, 1998) provides a summary of the City's water system information and a general evaluation of the systems facilities. The most common problem encountered was the need for more storage capacity. Ideally, a municipal water system should provide seven days of storage capacity. Arcata's water system currently provides only 18 hours of storage capacity. The goal of seven days of storage is not often attained by municipal water systems. The City has established a

goal of increasing the water systems storage capacity to 72 hours. To achieve this goal several new storage reservoirs with an additional four million gallons of storage is required.

In addition to storage problems the Aldergrove neighborhood fire flow capacity is below the City's standards for industrial areas. To correct this problem and to provide a back up to the Alliance Road Pump Station, the Water System Report recommends constructing a new supply source connection at the end of Aldergrove Road to the HBMWD 33-inch water transmission line. The project will require a 400 LF extension of 10-inch diameter, or larger, transmission main from the existing stub out on Aldergrove road to the HBMWD's 33-inch water transmission line. A small utility building will be required to house the control valve piping, telemetry controls, chlorinating and fluoride treatment systems. Preliminary cost estimates are approximately \$300,000.

The City's water system is composed of thirteen (13) service areas or zones. The largest service area (Zone 1, Central City) provides approximately 73% (3,700 service connection) of the City's water customers who are located in the lower elevations of the City below 129 feet (msl). Facilities in Zone 1 represent the backbone of the City's water system. All of the City's commercial and industrial zoned lands are located within Zone 1. Water in Zone 1 is supplied by the Humboldt Bay Municipal Water District through the Alliance Road Municipal Pump Station, and by the Janes Road well and pump station. City Staff reports no problems at the Alliance Road Station or Janes Road wells that cannot be addressed by routine maintenance. Storage is provided by welded steel tanks at 16th and Union and Margaret Lane. The total combined storage capacity of Zone 1 is 2.8 million gallons. The Janes Road wells provide an additional 0.5 to 1 million gallons per day.

City staff indicates that the water distribution system is adequate to serve General Plan projected growth through 2020 within the City limits, and that existing storage capacity will not limit the ability of land owners to develop property within the City limits. However, uses requiring large amounts of treated water may be required to construct on-site storage, and new large water intensive manufacturers, agriculture projects, or new major subdivisions/developments may be required to upgrade the City's storage systems. Developers are also required to construct mainline extensions from existing facilities and all required laterals to serve the proposed development.

Wastewater. The City of Arcata's wastewater treatment facilities are adequate to serve projected economic and population growth in through 2020. Arcata operates a municipal wastewater collection and treatment system that employs the use of a wastewater treatment plant and 170 acres of marshes to treat and reuse wastewater. Treated wastewater flows through five marshes, where natural organisms filter the water before it is released into Arcata Bay. The City maintains a Wastewater Treatment Plant Master Plan to guide plant operations (last updated in 1998).

Similar to the water system, the wastewater system including sewer main lines and lift stations, particularly those within the Aldergrove and Samoa Boulevard Neighborhoods, have been sized to accommodate build-out of vacant and underutilized parcels within the City limits. However, specific projects may be required to construct mainline extensions and lift stations from existing

facilities to serve a project site.

Stormwater. The City of Arcata operates a stormwater drainage system that includes gutters and inlets associated with streets, as well as ditches, culverts, basins, creeks, wetlands, and the Arcata Marsh. The City prepared a Drainage Master Plan in 1997 to guide the management of this system. The Plan includes a hydrological analysis, based on the 1997 rates of flow, drainage management alternatives and an operational plan, a needs assessment, and a capital improvement program. The Plan also included a list of potential property acquisitions that if acquired and improved will increase stormwater capacity and or retention.

Forty percent of the City owned acreage of impervious surface is the public street system. The Master Plan projected that at buildout there would be 1,582 acres of impervious surface Citywide. A Stormwater Drainage Development Fee of \$.083 per square foot is charged for all new impervious surfaces and a Stormwater Drainage Maintenance Fee of \$.0047 per square foot is charged every six months for all areas that have impervious surfaces. Drainage Fees fund improvements to the Arcata stormwater water system.

The City has identified specific neighborhoods and parcels that, should they be further developed, would require some drainage mitigation. These drainage problems have the potential to restrict development of vacant and underutilized parcels unless drainage improvements are made. Specific and localized drainage problems are also included in the Neighborhood Section.

In the Aldergrove Neighborhood, including West End Road, the construction of S.R. 299 impeded the natural flow of waterways, which resulted in storm drainage back-ups. The Drainage Master Plan also calls for the modification of the Aldergrove pond to allow the detention of an additional 1.5 acre-foot of runoff from the North Fork of Janes Creek to accommodate the build-out of the Industrial Park.

Specific drainage issues are identified on South G Street in the Samoa Boulevard Neighborhood. Jolly Giant Creek, which serves this and many downtown neighborhoods and empties into Butcher Slough, is the only Arcata creek that does not have a tidegate prior to flowing into Humboldt Bay. This allows free flowing storm water to flow through the Creek to move quickly out of the system.

Transportation. The City of Arcata is a member of the Humboldt County Association of Governments (HCAOG). HCAOG is the regional transportation planning agency for Humboldt County and prepares a Regional Transportation Plan (RTP) for its member agencies every two years. The RTP describes the regional transportation system (including the City of Arcata), defines the transportation needs for the County, and establishes a strategy to meet those needs. In addition, the *Arcata General Plan: 2020* contains a Transportation Element that establishes a plan for the movement of people and goods in concert with the development of the City. According to the General Plan, the City's goal relating to transportation is to maintain "a balanced transportation system with choice of bus, transit, bicycle, and pedestrian as well as private automobile modes."

The General Plan provides detailed plans for transportation improvements. A map of Arcata's

roads and streets by type is provided in Figure T-a on page 2-37 of the General Plan. With few exceptions, Arcata's street grid is fully established. Other than the internal road systems and the ingress/egress improvements onto the City's existing road system, no major transportation infrastructure is needed or planned to accommodate economic and population growth. Slated projects including roadway realignment, widening, and extension are planned to improve system performance.

All vacant and underutilized parcels have direct access to highways, arterial streets, or minor arterials, with the exception of a few large industrial parcels.

The two neighborhoods that contain the bulk of Arcata's developable commercial and industrial land have established roadway networks. Roadways in the Aldergrove Neighborhood were constructed over the last 20 years and require little improvement to support new development. The City of Arcata is planning improvements to Samoa Boulevard to enhance its visual qualities as a gateway to the City. New development in these two neighborhoods may be required to construct roadway improvements along the public frontage of the property.

Although many cities require that new construction (commercial and large residential) pay fees to off-set traffic related impacts resulting from their development, the City of Arcata does not impose traffic related impact fees. The City is considering expanding traffic impact fees to development along Giuntoli Lane. According to the General Plan, policy T-8 on page 2-65 and 2-67, developers "shall be required to construct transportation improvements along their property frontages. Where appropriate, a traffic impact study shall be required which identifies on-site and off-site impacts and mitigation measures."

Arcata imposes a parking in-lieu fee with certain building permit applicants, but the fee is currently \$0. The City Land Use Development Code requires that off-street parking be provided for all buildings based on the type of use. If the use of the building changes, the amount of required off-street parking may also change. In the Central Business District, applicants for building permits may pay a parking in-lieu fee, instead of constructing off-street parking. The fee is equivalent to the cost of acquiring land and constructing required parking. Fees are collected by the City and deposited in a special fund that is to be used for acquiring and developing off-street parking.

Electricity. Electric service within the City of Arcata is provided by Pacific Gas & Electric Company (PG&E). PG&E is regulated by the California Public Utilities Commission (CPUC), which establishes rules for operation, customer rates, and PG&E's rate of return.

PG&E operates two main substations serving the City of Arcata, one near 6th and I Streets and one on the south side of S.R. 299 on West End Road. The PG&E electric distribution serving the City is in place and PG&E is obligated to provide service to users within the City. New service requests, or requests for additional service, are generally governed by CPUC approved Rule 15 (Distribution Line Extensions) and Rule 16 (Service Extensions).

The City is in the final phase of removing telephone poles and moving all utilities underground in the Downtown Underground Utility District. This project will be an economic asset to the

commercial downtown by improving the appearance of the area. Completion is slated for 2005. The formation of another Underground Utility District will be recommended by staff in 2004.

Natural Gas. Natural gas access in Arcata is adequate to support economic and population growth in the future. Natural gas service within the City of Arcata is provided by PG&E and regulated in a similar manner as electricity by the CPUC. Natural gas is generally available throughout the City, and as with electricity, PG&E is obligated to provide service to users within the City. New service requests or requests for additional service are generally governed by Rule 15 (Gas Main Extensions) and Rule 16 (Gas Service Extensions).

Telecommunications. Arcata has full access to terrestrial phone lines, cable, and wireless service, but some areas are not served by Digital Subscriber Lines (DSL). Access to DSL or cable is essential for development of the telecommunications sector and other sectors, such as research and development, which rely on high-speed communications.

The telecommunications sector consists of cable television, conventional - or terrestrial – telephone service, wireless telephone service, cable television, and Internet service (which is available through all of the sectors listed previously). All of the above telecommunications services are available in various locations throughout Arcata.

SBC Communications, Inc. (formerly Pacific Bell) is the Incumbent Local Exchange Carrier for most of the Humboldt Bay Area, including the City of Arcata. An Incumbent Local Exchange Carrier, or “ILEC”, is a telephone company regulated by the California Public Utilities Commission that provides local telephone service within a local area local access and transport area or LATA. According to the California Public Utilities Commission, it is the responsibility of the consumer to determine if there are competitive local exchange carriers that are tariffed and willing to provide local phone service in their area.

The SBC Communications central office, the main telephone switching facility for Arcata, is located on the corner of 13th and G Streets. SBC Communications provides basic telephone service to the residents of Arcata and a broad range of service to business. In addition, SBC has the local infrastructure necessary to provide high-speed Internet access, or digital subscriber line (DSL) service to both residents and businesses. However, access to DSL for particular businesses and residents is limited according to their distance from the central office at 13th and L Streets. Residents or businesses must be located within about 15,000 cable feet from the central office in order to receive DSL service.

The West End Road and Valley West Neighborhoods are beyond 15,000 cable feet from the central office and therefore beyond the range to receive SBC DSL services. SBC would need to install optical fiber lines to connect to the neighborhood fiber gateway (“fiber hub,” a communications cabinet that contains a digital subscriber line access multiplexer) and its Arcata central office to provide DSL to unserved neighborhoods. SBC has planned a fiber hub in the Aldergrove area and expects to complete this project by February 2005. Bayside is also without DSL service. SBC does not have plans to extend a fiber hub to this neighborhood at this time. SBC estimates the cost of installing a fiber hub to be about \$20,000 plus the cost of extending an optical fiber line from the central office to the hub location.

C.2.B Land Use Designations

Arcata's land use is a mix of residential, commercial, industrial, public facilities, and agriculture/natural resource (open space) uses. The predominant urban land use in the City is residential, which makes up 32 percent of the land base. Agriculture is the largest non-urban use in the City, with 25 percent of the land base, followed by natural resource areas, with 20 percent. The other urban uses include commercial areas, with 3 percent of the land base, industrial areas with 10 percent, and public facility (including public schools and Humboldt State University) uses, also with 10 percent.

Table C.2.B - 1 documents the current General Plan City and Sphere of land use designations and acreages. Section VI of the Plan Of The Arcata Community Development Project Area (November 1983) documents that the current and future amendments to the permitted land uses; zoning map; specific plans and other development control measures of the City of Arcata shall apply to the City's Redevelopment Project Area.

TABLE C.2.B - 1 LAND-USE PLAN CATEGORIES AND ACREAGES

ARCATA GENERAL PLAN: 2020 LAND USE DESIGNATION		CITY ACRES %		SPHERE ACRES %		TOTAL ACRES %	
R-VL	Residential - Very Low Density	572	12	600	18	1172	15
R-L	Residential - Low Density	583	12	43	2	626	8
R-M	Residential - Medium Density	158	3	17	0	175	2
R-H	Residential - High Density	151	3	0	0	151	2
C-C	Commercial - Central	25	1	0	0	25	<1
C-G	Commercial - General	62	1	28	1	90	1
C-VS	Commercial - Visitor-Serving	43	1	0	0	43	1
I-L	Industrial - Limited	247	5	102	3	349	4
I-G	Industrial - General	214	5	0	0	214	3
A-E	Agricultural - Exclusive	1055	23	824	24	1879	23
A-R	Agriculture - Residential	36	1	411	12	447	5
NR	Natural Resource	1038	23	1327	38	2365	29
PF	Public Facility	451	10	70	2	521	7
TOTAL		4635	100	3422	100	8057	100

Note: The figures above do not include road rights-of-way, interchanges and the portion of Arcata Bay within the City limits, nor do they include the 565-acre Jacoby Creek Forest, a City owned non-contiguous incorporated area. These combined areas cover an additional 2,251 acres.

The General Plan 2020 provides the following general descriptions of the commercial zones:

Commercial – Central [C-C]. This designation covers most of the nineteen square blocks surrounding the Plaza and includes retail, professional office, civic, hotel, theater, residential, and similar uses. The Central-Commercial Area forms the center of the City and is designed to be a high density, pedestrian-oriented activity area, with shops and services, banks, offices, restaurants, and entertainment supporting a variety of day and night activities.

TABLE C.2.B - 2 COMMERCIAL LAND USE CLASSIFICATIONS

ALLOWABLE USES	C-C	C-G	C-VS
SALES OF GOODS & SERVICES			
General retail sales and services	X	X	
Specialty retail sales and services	X	X	X
Personal service establishments	X	X	
Shopping centers	X	X	
High-impact retail commercial uses	X	X	X
Wholesale trade and warehousing		X	
Transient lodging	X	X	X
Travel trailer [RV] park			X
Animal sales and services		X	
MOTOR VEHICLE RELATED SALES & SERVICE			
Motor vehicle sales and rentals		X	X
Motor vehicles services		X	X
Gas sales		X	X
RESTAURANTS, BARS AND NIGHTCLUBS	X	X	X
COMMERCIAL RECREATION/ENTERTAINMENT			
Indoor recreation services	X	X	
Outdoor recreation uses and services		X	X
Theaters	X	X	X
BUSINESS AND PROFESSIONAL OFFICES			
Offices designed to serve customer traffic	X	X	
Offices designed to attract little customer traffic	X	X	
Health services	X	X	
EDUCATIONAL, CULTURAL & RELIGIOUS USES			
Libraries, museums, art galleries, and similar uses	X	X	
Mortuaries and funeral homes		X	
PUBLIC & SEMI-PUBLIC USES			
Government administrative offices	X	X	
Post offices	X	X	
RESIDENTIAL			
Multi-family residential	X	X	
DEVELOPMENT STANDARDS			
Maximum Structure Height	45 ft.	35 ft.	45 ft.
Minimum Lot Size in square feet	5,000	5,000	10,000
Minimum Landscape – % of lot area; *in-lieu credits avail.	10%*	10%	15%
Maximum Floor Area Ratio**	3.00	2.00	2.00

**Refer to note below Table LU-2 in the General Plan for explanation of Floor Area Ratio (FAR).

Commercial – General [C-G]. This designation provides the full range of retail, entertainment, and service commercial uses in Uniontown, Valley West, Westwood/Sunset, Sunny Brae, Greenview, and Bayside neighborhood centers, and other areas, such as Northtown, Giuntoli Lane, and Samoa Boulevard. C-G development must be compatible with the surrounding residential uses and provide convenient access for patrons arriving by bicycle, public transit, motor vehicle, or on foot. A primary difference between the C-G areas and the Plaza Area is parking. Businesses in the C-G area will be expected to provide sufficient on-site parking. C-G areas are intended to have convenient access from residential areas in order to provide for day-to-day shopping and service needs.

Commercial – Visitor Serving [C-VS]. This land use designation permits hotels, motels, recreation vehicle parks, theaters, restaurants, auto sales centers, gas stations, mini-marts, and similar uses which attract or serve the needs of travelers, tourists, and local patrons.

The C-VS designation is not intended for general retail sales. C-VS uses are appropriate at highway interchanges where they are visible from the road and easily accessible by travelers and tourists. Similarly, C-VS uses are appropriate at locations near natural amenities or other attractions for visitors. The area designated for C-VS is at the State Route 101 and Giuntoli Lane interchange, west of Valley West Boulevard, and along Janes Road/Heindon Road.

The General Plan 2020 provides the following general descriptions of the industrial and public facility zones:

Industrial – Limited [I-L]. This land use designation is intended to provide attractive industrial areas suitable for light manufacturing and limited commercial uses. High impact industrial uses more prone to produce noise, odors, heavy truck traffic, or dust are not permitted in limited industrial areas. The I-L land use designation includes auto sales; service and repairs; sales of mobile homes, trucks and tractors; warehousing and wholesaling establishments; outdoor sales and storage lots; light industrial activities (when conducted within a building); and similar uses. Some retail sales uses and services, particularly those involving sales of products made on the premises, will be allowed as an accessory use. Residential uses may also be permitted where they are compatible with the nature of the production process, or the related sales of products made on the premises (such as artists' live/work space). The major I-L areas are the West Samoa Boulevard Employment Center, a portion of the West End Employment Center (near the State Route 299/Giuntoli Lane interchange and the Aldergrove Industrial Park), the area west of “K” Street, South “G” Street, and South “I” Street.

Industrial – General [I-G]. This land use designation indicates areas that are appropriate for manufacturing; large-scale wood processing and storage; auto wrecking and storage yards, and all other general industrial operations. Some industrial operations generate noise, odors, or traffic which make them incompatible neighbors with residential or most commercial uses.



TABLE C.2.B. – 3 INDUSTRIAL / PUBLIC FACILITY LAND USE CLASSIFICATIONS

ALLOWABLE USES	I-L	I-G	PF
SALES OF GOODS AND SERVICES			
Personal services establishments	X		
High impact commercial uses	X		
Outdoor sales and storage of merchandise	X		
Wholesale trade and warehousing	X	X	
Animal sales and services	X	X	
MOTOR VEHICLE-RELATED SALES AND SERVICES			
Motor vehicle sales and rentals	X		
Motor vehicle services	X		
Gas stations	X		
RESTAURANTS AND NIGHTCLUBS	X		
COMMERCIAL RECREATION / ENTERTAINMENT			
Indoor recreation services	X		
BUSINESS AND PROFESSIONAL OFFICES			
Offices designed to serve customer traffic	X		
Offices designed to attract little customer traffic	X		
EDUCATIONAL, CULTURAL & RELIGIOUS USES			X
RESIDENTIAL	X		
PUBLIC & SEMI-PUBLIC USES			X
HIGH IMPACT MANUFACTURING & PROCESSING		X	
MODERATE IMPACT MANUFACTURING & PROCESSING	X	X	
DEVELOPMENT STANDARDS			
Maximum Structure Height	45 ft.	50 ft.	50 ft.
Minimum Lot Size	6,000 sq. ft.	1 acre	None
Minimum Landscape	10% of lot area	10% of lot area	10% of lot area
Maximum Floor Area Ratio*	1.50	1.50	1.50

* Refer to note below Table LU-2 in the General Plan for explanation of Floor Area Ratio (FAR).

LU-5a Public Facility [PF] uses.

Public Facility land use category is applicable to those lands that are to be used for the various types of public facilities, except that some public facility uses are also allowed in other land-use



categories. Public facility uses include certain uses that may be owned by private individuals, private organizations, or private institutions, as well as by government entities. Uses include schools, public services and administrative offices, wastewater and solid waste management facilities, public parking lots, parks and non-commercial recreation uses, golf courses, auditoriums, and other public assembly spaces, hospitals, cultural facilities, community gardens, communication (including telecommunications) and transportation facilities, and utilities. The types of uses allowable within this category shall be specified in Table LU-6.

The General Plan 2020 provides the following general descriptions of the Agricultural and Natural Resource zones:

Natural Resource [NR]. This designation is applied to public or private lands where protection of unique and/or sensitive natural resources, or managed production of resources, are the primary objectives. The resources element describes three sub-district zones within the NR district that are designated: Wetland Stream Protection Zone (NR-WSPZ), Timber Production Zone (NR-TPZ), and Public Trust Zone (NR-PTZ). Examples of lands designated NR include the Community Forest (NR-TPZ), Janes Creek /McDaniel Slough Linear Park (NR-WSPZ), and the Arcata Marsh and Wildlife Sanctuary (NR-PTZ). Recreation may be considered as a secondary use when there are no adverse impacts to the protected resources. This designation is also applicable to productive resource lands, such as timber-producing forested areas (NR-TPZ) and aquaculture in Arcata Bay (NR-PTZ). The land between Humboldt State University and the Community Forest is an example of productive forest lands designated (NR-TPZ).

The NR designation is not applied to small or "pocket" wetlands, that exist on parcels large enough to accommodate development without adversely impacting the wetlands. The designation is also not applied to wetlands used as grazed agricultural lands, or riparian areas in other zones. These resource areas are protected by applicable stream and wetlands standards.

Agriculture Exclusive [A-E].

This designation is intended to preserve land for agricultural production. The A-E designation is appropriate for lands with prime agricultural soils and wetlands that could be used as grazed agricultural lands. Structures associated with agricultural production, such as barns and farmhouses, are appropriate uses in A-E areas.



Agriculture Residential [A-R]. This designation allows very low density residential development on agricultural lands. Structures associated with agricultural production, such as barns and farmhouses, would be appropriate uses in these agricultural areas.

TABLE C.2.B – 4
AGRICULTURAL AND NATURAL RESOURCE LAND USE CLASSIFICATIONS

ALLOWABLE USES	A-E	A-R	NR
RESIDENTIAL			
Single-family dwellings	X	X	
Mobile / manufactured homes	X	X	
Secondary residential uses	X	X	
Bed & Breakfast (as secondary use with use permit)	X	X	
COMMERCIAL RECREATION & ENTERTAINMENT			
Coastal-dependent recreation	X		X
AGRICULTURE, MINING, SILVICULTURE & AQUACULTURE			
General agriculture, except keeping confined animals	X	X	
Agriculture, including keeping of confined animals	X		
Agriculture-related processing facilities	X	X	X
Commercial greenhouse operations			X
Aggregate and other mining			X
Silvicultural operations			
Aquacultural operations			
NATURAL RESOURCE CONSERVATION USES			
	X	X	X
DEVELOPMENT STANDARDS			
Density Range	1 primary residential unit per parcel (and a secondary unit)	1 primary residential unit per parcel (and a secondary unit)	1 unit per existing parcel
Maximum Structure Height	35 ft.	35 ft.	35 ft.
Minimum Lot Size	20 acres (60 ac. in coastal zone)	2.5 acres	20 acres
Maximum Floor Area Ratio*	.10 / Higher with Conditional Use Permit	.10	NA

* Refer to note below Table LU-2 for explanation of Floor Area Ratio (FAR).

C.3 Existing Commercial, Industrial, and Service Sector Businesses and Employers

This subsection presents the businesses and industries that are present and providing jobs in Arcata, as well as the major occupational trends among Arcata residents. It is useful to consider the two measures together, since a mismatch between jobs in Arcata and occupations among Arcata residents could indicate problems like high commuter traffic, a lack of jobs for certain education and skill levels, a lack of affordability or desirability of the community, or other issues that lead people to work in one community but live elsewhere.

Multiple data sources have been used in this section and there is variation between these data sources. Employment by industry for Arcata, Humboldt County and the State of California, according to the California Employment Development Department is shown in Table 6.1.D – 1 on the following page. The categories represent the business types that provided the 8,683 jobs in the city of Arcata at the time this snapshot was recorded in 2002. These 8,683 jobs were occupied by both residents and non-residents of Arcata, and have undoubtedly changed slightly since 2002 due to business start-ups, closures, agency expansions, and other changes.

Table 6.1.D. – 1 reflects that Humboldt State University is “the” major employer in Arcata. HSU, along with the K-12 school districts, Mad River Hospital and other healthcare employers, make up the “Education and Health Services” category, which comprises 19 percent of total employment in Arcata. According to this table, HSU’s 1,450 jobs would account for most of the jobs in this category and 16.7 percent of total Arcata employment. By comparison, “Education and Health Services” industry represents only 12 percent of Humboldt County employment (half of the Humboldt County jobs in this industry are in Arcata) and 10 percent statewide.

Arcata also displays strong employment in “Manufacturing” with 12 percent of its total employment in this industry, compared to 8 percent in the County (of which Arcata claims approximately 25 percent of Countywide manufacturing related employment) and 11 percent statewide.

Other than “Education and Health Services” and “Manufacturing,” Arcata lags behind both the State and the County in jobs in almost all other industry categories. It is notable that Arcata has very low retail and government related employment compared to the State and the County.

Table C.3 – 1 Comparison of Employment by Industry (2002)

Business Type	Arcata		Hum Co		California	
	Emp	% of Total	Emp	% of Total	Emp	% of Total
Total Wage and Salary	8,683	100%	50,200	100%	14,852,600	100%
Total Farm	288	3%	1,100	2%	376,100	3%
Total Nonfarm	8,395	97%	49,000	98%	14,476,500	97%
Total Private	7,943	91%	35,600	71%	12,028,400	81%
Goods Producing	1,358	16%	6,400	13%	2,436,900	16%
<i>Natural Resources & Mining</i>	25	0%	400	1%	23,100	0%
<i>Construction</i>	274	3%	1,900	4%	772,600	5%
<i>Manufacturing</i>	<i>1,059</i>	<i>12%</i>	<i>4,100</i>	<i>8%</i>	<i>1,641,200</i>	<i>11%</i>
Durable Goods	772	9%	3,000	6%	1,055,100	7%
Wood Product Manufacturing	179	2%	2,400	5%	40,700	0%
Residual-Misc Manufacturing	593	7%	600	1%	1,014,400	7%
Nondurable Goods	287	3%	1,100	2%	586,100	4%
Food Man & Beve & Tobacco	105	1%	600	1%	155,600	1%
Residual-Textile Mills	182	2%	500	1%	430,500	3%
Service Providing	7,037	81%	42,600	85%	12,039,600	81%
<i>Trade, Transportation & Utilities</i>	<i>1,332</i>	<i>15%</i>	<i>9,700</i>	<i>19%</i>	<i>2,730,500</i>	<i>18%</i>
Wholesale Trade	368	4%	1,000	2%	651,500	4%
Retail Trade	693	8%	7,400	15%	1,583,200	11%
Food and Beverage Stores	150	2%	1,800	4%	317,400	2%
General Merchandise Stores	40	0%	800	2%	242,200	2%
Residual-Misc Store Retailers	503	6%	4,800	10%	1,023,600	7%
Transport, Warehousing & Utils	271	3%	1,400	3%	495,700	3%
<i>Information</i>	<i>182</i>	<i>2%</i>	<i>600</i>	<i>1%</i>	<i>498,000</i>	<i>3%</i>
<i>Financial Activities</i>	<i>229</i>	<i>3%</i>	<i>2,000</i>	<i>4%</i>	<i>849,900</i>	<i>6%</i>
Finance and Insurance	68	1%	1,300	3%	580,200	4%
Real Est and Rental & Leasing	161	2%	600	1%	269,700	2%
<i>Professional & Business Services</i>	<i>636</i>	<i>7%</i>	<i>3,300</i>	<i>7%</i>	<i>2,126,000</i>	<i>14%</i>
<i>Educational & Health Services</i>	<i>1,625</i>	<i>19%</i>	<i>6,200</i>	<i>12%</i>	<i>1,499,600</i>	<i>10%</i>
<i>Leisure and Hospitality</i>	<i>867</i>	<i>10%</i>	<i>5,400</i>	<i>11%</i>	<i>1,381,800</i>	<i>9%</i>
Food Servs & Drinking Places	536	6%	3,900	8%	961,700	6%
Residual-Arts, Ent, & Rec	331	4%	1,500	3%	420,100	3%
<i>Other Services</i>	<i>264</i>	<i>3%</i>	<i>2,000</i>	<i>4%</i>	<i>505,700</i>	<i>3%</i>

Business Type	Arcata		Hum Co		California	
	Emp	% of Total	Emp	% of Total	Emp	% of Total
<i>Government</i>	<i>1,902</i>	<i>22%</i>	<i>13,400</i>	<i>27%</i>	<i>2,448,100</i>	<i>16 %</i>
Federal Government	228	3%	900	2%	254,100	2%
State and Local Government	1,674	19%	12,600	25%	2,194,000	15%
State Government	1,494	17%	3,300	7%	472,000	3%
State Government Education	1,450	17%	2,000	4%	208,200	1%
Other State Government	44	1%	1,300	3%	263,800	2%
Local Government	180	2%	9,200	18%	1,722,000	12%

Source: California and Humboldt County employment by industry from California Employment Development Department - Labor Market Division (*Annual Averages*), Arcata employment by industry from Dunn & Bradstreet.

To assist in comparisons between jurisdictions, employment for each industry is displayed as a percent of total employment for that jurisdiction.

Comparing these two tables shows that most categories of jobs in Arcata align with jobs occupied by Arcata residents. However, there is a mismatch in the manufacturing sector. Whereas, according to the Employment Development Department (EDD), Arcata has 1,059 manufacturing jobs, representing 12 percent of the total, the Census data shows that only 553 or 6.6 percent of Arcata residents are employed in manufacturing. One possibility is that these jobs do not provide the wages that would enable the employees to afford to purchase a home in Arcata, so they live elsewhere.

While EDD stated that Arcata has 693 retail jobs (8% of jobs), Census data show a much larger number (992) and percent (11.8%) of Arcata residents employed in these sectors. One possibility is that many people are working in Eureka's larger retail district.

Table C.3 – 2: Employment by Industry, 2000

Industry	Arcata		Humboldt County		California	
	#	%	#	%	#	%
Agriculture, forestry, fishing, hunting, and mining	275	3.3%	2,743	4.9%	282,717	1.9%
Construction	248	2.9%	3,239	5.8%	915,023	6.2%
Manufacturing	553	6.6%	4,802	8.7%	1,930,141	13.1%
Wholesale trade	199	2.4%	1,727	3.1%	596,309	4.1%
Retail trade	992	11.8%	6,930	12.5%	1,641,243	11.2%
Transportation and warehousing, and utilities	187	2.2%	2,082	3.8%	689,387	4.7%
Information	267	3.2%	1,061	1.9%	577,463	3.9%
Finance, insurance, real estate, and rental and leasing	310	3.7%	2,812	5.1%	1,016,916	6.9%
Professional, scientific, management, administrative, and waste management services	554	6.6%	3,822	6.9%	1,711,625	11.6%
Educational, health and social services	2,680	31.9%	14,748	26.6%	2,723,928	18.5%
Arts, entertainment, recreation, accommodation and food services	1,409	16.8%	5,408	9.8%	1,204,211	8.2%
Other services (except public administration)	298	3.5%	2,870	5.2%	761,154	5.2%
Public administration	437	5.2%	3,182	5.7%	668,811	4.5%
Total	8,409	100.0%	55,426	100.0%	14,718,928	100.0%

*Source: Census 2000

The importance of Humboldt State University and other educational institutions is confirmed by the fact that almost one-third (31.9%) of all jobs in Arcata derive from education health and social services. This is a much higher percentage than the jobs in Arcata shown in the previous table (19%). Some of the difference may have been due to the addition of social services (e.g., United Indian Health Services and other employers). The difference could also mean that a significant number of Arcata residents work in the sizable Eureka health and social service sector. Considering Arcata's highly educated residents (see below), it would make sense that

they occupy professional jobs both inside and outside of Arcata.

Table C.3 – 2 also shows that the share of Arcata residents employed in the arts, entertainment, recreation, accommodation, and food services is much larger in Arcata than in Humboldt County and California. Comparing this to Table 6.1.D. – 1, once again more Arcata residents are employed in this category than there are jobs in Arcata. And again this may be appropriate given the much larger number of hotels, clubs, galleries, and restaurants in Eureka.

The data in Table C.3 – 2 for 2000 Arcata is compared to 1990 data in Table C.3 – 3 below to show trends in employment among Arcata residents over a decade. Manufacturing, wholesale trade, and transportation jobs declined significantly, reflecting an overall decline in industry (in increased productivity). Retail jobs also declined. Agriculture, forestry, fishing, hunting, and mining jobs increased by 11.3 percent. Nevertheless, the economy appears generally to have shifted away from resource-based, with scientific, educational, administrative, financial, and other professional jobs all increasing from 1990 to 2000. The 803.2 percent growth in jobs in the arts, entertainment, recreation, accommodation and food services industry appears to be a result of a change in definitions of these job classes by the Census Bureau.

Table C.3 – 3 Employment by Industry – City of Arcata

Industry	1990		2000		Change	% change
Agriculture, forestry, fishing, hunting, and mining	247	3.6%	275	3.3%	28	11.3%
Construction	234	3.4%	248	2.9%	14	6.0%
Manufacturing	793	11.5%	553	6.6%	-240	-30.3%
Wholesale trade	266	3.9%	199	2.4%	-67	-25.2%
Retail trade	1,648	24.0%	992	11.8%	-656	-39.8%
Transportation and warehousing, and utilities	321	4.7%	187	2.2%	-134	-41.7%
Information	N/A	N/A	267	3.2%	N/A	N/A
Finance, insurance, real estate, and rental and leasing	244	3.5%	310	3.7%	66	27.0%
Professional, scientific, management, administrative, and waste management services	471	6.8%	554	6.6%	83	17.6%
Educational, health and social services	1,704	24.8%	2,680	31.9%	976	57.3%
Arts, entertainment, recreation, accommodation and food services	156	2.3%	1,409	16.8%	1,253	803.2%
Other services (except public administration)	553	8.0%	298	3.5%	-255	-46.1%
Public administration	244	3.5%	437	5.2%	193	79.1%
Total	6,881	100.0%	8,409	100.0%	1,528	22.2%

Taken together, the preceding tables show that jobs available in Arcata match fairly well to the jobs that Arcata residents occupy. Summarizing the above findings, we can say that there are more people (residents) than jobs in Arcata's retail trade, public administration,

educational/health/social services, and arts/entertainment/recreation/accommodation/food service industry sectors, while there are more jobs than people in the manufacturing sector. All other sectors are fairly close, balancing people and jobs.

The General Plan: 2020 assumptions included a statement that Arcata will “Continue to be a City where HSU, health providers, education facility, small-scale manufacturing, agricultural, and retail trade are the primary employers.” The above data and other trends, such as HSU’s and Mad River Hospital’s expected expansions, show that jobs are on track in these sectors, but manufacturing and retail employers are lagging. Agriculture is relatively stable.

Additional data round out the profile of the Arcata work force. As shown in Table C.3 – 4 below, Arcata has a slightly higher percentage of its residents employed in management, professional, and service occupations than Humboldt County and the State of California. In contrast, Arcata has a slightly lower percentage of its residents employed in construction, extraction, maintenance, production, transportation, and material moving occupations. These data reinforce the preceding tables that showed high numbers of residents working in industries such as health care or education, which could be classified as either management/professional or service.

Table C.3 – 4: Employment of Arcata Residents by Occupation, 2000

Occupation	Arcata		Humboldt County		California	
	#	%	#	%	#	%
Management, professional, and related occupations	3,209	38.2%	17,470	31.5%	5,295,069	36.0%
Service Occupations	1,828	21.7%	10,859	19.6%	2,173,874	14.8%
Sales and office occupations	1,956	23.3%	13,780	24.9%	3,939,383	26.8%
Farming, forestry and fishing occupations	204	2.4%	1,466	2.6%	196,695	1.3%
Construction, extraction, and maintenance occupations	391	4.6%	4,856	8.8%	1,239,160	8.4%
Production, transportation, and material moving occupations	821	9.8%	6,995	12.6%	1,874,747	12.7%
Total	8,409	100.0%	55,426	100.0%	14,718,928	100.0%

*Source: Census 2000

According to the City of Arcata Housing Element, 2004 assessment of employment trends, not only do management and professional jobs make up the biggest share of jobs held by Arcata residents, but they have held this position since 1990, and were the fastest growing sector during the past decade, increasing 49.7 percent since 1990. The biggest loss in a single category from 1990 to 2000 was construction, extraction, and maintenance, which declined 25.0 percent. This reflects the economy transitioning sharply away from resource extraction, and may also indicate that fewer people who hold these jobs are living in Arcata. During the same period, service jobs increased 34.3 percent.

The predominantly professional jobs in Arcata are relatively high wage jobs. According to the *City of Arcata Housing Element, 2004* Table HE-27, management jobs in the north coast region

have the highest wage of any class at an average hourly wage of \$27.58. Education jobs average \$19.43 per hour, and healthcare practitioners earn an average of \$26.78 per hour. By contrast, however, sales jobs, which are 23.3 percent of jobs, earn an average of \$11.06 per hour. Service jobs are also lower wage. For example, food preparation and service jobs earn \$7.87 per hour and personal care and service jobs earn \$9.69 per hour.

Table C.3 – 5 below shows that the 2,433 municipal, county, state, and federal jobs held by residents play a more important role in the Arcata economy than in Humboldt County, with government workers making up 28.9 percent of the residents' occupations. Compared to Table C.3 – 1, once again we see that somewhat fewer government jobs (1,902 or 22%) are actually located in Arcata. Undoubtedly, many Arcata residents work for the County of Humboldt and other government agencies outside of Arcata. Nevertheless, trends in government employment are significant for Arcata, for both the 1,902 jobs it has as well as the paychecks of 2,433 of its residents.

Clearly government plays a far more important role in the north coast economy than for the state as a whole, which means that our economy is more sensitive to changes in government spending than the state as a whole. However, government agencies, especially colleges and universities, have historically been much more stable than private sector employers.

Table C.3 – 5: Employment by Class of Worker, 2000

	Arcata		Humboldt County		California	
Class of Worker	#	%	#	%	#	%
Private wage and salary workers	5,209	61.9%	35,111	63.3%	11,257,393	76.5%
Government workers	2,433	28.9%	12,828	23.1%	2,158,071	14.7%
Self-employed workers in own not incorporated business	725	8.6%	7,157	12.9%	1,249,530	8.5%
Unpaid family workers	42	0.5%	330	0.6%	53,934	0.4%
Total	8,409	100.0%	55,426	100.0%	14,718,928	100.0%

*Source: Census 2000

Job creation that matches the educational and skill level of the Arcata work force are an important consideration. As one would expect for a college town, Arcata residents have a higher average educational attainment than that of Humboldt County and California. Fully 41.6 percent of Arcata residents in 2000 had at least a bachelor's degree, while the comparable figures for Humboldt County and California are 23 percent and 26.6 percent respectively. Educational attainment generally increased in Arcata between 1990 and 2000, a pattern that also is observed in Humboldt County and California. Table C.3. – 6 on the following page shows educational attainment.

Table C.3. – 6: Educational Attainment, 2000

	City of Arcata		Humboldt County		State of California	
	#	%	#	%	#	%
Less than 9th grade	430	4.9%	3,287	4.0%	2,446,324	11.5%
9th to 12th grade, no diploma	666	7.6%	9,011	11.1%	2,496,419	11.7%
High school graduate	1,262	14.3%	20,960	25.7%	4,288,452	20.1%
Some college, no degree	2,096	23.8%	22,848	28.0%	4,879,336	22.9%
Associate degree	692	7.9%	6,640	8.1%	1,518,403	7.1%
Bachelor's Degree	2,465	28.0%	12,720	15.6%	3,640,157	17.1%
Graduate or professional degree	1,202	13.6%	6,035	7.4%	2,029,809	9.5%
Total (persons 25 years & over)	8,813	100.0%	81,501	100.0%	21,298,900	100.0%

The educational attainment of residents matches jobs in Arcata within a few percentage points. For example, manufacturing jobs typically require graduation from high school, which is the highest level of education received among 14.3 percent of residents. At the same time, manufacturing jobs are 12 percent of jobs in Arcata and 6.6 percent of the occupations of Arcata residents.

Similarly, jobs in education and health care typically require a bachelor's degree or higher, which has been received by 41.6 percent of the Arcata population. At the same time, education and health jobs are 19 percent of jobs in Arcata and government jobs are 22 percent. Whether they work in Arcata or not, the occupations of Arcata residents seems to reflect their educational level, with 43.7 percent working in three major professional categories in Table C.3. -- 2, and 38.2 percent work in management and professional occupations in Table C.3. – 5.

A final measure of employment in Arcata is shown in Table C.3. – 7 below. According to these data, there were 9,235 people age 16 and older in the labor force in Arcata, and 5,285 who were not. The employment figure deviates somewhat from the 8,409 figure in the previous table.

Table C.3. – 7 : Labor Force Status, 2000

	Arcata		Humboldt County		California	
	#	%	#	%	#	%
Population 16 years and over	14,520	100.0%	100,662	100.0%	25,596,144	100.0%
In labor force	9,235	63.6%	60,762	60.4%	15,977,879	62.4%
Civilian labor force	9,235	63.6%	60,635	60.2%	15,829,202	61.8%
Employed	8,409	57.9%	55,426	55.1%	14,718,928	57.5%
Unemployed	826	5.7%	5,209	5.2%	1,110,274	4.3%
Armed Forces	0	0.0%	127	0.1%	148,677	0.6%
Not in labor force	5,285	36.4%	39,900	39.6%	9,618,265	37.6%

C.4 Employers by Size and Type

Continuing from the last section, which provided of general profile of industries by category in Arcata, this subsection provides a profile of specific employers in Arcata. Assessing the employers by size, number of employees, and specific business type paints an overall picture of the business mix in Arcata, and points to sectors that may be over- or under-represented.

Table C.4 – 1 below contains a listing of the top employers in the City of Arcata. Consistent with the industry data in the previous subsection, the city's top two employers are Education and Health Services related (Mad River Hospital at 500 employees in the private sector category and Humboldt State University at 1,450 in the public sector category). Size of firm, as measured by total employment, drops off quickly – only about a third of the top firms listed in both tables have over 100 employees. In the table below we combined some of the North American Industry Classification tables to make approximations to categorize by size, as follows: very large = 1,000+; large = 200-500; medium = 50-199; small = 10-49; Micro = 1-9.

Table C.4 – 1: Arcata Businesses by Number of Employees

Number of Employees	Number of Businesses	Percent of All Arcata Businesses
1 to 4	652	73%
5 to 9	116	13%
10 to 19	65	7%
20 to 99	57	6%
100 to 499	6	1%
500 to 1000	2	0.2%

Source: Dun and Bradstreet, 2003.

Table C.4. – 2: Major Arcata Employers, 2003

Company Name	Neighborhood	Industry	Jobs	Size
<i>Public Sector</i>				
Humboldt State University	Humboldt State University	Education	1,450	very large
City of Arcata	Downtown – Uniontown	Government	180	medium
Arcata Elementary School District	Various	Education	131	medium
US Fish & Wildlife	Valley West	Government	58	medium
Pacific Union School District	Westwood – Vassaide	Education	55	medium
<i>Private Sector</i>				
Mad River Community Hospital	Westwood - Vassaide	Health Services	500	Large
Watermark Paddlesports Inc	Downtown - Uniontown	Manufacturing	250	Large
Tomas Jewelry	Downtown - Uniontown	Jewelry Wholesale	165	Medium
Healthsport-Arcata	Downtown – Uniontown	Recreation	110	Medium
Kokatat Inc	Aldergrove	Manufacturing	100	Medium
Joe Costa Trucking	Aldergrove	Transportation	81	Medium
Northern Cal Log Scaling	Downtown – Uniontown	Information	77	Medium
Open Door Community Hlth Ctrs	Arcata Heights – Northtown	Health Services	70	Medium
Humboldt Flakeboard Panels	Aldergrove	Manufacturing	67	Medium
USFS Redwood Sciences	Humboldt State University	Government	65	Medium
Danco Builders	Aldergrove	Construction	60	Medium
Bettendorf Enterprises Inc	Aldergrove	Transportation	60	Medium
Abruzzi Catering	Downtown - Uniontown	Food Service	60	Medium
Northcountry Clinic	Arcata Heights – Northtown	Health Services	55	Medium
Holly Yashi	Downtown - Uniontown	Manufacturing	54	Medium
AMG Data Services	Aldergrove	Information	50	Medium

Source: Dun & Bradstreet, Planwest Partners.

Business Types: The top categories of businesses by type were as follows:

Home occupation	197 businesses
Rental – residential	176 businesses
Retail	155 businesses
Manufacturing	74 businesses
Barber, beauty, nails	53 businesses
Eating place	46 businesses
Medical	45 businesses
Personal services	44 businesses

C.5 Commercial and Industrial Land Supply, Characteristics, and Market Conditions

Market Conditions

In order to assess commercial and industrial market conditions, in September 2003 we interviewed two prominent real estate professionals, Linda Disiere of Willis and Disiere and Bette Dobkin of Coldwell Bankers Sellers Realty. Data from these interviews are reported below:

A. Commercial:

- Average commercial property lease rates:
 - The upper end of the commercial property lease market falls within the Downtown Business District, and particularly on newer properties near the Arcata Plaza. Average lease rates for upper-end properties in this area range from \$1.35 to \$1.50 per square foot per month.
 - Less expensive commercial properties tend to be larger, older, and less centrally located, and average lease rates range from \$1.15 to \$1.35. One of the experts indicated that relatively little commercial space can be leased for less than \$1 per square foot per month.
 - Warehouse space leases for approximately \$0.40 per square foot per month, with the range falling between \$0.30 and \$0.44.
- Average commercial property sales rates:
 - Commercial properties are experiencing moderate rates of growth in value, though the appreciation rate appears to be less than for residential properties.
 - Demand for commercial office or retail space is strong overall, and is especially strong for facilities with between 500 and 2000 square feet of space. Demand is anticipated to remain strong in the future.
 - Supply of commercial space is anticipated to grow due to both new construction and remodeling of older facilities.

B. Industrial

- Demand for industrially zoned land in Arcata appears to be relatively strong, with all but the largest properties selling quickly.
- A 1998 appraisal of four different vacant lots owned by the City of Arcata in the Aldergrove Industrial Park estimated the value of unimproved industrial land from \$2.25 to \$2.75 per square foot.
- A January 2004 appraisal of three vacant industrially zoned lots owned by the City of Arcata in the Aldergrove Industrial Park showed privately owned comparable properties priced in the range of \$3.20 to \$7.11 per square foot.

The three City-owned vacant parcels were appraised at \$4.50, \$5.00 and \$4.50 per square foot.

Table C.5 – 1: Commercial Space for Sale or Lease, January 2001 Through October 2003*

Address	Parcel Size (acres)	Parcel Size (sq. ft.)	Building Size (sq. ft.)	Lease Price	Sales Price	Average Monthly Lease Rate Per Square Foot	Average Sales Price Per Square Foot
160 Westwood Center	0	0	0	800	25,000	-	-
3525 Janes Road		0	8000	2500	75,000	0.31	9.38
1036 G Street		0	9864	0	485,000	-	49.17
2905 Saint Louis Road	10	435,600	0	0	1,500,000	-	3.44
2905 Saint Louis Road II	5.44	236,966	0	0	499,900	-	2.11
768 18 th Street		0	900	0	95,000	-	105.56
100 Ericson Court	0	0	0	0	139,900	-	-
2505 Alliance Road	0	0	0	0	179,000	-	-
40 South G Street	0.87	37,897	0	0	180,000	-	4.75
1650 Stromberg Ave		0	1988	0	199,900	-	100.55
1535 G Street		0	1050	0	210,000	-	200.00
1209 Giuntoli Lane		0	10000	0	249,500	-	24.95
1193 G Street		0	1350	0	265,000	-	196.30
1068 I Street		0	1380	0	299,500	-	217.03
940 South G Street	1	43,560	0	0	319,000	-	7.32
1540 G Street		0	2451	0	350,000	-	142.80
4651 West End Road	3.81	165,964	0	2500	375,000	-	2.26
665 4th Street		0	3000	3300	385,000	1.10	128.33
4935 Boyd Road		0	600	0	395,000	-	658.33
250 E Street		0	260000	0	875,000	-	3.37
1162 Samoa Blvd.		0	31000	0	995,000	-	32.10
6360 West End Road	12	522,720	0	0	895,000	-	1.71
Frank Martin Court	0.5	21,780	0	0	55,000	-	2.53
Aldergrove & Ericson	0.38	16,553	0	0	59,000	-	3.56
6225 Wymore Road	17	740,520	0	0	89,900	-	0.12
865 9th Street	0	0	0	0	150,000	-	-
1693 Buttermilk Lane	9.3	405,108			295,000	-	0.73
Averages					\$352,262	\$0.71	\$76.00

* Source: Data provided by the Humboldt Association of Realtors. Note: Listing and sales data do not regularly include both the square feet of developed structures and square feet of land. The lease rates per square foot entries are calculated from the square footage of developed structures. The sales price per square foot entries are calculated from both.

C.6 *Employment Projections*

The General Plan 2020 EIR included employment projections based on an assessment of future job growth in designated commercial and industrial areas of the City. The projections show a stable level of retail employment (24 %) a slight decrease in service employment (29 %) and a slight increase in production employment (47 %), compared to existing employment conditions.

The overall growth in jobs is 2,775 or about 27 percent over 20 years, which at 1.35 percent per year may be somewhat faster than the population is projected to grow.

Table C.6 – 1: Arcata Employment Projections by Type, 2000 - 2020

Employment Type	Existing (2000)		Projected Annual		Projected (2020)	
	Jobs	%	Jobs	%	Jobs	%
Retail Employment	2,481	24	33	25	3,171	24
Service Employment	3,180	30	28	21	3,775	29
Production Employment	4,779	46	71	54	6,269	47
Total	10,440	100	132	100	13,215	100

Projections were allocated by Transportation Analysis Zone and used in the Arcata Traffic Model to assess future traffic impacts. Employment figures have been summarized in this table to protect employer confidentiality, as required by EDD.

Retail employment, such as retail sales, visitor accommodations, and entertainment; and service employment, including financial, communication, and professional services, and public administration, will be located primarily in the commercial areas of the City. Production employment including electronics, agricultural, forestry, construction, manufacturing, and transportation jobs will be located primarily in the industrial areas of the City.

The General Plan Land Use Element includes a range of allowable commercial and industrial uses, from computer technology to high impact manufacturing and processing, which could increase the City's employment base by approximately 25 percent. CEQA does not require socio-economic analysis to be part of an EIR. This information is included in order to analyze potential land use impacts

C.7 Business Clusters

This Plan has been crafted in consideration of how Arcata fits into the county-wide *Prosperity! The North Coasts Strategy*, which uses the model of industry clusters as the basis of its goals and plans. Industry or business clusters represent groups of firms in an industrial sector, together with upstream input suppliers, downstream marketers and distributors, and other businesses that support the cluster. Base industry clusters are clusters that inject income into a regional economy, typically by way of sales of goods or services to entities outside of the local economy. The particular base industry clusters observed in a region are explainable in part by quantitative and qualitative factors such as a region's economic resources (natural resources, labor force, capital and infrastructure), population, location, transportation costs, quality of life, regulatory and business climate, and history. Focusing economic development on clusters can facilitate information exchange and build stronger ties among firms in the cluster. By promoting stronger ties among businesses, companies can realize benefits such as lower operating costs, integrated products, shared transportation expenses, more efficient production, and increased access to a specialized workforce.

Prosperity: The North Coast Strategy, identifies nine base industry clusters for Humboldt County: Lumber and Wood Products, Education and Research, Tourism, Dairy and Dairy Processing, Fisheries, Processing, and Aquaculture, Specialty Agriculture and Horticulture, Manufacturing, Arts and Culture, and Information and Technology. It is noted in the *Prosperity* document that complete clusters are unlikely to exist for regions with populations fewer than 50,000 people. When one considers petroleum supplies and the manufacturing of aircraft, trucks, and other aspects of transportation and distribution common to all clusters, it is clear that few regions can host a complete cluster.

The residents and business enterprises of Arcata participate in varying degrees in all the base industry clusters identified in *Prosperity*. For example, Arcata's Sun Valley Floral Farms is a major participant in the Specialty Agriculture and Horticulture cluster. Throughout much of its history, Arcata's economy was dominated by the Lumber and Wood Products base industry cluster. While this cluster has declined in relative importance in recent decades, Arcata continues to derive income and employment from lumber mills, trucking firms, and other participants in this traditional cluster. By far the most important base industry cluster in Arcata's contemporary economy is Education and Research, dominated by Humboldt State University (HSU).

Arcata's economy receives a disproportionate share of the \$109 million HSU budget, the 1450 HSU jobs, and the millions in direct expenditures by HSU faculty, staff, and students. Arcata's economic fate is directly linked to the State of California's continued support of higher education, the continued excellence of HSU's academic programs, the economic incentives associated with a university education, and enrollment policy. Consequently a constructive and ongoing partnership between the City of Arcata and HSU is an economic development priority. Moreover, technical expertise provided by HSU faculty and students is critical to the environmental restoration, assessment, and protection sector, as well as Arcata's participation in the Information and Technology cluster.

Arcata's unique culture, quality of life, and proximity to environmental amenities help explain

the importance of both the Tourism and the Manufacturing base industry clusters to the Arcata economy. Tourism is an important source of municipal tax revenues generated from transient occupancy tax at Arcata hotels/motels/inns, and from taxable retail sales. Factors influencing the health of the Tourism cluster include sustaining the cultural and environmental qualities that attract visitors, the condition of the state and national economy, the quality of local and regional marketing efforts, and the time and cost of travel to the area.

Many non-lumber manufacturing enterprises in Arcata were founded by talented and creative people, including natives, newcomers, and HSU graduates, who became entrepreneurs in order to remain in the area and support themselves. Examples include jewelry manufacturing, food manufacturing, and outdoor clothing and equipment manufacturing. Factors influencing the health of the Manufacturing cluster include sustaining the cultural and environmental qualities that attract and retain creative entrepreneurs, transportation costs, cost of living and work force factors, and programs to assist startups and retain existing firms. Some local manufacturing firms face a "lifecycle" in which they start locally but eventually outgrow the confines of the local economy, which makes the assistance of startups critical.

The cultural, quality of life, and environmental attributes that attract tourists and entrepreneurs are also important to (and in part created by) the artists, artisans, and performers who make Arcata an important part of the region's Arts and Culture industry cluster. Many Arcata artists have reputations (and sales) that reach far beyond the redwood curtain. One can see that there is considerable mutual interdependence among the base industry clusters described above. For example, HSU is both a key cluster participant and a source of labor, entrepreneurs, and creative energy. Likewise Arcata's vibrant Arts and Culture scene is both a base industry cluster and a critical driver for the Tourism cluster. One can also see that sustaining Arcata's unique culture, quality of life, and environmental attributes are central to the health of its base industry clusters and thus its economic development.

The following is an estimate, based on information contained in the Prosperity! document and Dunn and Bradstreet employment data, of the Arcata businesses and their total employment that are part of the Prosperity! clusters:

Cluster	Number of Business, Institutions, and Agencies	Number of Employees
Lumber and Wood Products	22	324
Dairy and Dairy Processing	6	36
Education and Research	12	1,556
Manufacturing	56	566
Tourism	19	318
Arts and Culture	13	134
Fisheries, Processing and Aquaculture	1	2
Information and Technology	16	162
Specialty Agriculture and Horticulture	2	7

C.8 *Linkages Between Arcata and the Regional Economy*

Arcata's economy is a part of a broader economy that includes other North Coast communities as well as the State of California, the U.S. economy, and the global economy. These linkages are too numerous to comprehensively address in this report. Some key linkages will be outlined below.

Linkages with the regional economy: As shown in the industry and labor force data, section above, many Arcata residents live here but work in other Humboldt County communities. Likewise there are many residents of other Humboldt County communities who work in Arcata. These commute patterns are an important issue to be addressed in municipal and regional transportation planning. Commuters also have been carefully considered in economic development planning, with the goal of creating good wage jobs that enable Arcata workers to be able to afford to be Arcata residents and thus reduce traffic congestion and build community connections.

Arcata businesses in areas such as retail trade and the hospitality industry compete with other Humboldt County and North Coast firms for scarce resident and tourist expenditures. North Coast communities also compete for employers. The price and availability of commercially and industrially zoned land, parking, and the cost of living for employees, are all important factors that influence the location of commercial and industrial enterprises.

Linkages with the California economy: As host to Humboldt State University, State government spending is clearly critical to the economy of Arcata. Likewise state expenditures on K-12 education play a major role in the Arcata economy.

Supply/demand imbalances that produce high housing prices in urban centers of the state spill over into Arcata and Humboldt County through inward migration of new residents. The State of California is responsible for maintaining key transportation corridors such as State Highway 299 and U.S. 101 that provide tourist access to Arcata and shipping routes for goods manufactured in Arcata. Overall trends in the state economy have a strong impact on the flow of tourists into Arcata.

State grants and contracts also play a significant role in City projects related to road improvements, open space acquisitions, and other government services.

Linkages with the U.S. and global economy: National macroeconomic trends ripple through the Arcata economy. In earlier decades Arcata's disproportionate economic dependence on forest products resulted in a boom-and-bust cycle driven by U.S. interest rates and home construction activity. Arcata's economy is now far more dependent on municipal, county, state, and federal government spending.

U.S. fiscal policy affects the disposable income of residents and tourists, federal employment opportunities for Arcata residents, and conditions at regional federal wildlife refuges and national parks. Finally, increasing economic globalization means that Arcata's economy is not immune to economic shocks occurring in economic centers around the world. This will

be increasingly true not only as the economy continues to globalize, but also due to the projected doubling of retirees who rely on investment and pension income that is not at all tied to the local economy.

Appendix C – Addendum: Occupational Outlook for Humboldt County and Targeted Job Creation

Introduction

The California Employment Development Department (EDD) conducts both routine and special studies to assess and project the growth and decline of the many occupational sectors that are represented throughout the state's workforce. For each California county, EDD provides long-term projections that show expected changes in that county's labor market for an eight-year period.

The data provided by EDD includes the percentage growth and absolute growth (number of new jobs expected) of job classes, as well as the occupations that will have the most job openings in the future. (Note: Job openings are due to growth plus separations from employment by workers who are retiring or otherwise leaving.) All California counties are also served by EDD through annual special studies that focus in more detail through employer surveys and other data for selected occupations for that county.

For the purposes of the *City of Arcata Economic Development Strategic Plan* and choosing desirable jobs for Arcata, the tables from EDD were modified to show not only the basic county projection reports, but also other EDD data from 2003 on the median wage data for each job class. For all EDD data, the analysis is at the county level of resolution, and no specific information is available for Arcata. It is important to note that assessing the fit of these jobs for Arcata is limited by the fact that people who live in Arcata have the option to work elsewhere, and vice versa, people will work in Arcata who do not live in Arcata. However, the goal is a balance of jobs and residents to reduce transportation and other demands.

Occupational Growth Outlook for Humboldt County

EDD's labor market projections for Humboldt County for 2001-2008 are shown below. Table 1 shows job growth, with the occupations with the most growth listed first. The top 50 job types are provided. The top occupation with regard to absolute growth in the number of openings expected from 2001 to 2008 was cashiers, followed by food preparation and serving workers; retail salespersons; maids and housekeeping cleaners; and truck drivers/heavy tractor trailer. Collectively among these top five occupations 730 new jobs are expected.

It is beneficial to have a mix of jobs to match the diversity of educational and training levels among potential employees. Of the top 50 occupations with the greatest absolute growth, ten (20%) cite a bachelor's degree as the required level of education and/or experience. Of the top five cited above, the top four require only short-term on the job training, with truck drivers requiring moderate on the job training. The first occupation on the ranked list to require a bachelor's degree is "General and Operations Managers" which ranked is 19th for growth (30 jobs; 4.5 percent).

These findings in Table 1 illustrate a potential mismatch between jobs (Humboldt) and education levels (Arcata). As previously noted in the data assessment in Appendix A, 42 percent of

Arcatans have at least a bachelor's degree. This consideration may point to strategies that try to alter the projected job outlook to create more jobs in the "top 50" list that are geared to meet the level of education for almost half the population of Arcata.

Table 2 shows the ranking for the 50 occupations in Humboldt County that are projected to have the biggest relative increase in job growth from 2001 to 2008. The occupations with the greatest expected percent increase are hotel, motel and resort clerks; social and human service assistants; computer support specialists; pharmacy technicians; and vocational education teachers. Unlike the top five occupations in Table 1, there is more diversity among these, with computer support specialists requiring a minimum associate's degree level of education. There are 12 occupations in Table 2 that require bachelor's degree or higher level of education.

Tables 1 and 2 show data at the level of individual occupations. Reviewing Table 3, which groups occupations, provides a somewhat different perspective. For example, although Tables 1 and 2 seem to show rapid growth in many lower wage jobs, such as retail, food service, and housekeeping, Table 3 shows that service occupations overall, at 7.4 percent growth, are growing more slowly than management and professional occupations (8.0 and 8.2 percent, respectively). Sales occupations, at 10.8 percent growth, are faster than each of the preceding categories. The fastest growth was 11.7 percent for all construction and extraction occupations combined. Farming and transportation are two categories that are declining in the number of jobs between 2001 and 2008.

Reviewing Table 3 for the occupations that might match the higher levels of education among many Arcata residents, it appears that there will be growth in several categories of professional occupations, such as management, life sciences, law, social services, and computer sciences. It seems likely that while individual positions within these categories did not make the top 50 list, collectively these fields are growing.

Assessment of Job Creation Goals

The Arcata General Plan 2020 EIR had calculated that Arcata needed to create 321 jobs per year from 2000 to 2020 to keep up with population growth. Population growth projections made by the California Department of Finance each year since 2000 have slowed. In addition, the time frame for this Economic Development Strategic Plan is a shorter span of five years (2004 – 2009). Beginning with 8,683 jobs in 2003 (Dun and Bradstreet) and needing to accommodate 6.8 percent increase in population by 2010, the job creation goal has been recalculated to be 295 new Arcata jobs from 2004 to 2009 (59 per year) to keep up with demand.

Reviewing the tables, Table 3 shows a total of 2,800 new jobs being created from 2001 to 2008 in all occupations in Humboldt County. Figure C.3 - 1 in Appendix C, which assessed employment by industry, showed that in 2002 Arcata had 8,683 of the county's 50,200 jobs, or 17.3 percent. If this same proportion of jobs is applied to EDD's projected 2,800 new jobs, it would project 484 new jobs being created in Arcata from 2001 to 2008. **Over an eight-year period, this is 61 jobs per year, or almost the same as the projected 59 jobs needed to keep up with population growth.**

It is important to note that the rate of growth in different communities in the county may vary significantly, so these numbers are only an approximation.

Match Between Projected Jobs and Strategies

A review of the fastest growing occupations in Table 1 and 2 that are projected through 2008 shows overlap with the Strategies that have been selected for Arcata's *Economic Development Strategic Plan*. Relevant Strategies are noted in the right-hand column of Table 4.

It appears that the Tourism Strategy is well represented, since the top four expected job gainers (cashiers, food prep, retail, and maids/housekeeping) and several other growing jobs are related to this industry cluster. In addition, reviewing Table 3 confirms that sales jobs are appropriate for the tourism strategy, as well as the strategies that support small business and business and entrepreneurship in the retail sector, and downtown and neighborhood commercial center revitalization. The fastest growing sector in Table 3, construction and extraction occupations, are served by the City's strategy for infill development and redevelopment of vacant and underutilized parcels, as well as implementation of the housing element.

The projected third fastest growing occupation shown in Table 2, computer support specialists, is served by the broadband strategies and other strategies such as collaboration with HSU and the research cluster, and the Little Lakes industrial site strategy that calls for development of a combination light industrial/office park. Home based occupations are also served by broadband strategies. Alliances with HSU also will be strategically important with the projected growth in professional occupations, including life sciences, a particular strength of HSU. The fourth fastest growing occupation, pharmacy technicians, may be relevant for the strategy that calls for planned senior medical and living services in conjunction with United Indian Health Services and Mad River Community Hospital.

Living Wage Assessment

Wage information is available from EDD for the North Coast Region (Del Norte, Humboldt, Lake, and Mendocino Counties) and has been added to Table 1 to show the wages of the jobs that will be increasingly prevalent in Humboldt County in the future.

As shown in Appendix 1, the total estimated (minimal) monthly cost of living for a family of three who do not own a car in Arcata would be \$1,636.54. Assuming one wage earner working full-time for 160 hours per month, this implies a living wage of \$10.23 per hour. If this same family owned a car, the total estimated monthly cost of living would be \$1,962.72. In this scenario, assuming the same 160 hours of full-time work per month, the living wage would be \$12.27 per hour.

Of the fifty top growing occupations in Humboldt County, 31 of 47 for which data were available meet the lower (\$10.23) living wage, and 25 meet the higher (\$12.27) standard.

Table 1: Occupations With the Greatest Job Growth (1)
Humboldt County, 2001-2008

Released December 2003 - EDD

SOC Code	Mean Hourly Wage – 2003	Occupation (Definitions)	Annual Average Employment		Employment Change		Education/Experience (BLS Training Level)
			2001	2008	#	%	
41-2011	8.71	Cashiers	2,190	2,410	220	10.0	Short-Term OJT
35-3021	7.69	Comb Food Prep & Serving Wrkrs, Incl Fast Food	1,730	1,910	180	10.4	Short-Term OJT
41-2031	10.37	Retail Salespersons	1,190	1,330	140	11.8	Short-Term OJT
37-2012	8.04	Maids & Housekeeping Cleaners	540	650	110	20.4	Short-Term OJT
53-3032	14.57	Truck Drivers, Heavy & Tractor-Trailer	650	730	80	12.3	Moderate-Term OJT
37-3011	11.76	Landscaping & Groundskeeping Workers	550	620	70	12.7	Short-Term OJT
47-2031	18.96	Carpenters	440	510	70	15.9	Long-Term OJT
21-1093	11.92	Social & Human Service Assistants	200	250	50	25.0	Moderate-Term OJT
25-9041	Not avail.	Teacher Assistants	910	960	50	5.5	Short-Term OJT
33-3051	21.77	Police & Sheriff's Patrol Officers	630	680	50	7.9	Long-Term OJT
41-1011	15.75	First-Line Sups/Mgrs of Retail Sales Workers	540	590	50	9.3	Work Experience
31-9092	13.35	Medical Assistants	220	260	40	18.2	Moderate-Term OJT
33-9032	8.94	Security Guards	490	530	40	8.2	Short-Term OJT
39-9021	8.81	Personal & Home Care Aides	210	250	40	19.0	Short-Term OJT
43-4051	16.32	Customer Service Representatives	290	330	40	13.8	Moderate-Term OJT
43-4081	8.84	Hotel, Motel, & Resort Desk Clerks	110	150	40	36.4	Short-Term OJT
43-9061	11.17	Office Clerks, General	1,410	1,450	40	2.8	Short-Term OJT
47-2061	16.17	Construction Laborers	230	270	40	17.4	Moderate-Term OJT
11-1021	33.79	General & Operations Managers	670	700	30	4.5	BA/BS + Experience
25-1194	25.70	Vocational Education Teachers, Postsecondary	140	170	30	21.4	Work Experience
29-1111	25.17	Registered Nurses	660	690	30	4.5	Associate Degree
31-1011	9.52	Home Health Aides	230	260	30	13.0	Short-Term OJT
33-3012	Not avail.	Correctional Officers & Jailers	250	280	30	12.0	Moderate-Term OJT
37-2011	10.44	Janitors & Clean, Ex Maids & Housekeep Cleaners	720	750	30	4.2	Short-Term OJT
39-9011	9.12	Child Care Workers	140	170	30	21.4	Short-Term OJT
41-2021	9.84	Counter & Rental Clerks	210	240	30	14.3	Short-Term OJT
53-3033	12.72	Truck Drivers, Light or Delivery Services	220	250	30	13.6	Short-Term OJT
11-9141	10.42	Property, Real Estate, & Community Assn Mgrs	150	170	20	13.3	BA/BS Degree
11-9151	19.55	Social & Community Service Managers	110	130	20	18.2	BA/BS Degree
13-2011	24.75	Accountants & Auditors	200	220	20	10.0	BA/BS Degree

15-1041	17.20	Computer Support Specialists	80	100	20	25.0	Associate Degree
25-1191	Not avail.	Graduate Teaching Assistants	150	170	20	13.3	BA/BS Degree
25-3021	15.11	Self-Enrichment Education Teachers	140	160	20	14.3	Work Experience
29-2052	14.76	Pharmacy Technicians	80	100	20	25.0	Moderate-Term OJT
31-1012	10.05	Nursing Aides, Orderlies, & Attendants	310	330	20	6.5	Short-Term OJT
35-3031	7.57	Waiters & Waitresses	590	610	20	3.4	Short-Term OJT
39-3011	8.53	Gaming Dealers	30	50	20	66.7	Post-Sec. Voc Ed
39-9031	14.96	Fitness Trainers & Aerobics Instructors	40	60	20	50.0	Post-Sec. Voc Ed
39-9032	9.38	Recreation Workers	190	210	20	10.5	BA/BS Degree
41-2012	8.63	Gaming Change Persons & Booth Cashiers	30	50	20	66.7	Short-Term OJT
41-3021	19.67	Insurance Sales Agents	100	120	20	20.0	BA/BS Degree
47-2111	24.81	Electricians	130	150	20	15.4	Long-Term OJT
49-3021	16.62	Automotive Body & Related Repairers	110	130	20	18.2	Long-Term OJT
49-3023	15.07	Automotive Service Technicians & Mechanics	250	270	20	8.0	Post-Sec. Voc Ed
49-3031	16.97	Bus & Truck Mechs & Diesel Engine Specialists	140	160	20	14.3	Post-Sec. Voc Ed
51-2092	9.16	Team Assemblers	320	340	20	6.3	Moderate-Term OJT
53-7064	9.55	Packers & Packagers, Hand	310	330	20	6.5	Short-Term OJT
11-1031	20.02	Legislators	40	50	10	25.0	BA/BS + Experience
11-2022	37.92	Sales Managers	20	30	10	50.0	BA/BS + Experience
11-3031	30.10	Financial Managers	110	120	10	9.1	BA/BS + Experience

(1) Excludes "All Other" occupational groups. (2) March 2001 Benchmark

Definitions of Education/Experience (Tables 1 and 2): Occupational training and education classifications were developed by the Bureau of Labor Statistics (BLS). In this classification system the education and training required reflects the manner in which most workers become proficient in that occupation and the preferences of most employers.

1. First professional degree. Occupations that require at least two years of full-time academic study beyond a bachelor's degree (for example, law, medicine, dentistry and clergy).
2. Doctoral degree. Occupations that require at least three years of full-time academic study beyond a bachelor's degree culminating in a doctoral degree.
3. Master's degree. Occupations that require the completion of a master's degree program which is usually one to two years beyond a bachelor's degree.
4. Bachelor's or higher and some work experience. Occupations that generally require work experience in an occupation requiring a bachelor's or higher degree. Most occupations in this category are managerial occupations that require work experience in a related non-managerial occupation.
5. Bachelor's degree. Occupations that require the completion of at least 4 but not more than 5 years of full-time academic study beyond high school resulting in a Bachelor' degree.
6. Associate degree. Occupations that require the completion of at least 2 years of full-time academic study beyond high school.

7. Post-secondary vocational education. Occupations that require completion of vocational school training.
8. Work experience. Occupations that require skills obtained through work experience in a related occupation.
9. Long-term on-the-job-training. Occupations that require more than 12 months of on-the-job training or combined work experience and formal classroom instruction for workers to develop the skills needed for average job performance.
10. Moderate-term on-the-job-training. Occupations in which workers can develop average job performance after 1 to 12 months of combined on-the-job experience and informal training.
11. Short-term on-the-job-training. Occupations in which workers can develop skills needed after a short demonstration or up to one month of on-the-job experience and instruction.

**Table 2: Occupations With the Fastest Job Growth (1)
Humboldt County, 2001-2008**

Released December 2003

SOC Code	Occupation (Definitions)	Annual Average Employment		Employment Change		Education/Experience (BLS Training Level)
		2001 (2)	2008	Number	Percent	
43-4081	Hotel, Motel, & Resort Desk Clerks	110	150	40	36.4	Short-Term OJT
21-1093	Social & Human Service Assistants	200	250	50	25.0	Moderate-Term OJT
15-1041	Computer Support Specialists	80	100	20	25.0	Associate Degree
29-2052	Pharmacy Technicians	80	100	20	25.0	Moderate-Term OJT
25-1194	Vocational Education Teachers, Postsecondary	140	170	30	21.4	Work Experience
39-9011	Child Care Workers	140	170	30	21.4	Short-Term OJT
37-2012	Maids & Housekeeping Cleaners	540	650	110	20.4	Short-Term OJT
41-3021	Insurance Sales Agents	100	120	20	20.0	BA/BS Degree
39-9021	Personal & Home Care Aides	210	250	40	19.0	Short-Term OJT
31-9092	Medical Assistants	220	260	40	18.2	Moderate-Term OJT
11-9151	Social & Community Service Mgrs	110	130	20	18.2	BA/BS Degree
49-3021	Automotive Body & Related Repairers	110	130	20	18.2	Long-Term OJT
47-2061	Construction Laborers	230	270	40	17.4	Moderate-Term OJT
47-2031	Carpenters	440	510	70	15.9	Long-Term OJT
47-2111	Electricians	130	150	20	15.4	Long-Term OJT
41-2021	Counter & Rental Clerks	210	240	30	14.3	Short-Term OJT
25-3021	Self-Enrichment Education Teachers	140	160	20	14.3	Work Experience
49-3031	Bus & Truck Mechs & Diesel Engine Specialists	140	160	20	14.3	Post-Sec. VocEd
43-4051	Customer Service Representatives	290	330	40	13.8	Moderate-Term OJT
53-3033	Truck Drivers, Light or Delivery Svcs	220	250	30	13.6	Short-Term OJT
11-9141	Property, Real Estate, & Community Assn Mgrs	150	170	20	13.3	BA/BS Degree
25-1191	Graduate Teaching Assistants	150	170	20	13.3	BA/BS Degree
31-1011	Home Health Aides	230	260	30	13.0	Short-Term OJT
37-3011	Landscaping & Groundskeeping Workers	550	620	70	12.7	Short-Term OJT
51-3011	Bakers	80	90	10	12.5	Long-Term OJT
53-3032	Truck Drivers, Heavy & Tractor-Trailer	650	730	80	12.3	Moderate-Term OJT
33-3012	Correctional Officers & Jailers	250	280	30	12.0	Moderate-Term OJT
41-2031	Retail Salespersons	1,190	1,330	140	11.8	Short-Term OJT
23-1011	Lawyers	90	100	10	11.1	Professional Degree (1)
47-1011	First-Line Sups/Mgrs of Construction Trades	90	100	10	11.1	Work Experience

39-9032	Recreation Workers	190	210	20	10.5	BA/BS Degree
35-3021	Comb Food Prep & Serving Wrkrs, Incl Fast Food	1,730	1,910	180	10.4	Short-Term OJT
41-2011	Cashiers	2,190	2,410	220	10.0	Short-Term OJT
13-2011	Accountants & Auditors	200	220	20	10.0	BA/BS Degree
15-1071	Network & Computer System Admins	100	110	10	10.0	BA/BS Degree
25-2041	Special Ed Teachers, Preschool, Kindergarten, & Elem School	100	110	10	10.0	BA/BS Degree
29-1051	Pharmacists	100	110	10	10.0	Professional Degree (1)
47-2141	Painters, Construction & Maintenance	100	110	10	10.0	Moderate-Term OJT
51-7011	Cabinetmakers & Bench Carpenters	100	110	10	10.0	Long-Term OJT
41-1011	First-Line Sups/Mgrs of Retail Sales Workers	540	590	50	9.3	Work Experience
11-3031	Financial Managers	110	120	10	9.1	BA/BS + Experience
53-7061	Cleaners of Vehicles & Equipment	110	120	10	9.1	Short-Term OJT
31-9091	Dental Assistants	120	130	10	8.3	Moderate-Term OJT
47-2152	Plumbers, Pipefitters, & Steamfitters	120	130	10	8.3	Long-Term OJT
33-9032	Security Guards	490	530	40	8.2	Short-Term OJT
49-3023	Auto Service Technicians/Mechanics	250	270	20	8.0	Post-Sec. VocEd
33-3051	Police & Sheriff's Patrol Officers	630	680	50	7.9	Long-Term OJT
13-1111	Management Analysts	140	150	10	7.1	BA/BS + Experience
29-2041	EMT & Paramedics	150	160	10	6.7	Post-Sec. VocEd
53-7081	Refuse & Recyclable Material Collectors	150	160	10	6.7	Short-Term OJT

(1) Excludes "All Other" occupational groups. and occupations with employment of less than 80 in 2001.

(2) March 2001 Benchmark

Table 3: Occupational Employment Projections, 2001-2008
All EDD Categories - Humboldt County

SOC Code	Occupation	2001	2008	Change #	Change %	Openings Due to Separations
00-0000	Total, All Occupations	49,100	51,900	2,800	5.7	9,160
11-0000 to 13-0000	Management, Business, & Financial Occupations	3,770	4,070	300	8.0	530
11-0000	Management	2,300	2,440	140	6.1	300
13-0000	Business & Financial Operations	1,470	1,630	160	10.9	230
15-0000 to 29-0000	Professional & Related Occupations	9,380	10,150	770	8.2	1,310
15-0000	Computer & Mathematical Science	450	530	80	17.8	20
17-0000	Architecture & Engineering Occupations	380	400	20	5.3	50
19-0000	Life, Physical, Social Science	630	700	70	11.1	140
21-0000	Community & Social Services	660	780	120	18.2	60
23-0000	Legal Occupations	180	210	30	16.7	0
25-0000	Education, Training, & Library Arts, Design, Entertainment, Sports, & Media Occupations	4,650	4,960	310	6.7	740
27-0000		420	440	20	4.8	20
29-0000	Healthcare Practitioners & Technical	2,010	2,130	120	6.0	280
31-0000 to 39-0000	Service Occupations	11,450	12,300	850	7.4	2,910
31-0000	Healthcare Support	1,160	1,300	140	12.1	190
33-0000	Protective Service	2,200	2,330	130	5.9	460
35-0000	Food Preparation & Serving Related	4,750	4,900	150	3.2	1,700
37-0000	Building & Grounds Cleaning & Maintenance Occupations	2,260	2,480	220	9.7	350
39-0000	Personal Care & Service	1,080	1,290	210	19.4	210
41-0000	Sales & Related Occupations	4,900	5,430	530	10.8	1,400
43-0000	Office & Administrative Support Occupations	8,180	8,230	50	0.6	1,250
45-0000	Farming, Fishing, & Forestry Occupations	770	740	-30	-3.9	100
47-0000	Construction & Extraction Occupations	1,970	2,200	230	11.7	270
49-0000	Installation, Maintenance, & Repair Occupations	2,060	2,130	70	3.4	310
51-0000	Production Occupations	2,720	2,750	30	1.1	430
53-0000	Transportation & Material Moving Occupations	3,780	3,770	-10	-0.3	650

Table 4: Economic Development Plan Strategies Addressed by the Top 50 Jobs, 2001-2008

Occupation (Definitions)	Annual Average Employment		Employment Change		Related Strategies
	2001	2008	#	%	
Cashiers	2,190	2,410	220	10.0	T, BSR, DU, VW, WV, SU, AHN
Comb Food Prep & Serving Wrks, Incl Fast Food	1,730	1,910	180	10.4	T, VW, DU, AHN
Retail Salespersons	1,190	1,330	140	11.8	BSR (retail), DU, VW, AHN
Maids & Housekeeping Cleaners	540	650	110	20.4	T, VW
Truck Drivers, Heavy & Tractor-Trailer	650	730	80	12.3	BSR, WER
Landscaping & Groundskeeping Workers	550	620	70	12.7	ID, R, VW, SB, SU
Carpenters	440	510	70	15.9	ID, R
Social & Human Service Assistants	200	250	50	25.0	BSR
Teacher Assistants	910	960	50	5.5	
Police & Sheriff's Patrol Officers	630	680	50	7.9	
First-Line Sups/Mgrs of Retail Sales Workers	540	590	50	9.3	BSR, DU, VW, AHN, SU, WV
Medical Assistants	220	260	40	18.2	VW
Security Guards	490	530	40	8.2	T, VW
Personal & Home Care Aides	210	250	40	19.0	VW
Customer Service Representatives	290	330	40	13.8	BB
Hotel, Motel, & Resort Desk Clerks	110	150	40	36.4	T, VW
Office Clerks, General	1,410	1,450	40	2.8	BSR
Construction Laborers	230	270	40	17.4	ID, R
General & Operations Managers	670	700	30	4.5	ID
Vocational Education Teachers, Postsecondary	140	170	30	21.4	HSU
Registered Nurses	660	690	30	4.5	VW, HSU
Home Health Aides	230	260	30	13.0	VW
Correctional Officers & Jailers	250	280	30	12.0	
Janitors & Clean, Ex Maids & Housekeep Cleaners	720	750	30	4.2	BSR, ID
Child Care Workers	140	170	30	21.4	BSR
Counter & Rental Clerks	210	240	30	14.3	BSR, DU, ANH, VW, WV, SU
Truck Drivers, Light or Delivery Services	220	250	30	13.6	BSR
Property, Real Estate, & Community Assn Mgrs	150	170	20	13.3	AH
Social & Community Service Managers	110	130	20	18.2	HSU
Accountants & Auditors	200	220	20	10.0	HSU
Computer Support Specialists	80	100	20	25.0	BB, HSU
Graduate Teaching Assistants	150	170	20	13.3	HSU

Self-Enrichment Education Teachers	140	160	20	14.3	HSU
Pharmacy Technicians	80	100	20	25.0	HSU, VW
Nursing Aides, Orderlies, & Attendants	310	330	20	6.5	VW
Waiters & Waitresses	590	610	20	3.4	T, DU, VW, SU, WV, AHN
Gaming Dealers	30	50	20	66.7	T
Fitness Trainers & Aerobics Instructors	40	60	20	50.0	DU
Recreation Workers	190	210	20	10.5	SU
Gaming Change Persons & Booth Cashiers	30	50	20	66.7	T
Insurance Sales Agents	100	120	20	20.0	HSU, BSR
Electricians	130	150	20	15.4	BSR, ID, R
Automotive Body & Related Repairers	110	130	20	18.2	BSR
Automotive Service Technicians & Mechanics	250	270	20	8.0	BSR
Bus & Truck Mechs & Diesel Engine Specialists	140	160	20	14.3	BSR
Team Assemblers	320	340	20	6.3	BSR
Packers & Packagers, Hand	310	330	20	6.5	BSR
Legislators	40	50	10	25.0	
Sales Managers	20	30	10	50.0	T, BSR
Financial Managers	110	120	10	9.1	HSU

City of Arcata

Economic Development Strategic Plan

Technical Appendices
Appendix D
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D.1 Introduction

The City provides a variety of services, including police protection, water and sewer, parks and recreation, and other services. The City uses diverse funding sources to provide these services to residents and businesses. The majority of City revenue is from taxes levied on property, sales of goods, utility users, and occupants of Arcata hotels. There are also franchise tax fees for certain types of business, and a business license tax from all businesses conducting business in Arcata. State revenue is also returned to Arcata from car users' vehicle license fees.

All of these revenues are general revenue not associated with a specific expenditure function. In addition, there are functional revenue sources that are devoted to particular services. Examples of these types of revenue are building permits, recreation program revenues and CDBG grants.

There are several types of funds in governmental accounting. Fund accounting is the means the City uses to segregate funds according to their intended purpose. The way these funds can be spent is dependent upon a number of factors (i. e., the fund type, and state and federal law). This section will focus only on the types and amounts of funding that are available for future economic development projects in the City of Arcata. Of the list below, those available for economic development are the General Fund, Debt Service Funds, and Redevelopment Funds.

General Fund is the City's primary operating fund. It handles most of the day-to-day operations of the City with very little restrictions on the type of expenditures made.

Special Revenue Funds account for revenue sources that are legally restricted to expenditure for specific purposes. Expenditures from these funds are usually restricted by state or federal law. Examples of this type of fund are Gas Tax Funds and CDBG grant funds

Debt Service Funds account for accumulation of resources for, and the payment of long-term debt not being financed by other specific types of funds. Bayside Sewer Assessment District is an example of a debt service fund.

Enterprise Funds are used to account for those operations that are financed and operated in a manner similar to private business. The City's Water and Wastewater funds are examples of enterprise funds.

Internal Service Funds account for operations that provide service to other departments or agencies of the government on a cost-reimbursement basis. The City maintains one internal service fund – the Central Garage fund.

Redevelopment Funds are special funds used to account for the activity within the City's Redevelopment Agency. These funds are legally restricted to be used for the elimination of blight and the development of low-income housing.

Economic Development Fund Sources

<u>Fund</u>	<u>Fund Account</u>	<u>Fund Description</u>	<u>Current Balance</u>
General	Activity 11	Industrial Park Fund (212) Parking in Lieu Fund (216)	TO BE COMPLETED
Community Development Agency	Activity 12	Bond Fund Project Fund	
	Activity 13		
	Activity 14		

As shown in Table D.1 – 1, the Net Tax Revenues available to the Community Development Agency were 1,051,000. Twenty percent of this funding by law goes to a housing set-aside.

Community Development Agency of the City of Arcata

Arcata Community Development Project Area

HISTORICAL VALUES (1)

Table D.1 – 1

11/20/03

<u>Secured (2)</u>	Base Year 1983-84	1999-00	2000-01	2001-02	2002-03	2003-04
Land	101,072,708	269,820,662	285,163,964	300,510,224	312,238,226	92,002,984
Improvements	9,062,050	6,300	6,300	6,300	6,300	221,724,559
Personal Property	0	0	0	0	0	12,195,145
Exemptions	0	0	0	0	0	(6,082,625)
Total Secured	110,134,758	269,826,962	285,170,264	300,516,524	312,244,526	319,840,063
<u>Unsecured</u>						
Land	0	0	0	0	0	1,347,084
Improvements	0	0	0	0	0	20,775,876
Personal Property	17,593,928	31,428,820	30,451,989	33,727,715	39,906,548	19,819,735
Exemptions	0	0	0	0	0	(62,559)
Total Unsecured	17,593,928	31,428,820	30,451,989	33,727,715	39,906,548	41,880,136
GRAND TOTAL	127,728,686	301,255,782	315,622,253	334,244,239	352,151,074	361,720,199
Incremental Value:		173,527,096	187,893,567	206,515,553	224,422,388	233,991,513
			8.28%	9.91%	8.67%	4.26%

(1) Source: County of Humboldt.

(2) Secured values include state assessed non-unitary utility property.

Bond Services/Tax Allocation Bonds/Arcata/Projection 3

D.2 General Fund Revenue

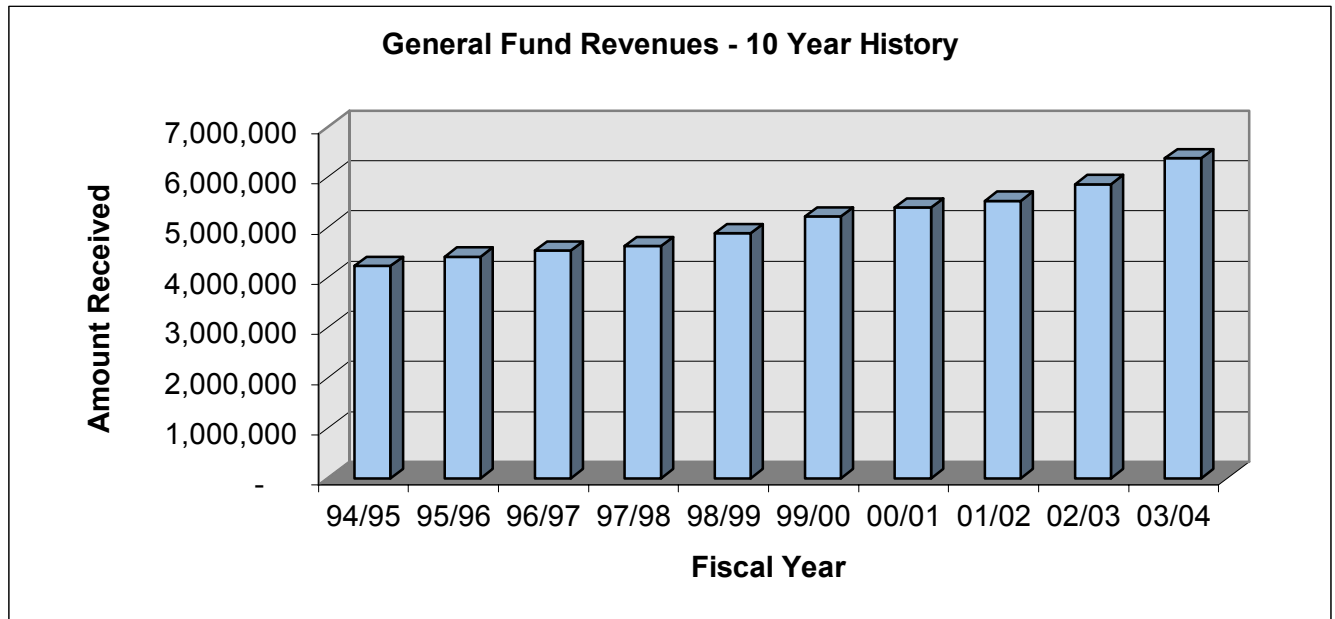
As shown below, the total amount of anticipated revenue for Fiscal Year 2003/04 is \$22,182,882. Of this amount, \$6,371,805 or 28.72% is designated as General Fund revenue.

Table D.2 – 1: City Revenues

<u>Description</u>	<u>Amount</u>	<u>% of Total</u>
General Fund	\$ 6,371,805	28.72%
Special Revenue Funds:		
Street Works Funds	2,188,700	9.87%
Other Special Revenue Funds	2,148,119	9.69%
Capital Outlay Fund	7,500	.03 %
	<u>4,344,319</u>	
Debt Service Funds:		
Special Assessment District	20,100	.09 %
Enterprise Funds:		
Water Fund	1,910,500	8.61 %
Wastewater Fund	2,220,600	10.01 %
Solid Waste Fund	2,309,000	10.41 %
Public Transit Fund	662,558	2.99 %
Stormwater Drainage Fund	1,821,300	8.21 %
	<u>8,923,958</u>	
Internal Service Funds:		
Central Garage Fund	655,200	2.95 %
Redevelopment Funds	<u>1,867,500</u>	<u>8.42 %</u>
Total	<u>\$ 22,182,882</u>	<u>100.00 %</u>

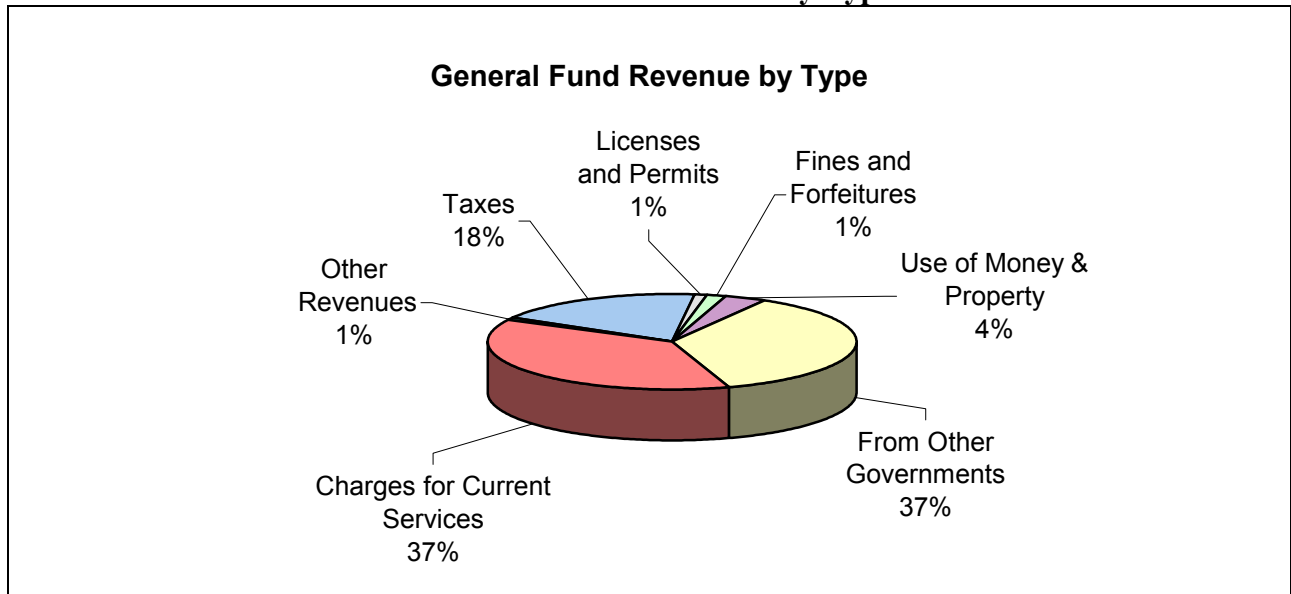
Over the last 10 fiscal years, the General Fund revenues have shown relatively steady but modest growth. As shown in Table 1.2, General Fund revenues have increased from \$4,228,859 to \$6,371,805, or approximately 50%. This compares favorably to the Consumer Price Index for All Urban Consumers (Western Region) of approximately 29% for the same period. In 1993/94, the City implemented its Utility Users' Tax (UUT) to offset the decreased revenue because of the "revenue shifts" by the State away from local governments.

Table D.2 – 2. General Fund Revenue – 10-Year Comparison



For budgetary purposes, General Fund revenues are typically divided into seven categories, as presented in Table D.2 – 3. It is not surprising that the 57% of General Fund revenue is derived from taxes. At a distant second, 24% of General Fund Revenue is obtained from the State and other governmental agencies.

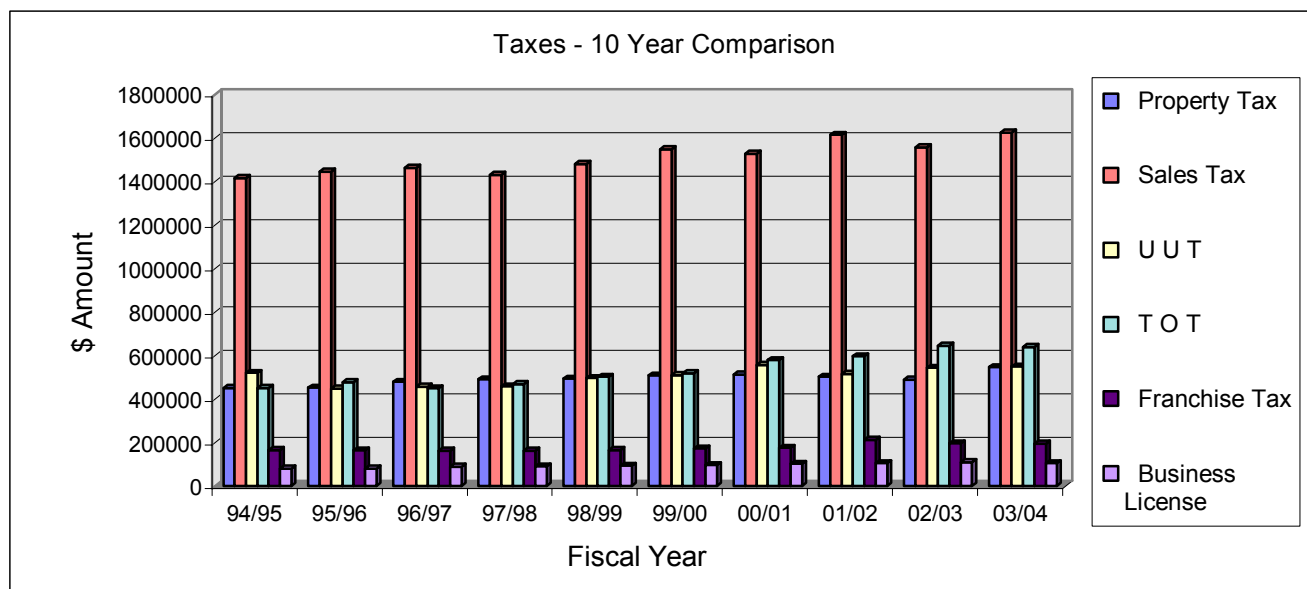
Table D.2 – 3: General Fund Revenue by Type 2003/04



Part D.2.A: Taxes

As shown on the preceding page, taxes account for 57% of total General Fund revenue. The following graph shows a 10-year comparison of tax revenue by source.

Table D.3 – 1: General Fund Taxes – 10-Year Comparison



Sales tax is by far the single most important revenue source for the City of Arcata. It accounts for approximately 25.5% of total General Fund revenue. For 2003/04, it is anticipated that the City will receive approximately \$1.625 million.

The current sales tax rate is 7.25%. It is collected by the State Board of Equalization and is allocated as follows:

State	6.00 %
City/County	1.00 %
County Transportation	0.25%

Property Tax generates approximately \$550,000 or 8.5% of General Fund revenues. Prior to the adoption of Proposition 13, property tax was a dominant source of revenue for California cities. In the early 1990's, the State shifted over \$3 billion of property taxes from local governments to schools. While the formulas underlying this property tax shift are complex, the concept was simple: shifting property taxes away from local governments to schools reduced, on a dollar for dollar basis, the amount the State was required to spend on schools. These shifted revenues, commonly referred to "ERAF" (Educational Revenue Augmentation Fund) monies, directly reduced the amount of property tax allocated to the City of Arcata.

The reduction in this revenue source was the primary reason the City of Arcata enacted its Utility Users' Tax, as did many other cities in California.

Utility Users' Tax, a 3% utility users' tax, was adopted to partially offset the City's General Fund loss and to permit the City to maintain essential government services as a result of the ERAF Shift in 1993. The Utility Users' Tax was scheduled to terminate on July 1, 1998. However because of legal uncertainties, it was brought before the voters in November 1996 and was ratified again in November 2000. It is set to expire on November 30, 2004.

For 2003/04 the City anticipates this revenue source to generate approximately \$550,000, or 8.63% of General Fund revenue. The City's utility users' tax is assessed on the following utilities: electric, gas, cable TV, water and sewer. The tax is limited to \$1,000 for each service user per fiscal year.

Transient Occupancy Tax (TOT) a transient occupancy tax is imposed on persons staying 30 days or less in a room(s) in a hotel, motel, etc by the City of Arcata. The current rate of tax is 10%. For 2003/04, the City anticipates this revenue source to generate approximately \$640,000, or 10% of General Fund revenue.

Franchise Tax fees are imposed on certain businesses for the privilege of doing business in the City of Arcata. Several state statutes provide cities with the authority to impose fees on privately owned utility companies and other businesses for the privilege of using city rights of way. Typically, the types of businesses that pay franchise fees include public utilities, such as gas and electricity, and cable television companies.

The City of Arcata receives the bulk of its franchise fee revenue from PG&E and Cox Cable, each paying the City approximately \$95,000.

Business License Tax is imposed on businesses for the privilege of conducting business within the City. The tax is commonly based on gross receipts, levied at a flat rate, or a combination of the two. The City of Arcata assesses this tax using a flat rate based on the number of employees. For 2003/04, the City anticipates this revenue source to generate approximately \$105,000 in General Funds.

D.2.B State and Other Governmental Agencies

Revenue from State and other governmental agencies accounts for approximately 24% of General Fund revenues.

Motor Vehicle License Fees are second only to sales tax. Motor vehicle license fees are the single largest source of General Fund revenue for the City of Arcata. For 2003/04, the City anticipates this revenue source will generate approximately \$1,000,000, or nearly 16% of total General Fund revenue.

The Motor Vehicle License Fee is a local fee for the privilege of operating a vehicle on public streets. The license fee, equivalent to 2% of the market value of motor vehicles, is imposed annually by the State Department of Motor Vehicles in lieu of local property taxes.

General Revenue vs. Functional Revenue, each revenue is considered either "general" revenue or "functional" revenue depending upon the revenue source. Those revenues of the City that cannot be associated with a specific expenditure function are considered "general" revenues. Examples include sales tax and motor vehicle license fees. However, those revenues that can be associated with and allocated to one or more expenditure functions are called "functional" revenues. Examples of "functional" revenues include building permits, recreation program revenues and CDBG grants. To be classified as "functional", revenues must meet one of the following criteria:

- The revenue is generated from direct services, such as revenue from fees and charges.
- The revenue is associated with a specific service by external requirements, such as grant conditions, bond sale agreements or other statutory requirements,

This distinction is important to understand because most General Fund activities, other than Building and Recreation, do not generate significant amounts of revenue that can be used to offset associated expenditures. Overall, "general" and "functional" revenues account for approximately 85% and 15%, respectively, of total General Fund revenues.

D.3 General Fund Expenditures And Operating Transfers Out

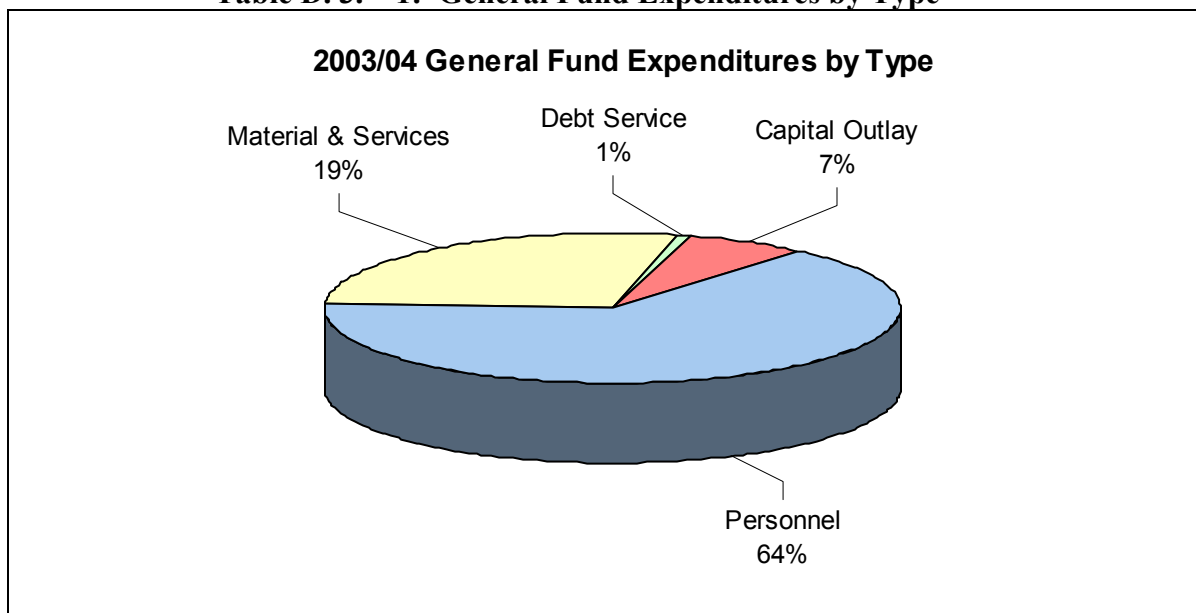
It is through the General Fund that the City’s most basic services are funded. For Fiscal Year 2003/04, the City of Arcata appropriated \$6,633,599 of General Fund expenditures along with operating transfers out totaling \$228,154. This amounts to approximately 25% of City-wide expenditure appropriations and estimated transfers out.

The City of Arcata uses “Activities” to account for expenditures. An Activity is synonymous with the term “budget unit” and is identified based on the underlying function of a particular group of expenditures. An activity may be funded from more than one fund. However in general, an activity is usually funded by one particular fund.

Part D.3.A: Expenditures

In addition to grouping expenditures by function, they can also be grouped by major classification (i. e., personnel, materials and services, debt service and capital outlay). The following figure identified the 2003/04 General Fund expenditures by type:

Table D. 3. – 1: General Fund Expenditures by Type



Debt Service includes payments related to the retirement of outstanding bonds or installment payments on capital leases. The General Fund’s debt service includes outstanding Certificates of Participation (COPs) of approximately \$882,000 and several minor purchase contracts for capital equipment such as copy and postage machines.

D.3.B Operating Transfers Out

Operating transfers result from funds being transferred from one fund to another. These interfund transfers are made to finance the operations of another fund or to reimburse a fund for certain identified expenditures.

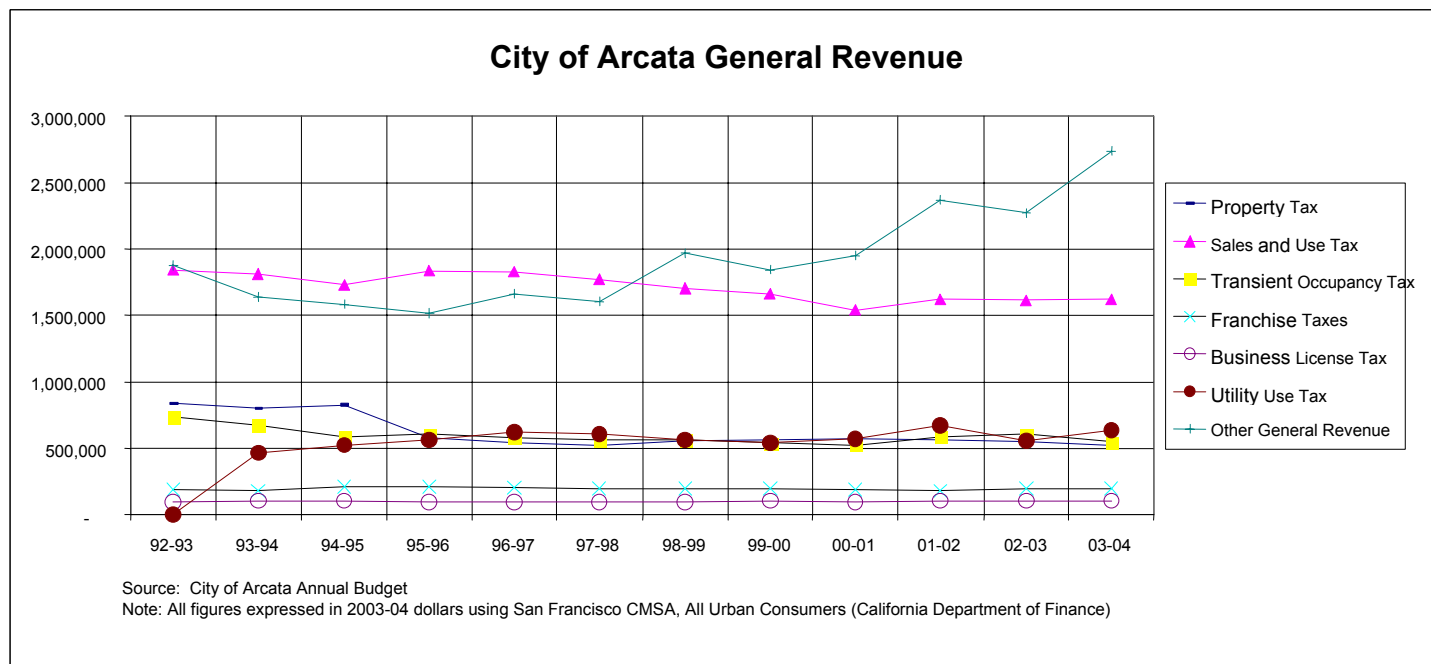
D.3.C General Fund Balance

Fund Balance can be defined as the amount of financial resources available for future use. Generally, this represents the sum of all of the operating surpluses or deficits since a fund's inception.

D.4 Taxes & Other Business Related City Revenue

Arcata currently charges a three percent utility user tax on utility bills paid by businesses and residents, including electricity, telephone, natural gas, water, wastewater, and cable television. This tax has represented a stable source of revenue for the City since its adoption in 1993. Franchise Taxes, a tax imposed primarily on utility providers for the privilege of operating within the City right-of-way, like the Business License Tax, has been a stable but limited source of general revenue for Arcata.

The figure below tracks business related taxes and other general fund revenue sources from fiscal year 1992-93 to present. In order to compare these revenue sources over time, all figures have been brought forward to fiscal year 2003-04 dollars using the Consumer Price Index for All Urban Consumers San Francisco Consolidated Metropolitan Statistical Area. This figure shows that most tax related revenue sources have remained stable or have declined slightly over the last decade. Sales and Use Tax has declined steadily from 1992-93 to present and Property Tax declined significantly between 1994-95 and 1995-96 and remained steady thereafter. Other General Fund Revenue, which may include a variety of non-local tax sources and other government subventions, has increased over the last decade to become the most important General Fund Revenue source.



D.4.A Major Property Tax Generating Properties and Owners

Note that the property tax data below are derived from the Humboldt County Assessor's Parcel Database.

Table D.4.A – 1: Top Ten Parcels, Total Net Assessed Value, Arcata

Assessor's Parcel	Owner	Business Sector	Neighborhood	Zoning	Net Taxable Value
507-191-033	American Hospital Management Corp	TO BE COMPLETED	Valley West	Public Facility	13,52,5502
507-081-028	Humboldt Flakeboard Panels Inc	Manufacturing	Aldergrove	Heavy Industrial	13,18,1962
507-203-056	Sun Valley Floral Farms LLC		Westwood-Vasside	Agriculture Exclusive	8,981,908
507-301-064	Valley West Investment LLC		Valley West		4,192,812
021-036-012	Safeway Inc		Downtown-Uniontown	Commercial – General	3,467,486
507-291-066	Pepper Tree Inn Inc		Valley West		3,198,697
503-202-005	Healthsport Ltd	Recreation	Downtown-Uniontown	Public Facility – Parks	3,119,825
021-153-010	Arcata Cooperative Inc	Food Stores	Downtown-Uniontown	Central Business District	2,961,763
507-301-041	Cher Ae Heights Indian Community		Valley West	Public Facility	2,738,583
505-101-005	Newman Thomas	Rental Property	Arcata Heights / Northtown	Residential – High Density	2,729,455

Table D.4.A – 2: Top Ten Parcels, Value of Secured Improvements, Arcata

Assessor's Parcel	Owner	Neighborhood	Value of Improvements
507-111-004	United Indian Health Services Inc	Valley West	14,382,502
507-081-028	Humboldt Flakeboard Panels	Aldergrove	12,310,033
507-191-033	American Hospital Management	Valley West	6,500,229
507-301-064	Valley West Investment Llc	Valley West	3,381,300
503-202-005	Healthsport Ltd	Downtown-Uniontown	2,733,736
507-291-066	Pepper Tree Inn Inc	Valley West	2,698,152
507-341-011	Humboldt Plaza Corp	Westwood / Vassaide	2,275,515
507-291-063	Debeni Larry A	Valley West	2,269,761
507-362-019	Bode Michael	Valley West	2,260,510
020-075-001	First Baptist Church Of Arcata	Humboldt State University	2,182,230

It is important to note that tax exemptions limit the total taxable value of property in Arcata. Indian Tribes and churches (which have high assessed value of improvements as seen in Table

1.13) are exempt from certain property taxes that significantly reduce the taxable assessed value of their property (as seen in Table 1.14). Note that all property tax data were the most recent available in October 2003. One can see that the value of secured land improvements such as structures represent the dominant portion of assessed value. The other large property tax generators generally represent retail establishments (e.g., grocery stores) and hotels/motels/inns.

Table D.4.A – 3: Top Ten Parcels, Assessed Land Value, Arcata

Assessor's Parcel	Owner's Name	Neighborhood	Land Value
507-111-004	United Indian Health Services Inc Cr	Valley West	3,025,703
507-301-059	Northwind Properties Ltd	Valley West	1,011,039
507-291-065	Pepper Tree Inn Inc	Valley West	822,631
507-301-064	Valley West Investment Llc	Valley West	811,512
021-036-010	Western Real Estate Investment	Downtown-Uniontown	714,804
021-036-012	Safeway Inc	Downtown-Uniontown	620,745
021-036-004	93 1 Business Trust	Downtown-Uniontown	571,175
507-361-023	Arcata Inn Corporation	Valley West	560,427
507-361-022	Los Hills Motel Investments	Valley West	551,243
501-042-005	FKS Investment Company Llc	Bayside	544,449

Table D.4.A – 4: Top Ten Property Tax Generators, Arcata

No. of Parcels	Owner's Name	Estimated Tax	Pct. of Total
3	Louisiana Pacific Corp	102,816	3.5
2	Britt Lumber Co	39,461	1.4
?	Kramer Investment Co	38,617	1.3
3	Pepper Tree Inn	37,217	1.3
2	Larry A & Lisa Debeni	32,185	1.1
1	Safeway Inc.	25,702	0.9
3	Michael Bode	25,214	0.9
?	Cox Communications	24,873	0.9
1	Healthsport Ltd	23,982	0.8
1	Arcata Cooperative Inc.	21,953	0.8

D.4.B Major Sales Tax Generating Businesses

Table D.4.B – 1 contains the Top 20 City Arcata Sales and Use Tax generating businesses, listed in random order. Sales and Use Tax receipts are confidential, and data for a single business or an industry group containing less than five permittees cannot be divulged.

Table D.4.B – 1: Major Sales Tax Generating Businesses* (Random Order)

Business Name	Business Type	Neighborhood
North Coast Cooperative	Food Stores	Downtown - Uniontown
Valley West Chevron	Service Stations	Valley West
Wildberries Marketplace	Food Stores	Arcata Heights - Northtown
Humboldt University Center Hub	All Other Outlets	Humboldt State University
Longs Drug Store	General Merchandise Stores	Downtown - Uniontown
T P Tire Service	All Other Outlets	Valley West
Franklin Service	Service Stations	Valley West
Safeway	Food Stores	Downtown - Uniontown
Abruzzi	Eating and Drinking Places	Downtown - Uniontown
Tomo Japanese Restaurant	Eating and Drinking Places	Downtown - Uniontown
Johnson Industries	All Other Outlets	Samoa Boulevard
Uniontown Union 76	Service Stations	Downtown - Uniontown
L & M Renner	All Other Outlets	Aldergrove
Yakima Products	All Other Outlets	Downtown - Uniontown
Murphys Sunnybrae Market	Food Stores	Sunny Brae
Dollar Tree	General Merchandise Stores	Valley West
Eureka Sand & Gravel	All Other Outlets	Valley West
Bloxhams Exxon	Service Stations	Arcata Heights - Northtown
Arcata Do It Best Lumber	Bldg. Matrl. and Farm Implements	Greenview - Windsong
Rays Food Place	Food Stores	Valley West

* Source: Hinerliter, DeLlamas, and Associates, City of Arcata, 2003.

The Top 20 are located throughout the City; with the largest concentration of Top 20 businesses in the Downtown – Uniontown (seven of 20) and Valley West neighborhoods (six of 20). It is notable that five of the Top 20 Sales and Use Tax generators are food stores, given that, on average, only one-third of total grocery store sales are taxable. Sales of food for human consumption are generally exempt from tax unless sold in a heated condition (except hot bakery items or hot beverages, such as coffee, sold for a separate price), served as meals, consumed at or on the seller's facilities, ordinarily sold for consumption on or near the seller's parking facility, or sold for consumption where there is an admission charge (*Publication 61, Sales and Use Tax Exemptions and Exclusions* – California State Board of Equalization). Most candy and snack items are also exempt from Sales and Use Tax.

Also notable are the absence of business types that are known for *big-ticket* taxable items, such as auto dealers and warehouse stores. In addition, Humboldt State University, which is the largest economic engine in Arcata, is also a significant contributor of sales tax (through its Student Union related businesses) to the City of Arcata.

Some businesses listed above are more stable than others due to the degree of dependence on the local economy. For example, gas stations and manufacturers are largely independent of the local economy, whereas the others are moreso.

D.4.C Transient Occupancy Tax (TOT) Generators

Transient Occupancy Tax (TOT), often referred to as a bed tax, is a 10 percent tax on the total room rate imposed on occupants of hotels, motels, bed and breakfasts, and RV parks. There has been a significant increase in TOT revenues generated from Arcata hotels, motels, inns, and bed and breakfast establishments. Without adjusting for inflation, TOT revenues increased by 25 percent between 1994-95 and 2001-02. Adjusting for consumer price inflation in California during this time period results in a real TOT increase of 4.28 percent. Thus TOT revenues to the City of Arcata increased at a pace just slightly faster than inflation, indicating modest real growth in tourism activity during this time period. Note that 2001-02 data reflect declines in travel due to the national recession and the immediate aftermath of the 9/11 tragedy. We expect that tourism activity has rebounded significantly since that time.

Table D.4.C – 1: Transient Occupancy Tax, Arcata*

Fiscal Year	Annual Total	Quarter			
		3rd	4th	1 st	2nd
1994/95	476,190.24	188,005.87	91,035.36	73,753.17	123,395.84
1995/96	474,531.37	184,412.87	91,697.33	78,302.72	120,118.45
1996/97	449,109.22	182,955.92	79,024.20	71,442.92	115,686.18
1997/98	468,846.17	181,307.25	90,581.76	71,735.79	125,221.37
1998/99	502,202.27	192,439.30	92,228.59	82,271.78	135,262.60
1999/00	518,495.57	186,267.30	108,205.49	82,954.75	141,068.03
2000/01	579,254.18	218,786.49	113,741.62	92,977.12	153,748.95
2001/02	596,876.59	214,721.64	117,574.51	99,432.73	165,147.71
2002/03	TO BE COMPLETED				
Subtotal	4,065,505.61	1,548,896.64	784,088.86	652,870.98	1,079,649.13
% of Subtotal	100.000%	38.098%	19.286%	16.059%	26.556%

*Data are unadjusted for inflation. Fiscal Year begins July 1. Note that TOT data are confidential, and so we cannot report TOT for individual hotels/motels/inns.

D.4.D Other Business Related Tax or Fee Based City Revenue

This section discusses revenue to the City of Arcata that relates to business activity. With the exception of Business License Tax and Franchise Tax (which relates only to certain businesses such as electric and telephone utilities, cable television, as several others), Arcata does not have local business specific taxes. Sales and Use Tax is a statewide tax where a portion of the tax (approximately one-percent of total taxable transactions) is returned to the local jurisdiction.

Business License tax is paid by all businesses that operate within the City of Arcata, whether or not they have a local address (except for those business types exempted by the California Public Utilities Code). The amount of the tax is established by the City and relates to the size of the business (some jurisdictions base the business license tax on total revenue or the amount of business that is transacted within the City). Events, such as fairs and the farmers market also pay

a business license tax to the City. Franchise taxes are paid by certain business (mostly utilities) for the privilege of operating within the City (primarily within the City's rights of way.) The franchise tax amount is established by the City of Arcata.

Table D.4.C – 1: General Revenue, Arcata*

Account	2000-01		% Change FY 00-01 vs. 99-00	1999-00		% Change FY 99-00 vs. 98-99	1998-99	
	Tax Revenue	% of Total		Tax Revenue	% of Total		Tax Revenue	% of Total
Property Tax	517,658	11%	6%	487,643	11%	3%	471,612	11%
Sales and Use Tax	1,528,380	32%	-1%	1,548,626	35%	5%	1,481,001	35%
Transient Occupancy Tax	579,254	12%	12%	518,497	12%	3%	502,517	12%
Franchise Taxes	175,462	4%	1%	173,410	4%	5%	164,831	4%
Business License Tax	102,813	2%	7%	96,359	2%	3%	93,420	2%
Real Property Transfer Tax	19,840	0.4%	-6%	21,047	0.5%	-4%	21,845	0.5%
Utility Use Tax	557,67	12%	9%	509,847	11%	3%	497,073	12%
<i>Other General Revenue</i>	1,280,90	27%	15%	1,115,713	25%	13%	990,456	23%
Total General Revenue	\$ 4,761,98	100%	7%	\$ 4,471,142	100%	6%	\$4,222,755	100%

* Source: State Controller's Office Cities Annual Report (1998-99, 1999-00, 2000-01). Note: Included are general revenue sources that have a relationship to local economic activity. Revenues not adjusted for inflation.

The City of Arcata does not have fees (aside from sewer, water, and drainage impact fees) that are imposed to mitigate the impact of non-residential development, such as fees relating to public safety, roads and transportation, or schools. However, the volume of local development may not justify the imposition of additional impact fees (the City has averaged three industrial and four commercial construction permits per year since 1995.) In addition, Arcata does not impose general taxes on non-residential development or non-residential uses that could be used for any municipal purpose. Other California cities use such taxes as a source of local revenue; however, these taxes can also have the effect of discouraging development.

As with most California municipalities, sales taxes represent the single largest source of Arcata tax revenue. Approximately one in every three municipal tax dollars in Arcata is generated from sales and use taxes. Comparing tables D.4. C – 2 through D.4.C – 4 one can see quite plainly that Eureka is the commercial center of Humboldt County, generating three times as much sales and use tax revenue per resident as Arcata. One can also see that sales and use tax revenues per resident increased sharply in recent years in Eureka and Fortuna, while in contrast sales and use tax revenues per resident were nearly stationary in Arcata. Loss of automobile dealerships in Arcata has significantly impacted sales and use tax revenue in recent years.

Table D.4.C – 2: Revenue per Resident, Arcata*

Account	00-01	99-00	98-99
Property Tax	32	30	29
Sales and Use Tax	93	95	91
Transient Occupancy Tax	35	32	31
Franchise Taxes	11	11	10
Business License Tax	6	6	6
Real Property Transfer Tax	1	1	1
Utility Use Tax	34	31	31

* Source: State Controller's Office Cities Annual Report (1998-99, 1999-00, 2000-01) Note: Revenue not adjusted for inflation

Table D.4.C – 3: Revenue per Resident, Eureka*

Account	00-01	99-00	98-99
Property Tax	41	37	35
Sales and Use Tax	271	256	234
Transient Occupancy Tax	49	48	46
Franchise Taxes	20	19	18
Business License Tax	8	9	9
Real Property Transfer Tax	2	1	2
Utility Use Tax	32	31	31

* Source: State Controller's Office Cities Annual Report (1998-99, 1999-00, 2000-01) Note: Revenue not adjusted for inflation

Table D.4.C – 4: Revenue per Resident, Fortuna*

Account	00-01	99-00	98-99
Property Tax	20	19	19
Sales and Use Tax	110	111	96
Transient Occupancy Tax	22	20	18
Franchise Taxes	15	14	14
Business License Tax	5	5	5
Real Property Transfer Tax	2	2	2
Utility Use Tax	-	-	-

* Source: State Controller's Office Cities Annual Report (1998-99, 1999-00, 2000-01) Note: Revenue not adjusted for inflation

D.5 Retail Potential Comparison

A comprehensive retail potential comparison is beyond the scope of this Plan. A retail potential comparison would require the development of a market or trade area for different retail store types or groups of stores as well as a detailed analysis of household demographics and income within the trade area. Instead, retail transactions within Arcata, Eureka, and Humboldt County were compared with the State of California in an effort to determine how Arcata compares to its neighbors and to a statewide average.

D.5.A Retail Potential Comparison

The following table contains taxable sales figures for Arcata, Eureka, Humboldt County, and the State of California. Taxable sales figures for each jurisdiction are displayed on a per capita basis, using the State Board of Equalization (BOE) “Table 5” business type aggregations, which include nine Retail Store types and All Other Outlets. Arcata is not one of the 272 largest California Cities, so taxable sales data and numbers of permittees by business type are not published by BOE and have been estimated based on City of Arcata (and their consultant Hinerliter, De Llamas, and Associates) raw sales tax data. As a result, there are some differences between the data contained in this report and total taxable transactions data for Arcata reported in BOE (Taxable Sales in California).

D.5.A(i) Method of Analysis

It is difficult to make retail sales comparisons between jurisdictions without preparing a detailed retail market analysis, and the preparation of such an analysis is beyond the scope of this plan. However, retail sales are important to economic and community development and should be considered in an economic development strategy. Therefore, a general comparison was made between per capita sales in Humboldt County, the City of Eureka, and Arcata, using per capita sales in the State of California as a gauge of performance.

It is important to note that this analysis has not established retail market areas for types of business or shopping centers in Arcata or the surrounding areas, nor has this analysis equated detailed household demographics to expected Arcata retail transactions. This method broadly assumes that per capita sales, by business type, for the State of California represent the average volume of retail transactions for all California communities. Where a jurisdiction's per capita transactions within a particular business type exceeds the State's, this is an indication that the retail establishments within this jurisdiction may be attracting consumers (in addition to the transactions of its local consumers) from other jurisdictions. The converse is assumed to be true if retail transactions for a particular business type are less than that of the State.

**TABLE 1.45
RETAIL SALES COMPARISON
(2002 DOLLARS)**

Estimate of Arcata Taxable Sales By Type of Business (all figures in Year 2002 dollars)

Type of Business	1998				1999				2000				2001				2002			
	Permits ¹	Taxable Transactions ²	Pct. Of Total		Permits ¹	Taxable Transactions ²	Pct. Of Total	Pct. Change	Permits ¹	Taxable Transactions ²	Pct. Of Total	Pct. Change	Permits ¹	Taxable Transactions ²	Pct. Of Total	Pct. Change	Permits ¹	Taxable Transactions ²	Pct. Of Total	Pct. Change
Retail Stores																				
Apparel Stores	11	102	1%		13	95	1%	-7%	14	97	1%	3%	16	89	1%	-9%	16	91	1%	2%
General Merchandise Stores	3	522	6%		6	393	4%	-25%	4	349	4%	-11%	4	439	5%	26%	6	465	5%	6%
Food Stores	13	971	10%		13	1,011	11%	4%	14	996	11%	-1%	16	1,008	11%	1%	16	984	12%	-2%
Eating and Drinking Place	66	1,316	14%		57	1,317	14%	0%	63	1,248	14%	-5%	70	1,300	15%	4%	65	1,363	16%	5%
Home Furnishing and Appliances	11	81	1%		9	69	1%	-14%	9	82	1%	19%	11	97	1%	18%	13	100	1%	3%
Bldg. Matr. and Farm Implements	16	675	7%		18	685	7%	2%	20	588	7%	-14%	21	622	7%	6%	20	701	8%	13%
Auto Dealers and Auto Supplies	13	1,197	13%		18	1,016	11%	-15%	19	622	7%	-39%	16	463	5%	-26%	12	231	3%	-50%
Service Stations	9	636	7%		11	757	8%	19%	9	934	10%	23%	11	866	10%	-7%	10	798	9%	-8%
Other Retail Stores	91	1,347	15%		102	1,429	15%	6%	113	1,456	16%	2%	136	1,388	16%	-5%	156	1,373	16%	-1%
Retail Stores Totals	233	6,846	74%		247	6,771	72%	-1%	265	6,371	71%	-6%	301	6,272	70%	-2%	314	6,106	72%	-3%
All Other Outlets	316	2,427	26%		314	2,580	28%	6%	315	2,646	29%	3%	302	2,660	30%	1%	280	2,429	28%	-9%
Total All Outlets	549	9,273	100%		561	9,351	100%	1%	580	9,017	100%	-4%	603	8,931	100%	-1%	594	8,534	100%	-4%

Eureka Taxable Sales By Type of Business (all figures in Year 2002 dollars)

Type of Business	1998				1999				2000				2001				2002			
	Permits	Taxable Transactions	Pct. Of Total		Permits	Taxable Transactions	Pct. Of Total		Permits	Taxable Transactions	Pct. Of Total	Pct. Change	Permits	Taxable Transactions	Pct. Of Total	Pct. Change	Permits	Taxable Transactions	Pct. Of Total	Pct. Change
Retail Stores																				
Apparel Stores	38	679	3%		37	636	3%		45	827	3%	30%	45	896	3%	8%				
General Merchandise Stores	29	5,339	23%		30	5,566	23%		30	5,775	22%	4%	29	5,490	21%	-5%				
Food Stores	40	1,004	4%		38	1,072	4%		39	1,071	4%	0%	36	1,047	4%	-2%				
Eating and Drinking Place	134	1,795	8%		140	1,762	7%		133	1,889	7%	7%	137	1,891	7%	0%				
Home Furnishing and Appliances	43	492	2%		49	572	2%		55	611	2%	7%	46	582	2%	-5%				
Bldg. Matr. and Farm Implements	34	1,795	8%		38	1,859	8%		36	1,832	7%	-1%	32	1,732	7%	-5%				
Auto Dealers and Auto Supplies	57	4,075	17%		53	4,330	18%		58	5,157	19%	19%	54	5,376	20%	4%				
Service Stations	25	1,482	6%		30	1,584	6%		28	1,858	7%	17%	27	1,729	7%	-7%				
Other Retail Stores	218	2,499	11%		218	2,719	11%		234	3,008	11%	11%	251	3,078	12%	2%				
Retail Stores Totals	618	19,159	82%		633	20,101	82%		658	22,028	82%	10%	657	21,820	83%	-1%				
All Other Outlets	890	4,166	18%		746	4,469	18%		714	4,824	18%	8%	714	4,415	17%	-8%				
Total All Outlets	1,508	23,324	100%		1,379	24,570	100%		1,372	26,852	100%	9%	1,371	26,235	100%	-2%				

Humboldt County Taxable Sales By Type of Business (all figures in Year 2002 dollars)

Type of Business	1998				1999				2000				2001				2002			
	Permits	Taxable Transactions	Pct. Of Total		Permits	Taxable Transactions	Pct. Of Total		Permits	Taxable Transactions	Pct. Of Total	Pct. Change	Permits	Taxable Transactions	Pct. Of Total	Pct. Change	Permits	Taxable Transactions	Pct. Of Total	Pct. Change
Retail Stores																				
Apparel Stores	66	179	2%		72	169	2%		76	201	2%	19%	76	220	2%	10%				
General Merchandise Stores	60	1,445	13%		58	1,487	14%		60	1,477	14%	-1%	58	1,436	13%	-3%				
Food Stores	129	717	7%		126	728	7%		126	727	7%	0%	124	711	7%	-2%				
Eating and Drinking Place	350	834	8%		349	839	8%		334	847	8%	1%	335	849	8%	0%				
Home Furnishing and Appliances	100	158	1%		103	176	2%		107	177	2%	0%	100	171	2%	-3%				
Bldg. Matr. and Farm Implements	101	676	6%		105	723	7%		101	667	6%	-8%	102	668	6%	0%				
Auto Dealers and Auto Supplies	124	1,360	13%		122	1,469	14%		128	1,508	14%	3%	125	1,512	14%	0%				
Service Stations	69	756	7%		75	870	8%		74	945	9%	9%	72	917	9%	-3%				
Other Retail Stores	586	1,160	11%		628	1,240	12%		715	1,292	12%	4%	770	1,293	12%	0%				
Retail Stores Totals	1,585	7,285	68%		1,638	7,702	72%		1,721	7,841	72%	2%	1,762	7,778	73%	-1%				
All Other Outlets	2,883	3,461	32%		2,883	2,994	28%		2,800	3,042	28%	2%	2,820	2,884	27%	-5%				
Total All Outlets	4,468	10,746	100%		4,521	10,696	100%		4,521	10,883	100%	2%	4,582	10,662	100%	-2%				

California Taxable Sales By Type of Business (all figures in Year 2002 dollars)

Type of Business	1998				1999				2000				2001				2002			
	Permits	Taxable Transactions	Pct. Of Total		Permits	Taxable Transactions	Pct. Of Total	Pct. Change	Permits	Taxable Transactions	Pct. Of Total	Pct. Change	Permits	Taxable Transactions	Pct. Of Total	Pct. Change	Permits	Taxable Transactions	Pct. Of Total	Pct. Change
Retail Stores																				
Apparel Stores	26,314	401	3%		28,338	375	3%		29,646	404	3%	8%	31,576	399	3%	-1%				
General Merchandise Stores	11,430	1,327	11%		12,211	1,392	11%		12,206	1,440	10%	4%	12,260	1,406	11%	-2%				
Food Stores	24,452	551	4%		24,487	562	4%		24,299	578	4%	3%	24,323	561	4%	-3%				
Eating and Drinking Place	72,909	1,028	8%		73,850	1,062	8%		74,598	1,115	8%	5%	76,150	1,098	8%	-1%				
Home Furnishing and Appliances	23,249	360	3%		24,445	392	3%		25,507	427	3%	9%	26,945	397	3%	-7%				
Bldg. Matr. and Farm Implements	8,932	587	5%		9,106	652	5%		9,320	707	5%	8%	9,586	721	5%	2%				
Auto Dealers and Auto Supplies	21,150	1,451	12%		21,741	1,605	12%		22,251	1,783	13%	11%	23,012	1,811	14%	2%				
Service Stations	9,513	594	5%		9,325	665	5%		9,106	792	6%	19%	9,076	734	6%	-7%				
Other Retail Stores	147,660	1,549	13%		161,393	1,657	13%		173,481	1,777	13%	7%	186,174	1,632	12%	-8%				
Retail Stores Totals	345,609	7,849	64%		364,896	8,360	65%		380,414	9,023	65%	8%	399,102	8,761	67%	-3%				
All Other Outlets	592,256	4,429	36%		592,256	4,551	35%		578,503	4,865	35%	7%	570,477	4,398	33%	-10%				
Total All Outlets	937,865	12,279	100%		957,152	12,912	100%		958,917	13,888	100%	8%	969,579	13,158	100%	-5%				

¹Total permits estimated by deleting duplicate HDL account numbers and eliminating accounts with no transactions.

²Total taxable transactions estimated by multiplying total tax receipts by City of Arcata by 100, given that cities receive approximately one percent of taxable transactions that occur within their jurisdiction.

Table D.5. – 2: Humboldt County Total Taxable Transactions (2001)

Jurisdiction	Taxable Transactions	Percent of County Transactions (2001)	Percent of County Residents (2000)
Arcata	143,171,000	10.8%	12.09%
Rio Dell	6,318,000	0.5%	2.17%
Ferndale	11,366,000	0.9%	1.01%
Blue Lake	4,506	0.3%	0.91%
Eureka	667,995,000	50.6%	20.32%
Trinidad	7,000,000	0.5%	0.27%
Fortuna	104,563,000	7.9%	7.56%
<i>Total Incorporated</i>	<i>944,919,000</i>	<i>71.6%</i>	<i>44.33%</i>
Unincorporated	375,313,000	28.4%	55.67%
Total County	1,320,232,000	100.0%	

Source: Board of Equalization *Taxable Sales in California* (Sales & Use Tax) 2001 and U.S. Census 2000.

For calendar year 2001, total retail transactions within Arcata represent slightly more than 11 percent of total Humboldt County transactions. Total retail transaction in Eureka over the same period account for over 50 percent of Humboldt County transactions.

D.5.B Total Per Capita Taxable Transactions

The City of Arcata performs least well in terms of 2001 total transactions per capita of the three jurisdictions compared to the State of California (Humboldt County with a total of \$10,662 in retail sales per capita, Eureka with \$26,235, and Arcata with \$8,931). The City of Eureka, with its regional mall, auto malls and warehouse stores has nearly twice the amount of taxable transactions per capita as the State. Approximately 80 percent of the amount of taxable transactions of the State of California occurs in Humboldt County as a whole. The City of Arcata experiences only 68 percent of the amount of the State's taxable transactions. This indicates that Arcata residents travel outside of the City to shop, and that the City of Eureka likely attracts much of their business. It also may indicate that non-residents do not come to Arcata to shop.

Arcata has a high number of Sales and Use Tax permit holders per capita compared to the State of California – Arcata has .039 permits per capita compared to .028 permits per capita for the State of California (based on year 2001 Board of Equalization data and Department of Finance population estimates). This indicates that the Arcata local economy may be comprised of smaller, *mom-and-pop*-sized businesses. The total number of businesses with taxable sales permits in Arcata is increasing slightly.

D.5.B(i) Per Capita Taxable Transactions by Business Type

The City of Arcata matches and exceeds the State of California's taxable transactions per capita in several in several business type categories. Twice the volume of Food Store per capita taxable transactions occurs in Arcata compared to the State. This could be due to the fact that Arcata has two large unique food outlets, the Arcata Co-op and Wildberries, which concentrate on specialty food products and likely attract customers from outside the City. A portion of the difference could also be explained by generally higher local food prices, but a comparison of local food prices to a statewide average was not made. Arcata's per capita Food Store transactions are comparable to the City of Eureka.

Arcata also outperforms the State in per capita Eating and Drinking Places taxable transactions. This may be explained by the concentration of unique restaurants in Arcata's Downtown – Uniontown and Arcata Heights – Northtown Neighborhoods and their ability to draw tourists and patrons from the surrounding area. Employees of HSU, some of whom live outside the area, may eat launch at Arcata restaurants and contribute to higher per capita Eating and Drinking Places taxable transactions.

Arcata is slightly below the State in most of the other business type categories and significantly below the State in Apparel Stores, Home Furnishings and Appliances, and Auto Dealers and Supplies. In terms of Auto Dealers and Supplies, Arcata per capita taxable transactions declined by an average of 32 percent per year between 1999 and 2002 – from 13 percent of total taxable transactions to three percent of total. This is almost entirely explained by the closure of Arcata auto dealerships. There were three businesses that sold new vehicles in 1998 and now there are none. Apparel and Home Furnishings and Appliances Store transactions have persisted at a consistently low level in Arcata due partially to the lack of local department or big box type stores. Taxable transactions from these business types are not likely to increase due to the size of the local market local community values which discourage the development of corporate-owned chain retailers.

All Other Outlets is another business type where Arcata's taxable transactions are well below the State average. All Other Outlets makes up of approximately half of the BOE business type codes and includes mostly business and professional services related enterprises. Local examples of All Other Outlets include Northcoast Laboratories, Amerigas Propane, and Dancing Dragon Designs.

City of Arcata

Economic Development Strategic Plan

Technical Appendices
Appendix E
Economic Development Assets

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Introduction

The economic development assets section of the Arcata Economic Development Strategic Plan covers business, community and physical assets,; and economic conditions, opportunities, and challenges. Part E.1 of this section identifies business, employment, and community assets. . Part E.2 addresses the City of Arcata's physical economic development assets. Part E.3 introduces economic conditions, opportunities, and challenges.

E.1 Business and Community Assets

In its most basic sense, an asset is anything of value. This may be something tangible such as a building or jewelry or it may be something intangible as in the sense that "character is an asset" (Webster's Dictionary) or in the sense that a reputation for honesty is an asset. Similarly a trademark is an asset and also customer good will is an asset whose value is often considered in the sale price of a business.

E.1.A Economic Development Factors

The US Department of Commerce states that "Economic development is fundamentally about enhancing the factors of productive capacity - land, labor, capital, and technology " Source: <http://12.39.209.165/xp/EDAPublic/Research/EcoDev.xml>) These three factors (land, labor, capital/technology) can be considered as the basic categories of economic assets and may be useful in understanding the City of Arcata's economic assets.

Land

Land involves the physical features of the earth's surface, combined with the associated natural benefits. Land, then, is not only natural resources, but also environmental services, the ecosystems' ability to purify air and water as well as provision of habitat, visual resources, and other amenities. For the City of Arcata "land" involves developed land and open space that the City owns and manages. In addition there is private non-agricultural land, in or near Arcata, that is vacant or underused and which may have potential to be developed

Labor

Labor is all forms of human effort. Labor, then, is not merely manual labor, but also includes mental abilities and skills. It is important to note, that sometimes the entrepreneurial skill needed to effectively combine the other factors of production is itself regarded as a crucial additional factor in economic development. Such skills though could be regarded as a form of labor. Arcata is in the fortunate position of having an abundance of young residents and highly educated residents. As Task 3's Baseline Data reveals Arcata has an exceptionally high percentage its population between the ages of 18-34 and also an exceptionally high percentage of residents with bachelors degrees or higher.

Capital and Technology

In addition, it has been recognized that "social capital", the capacity for trust and cooperation a community possesses may be the most important variable in economic success (Putnam 1993). Others have pointed out the importance of cultural capital, which "refers to the body of stories, visions, and myths shared by people and providing the framework for how people view the world

and their proper role in it" (Hackett 1998). Social and cultural capital are considered here as part of an expanded definition of labor. In the case of Arcata, one form "Social Capital" could be considered to take is business associations or other civic groups and organizations..

Capital is not merely financial, but also involves the physical forms investment takes. For example, capital involves not merely mortgages and bonds, but also the homes, buildings and factories financed through mortgages and bonds. Technological innovations are embodied in machines, which are part of new or expanded facilities, and consequently considered as capital. For Arcata, "Capital" entails both the means of financing (such as Redevelopment Bonds and other sources investment funds) and the streets, utilities, buildings and other physical improvements such investment finances.

E.1.B Economic Asset Utilization

For the purposes of the Arcata Economic Development Strategic Plan "economic development assets" are considered separately from "economic asset." Some economic assets can be considered as being under-utilized in their current condition, such as a building that is unoccupied or partially occupied, or a parcel not fully developed. Economic assets can also be modified or transformed to potential uses that may generate superior economic benefits.

Economic assets that are currently underutilized, or which could have better potential future uses, will be considered in the plan as economic development assets.¹ It is important also to note that the City of Arcata Economic Development Strategic Plan is primarily focused on what Arcata's City government can do. As a result it is focused on City-owned economic assets and their role in economic development for Arcata's economy.

E.2 City-Owned Economic Assets

E.2.A Asset Locations and Sizes

The City of Arcata owns a variety of parcels and buildings. The following table categorizes some of these into "Arcata City Hall Complex" and "Others." The "City Hall Complex" parcels listed in Table E.2.A – 1 comprise a total of over 38 acres, 31 acres of which are the Community Center parcel, with a total of 55,800 square feet of building space. The Arcata Ball Park parcel contains 4.17 acres. The "Other" buildings contain 82,465 square feet. Four City owned parking lots comprise almost 3 acres.

The combined size of the City of Arcata Community Forests is over 1,500 acres. This includes the Arcata Community Forest (650 acres), the Jacoby Creek Forest (535 acres) and the Jacoby Creek Forest Expansion – Lucchesi Acquisition (331 acres). (The City of Arcata's ecologically related assets or "eco-assets" are discussed more fully later in this section".

¹ Given changing conditions, the current use of any asset may or may not be suitable in the future and so modification of any economic asset may be desirable. Recognizing this any economic asset could be considered an "economic development asset."

The Arcata Marsh and Wildlife Sanctuary cover 154 acres. In addition to the Marsh and Wildlife Sanctuary and Community Forests, Arcata owns other parcels of environmental interest and value, the Lower Janes Creek/McDaniel Slough Restoration area (75 acres) and the Jacoby Creek/Gannon Slough Enhancement Area: (642 acres).

Table E.2.A – 1: City of Arcata Buildings/Parcels - November, 2003 ¹

Building/Parcel	APN	Parcel Acreage	Parcel Square Feet	Building Square Feet
Arcata City Hall Complex				
City Hall	210-42-05	1.05	44,449	18,500
Arcata Ball Park	210-42-06	4.17	177,475	
Judo Hut	210-42-06			2,200
Library	210-42-06			5,600
D Street Neighborhood Center	210-86-11	0.93	40,606	5,700
Community Center	503-20-24	31.17	1,357,925	21,000
Arcata Service Center	210-57-08	0.96	41,818	2,800
Intermodal Transit Center	210-57-08			1,800
Sub-total		38.28	1,662,273	55,800
Others				
Arcata Plaza	211-07-01	1.01	44,012	N/A
Arcata Business Incubator	507-461-38	2.51	106,826	20,565
Redwood Lodge				1,700
Redwood Lounge				1,000
Marsh Interpretive Center				1,600
Total				82,465

Table E.2.A – 2: Inventory of City of Arcata owned Parking Lots – November 2003

Lot	APN	Parcel Acreage	Parcel Square Feet*
7th and F (behind City Hall)	210-42-05	1.04	44,449
8th and F (Behind Fire Station)	210-41-11	0.4	17,222
9th and E (Intermodal Transit Facility)	210-57-08	0.96	41,818
7th and G (Across from 76 station)	211-50-9	0.41	17,645
TOTAL		2.81	121,134

*For parking lots, square feet are of the entire parcel; the square footage of the parking areas is not available.

¹ Information in this table supplied by City of Arcata Staff.

Total acreage for all of Arcata's Parks including the Arcata Community Park (Community Center parcel), Redwood Park (25.6 acres) and the Plaza totals over 100 acres.

Table E.2.A – 3: City of Arcata Economic Assets

City Asset	Acres
Aldergrove	29
Little Lake	12
Community Forest	1,516
Arcata Marsh & Wildlife Sanctuary	154
Parks	104
Other Eco Assets	717
Total Acreage	
Total Without Aldergrove & Little Lake	2,491

E.2.B Business and Employment Resources

1. Aldergrove Industrial Park

The Aldergrove Industrial Park is located at the intersection of US 101 and Hwy 299 on the northeastern corner of the City of Arcata's in the Aldergrove Neighborhood (see Map 1). The Arcata General Plan 2020 establishes the Aldergrove Industrial Park as light industrial and with increased landscaping requirements.

In the 1979 the City of Arcata purchased a 40-acre former lumber mill off of West End Road and subsequently purchased 10 acres of adjacent industrial lands. The prior uses on this land included lumber mill operations (teepee burner, log pond, log deck and log storage, and agriculture uses to the north.) The City acquired the land for approximately \$340,000 and estimated at that time that required site related improvements (sewer, water, drainage, and roads) would total approximately \$1.7 million. The infrastructure planned to serve the Aldergrove Industrial Park is now in place

Located at the intersection of two major highways (U.S. 101 and State Route 299), the area is a regional transportation node and has been selected by some of the region's larger trucking companies as a base of operations. The Aldergrove Neighborhood, outside of the Aldergrove Industrial Park, contains a significant amount of vacant industrial land to the south of Aldergrove Road and prime industrial lands adjacent to West End Road to the north of the City boundary.

The City sold a portion of the property in the 1980's that has since been developed as small office and industrial park related uses. The City retained a portion of the land, approximately 20 acres as roads and a wetland/storm water retention basin (APN 507-461-011 and 507-251-029). The City is yet to sell several parcels totaling approximately five acres that remain vacant (APN 507-251-028, 507-251-039, and 507-251-040). Also in 2002 the City purchased the Foodworks building and property (see Foodworks description contained in this section).

In addition to the City's vacant land in the Aldergrove Industrial Park, there are additional 13 acres of land along Ericson Way that remain vacant (APN 507-251-021, 507-251-026 - currently used as staging/storage) and could be developed.

Although the Aldergrove Industrial Park is ideally suited for many light industrial/industrial flex uses, there are some factors that constrain future use of the property. Portions of Aldergrove are located adjacent to the Aldergrove Marsh and Janes Creek that are Resource Protection Areas.

Aldergrove Neighborhood Figure – TO BE ADDED

Little Lake Neighborhood Figure – TO BE ADDED

2. Little Lake Redevelopment Property

The Little Lake Property is a former industrial site acquired by the Arcata Community Development Agency in 2001. The three parcels that make up the Little Lake Property (APN 502-232-004, 502-232-013, and 502-232-016) comprises approximately 12 acres of potential industrial land approximately half a mile south the Arcata Plaza and south of Samoa Blvd. (see Map 2).

The site has historically been used for industrial purposes but will require infrastructure improvements prior to re-use. The following is a list of required improvements:

Sewer. Based on information from the City of Arcata, there is a 24-inch sewer line running adjacent to the Little Lakes property. This line is currently operating at 77 percent of capacity. This sewer facility has additional capacity to handle the Little Lake property, even if it were fully built out as an industrial/commercial use.

Water. There is an 8-inch water line approximately 200 feet from the site. The City estimates that this water line has sufficient capacity to serve both the fire and water needs of the Little Lake site. In addition, an industrial well located on site served the site in the past. This well may be available to the extent that additional that additional fire suppression or irrigation water is required.

Streets. Approximately 1,200 feet of “I” Street fronts along the Little Lake site. “I” Street south of Samoa Boulevard is currently a paved two lane road that lacks sidewalks and gutters and dead ends at the public boat launch/marsh access area about 0.6 miles beyond the Little Lake site. Significant road improvements would likely be required if the Little Lake site is developed.

Environment. Jolly Giant Creek is located adjacent to the site. This creek is considered a Class 1 fish-bearing stream. This stream is part of a resource protection area. Site not located within the 100-year flood plain, but the site is considered to be at moderate to high risk of liquefaction in the event of a major earthquake.

This site contains important wetland values and can provide a vital connection between the developed portion of Arcata and the Arcata Bay marshlands. However, these conditions also serve to limit the use of the property and present a number of opportunities and challenges. The following is a list of specific considerations that are set forth in the Arcata General Plan 2020 (Table LU-7) relating specifically to the Little Lake Property:

1. An area not less than 25-feet wide adjacent and parallel to “I” Street shall be a landscape buffer between heavy manufacturing uses to the west and internal development on the site. Landscaping within the buffer strip shall include a dense planting of trees of species appropriate to the coastal environment.
2. A multi-use coastal access pathway shall be included along the entire landscape buffer to connect the Samoa Boulevard area to the Arcata Marsh and bay shoreline.
3. The former marsh areas at the southern portion of the property (south of the railroad tracks) shall be restored or recreated.
4. A small portion of the site adjacent to the Marsh Commons area, or along Butcher Slough, may be suitable for limited residential development.
5. A small portion of the site adjacent to the restored marsh area may be suitable as a site for an “eco-lodge” or other eco-tourism uses focused on coastal recreation.
6. The northern portion of the site east of the landscape buffer may be developed as a “business park” with light industrial and business-service uses. Comprehensive development standards for the business park area, including sidewalks, landscaping, and building design, shall be included in the master plan for the site.
7. A creekside conservation area shall also be required parallel to the top of the bank of Butcher Slough.

The site is subject to soil and groundwater contamination as a result of past uses. The City is working with the U.S Environmental Protection Agency to characterize site conditions and undertake environmental remediation. One of the challenges to re-use of this site include the timing and cost associated with environmental cleanup, the need to improve access to the site from Samoa Boulevard, and balancing economic development with the City’s strong desire to preserve and enhance natural values

3. Foodworks Culinary Center

The Foodworks Culinary Center in the 20,565 square foot Foodworks building, is sited on a 2 1/2 acre parcel in the Aldergrove Business Park. The Center was created in 1991 by the Arcata Economic Development Corporation (see Appendix 3A: consultant’s report Foodworks). The Foodworks Culinary Center was sold to the City of Arcata in 2001.

In 2002 College of the Redwoods (CR) entered into a five-year lease of the Foodworks Building at an annual rent of \$22,345. Since occupying the building CR has built new classrooms and a computer lab and is offering business courses, along with the Small Business Development Center (SBDC). Eighteen classes (though not all business-oriented) are offered. The building also houses the offices of the Arcata Economic Development Corporation (AEDC), which sublets the space from CR.

CR also offers some limited technical assistance to business tenants and is working to bring small business consultants to help the incubated businesses get to the next level. Discussions between CR and the City will be ongoing as to the best model criteria, etc. for running an incubator program. CR is developing culinary and hospitality courses. Potential exists for coordinating CR’s programs and the City’s interests regarding business incubator services ." (Source: email communication from Heather Gramp, City of Arcata). CR has recently been

awarded a \$35,000 County of Humboldt's Headwaters grant Fund for instructional cooking facilities improvement in the Foodworks buildings.

Foodworks Culinary Center building is an example of a physical asset owned by the City that also serves as a resource for helping incubate new food-oriented businesses. It also serves as means of improving the human capital of its students by increasing their skills. These services are currently being fulfilled under the City's five-year contract with College of the Redwoods. Prior to the City's acquiring the facilities business consultant Richard Burroughs prepared a "Arcata Business Incubator Report", this report may be of use were the City to consider directly providing or supporting business incubator services.

CR opens Arcata Instructional Site in Foodworks Building

College of the Redwoods will offer a greatly expanded list of academic and not-for-credit classes in northern Humboldt beginning in January 2003 at its new Arcata Instructional Site (AIS) in the Foodworks building. The CR Board of Trustees recently approved a five-year lease with the city of Arcata to manage the Foodworks facility, which is located in the Arcata Industrial Park on Ericson Court just off West End Road on the city's northeast side. The city of Arcata recently completed the purchase of the food industries incubator building from the Arcata Economic Development Corporation.

... "Our leasing of the Foodworks building and the expansion of our class offerings is a direct response to the community's request for easier access to education during listening sessions," said CR Vice President of Academic Affairs Jeff Bobbitt. "We're excited to do this for the community and want to do it right on a long-term basis."

... The Foodworks facility's current food industry businesses will continue to rent space in the building. The rentable community kitchen will also remain available to the community.

The AIS long-range goal is to offer classes that would go toward completion of a tourism and hospitality degree, something the college is developing. Kitchens in the Foodworks building would be used for instruction of culinary arts courses.

North Coast Journal *Dec 17 2002*

4. Public Parking Lots

The City owns four parking lots comprising a total nearly 3 acres and over 100,000 square feet (see Table 2). These lots provide 253 parking spaces.

Table E.2.B – 1: City of Arcata owned Parking Lot Inventory

Lot	Acreage	Square Feet	Notes
7th and F Streets (behind City Hall)	1	42,560	Approximate acreage
8th and F Streets (Behind Fire Station)	0.4	17,024	
9th and E Streets (Intermodal Transit Facility)	0.96	40,858	Acreage of entire parcel; parking lot breakdown not available
7th and G Streets (Across from 76 station)	0.41	17,450	
TOTAL	2.77	117,892	

Table E.2.B – 2: City of Arcata Parking Space Inventory

Public Lot	Open	Blue	Police	City	20-minute	Total
Lot 1 8th & F (II)	36	4				40
Lot 2 7th & H (IV)	45					45
Lot 3 7th & G (IV)	43	2				45
Lot 4 7th & F (IV)	56	3	7	8	2	76
Transit Area (II)	43	4				47
TOTAL						253

In addition to the above public parking lots, the City provides parking spaces at the Community Center Parcel and the D Street Neighborhood Center. Some of the parking at the Community Center parcel belongs to HealthSport. Reportedly the heaviest use of parking at the Community Center parcel during the week is after 3 pm, and is relatively light between 10 am – and 3 pm. The D Street Neighborhood Center has only a few parking spaces.

Availability of public parking can have a significant impact on retail sales and thereby on sales tax revenue received by the City. The announced increase in the target enrollment ceiling for Humboldt State University has far reaching parking and transportation impacts that could affect the City's consideration of the public parking lot facilities it provides.

5. Meetings, workshop and conference facilities

The City owns a variety of facilities for meetings, workshops and conferences. In addition to those listed below in Table 4, the City has a meeting room in its Library Building and the Marsh Interpretive Center could also be used for meetings.

Table E.2.B. – 3: City of Arcata Meeting, Workshop and Conference Facilities

Facility/Room	Capacity	Day Rate	Hour Rate	Address
D Street Neighborhood Center	300	\$400	\$60	14 th and D Streets 321 Community Park Way
Arcata Community Center				
Arts and Crafts Room	40	\$160	\$35	
Gymnasium Court	unavail.	n/a	\$50	
Kitchen	unavail.	\$125	\$40	
Multi-Purpose/Gym	600	\$860	\$180	
Senior Dining Room	122	\$330	\$75	
Redwood Lounge	35	\$175	n/a	Redwood Park

Humboldt State University has facilities for conducting large conferences (those over 100 participants) but use would be constrained by the HSU academic schedule. Non-HSU conference facilities in Arcata are very limited, especially in terms of smaller "break-out" rooms at a single location. The Arcata Community Center has 3 smaller rooms suitable for "break-out" sessions, but these would be insufficient for a larger conference. The Community Center Gymnasium might accommodate break-out sessions if moveable partitions and walls were available and suitable acoustically.

6. Others

Collectively, land within the City limits of Arcata constitutes the community's physical asset. Most of the land is privately owned, and while most of it has been developed, there are many unrealized land assets in the form of vacant and underutilized parcels. The City recognizes the value of these lands and has included policy in the Arcata General Plan 2020 to promote utilization of vacant and underutilized parcels, especially those designated for commercial and industrial use.

In terms of labor, the continually replenished student population of Humboldt State University can be viewed as a resource for potential entrepreneurs and skilled and creative workers of all types. In addition to students, a wide range of others choose to move to Arcata bringing with them a wide range of skill, abilities and experience.

In terms of financial capital, Arcata's assessed property valuation continually grows. Assessed valuation in the Arcata Redevelopment Project Area for Fiscal Year 2003-04 is \$233,991,513 *greater* than that of the base year for the Project Area and is projected to grow significantly in the next decades. This increased valuation is the basis for increased property tax revenue to the City, which the City can access through sale of redevelopment bonds. Late last year an issuance of \$10,055,000 worth of redevelopment bonds was authorized. This was in part to refund a portion of the \$6,240,000 worth of bonds previously issued. One on many considerations regarding financial capital based on Arcata's property tax revenue would be the long term impact on City property tax revenues, if a significant amount of private property is acquired by Humboldt State and exempted from paying property tax. The impact of acquisition by the State of residential property when the 101 Highway was expanded would be an example of a similar situation.

E.2.C Community Resources

The City possesses assets in the form of its public image and the quality of life enjoyed by its residents and visitors

1. Arcata Plaza

The Arcata Plaza covers 1.01 acres and is the setting for Saturday Farmers Markets and many community events including the North Country, Fourth of July Fair, Oyster Festival, and Pastels on the Plaza to name just a few. As the recent City Parking Study noted:

The historic Plaza and surrounding central business district... represent the core of Arcata's community and commercial life. Built before the automobile, the area is characterized by narrow streets and high density; land is at a premium.

And as stated in the Community Vision Statement of the City General Plan 2020:

"We're drawn to the plaza. Our historic and distinctive downtown square

remains the heart of Arcata. It is our common ground for community events, daily commerce, retail, restaurants and entertainment.”

-Community Vision Statement, General Plan: 2020

The Arcata MainStreet organization (Arcata Downtown Business Corporation, a 501 c 3 nonprofit) conducts several activities that enhance the appearance and functioning of the Plaza and downtown Arcata area. Perhaps most notably Arcata MainStreet oversees Façade Improvement Grants through funds provided by the Arcata Redevelopment Agency. These grants fund improvements for up to \$40,000 with consideration given for historical significance or whether the grant is for a large or corner building.

Arcata MainStreet also coordinates maintenance of the planting beds on the Plaza and conducts four events: the monthly Arts Arcata; the Oyster Festival; Halloween Trick or Treat in Arcata; and the annual Downtown Open house. It should be noted that a vibrant and attractive Plaza and downtown area contributes to properties with higher assessed value and hence to higher property taxes. Also businesses and restaurants that attract more customers result in higher retail sales which results in higher sales tax revenue for the City’s general fund.

2. Playing Field and other City Parks

As noted earlier, the Arcata Ball Park comprises 4.17 acres. In addition to providing playing fields for the Humboldt Crabs baseball team and other teams, sports camps, several soccer and baseball tournaments are held each year each attracting many teams from outside the local area. Outside teams stay overnight at local motels and make meal and other purchases which benefit the local economy. The parcel also contains the Judo Hut recreational building.

The Arcata playing field is fully useable only 4-5 months out of the year. The use in other months is limited or precluded entirely by the field often being saturated with water. The City has been awarded \$325,000 from State Park Bond Act funds to address this saturation problem. It has until 2007 to use these funds, which the City has been assured are not jeopardized by the State’s current budget crisis.

The Arcata Community Center parcel (31 acres) in addition to being the site of the Community Center building and City playing fields and parking spaces, surrounds the private HealthSport facility. The property on which the Healthsport facility sits and a ten-foot border around it were sold to HealthSport by the City in 1991.

The City owns many other local parks. Total acreage for all of Arcata’s Parks including the Arcata Community Park (Community Center parcel), Redwood Park (25.6 acres) and the Plaza totals over 100 acres. The D Street Neighborhood Center (the old Arcata Community Center) as significantly increased its use and revenues in the last three years.

Table E.2.C – 1: City of Arcata Parks Facilities

Park Name	Size in Acres
Arcata Ball Park, 888 F Street	4.95
Arcata Community Park, 321 Community Park Way.	33
Arcata Plaza, 801 G Street	1.4
Arcata Skate Park, 900 Sunset Blvd.	0.65
Bayside Park, Samoa Blvd.	3
Bloomfield, 1835 - 1845 Zehnder Ave.	0.2
Cahill Park, 1300 Stromberg Ave.	0.3
California Park, California Street	1
Chevret-Vaissade Park, 1760 Felix Ave.	1.5
D Street Linear Park, 1301 D St(9th-14th)	1
Ennes Park, 1851 Stewart Ave.	0.2
Ennes Park Expansion, Wyatt Lane	4
Greenview, 1116 Lewis Ct.	0.3
Larson Park, 901 Grant Ave.	2.3
Mountain View Park, 2117 Sandra Ct.	3
Pacific Union Park , Spear Ave	4
Redwood Park, 490 - 199 E. Park Rd.	25.8
Rotary Park, 101 F Street	0.2
Shay Park, 1385 Foster Ave.	5
Stewart Park, 1090 15th Street	1.25
Sunny Brae Park, Virginia Wy. and Marilyn St.	2.7
Valley West Park, 1340 Hallen Dr.	3.4
Vinum Park, 1450 F Street	0.1
Westwood Manor Park, 2175 Wisteria Way	0.7
Windsong Park, Maria Court	1.75
Woodland Heights, Diamond Drive	0.6
TOTAL	102.3

Most of the Ennes Park (4 acres) is just outside of the City limits of Arcata, but could in the future be part of a subdivision that could be annexed by the City. (see also Arcata Parks and Recreation Report for 2003, to be released in January).

3. Arcata Community Forests

Arcata's Forests actually comprise three different units: the Arcata Community Forest proper, the Jacoby Creek Forest and the Jacoby Creek Forest Expansion – Lucchesi Acquisition. Arcata's Forest Management Plan has been heralded by many public and private agencies as the model document for managing sustainable forestry. The Forest is the only "Smartwood" Certified redwood forest in the United States (Smartwood is affiliated with the Forest Stewardship Council which certifies forests and lumber as being sustainably harvested).

Arcata Community Forest - The Arcata Community Forest includes approximately 650 acres of redwood forest which contains 10 miles of roads and trails which provide outstanding opportunities for recreational use. Elevations range from 250 feet to 1050 feet.

Wildlife management on Arcata's forestlands is focused primarily on a landscape approach in managing ecosystem features that affect population size and distribution. This management policy is consistent with the Department of Fish and Game's strategic plan that emphasizes conservation of habitats, promoting sustainable plant and animal communities and providing access to lands with high wildlife-related public use potential. The City's planning objectives for City owned forestlands emphasizes the protection of key habitat structural components utilized by a diversity of species. The retention of riparian buffer strips along watercourses results in old growth stand characteristics over time and provides protection for animals that live in streams and riparian zones. The no cut riparian buffers also provide functional wildlife habitat for some species associated with late successional stages of forest development and also for functional connectivity between habitat types.

Jacoby Creek Forest - The 535 acre Jacoby Creek Forest is located in the middle portion of the Jacoby Creek watershed approximately five miles from the coast. Jacoby Creek flows through the forest for approximately 1 ½ miles. An additional 2.6 miles of class II and 3.0 miles of class III watercourses drain the forest and feed directly into Jacoby Creek. Shallow bog type wetlands are typically surrounded by wet soil tolerant old growth Western red cedar. These bogs are used by wildlife and are ideal locations to observe wildlife tracks into the late summer.

Jacoby Creek Forest Expansion – Lucchesi Acquisition - The 331 acre Lucchesi property contains approximately 2.3 miles of the upper reaches of the main stem and the north and middle forks of Jacoby Creek. Forty of the 331 acres contains old growth Western red cedar groves located along the banks of Jacoby Creek. The Lucchesi property was acquired to protect existing old growth forest habitat adjacent to Jacoby Creek, to create a riparian reserve area along the entire creek length and to manage the remainder of the forest lands to create late seral forest characteristics.

Although isolated from the rest of the City, the Jacoby Creek Forest is within the City limits. The Lucchesi acquisition has enable the City to provide passive public use to include nonconsumptive natural resource related recreational activities as well as scientific and educational use of these forestlands. Wildlife species which benefit from City's forest management strategies include northern spotted owl, coopers hawk, osprey, yellow warbler, sharp shinned hawk, pacific fisher, mountain lion, white footed-vole, red tree vole, Pacific fisher, coastal cutthroat trout, coho salmon, steelhead, chinook salmon, red legged frog, Tailed frog, and Pacific giant salamander.

(from City of Arcata Documents compiled and supplied by Mark Andre)

The proposed Sunnybrae Forest acquisition involving Sierra Pacific Industries land is dependent on Congressional authorization of funds.

The Aldergrove marsh area north of Aldergrove Industrial park has experienced problems with dumping, high biological oxygen demand (bod), and is turning into a meadow. It is mitigation

for Aldergrove Industrial Park and could be enhanced as a bird watching area and possibly for other recreational use. (Andre 2004).

4. Arcata Marsh and Wildlife Sanctuary

Arcata Marsh & Wildlife Sanctuary

The 154 acre Arcata Marsh & Wildlife Sanctuary (AMWS) has become an international model of appropriate and successful wastewater reuse and wetland enhancement technologies. Over 150,000 people a year use the (AMWS) for passive recreation, bird-watching, or scientific study. Visitors from around the world have come to Arcata to investigate its success in wastewater management. Students of all ages and institutions use the AMWS for scientific study. In 1987, the City of Arcata was selected by the Ford Foundation to receive an award for this wastewater wetlands project as an innovative local government project. This award included a \$100,000 prize to be used to fund the establishment of the Arcata Marsh Interpretive Center. The Center focuses on the historical, biological and technical aspects of the AMWS, and attempts to meet the informational and educational demands of the wastewater treatment system.

The AMWS includes approximately 4.5 miles of trails and is home and temporary refuge for over 200 species of birds. It is a breeding area for ducks and other waterfowl and a feeding area for fish eating birds such as osprey, herons, grebes, and egrets. At low tide thousands of shorebirds can be seen foraging on the mud flats of Humboldt Bay.

(from City of Arcata Documents compiled and supplied by Mark Andre)

The Arcata Marsh and Wildlife Sanctuary could be considered a “brownfields redevelopment project” before its time in the sense that the Sanctuary addressed toxic and pollutant issues associated with the former Arcata landfill which was located there.

The Arcata Marsh and Wildlife Sanctuary benefits from the docent led walks sponsored by the Redwood Region Chapter of the Audubon Society and also from the Friends of the Arcata Marsh (FOAM) which in addition to guided tours of the Marsh, coordinates volunteers who run the Marsh Interpretive Center gift shop, information desk and exhibits..

5. Eco-tourism related open space and natural areas

In addition to the Arcata Marsh and Wildlife Sanctuary and the Arcata Community Forests, the City of Arcata owns other land of environmental interest and ecological value: the Lower Janes Creek/McDaniel Slough Restoration Area and the Jacoby Creek/Gannon Slough Enhancement Area.

Lower Janes Creek/McDaniel Slough Restoration Area: The Lower Janes Creek/McDaniel Slough Restoration area includes the 75 acre acquisition of Janes Creek estuary and lower floodplain; former Humboldt Bay tidelands; and additional acres of wetlands from adjacent property owners. The restoration area provides direct linkage to the City’s Arcata Marsh and Wildlife Sanctuary (154 acres); California Department of Fish and Game Mad River Slough Wildlife Area (508 acres); and the proposed Arcata eco-business

park (12 acres). The City is currently evaluating alternatives for a multi-objective enhancement plan for the area which will result in increased potential for stormwater management; enhancement of freshwater marsh; restoration of saltwater or brackish water marsh habitats; and increased sediment transfer from Janes Creek to Humboldt Bay.

Jacoby Creek/Gannon Slough Enhancement Area: Much of the 642 acres within the Jacoby Creek/Gannon Slough Enhancement Area lies adjacent to Humboldt Bay and the remainder (approximately 120 acres) includes properties that contain the Jacoby Creek riparian corridor. The enhancement area also contains approximately 41,411 feet of creek corridor. The enhancement area is adjacent to both U.S Fish and Wildlife Service Humboldt Bay Wildlife Refuge lands and the southeast boundary of the Arcata Marsh and Wildlife Sanctuary. Acquisition of these lands will establish a continuous corridor of local, state and federally protected lands adjacent to Humboldt Bay, totaling more than 1375 acres.

The former tidelands and the Jacoby Creek and Gannon Slough corridors are part of the larger Humboldt Bay ecosystem that accommodates fish, waterfowl, wading birds, shorebirds, passerines, raptors, and, other water associated wildlife. Tidal restoration and freshwater wetland enhancement in this area will benefit a variety of wildlife. The acquisition and subsequent restoration/enhancement goals include:

- Reestablishing natural tidal flows on Gannon Slough and adjacent former tidelands
- Restoration of salt marsh
- Reestablishing a large estuary on Jacoby Creek - North Humboldt Bay's largest stream
- Enhancing existing freshwater wetlands and riparian forest adjacent to Jacoby Creek
- Restoration/enhancement of Gannon Slough and Campbell, Beith and Fickle Hill Creeks by reestablishing sinuosity, in stream cover and a riparian canopy

Restoration and enhancement on both Jacoby Creek and Gannon Slough should benefit coastal cutthroat trout (*Oncorhynchus clarki clarki*), coho salmon (*Oncorhynchus kisutch*), steelhead – northern California ESU (*Oncorhynchus mykiss*), and tidewater goby (*Eucyclogobius newberryi*). Establishment of a large estuary on Jacoby Creek is one of the outstanding opportunities that will be possible with this acquisition.

(from City of Arcata Documents compiled and supplied by Mark Andre)

The work of Arcata's Creeks and Wetlands Committee, the City's Storm-water Master Plan (especially Chapter 4), and the City's Open Space Policies are very relevant to the management and planning of these components of the City's "green infrastructure".

Several sites, not owned by the City, are of eco-tourism or "nature-based" tourism interest, Fish and Wildlife lands on the bay suitable for recreation such as birding, bay lands adjacent to Arcata managed by the State Land Trust, roads in the Arcata Bottoms suitable for biking, the County Park Boat Ramp Map River, Lamphere-Christiansen Dune Preserve, Humboldt Bay Water District Parks on the Mad River, the Annie and Mary Railroad right of way proposed for a rails to trails project, and the Hammond Trail. These sites stretch from the Bay through the Bottoms toward Mad River, extending on toward Blue Lake.

Arcata is the location of an annual Redwood Science Project and "Forest Institute for Teachers" summer classes and the City sponsored an Urban Streams Restoration Conference in 1996, hosting visitors from 7 states and will do so again..

E.3 Economic Conditions, Opportunities, and Challenges

To understand the economic conditions, opportunities and challenges facing the City of Arcata's economic assets, it is useful to consider them at different levels, including the individual enterprise, City operations, and community economy levels. It is also important to consider them in the context of different types of economic change, including structural change and cyclical change.

The United States has transitioned from, at its inception, being a predominantly agricultural economy to an industrial economy and now is transitioning further to a services based economy. Whereas two hundred years ago almost all of the labor force was involved in agricultural production, now this economic sector represents only a small percentage of total employment. Similarly manufacturing employment nation-wide has declined from a peak of 33% of jobs in 1953 (Census Bureau) to 11% in 2002. This is reflected in the decline since the 1964 when manufacturing, according to the Bureau of Census manufacturing in Humboldt County, accounted for 49% of total jobs. The percentage of manufacturing jobs fell to 29% in 1978, to 15% in 1983, and currently is 7.3 % of total jobs.

The overall U.S. economy's transition to a more services oriented economy provides opportunities for Arcata's local economy to grow and change to meet this expanding services sector. For example, an overall trend of increased demand for tourism and for higher education presents opportunities for possible expansion in these and other areas. Higher education is another example of a service industry which also serves as a "base" industry for both Humboldt County and Arcata: Humboldt State University is a base industry in that it brings money into the county by selling educational services primarily to non-permanent residents.

There are, however, cyclical swings in economies that can run counter to long-term trends. For example the recent reversal in the California economy has contributed to State budget deficits and reductions in funding to the State University System. California appears likely to suffer from such financial difficulties for the near term. The State's financial situation affects the local economy in a variety of other ways, such as increased uncertainty regarding the amount of property tax revenue the City will receive.

Humboldt State University

While significant reductions in Humboldt State University (HSU) revenues are being anticipated, events, though, can unfold in complex and unusual ways. For example, other State University campuses, which are at capacity and which will not have their funding increased, if their enrollments increase, have indicated they will be turning away students. HSU has reportedly indicated that it may increase acceptance of students at a higher growth rate than that of recent

years. If this occurs, there will be an increased demand for local housing, which could increase both rents and housing prices as well as increase traffic volumes at and near the University.

In the longer term, HSU has announced an increase in its enrollment ceiling to 12,000 full-time equivalent (FTE) students, from the current ceiling of a little over 6,000 FTE students. HSU anticipates reaching its new ceiling over the next 30 to 40 years. For example, this could entail an average of 2% growth each year for the next 35 years.

Another scenario for the planned increase is that it would be consistent with an average increase of an additional 150 students each year or an average of 750 students over 5 years, or over a 12% increase in five years above the current FTE enrollment. A 12% increase would be a significant short term increase in student enrollment and in demands for parking, housing and other services. An important question will be HSU's rate of growth for reaching the new enrollment ceiling.

City of Arcata Redevelopment Agency

Funds available to Arcata's Redevelopment Agency are affected by the current State budget deficit. For example, the legislature has shifted millions of dollars of property tax revenue into the State Educational Revenue Augmentation Fund (ERAF) and significant additional funds may be diverted in the future, thus reducing the funds available for redevelopment agencies.

Conclusion

Each of the City-owned assets can be analyzed at an individual enterprise level. Are the revenues generated commensurate with the costs associated with that asset? For example, how does the revenue generated by the D Street Community Center compare with its costs? At the level of overall City operations, what are the public benefits to City residents that are provided by the asset? For example, what are the public benefits of the current use of a City owned assets, such as the Little Lake properties? Finally, could the asset be used in some other way that would provide better benefits in terms of the local economy? What are some possibilities for alternative uses given cyclical changes in the economy and in terms of longer-term structural changes? These questions are some of the questions that will be addressed in the draft Economic Development Strategic Plan.

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City of Arcata

Economic Development Strategic Plan

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Stakeholder Interviews Summary of Responses

January, 2004

Prepared by Nancy Reichard
Net Gain
For Planwest Partners

Overview and Methods

This report summarizes the results of 24 interviews of individuals representing a cross-section of economic development interests in Arcata. The purpose of the interviews is to inform the preparation of the update of the Arcata Economic Development Strategy, and to gather specific input on ways that the City could improve Arcata's economic development "climate." Planwest Partners Team member Nancy Reichard organized, conducted and summarized the interviews.

In order to generate a list of interview candidates, Planwest Partners consultants and city staff first identified stakeholder categories. These included business clusters (manufacturing, retail, education & research, arts & culture, hospitality, service, information & technology); property owners, builders, and realtors; business and economic development organizations; and housing, senior, and environmental interests.

An initial list of about eight candidates was drafted, based on their affiliation and depth or breadth of experience in Arcata. Those who participated in interviews provided referrals for additional interviewees. (No one turned down an interview, but not all potential candidates responded to initial contacts or were available during the interview period.) A combination of referrals and consultant's local knowledge was used to round-out participation to cover most (but not all) of the stakeholder categories.

Twenty-seven individuals participated. Twenty interviews were conducted in person; three of these were with two interviewees. Four individuals ended up submitting their responses in writing, as it was not feasible to meet in person.

Standardized, open-ended interviews were conducted, meaning that the same open-ended questions were asked to all interviewees (an open-ended question is where respondents are free to choose how to answer the question, i.e., they don't select "yes" or "no" or provide a numeric rating, etc.)

Responses from all of the interviews to each question were compiled into lists, and edited for anonymity as much as possible. Some of the written responses are more thorough than the notes from the oral interviews. Not all interviewees answered all questions. The lists of responses to each question are contained in this report.

Summary of Participant and Business Characteristics

A few questions were asked to provide some information about participants and their businesses. A summary of responses is provided below, representing either 27 individuals or 18 businesses.

	Average	Median	Range
Years lived or worked in Arcata (27)	24	24	.5 - 50
Years business has been in Arcata (18)*	15	13	.5 - 33
Number of employees (18)*	32	20	1 - 100
Where participants live (27):			
Arcata	12		
Bayside	4		
North of Arcata	4		
Between Bayside & Eureka	3		
East of Arcata	2		
Eureka & south	2		

Primary geographic scope of business market (18):

International	1	
National	4	
Oregon	2	
N. Ca.-S. Or.	2	
California	2	
N. Coast region	4	(3-7 counties)
Humboldt Co.	1	
Arcata area	7	(may include tourists etc. from all over)
(Total is greater than 18 because some encompass 2 categories)		

*The business numbers do not include AEDC, the Chamber, HSU, HBHDC, or the two participants representing interests not entities. HSU has 2,900 employees (1,449 are full-time.)

Responses to Interview Questions

1. What does “economic development” mean to you?

- Business growth and creation of jobs.
- Economic development is one part of a community – we need to address it. Provide decent jobs – so that people at least have the option to live and work in the same community.
- Keeping people close to their community doing what they love and being supported by the resources in the region as much as possible. Small specialized shops, locally owned and operated. Emphasis on sustainable, community economics.
- Development that promotes a thriving economy on *all* levels – employment, retail, etc.
- Whatever we do to increase or create more jobs.
- Development that supports the values of the community, rather than moving away from them. It requires more creativity. Diversity is important, don’t put all the eggs in one basket (i.e. some rural communities choose to court a prison.) “Development” and “growth” are not synonymous.
- There is a paradox of poverty amidst plenty here. Need to take into account demographics and history, and serve all elements of the population -- i.e. provide jobs for non-college educated folks.
- Some growth is o.k., and needed (in part to have more of a voice at the state level.) It needs to be carefully and intelligently managed, however.
- Economic development means building the commercial base that provides wealth to the community.
- To facilitate....so that there is no empty retail space; to aid start-ups. Research to help fill voids, actively....such as men's clothing.
- Planning – where do you want to be, and how are you going to get there?
- Ways to bring in or improve businesses that will strengthen the community’s economy. “Strengthen” includes jobs, with good wages; and filling unfilled niches.
- Being able to take advantage of economic opportunities
- Not sure...it seems to have political overtones, or strings attached.
- Strategies to increase, attract and maintain business and employees.
- Bringing jobs in.
- It should improve the quality of life for residents, especially by providing well-paying jobs with good benefits
- Creation of sustainable jobs, and encouragement of responsible business and responsible development.

- We don't necessarily need continued growth; but somehow to be able to offer jobs for young people.
- Increase/expansion of financial opportunity. Enlarging the pie.
- Encouragement and cooperation of resources within an area to aid in success of business that is not destructive to the community.
- It's important – determines growth, jobs (type and availability), land development, pollution, waste, and quality of life.
- Revitalization of one's community. Including residential, commercial, industrial, parkland – all the uses. Doing the hard work that needs to be done.
- Creating a climate that makes it possible for goods and services to be available to a wide range of people.
- Determining ways to make Arcata more prosperous.
- Help existing businesses to increase profitability. Bringing in new businesses.
- It's important to look at the whole picture – what does Arcata want to be? Wide range? High-end? Encourage manufacturing? – if so, what kinds?
- The mission as described in the current Strategy is good. But what do some of the words *mean*, such as “sustainability” and “small business”? Sustainability should be a basic economic development criteria, but we, as a community, need to have a common understanding of what we mean by sustainability.

2a. What do you think is “working” in Arcata regarding economic development?

Responses sorted into categories for easier review, by N. Reichard.

Each “√” indicates that a same or similar comment was made by another interviewee.

Specific programs or projects:

- Aldergrove is pretty successful.√√√√√
- Is the greatest thing that Arcata’s done; it’s neat & clean
- Foodworks – some good came out of it. √√
- Arcata Economic Development Corporation’s (AEDC) loan program and business support.√√√
- Arcata MainStreet √
- That the city is working towards a new industrial park; and cleaning up brownfields. √
- Housing rehab and first time home-buyers programs – but the scale is not very significant – 6-7 homes/ yr is not much.
- Redevelopment – jobs have been created, and saved.

Types of business

- That we have been pretty successful in retaining so many locally-owned retailers, and that as a community we are committed to supporting that, as well as doing what we can to keep corporatized America from sinking its teeth into us. √
 - The owners’ mindset that goes with that. They are considerate of employees.
- Specialty manufacturing – homegrown businesses
- It seems like there has been some success in replacing the traditional, timber economy with the new, non-traditional light manufacturers.
- The variety of small businesses; environmentally oriented &/or conscientious ones – has a positive effect on who is attracted to live here.

Downtown

- Compared to 30 yrs. ago, the Plaza is now vibrant with lots of shops; people are attracted to downtown √√√
 - Near zero vacancy for retail, at least downtown.
 - Plaza as a hub is a good strategy.
- The appearance is that businesses are doing well, esp. downtown, but elsewhere also.
- Special events on the Plaza like the Farmers Market. √
- Developing downtown residential uses √

- Downtown as an office location – walkable – to campus, other businesses
 - We like to, and can, do everything local – stationers, hardware, etc.
 - People like coming to our location – in Arcata, on the Plaza. It's convenient.
 - We found great office space downtown; rents are reasonable
- The town is very 'cute' and attracts tourists.

City policy/planning

- The city has adhered to its general plan pretty well, such as limiting sprawl, keeping this an attractive area to live and work. ✓
- The city's goals seem reasonable – such as undergrounding utilities.
- Planning for traffic ahead of time is good.
- The city is supportive of local business development.
- The T.O.T. keeps increasing – good choices have been made for that to happen.

Business and/or Development Activity

- Valley West development
- Property purchases and improvements
- Infilling of businesses, such as is happening downtown.
- Existing businesses expanding.
- Availability of commercial land.

General and Miscellaneous

- It's a desirable place to have a business - despite some of the negative things.
- People *want* to be here, want to locate here.
- Good community interaction – business & community, such as Taste of the Holidays.
- Arcata in general has been good at nurturing HSU students who want to stay here – that's why most of the non-timber manufacturing businesses are in Arcata.
- Not sure there is something in particular. Population and economic development/growth seem flat to me.

2.b. What do you think are Arcata's strengths, assets, opportunities for economic development?

Responses sorted into categories for easier review, by N. Reichard.

Each “√” indicates that a same or similar comment was made by another interviewee.

Resources

- The role that HSU plays within our community √√√√
 - it's huge; HSU as a brain trust; HSU visitors/ever-changing population good for hotel/motel business; the people coming out of HSU
- Tremendous amount of brain power (including but not limited to HSU)
- The natural resources that we have are still our greatest assets
- The informal business peer support network.
- Good staff, especially for a city this size.
- The individuals who are or who become successful entrepreneurs. Encourage those people who have the “driving force.”
- Hope Foodworks isn't forgotten, and that it can be reincarnated. It was a huge undertaking. Besides helping the businesses to grow and distribute their products, it increased local awareness of the specialty food producers.
- The owners of the Creamery building are providing an incredible opportunity for many businesses – i.e. affordable rents.

Programs or Activities

- The Farmers Market
- Community events - Oyster Festival, N. Country Fair -- draw diverse crowds.
- MainStreet has done a good job with programs that attract people (but not all people – some are turned-off)

Policies

- Things like City Design Review that help to keep Arcata unique (see also what could be better)
- That we discourage big box retail.

Character

- Arcata is small and friendly. Quaintness/ Town character. The town plaza area is attractive. √
- The political environment *attracts* people (weird as that sounds)
- That it's a university town, with a liberal atmosphere, and a colorful Plaza
- The quality of life that attracts people to want to live here – including cultural aspects – HSU, KHSU
- The open-minded community that welcomes innovation.
- Diversity of people - socially, economically, politically. There is a certain amount of tolerance.
- Our “authenticity” – lack of chains, big boxes; unique character.
- The environmental awareness and history – the Marsh, Forest..

Types of businesses or clusters

- A strong arts community, with huge potential >> city could help with low-cost incubator-type studios; marketing training for artists.
- Education “cluster”
- The small manufacturers – support them, perhaps as “jewelry” and “outdoor” clusters. And/or as “small, light stuff” cluster.
- Tourism. Potential for “educational tourism.” HSU is looking to expand extended ed., such as Elderhostel, etc.
- HSU – potential to expand research activities – such as in marine science, genetics..
- The light manufacturers. The city (politically and financially) has encouraged non-traditional over traditional.
- If it weren’t for the small manufacturers, what would there be??
- Food businesses, including the Co-op.
- Owner-run businesses, local ownership (not absentee).

Opportunities

- Work with the many existing businesses, rather than court start-ups.
- Existing businesses are an asset – they could mentor others....Humboldt Harvest did some of that
- The opportunity to develop more business/industrial park(s) – to be able to say “here’s land, ready to build”
- The increase in property values = more affluent residents, which is good for business.
- Because of our unique location, climate and tremendous resource values, there is a huge opportunity to achieve economic stability through sustainable forestry and agriculture, and becoming self sufficient in energy and transportation, balanced with natural resource protection, restoration and tourism (etc.) We don't need as much "development" if we bring our lifestyles to be more in balance and more sustainable.
- How can we take advantage of CR’s CNC training? – a manufacturing incubator, with CNC machines?

2.c. How has Arcata been meeting *your* (business's) “economic development” needs?

Responses sorted into categories for easier review, by N. Reichard.

Specific Programs or Projects

- MainStreet has been extremely helpful providing advertising, community events
- Façade grants have helped.
- Loans: several through AEDC helped us.
- The HSU/City liaison group that meets regularly has been good.
- HSU/City cooperative police and fire protection – especially important with budget cuts.

City Relations

Positive

- Feels listened-to, city is generally supportive, for misc. things such as sidewalk sales permits, etc.
- I have nothing but good things to say. The Community Dev. Dept. was helpful with my new building.
- The city was cooperative with my development project; they paid for off-site improvements
- Informal city/professors/student relationships, such as the city/HSU aquaculture program – the city & HSU's Dr. Brenneman – a unique collaboration.
- Good “emotional support” from the city
- The city was supportive when we were developing our property.
- Everyone was helpful with and supportive of our building project. (Outsiders involved with the project assumed that it would be hard for us in Arcata, and wanted/expected to hear horror-stories.)

Mixed or Neutral

- The city has been hard to work with, however we recently feel heard, in regards to the recent streetscape planning, in part due to persistence and going to every meeting possible.
- Not sure – what *does* the city *do*, or have to offer?
- Not much more that the city could do for us, we haven't needed help from the city.
- The city hasn't *hindered* us; we don't have a whole lot of interaction with the city.
- Generally responsive (re utilities, traffic); we haven't asked for much.
- By allowing expansion of our facility (but at a high price)

Negative

- They don't really help – the city is more of a roadblock
- In general, ours and other businesses work in *spite* of government....

Policies

- The Agricultural land use designation – allows for manufacturing and livestock and education programs – not all communities (i.e. the county) have such a designation.
- The development of mixed uses is good... the former car dealer properties hopefully can be developed with housing for low-income &/or seniors.

General and Miscellaneous

- Our son, an Arcata native, who wanted to stay in the area, is working full time for an Arcata consulting firm.
- Arcata holds many opportunities for development, as well as many businesses, schools and other organizations that are growing and have construction needs. Thus we find increased opportunity for our construction and development projects.
- We can interact with the other local natural resources firms; share project.
- Being able to buy my business property is important (in Aldergrove)! It's my retirement. Being able to invest in property is a way to make things really work as a business owner.

3.a. What could be better (for business and economic development in Arcata)?

Responses sorted into categories for easier review, by N. Reichard.

Each “√” indicates that a same or similar comment was made by another interviewee. (Although I only consolidated a few comments from here on out, so as not to lose content.)

Development Process / Permits

- The permitting process is difficult – it takes too long. You know what you have to do, it’s well laid-out, but it takes too long. √
- A more clearly defined project approval process.
- The development process – “running the gauntlet” – ack! We have done 3 building projects. There are mixed messages and hidden agendas. Also they are very demanding. They were schizophrenic regarding street improvements. Communication with the development dept. is hard – it would be good to have a guide, an ombudsman
- City hall doesn’t seem productivity-oriented.
- Have heard horror stories of difficulties of doing development in Arcata. √
... such as the Sorenson project, seemed like it had to go through a lot of delays and hurdles.
- Seems to take overly long to develop vacant lots – such as 9th & G, 9th & H.
- It’s hard to do development projects now. Used to be “let’s make the project work” attitude at city hall.
- Used to be if you had a problem, you could call city hall and get a timely, direct response. Now it’s slow and you have to jump through a lot of hoops.
- The city likes to design projects for you – they should let the professionals do the designing, that’s what developers pay them for. They stifle creativity. Design Review is subjective, nit-picky.
- Design Review has gotten too subjective – individual agendas. They should offer palettes of choices, not require specific species of plants or colors.
- Design review = “liberal fascism”
- The city is reactive and bureaucratic, not proactive...”not enough time”...esp. city staff. Applicants end up training staff. Within city hall, left and right hand don’t know what each other is doing.
- Outsiders have a better sense of the big picture, especially between city departments.
- People are coming from their heart, then they get slammed by regulations and attitude.
- Simplify process for getting signs approved.

- Our new building hassles with the city made Eureka look good...
- Staff at city hall focus on following the letter of the law, rather than to help make things happen.
- The City can do some simple things to make a difference:
 - Responsiveness – be able to respond directly and promptly – don’t refer endlessly
 - Applicants should be able to know up-front what is required
 - Reasonableness in what is required – i.e. plants and paint colors. Incorporate greater understanding of costs and benefits.

City: Council/Image/Attitudes

- The political atmosphere is divisive – it detracts from focusing on local issues, and it deters some people from doing business in Arcata.
- Priorities may be wrong – city tends to get sidetracked on bigger/political issues – they should focus more on local issues, as priorities.
- The Council tends to be myopic and not look at the big picture -- what will benefit the town as a whole. There is no cohesiveness.
- The city council doesn't always see the big picture. They put more burden on businesses with divisive politics -- consumers choose not to shop in Arcata.
- The council’s priorities – should be local and pragmatic. The behavior and politics hurts Arcata’s credibility with some potential investors. What is it that really draws and keeps people here? Look at that. (i.e. “it’s not the left wing proclamations.”)
- City spends energy on non-local issues.
- Arcata’s image. It’s “us vs. them”, polarized.
- Council members behavior – some are downright rude.
- Lack of understanding, empathy, encouragement by City to business. (There is more support at the county level, such as via Prosperity activities and programs.)
- The City should support the Buckhorn 299 realignment – but they haven’t.
- The city sees businesses as cash cows, but won’t help them.
- The council doesn’t live in the real world; staff is more realistic, but not always.
- The city seems to have big ideas one year, then off to something else the next – not much consistency or follow-through; fickleness.

Downtown

- The Plaza street people scene – detracts from retail downtown. The Chamber gets e-mails from visitors and HSU parents after they leave. Recently it’s not just

the Plaza, also folks camped-out on other street corners - G St., Safeway, Valley West.

- Clean-up the street people scene.
- Plaza/street people are more aggressive than, say, 10 years ago.
- Parking availability (especially disabled parking).
- Need public restrooms downtown.

Various Specific Ideas

- Need an information/technology incubator
- Professional services incubator √...university connection w/professors and grad. Students.
 - Ask Maggie Gainer to assemble a team from among HSU faculty to brainstorm how such an incubator might be set up
- A parking structure would be good. Use what are now parking lots for higher uses
- We want businesses that bring money into the City/County, yet the pension fund for City staff is invested outside the County. Is this something that can/should be addressed?
- 5-8 years ago the Chamber and the City worked on a two-fold piece for prospective businesses....time for a new one?
- Chamber & City could also coordinate website information.
- HSU and Chamber could work on hosting business peer groups.
- Support the development of 'artist/live work space' in Arcata.
- How can we get more of the 1-2 million tourists who drive by, to stop in Arcata? (probably not with billboards). Where would they park?
- Bring in another hotel – to increase TOT – there seems to be demand for it.

Various Specific Issues

- Transportation bottlenecks – esp. 299/Buckhorn summit.
- Limited childcare availability – most have a 2-year waiting list.
- Loss of revenue from the 2 car dealers.
- We need better enforcement of the noise ordinance.

Various Broad Issues

- Many of the manufacturers are struggling, esp. regarding energy, transportation, and workers comp. costs.
- We are driving middle-class out of town – for both housing and shopping. It's the middle class that (can) spends locally – the influx of high income/asset folks don't necessarily buy local, and low-income folks don't have the money to spend.
- The condition of old buildings: Some moving companies don't carry things up stairs anymore; Fire concerns.
- Businesses don't seem to talk to each other? People get used to doing things on their own.
- Threat: Don't lose authenticity.
- Lack of well-paying jobs, esp. for non-college folks. Used to be young people could get a good-paying job at the mills, right out of high school. Now, Sun Valley, for example, provides lots of jobs, but they are low-paying, and employees can't afford to live in Arcata.
- Somehow utilize our local talents to help overcome the larger hurdles.
- Insure existing businesses can make it (if they want to) – don't take them for granted.
- How *are* businesses doing?
- We need new businesses that are truly clean and provide living wages.

Underutilization of Land and/or Facilities

- Existing facilities could be utilized better. The Creamery – why isn't it thriving? – it could be more. S. G St. -- it should be teeming with residents and businesses, w/work/live space.
- Lots of areas are underutilized – vacant industrial land. Facilities/properties/land could be upgraded.
- Opportunity: Shopping centers could be providing more.

Affordable Housing

- Only our managers can afford a house in Arcata. – but what *is* the role of government? If we want less cars, people need to be able to afford to work *and* live here.
- Greater availability of affordable business space and housing.
- Housing prices – we need affordable housing so workers can afford to live here.

3.b. What do you think are the constraints or barriers to economic development in Arcata in general?

Responses sorted into categories for easier review, by N. Reichard.

Local Transportation and Parking

- Parking needs to be addressed – provide it, before taking it away. Give it top priority and be proactive.
- Parking – for shoppers, when in a hurry or inclement weather. Also for employees, other customers.
- Probably parking downtown (but not a problem for us, yet)
- Better transit
- Re possible street redesigns – don't hamper delivery services, including to the upstairs businesses!
- Parking availability

Regional Transportation Issues

- Transportation limitations – lack of railroad; 299 bottlenecks. BUT, if we become too accessible, we might lose quality of life that we value so much.
- The railroad could be great for freight and passengers; tourism.
- High-end product manufacturers seem to be doing o.k. – how much a problem is transportation really, and for whom?
- Buckhorn Summit re-alignment is the biggest thing.
- Remote location – freight in and distribution out – costs more.
>>>But it's a double-edged situation – the remoteness gives us a unique identity.

Affordable Housing (and Commercial Property)

- Lack of affordable housing. It's very difficult to provide – land is scarce; need 7 different funding sources to pull it off, very complex.
- The state housing need projections – because there are high low and high income populations here, the state cut the projections for middle-class housing --- that just makes it worse.
- Commercial and residential real estate is so expensive.
- Housing – for businesses to stay in Arcata, employees need affordable housing. There are costs if employees live elsewhere, such as they will shop elsewhere.

Development Process; Permitting; Attitudes

- People have complaints about permitting, esp. for construction – takes a really long time, compared to other local communities.
- Processes such as Design Review are what take time – the trade-off is they are what help to maintain Arcata's character and overall desirability.
- There has been incremental growth in the layers of regulations....perhaps the new zoning ordinance will help?
- The city's environmental consciousness = increased costs for all kinds of development.
- It's not just Arcata, but county-wide, there is resistance to new development, especially anything substantial, such as the LNG proposal. Also, not much support to retain existing industry, such as no fight to keep the pulp mills here.
- City-contractor lack of cooperation – it cost us a lot of time/\$ in building expansion.

Land and/or Facilities

- Need more land &/or buildings (that are for *sale* not for rent)
- Need to deal with brownfields issues on several sites.
- Limited space for new development. There is not much infill space left, and the city wants to protect open space around the edges of town.

Plaza and Downtown Non-specific Uses

- Plaza street people scene/behavior has negative impacts. ✓
- People are afraid of or avoid areas of town because of the street people scene

Business – Various Issues

- The amount of expertise needed by small businesses.
- Start-ups having *too much* money – it can create problems (better to have less)
- It seems like there aren't as many up & coming manufacturing businesses in Arcata – is that true, and if so, why? Internet? Mindset? Costs?? Now there is more competition; much more regulation, esp. regarding employees. (Positively, there are more loan funds available.)
- Equity always an issue here. People obtain from family, friends, credit cards. There are probably limits due to types of businesses here – how would you pay it back?
- Start-up capital is limited – but are start-ups the best place to put limited resources?

- Attitudes -- some people haven't had to work hard – they take for granted Arcata's current, generally good condition – you have to stay on it! Your paint will peel! The job is never done.
- Access to technical assistance. Most entrepreneurs know their product, but they don't know marketing, personnel, etc. The learning curve is steep; help to flatten it. Especially as they grow – there are different needs and challenges at each stage. Need more resources for SBDC, AEDC.

Size/Scale/Growth

- A lack of willingness to make solid changes in the way we live to adjust for our economic limitations. We have to accept that we are an isolated community, and find our way within that framework.
- This will be more of a challenge as more people move here from the south bringing with them the desires for things that they escaped from, in conjunction with aggressive developers who benefit from that growth
- Our small size – we would be just a neighborhood in a big city. People tend to think in terms of big cities – need to think and do things that are appropriate for our scale.
- Need to control sprawl, but how? Need an urban growth boundary – a services boundary is not enough. We have to be prepared to live more densely. Arcata could make it exciting, a learning adventure, and a model.
- The challenges of filling-in
- The small size of this community as well as the focus on small businesses is part of the appeal of the area, but also a hindrance to more rapid economic growth. With the decline of the logging industry, we face a transitional period where new industry must emerge.

Miscellaneous

- There is no promotion to attract new business, no incentives offered. No new large employers have come to the area in years.
- City council politics – it biases people against Arcata

3.c. What are constraints or barriers or challenges that you, or your organization (or type of business) faces?

Responses sorted into categories for easier review, by N. Reichard.

Regional Transportation

- Shipping items into Arcata. -- >>It has made this retailer a specialist in dealing with trucking/freight/shipping. Location limits access to some product lines - some of the wholesalers companies' own trucks are too big.
- Transportation: Base industries bring in \$ from the outside, therefore they need to get to & from the outside..
- Air – need access to be as easy as possible, relatively speaking. Jet service will be an improvement (more seats, faster, direct flights to more than SFO (SFO is the big bottleneck -- when visibility not good, cuts flights in half as they can't land side-by-side), so we need the longer runway.
- 101 – Need reliability – keep the roads open - closures are hard, esp. last year with Confusion Hill slides – for materials in and products out; delays cash flow. They don't have large products so the truck size is not a direct issue, however they will be impacted as industry stops making smaller trucks (UPS has mentioned that to them. Kokatat. is UPS third largest customer here.)
- Hum. Co. is the only one in the U.S. that can't bring “regular” size trucks in. There isn't a truck that could legally bring in one of our large machines. It's a time bomb – as old trucks are replaced by the larger ones – there will be no more alternatives available.
- We pay more to get to outside markets.

Development Process/Permits

- Development is incredibly expensive and time consuming - \$100K just for preliminaries, pre-loan costs, with all the uncertainty.
>>>>Can the city better organize regarding what is needed/required ahead of time, so applicants can plan better.
- The affordable housing debate – Arcata doesn't have a prescribed formula...Need a reasonable number -- they are throwing around 35% (or more) – that will stop development dead. Promote financing, grants, incentives etc. instead – like the Courtyards project.
- Decision makers need to understand development economics.
- There aren't clear lists of what a business needs: to get started; for construction; signage; remodel, etc. Something maybe the city and Chamber of Commerce could do together (C of C uses Arcata/SBDC list....it's a list, but not any particular order.)
- Attitude -- Some businesses have said that Eureka is much more cooperative than Arcata.

Housing and/or Commercial Real Estate

- Housing – for students and faculty.
- Funding for affordable housing
- Land availability for housing

- I love living in Arcata. However, my studio is in Eureka. There are no spaces here that are in a price range that is affordable. I would like my studio to be here. I want to buy a space that I can live and work in.
- Getting into bay area markets will increase demand and production needs – we will need more space within 5 years. We are in “permanent growth mode.”
- Future space needs – we will probably will outgrow where we are ... build? Buy?

Local Transportation and Parking

- Transportation/parking – Cooperatively create attractive, off-campus parking with frequent shuttles.
- Parking availability. (Used to be #1 complaint from our guests, now the street scene is)

Other Costs of Doing Business

- Entry level costs are high, for small businesses.
- Insurance of all types. Health ins. is a quality of life issue, as employers drop or reduce coverage; WC will put businesses out of business.
- Workers Comp – went up 50%, 25% more on the way. So bad had to cut 10% of payroll
- WC increases are huge problem.
- High insurance costs.
- High fuel costs.

Competition

- On-line competition
- Big boxes, to some extent
- NAFTA = competitors in Mexico

City Politics/Image/Understanding

- We lease our property, and the property owners are concerned about the city’s politics and its impact on the economic future, there is some insecurity there.
- City’s image makes some clients leery
- No one at city hall or on the council has design or downtown or storefront business background or interests. Yet sales tax is a big item for the city...

Miscellaneous

- Our construction company faces a shortage of skilled labor in this area.
- Lack of high speed internet. DSL is as good as it gets.
- Local clientele is limited for our retail business.
- We are very labor intensive – our next leap, with capital investment, will be in new, most appropriate equipment – production costs should come down, making transportation costs less of an issue. The new building we have been in for two years has room for the new equipment.
- Distribution is a bottleneck. Our next big push will be to go direct, via internet and catalog.

- The general strength of local economy – we need people working in order to have healthy retail. (The amount of government employment is a blessing, sort of -- some security, especially HSU, it's not going to go away overnight, if ever.)
- The environmental community often protests growth.
- Declines in industry and manufacturing -- a lot of our customers have gone bankrupt, in part due to social/enviro./political constraints, litigation, and international competition. Attitudes about industry are not supportive.
 - However, some of the regulations create new opportunities for us – such as making pollution control devices.
- Need a special events checklist (i.e. for the Plaza) (Deborah Musick has been trying to work on one?)
- As HSU expands over the next 20 years...the city should work with HSU.
- As an artist -- Arcata is more interested in ecology than art.
- Street people/mess/garbage/violence, and noise from the bars and the street. Every day we get negative comments from guests; many of whom choose not to stay downtown again
- Not much. There are limits to growth, since market area population not likely to grow much. I am o.k. with that since I don't have shareholders or members to appease.
- None. We are intentionally limiting our growth, to maintain quality, to be able to focus on projects not bureaucracy. We may add about 5 staff with our new building.

3.d. Does being located in Arcata hinder your access to outside contracts or markets?

General

- We get flyers all the time soliciting us to relocate – communities tout their assets and offer incentives √√√√
 - We get courted to relocate a lot – by other states primarily, such as Nevada, with its zero state income tax.
 - ... especially from the southeast region – they would build a building, provide tax breaks, etc.
- We would be much better off elsewhere, but our family roots are deep here.
- I choose to stay in Arcata for the quality of life. Also it would be hard to move and keep the great management team that I have.
- My approach has been to incubate the business locally – I don't travel much. It has developed it in a way that keeps it unique – this has worked to our advantage -- our niche in the bay area is as a "small, unique manufacturer".
- Not really.

Regional Transportation

- Fed Ex is earlier in the day here than in the big city – that can be a deadline challenge.
- We fly a lot, to Portland and Seattle – no more commuter flights, can't go just for a day anymore, that is a hassle. (Good that can still do Sacramento. for a day)
- No. We travel a lot, but so do our competitors. The airport is very important for us.
- Transportation – everybody in the world uses 48-50' trailers, but can't get them here, legally. Richardson Grove is the bottleneck. I don't expect resolution in my lifetime; we adapt in various ways. Sometimes ship sub-assemblies, and put them together elsewhere. Makes us less competitive.
- See transportation issues in 3a-b-c. √
- For local markets, Arcata is a central location that allows us to pursue projects all over the surrounding areas. However, when pursuing development in the eleven western states, it can be a hindrance as it is expensive and inconvenient to travel in or out of the area.
- Air costs are crazy, even for frequent fliers (management and sales people.)
- We have to fly all of our product – it's perishable. Our margins are probably smaller than our competitors' –they are located closer to larger cities. But some costs are lower here.
- Our similar competitors are in WA, they have the same travel issues for jobs.

Weather

- In Humboldt Co. in general...the winter weather hinders people getting around
- Winter power outages; road closures.

Access to Markets and other Resources

- I think I would definitely do better in a bigger market.
- Not too much, but we would have a lot more, easier access if we were elsewhere – in a big city you can just go down the street...Many things just take longer.
- We have responded to the decreasing local opportunities by diversifying what we do, and by expanding our geographic scope (now nationwide).

- Less choice of and access to vendors.

Workforce

- We would have a better trained labor pool elsewhere where there are textile industry clusters; here we are resigned to doing our own training. Not enough textile activity here to support a training program.
- Some problems finding good employees (students largest pool but not best employees – not committed.)

Miscellaneous

- Being on the *Plaza* in Arcata is both an asset (more and more people are seeking a non-chain, interesting place to stay); and a liability (street people, noise, limited parking).
- Some other campuses are overcrowded, but urban students don't want to come here to HSU – there's "nothing to do" (except drink)
>> Need non-alcohol alternatives for youth, including a teen center.
- There are also cultural diversity challenges; minorities are not necessarily comfortable in Arcata.
>> Arcata could learn to be more welcoming, to everyone.
- Limited fiber optics -- HSU would like to reach Del Norte Co. and Hoopa, for example, but can't.
- No DSL (*< not sure who/where that is referring to – nr*)

3. e. What barriers did you encounter in establishing your business?

- Finding funding. Despite rumors, there really is very little support for small start up businesses.
- The permit process may be overbearing? But it's something everyone has to deal with; not unique to our business.
- Marketing was and is *very* expensive....
- Went pretty smoothly; slight bureaucratic difficulty in getting our sign through the approval process.
- None really.
- None.
- None. Just the learning curve.
- Barriers to entry were (are?) low, for our product. Our timing was fortuitous.

4. What does your business/organization provide or have to offer to Arcata's economic development?

Jobs & Money

- Jobs (and accompanying payroll) ✓✓✓✓✓✓✓✓✓✓
 - Reasonably stable, long-term
 - Over 100 employees.
 - With benefits; a nice place to work; employee bonuses when store does well.
 - We hire locally trained folks – jobs for HSU grads.
 - Well-paying with good benefits.
 - \$15/hr av., good benefits
 - \$1 million payroll
 - We create management positions
- Bring money into the city/county ✓✓✓✓
 - 99.9% of our income comes from out of the county
 - The further we can reach our development projects, the more wealth we bring back to the community.
- We pay taxes

Community Support ++

- We contribute to local groups and community events. ✓✓
 - Very active in community, esp. as donors - \$30-50K/year in cash.
- Community services – such as sponsoring the Humboldt Bay symposium; providing high-power science for non-profits
- We provide a 24-hour presence on the Plaza (their after-hours desk clerks hear and deal with lots of activity.)
- A cultural institution & hub – active with Folklife Society, Arts Council, ticket sales, support bands, a clearinghouse.
- We create a “bridge” for the community, where “us” and “them” come together, a meeting place.

- Clean industry, we produce no waste.
- We work hard to minimize waste

Support Local Businesses and Economy

- We bring 50,000 guests/year to the Plaza, who have to eat and many shop in town (they also get and pay parking tickets☺)
- We do as much business as possible with local businesses.
- We contribute to the area's economy through our connection to many subcontractor's and material suppliers.
- We support local dairies (2 in Arcata vicinity).
- Art has a potential for creating interest and as a destination for tourists.
- We provide a gallery, retail outlet, and business experience for local artists and craftspersons.
- Our gallery/store is well-appointed, with high-quality art and crafts, and will draw a clientele with purchasing power to the area.
- Access to credit and capital for businesses.
- For the future: possibly provide different types of capital; develop area capacity to use programs – possibly AEDC provide fund management for other entities – such as Rio Dell, too small to have a redevelopment agency, AEDC could help such an entity to have access to such funds.
- We improved the Northtown neighborhood, we “pioneered” it. Now there is lots else going on there.
- Students as consumers, employees (inc. Work-study), volunteers
- Many of Arcata's entrepreneurs are HSU grads; and they hire HSU friends, students.

Housing

- Housing, increased economic vitality –mixed uses, in-fill, jobs. Bringing people and businesses to the area.
- The more housing HBHDC can provide for low-income households helps to take the burden off of private developers (although that is off-set by developer fee)
- Quality affordable housing and senior housing

Education, Technical Assistance, Networking

- Extended Education, outreach programs (KHSU, etc.)
- Lots of informal HSU-Arcata connections. Technical assistance. Local kids can experience a college campus – helps empower them.
>> HSU would like to develop an “industrial liaison” – assistance for starting manufacturing businesses.
- Networking and promotion are the number one reasons people join the Chamber, free business seminars, monthly mixers, referrals, marketing, leadership opportunity.
- A bit of teaching, as associate faculty, and seminars.

Development of Facilities

- We create new business parks, again leading to more jobs.

- We provide commercial space in our building
- Adding to office building stock.
- We do work for the city, help with the infrastructure.
- Physical plant – we built our building (note this is an unacknowledged benefit that existing businesses provide.)

Image and Identity

- International reputation; brings in visitors/tourists. We contribute to the marketing image for the area.
- Contributes to positive image of the Plaza; outdoor activity when have products outside
- Part of the community identity; pride
- We are part of what draws people to this area.
- We are the “perfect Arcata business” – manufacturing, tourism, and promotion of agriculture.

Products

- Providing products that reflect our values (such as local ownership and sustainable practices) and supporting similar efforts worldwide.
- Locally produced, fresh, organic food; vegetarian high-protein food.

5. a. Are there any economic development strategies that other communities have used that you would recommend or *not* recommend – i.e. good or bad examples?

(Very few responses were tied to specific examples from other specific areas; rather a general awareness from elsewhere, or ideas that interviewees themselves had.)

“Short List” of Responses:

Recommendations or Good Examples

- McMinnville, Oregon downtown redevelopment – very good.
- Community Land Trusts as a means to provide affordable commercial space as well as housing.
- Eureka’s F St. corridor group, as a neighborhood association.
- Eureka’s downtown and oldtown development programs.
- Ashland addressed their winter slump by adding a winter festival to develop year-round tourism.
- Many seniors move from here to Medford – what are they providing there?
- Use of Block Grants
- Business incubators; incubators without walls. ✓
- Other municipalities are more helpful in providing information; and with a more helpful attitude.
- Utilize promotions and incentives for businesses to locate here.
- Offer a shoppers discount to employees who work downtown.
- Other communities (Eureka) are more friendly to the arts.
- Keep and create mixed uses.
- Develop industrial/business parks with more of a community feel.
- Develop neighborhoods with denser, smaller homes that look nice.
- Spend resources where you’ll get the best return.
- Develop “affordable jobs” rather than affordable housing.
- The cluster approach is good.
- Provide assistance to businesses at appropriate points in cycle of growth.
- Address succession of ownership – especially for the aging specialty manufacturers.
- Have Arcata become known as an organic food production hub.
- The city can primarily help business with infrastructure and housing.
- Look for models that integrate economic development and sustainability.
- Look at what other rural university communities have done.
- What are the “results” of Prosperity?
- Find out why businesses haven’t succeeded or have struggled.
- Need to address the capacity to manage economic development implementation within the city.
- “Mine” city hall for information and examples from other areas.
- The city should be proactive in helping to make things happen.

Not Recommended

- A car-free Plaza (has rarely worked elsewhere)
- Soliciting businesses to relocate here – can't compete with other areas' financial incentives --- only works if owners' interests in quality of life
- Coos Bay downtown mall – disastrous.
- Watch out for over-boutiqueification that programs like MainStreet can create – how can we continue to provide the basics downtown?

Full responses, clustered by interviewee:

- Arcata's small size and structure limits its leadership and management capacity to handle substantial programs – larger communities have the capacity to do more.
- Also, you need a visionary who can drive it; and need to address capacity to manage economic development implementation within the city.
- It's difficult for cities to move money around -- with limited General Fund revenue – it makes hard to address priorities.
- Block Grants, which are implemented via partnerships, are one area that seems to work.
- No, but... We need to determine the role economic development plays when faced with the larger issue of creating a community that can live within a model of sustainability. If we grow economically, we will grow in other ways as well. Do we want to grow in those other ways, and if so where? How will this effect our desires for achieving a more sustainable community? Do we want to develop the forests, ag lands or live in high rises to accommodate this growth? Do we want to pave these lands to accommodate our car culture? Or do we want to approach our economic future as an effort to finding balance...by creating food, by restoring buildings and landscapes to accommodate reasonable homes, and by creating a transportation future that meets the needs of our community without spoiling our natural environment.
- Other communities are much more helpful, they provide information, packages, for development projects. Talk to Dan Johnson for specific examples.
- Attitude also makes a big difference; even if the process is tough, a helpful attitude on the part of staff can really help.
- It would be good to look at what other rural university communities have done.
- Business incubators – Arcata should have its own. (Learn from Foodworks experience as well as others')
- What are the "results" of Prosperity?? No results have been reported.
- What about the businesses that haven't succeeded? Find out why they didn't. Also talk to ones that are struggling/can use help.
- Utilize promotions and incentives for businesses to locate here. (Now it's more like, well, it's going to cost you this much if you want to be here.) Fortuna seems to be the

only progressive community in the county along those lines. Peterson Tractor is moving there from Eureka.

- Spend resources where you'll get the best return – not on low-wage, part-time restaurant jobs, etc.
- Develop “affordable jobs” rather than affordable housing – pump up the economy rather than pile on subsidies.
- E.D. isn't rocket science. Likely to be tweaking, not invention. What does the area offer? What do people want? – there are lots of methodologies.
- The cluster approach is good – similar needs across various businesses.
- Incubators are good but expensive, require lots of subsidy. Incubators without walls may be a way to keep costs down. Shared resources (such as staff), not a physical facility.
- Internet commerce – get a handle on it – so much is home-based – can/will they grow (create jobs?)
- Help existing businesses or new businesses? Need start-ups, but they take a long time.
- Businesses have cycles of growth – provide help at the appropriate points – help speed the transitions from one phase to the next, in order to help speed job creation/growth.
- Issue: next 10-15 years – the aging of the specialty manufacturer owners – succession – how can the community participate?
- The city can primarily help business with infrastructure and housing.
- Relocations: can't compete with other areas, especially other states, with economic incentives. Rather, appeal to owners' interests in quality of life – that is our selling point.
- Eureka – F St. corridor group, as a neighborhood association, is good.
- Eureka Downtown & Oldtown have been very successful
- Arcata downtown also successful – keeping it interesting and full. Providing residential options downtown is good.
- McMinnville OR – downtown redevelopment – very good, even with a mall outside of town.
- Coos Bay, with a downtown mall, disastrous.
- Look at Community Land Trusts as a means to provide affordable commercial space as well as affordable housing.
- MainStreet programs = many good things; but problematic in that they create boutiqueification over practical commerce. Santa Cruz may have found ways to balance this? Find a way to have the basics – i.e. to be able to get men's underwear in downtown Arcata.
- Foodworks: Good in theory, but didn't really work. Turned into adversarial tenant-landlord relationship. The City might have been able to revisit it and help it to flourish. Relied too heavily on AEDC Board and Managers.

- It would be great to have Arcata become known as an organic food production hub – high quality organic ingredients – the market is exploding.
 - How? Name it; get it out there; have land and support to help locate and grow businesses here. The nature of the products is such that typical owners are very interested in quality of life, such as we have here. (Santa Rosa and Petaluma have some big organic food producers, such as Spectrum Oils and Amy’s Kitchen...)
- I have passed along a lot of information to city hall, for example info. about Healdsburg’s public bathroom, to the planning dept. I’m not sure what happens to the information...
- Be proactive -- The city could have insisted that public restrooms be part of any development at 9th & H or at 9th & G.
- In Carmel, the mayor would hold property owner/manager discussions, regarding what retail types needed. It didn’t necessarily work, but it was interesting.
- The Healdsburg and Sonoma squares are tourist-oriented, friendly, beautiful, but expensive. No street people, but day-laborers wait for work around the square in Healdsburg.
- Regarding sidewalk/streetscape remodeling – can’t just copy other towns...have to take into account the weather, etc.

5.b. Are there any economic development strategies that give any of your competitors an advantage?

- There are fewer environmental requirements elsewhere.
- I could have located elsewhere at less cost. I get mail all the time soliciting me to relocate.
- No. A non-governmental item we deal with is competing against corporate chain recognition.
- No. How is Eureka's Enterprise Zone working? You have to have already-successful companies for them to be able to take advantage of tax credits.
- Not public programs; but all my competitors are part of chains or alliances that give them economies of scale for purchasing power, etc.
- A competitor elsewhere has access to a large, low-cost facility – 100,000 sq. ft. in an old factory was made available, with help from the municipality.
- Not aware of any. Our biggest competitor, just put in a huge plant. They probably got some breaks to do so. But we have been encouraged here. Encouragement helps! Also our Aldergrove lot was relatively inexpensive.
- The University of Phoenix (a business) is going to impact the future of education over next 20 years. They attract non-traditional students and are able to provide low-cost education. However, they don't provide all the community services that a traditional university provides.
- Businesses don't seem to be flocking to Eureka's Enterprise Zone.
- Businesses want to come to Arcata anyway – Arcata has an "ambience zone"
- City has an unwritten commitment not to give tax breaks; however the city does help with off-site improvements.
- AEDC-funded businesses may have a bit of an advantage.

6. If not addressed above: What does your business/organization need to grow/sustain itself here in Arcata?

Responses are clustered by interviewee.

- We need a new building (AEDC); perhaps in conjunction with others – with HSU, tech incubator, SBDC, etc.
- An affordable housing plan that we can work with, as developers.
- A streamlined project approval process.
- An outreach to educated people, interested in the arts, from out of the area, especially up and down the coast, from Washington to Southern Ca.
- Housing and transportation issues will need to be addressed, in order for HSU to grow.
- In these challenging times, don't take the existence of HSU for granted.
- More land and a better labor pool.
- Senior housing, located downtown; walkable.
- Senior housing for moderate income folks (Bayview Courtyards serves low income).
- Provide continuum of housing/care in Arcata – seniors prefer to stay in their own neighborhood (i.e. Arcata).
- Senior population is growing. Many move here because kids are here; adults move their elderly parents here.
- Need eldercare same as we need daycare for kids.
- Keep Arcata a warm, friendly place to be. Open, inviting.
- Arcata could use a media image campaign, a slogan -- others are the Victorian Village, Old Town, the Friendly City....."the Plaza" doesn't quite do it...
- Housing for employees. I would like them all to be homeowners, as part of building commitment to community.
- A solution for the organic waste produced from my manufacturing.
- We could be more active with internships with HSU – for businesses – design, manufacturing...How to connect with HSU needs to be explained to businesses.
- Keep Arcata/downtown as desirable of a place as it already is.
- Need the downtown parking situation not to get worse.
- Maintain “traffic patterns for free commerce” – such as don't reduce traffic on G St., north out of town. That would impact my business.
- Can the city pool money to help cover Workers Comp?
- Address Plaza street people/behaviors situation.

- Keep undergrounding utilities
- Transportation improvements – 299 and air travel.
- The expense of doing trade shows – we have \$20K invested in it, but don't use it often. Perhaps the City or someone could help with a program – borrow or rent marketing materials/equipment.
- We will need a new building – bigger – within about 3 years. Not enough room on our existing lot, may be able to get adjacent lot. The thought of moving again is overwhelming.
- Do something to address the street people/plaza behavior issues. People won't come to Arcata out of fear or distaste. MainStreet could do generic advertising, small events, things to encourage people to come.
- Grow our membership base.
- More participation from general membership (beyond the Board)
- Keep up on revenues to support what we do...we currently receive 5% of the TOT...uncertain future of city budget..

7. Is there anything else you would like to add?

(Responses are grouped by interviewee.)

- I am suspicious of economic development plans – do they ever work? Some things that could help:
 - Produce something “living” somehow, something that gets day-to-day use - not just sit on a shelf. Be sure to have an “action plan”.
 - Help people relate to it – i.e. the neighborhood maps – so people can relate it to where they live.
 - Connect to the city’s budget (funding) – it’s more important than the General Plan, even
- The City should identify what businesses are providing the most jobs and tax revenue, and focus on ways to help those sectors/businesses.
- Look hard at where the real expertise lies at HSU, and work with that, build on it, such as biotechnology, arts
- Look at using incentives. I hear that it’s hard to do business with the city (although I’m not sure if I hear differently elsewhere).
- The city should look at regulations that have accumulated over the years – are the hurdles worth the results obtained?
- Use simulation, modeling, to explore possible outcomes of different options.
- Address marketing weaknesses. Our defining characteristics are not well marketed, by either HSU or City. Both public and private... Marketing that is done for goods and services represents our region.
- Not necessarily become Carmel, but...create more artists’ space. Tourists spend money and leave (a good thing.) There should be lots of antique stores, where are the antique stores?
- For housing: Take advantage of the sewer line going down Janes Rd. – St. Mary’s school area – could be good for housing. Not a lot of ag. going on anyway – what is the economic value? We can have housing and green space.
- People should be aware that low-income housing provided through efforts like HBHDC’s costs a lot, due to the bureaucracy and multiple funding sources. Tons of reporting required.
- Regarding affordable housing – there is only so much you can do. Eureka and McKinleyville aren’t that far away for people to commute from.
- Something like Wal Mart might be an overall benefit -- by providing affordable stuff for locals.
 - All small businesses need to constantly monitor and evaluate their niche -- to fit their local market. We adapted by specializing in high-end products, and by providing a quality of service not found in the big boxes.
- Get (business) people together to share resources and problems.
- Bring in outside expertise.

- Re Arts & Culture – as a cluster, is it as *economically* important as people wish it to be?
 - Funding for the non-profits is such a struggle now...HAC has had to do lay-offs
 - There are ripple effects when there is funding, such as construction projects for new buildings or remodels.
 - In Europe there is much more gov't funding for the arts.
- Does every commercial business have to be for-profit? Non-profits have to operate like a business, just no profit at end of the year. Encourage non-profit commercial enterprise.
- How businesses are owned makes a difference – shareholders and venture capital for high risk/high return...puts a lot of pressure on businesses. Can the city help minimize risk and therefore encourage local investment? Possible partner – Simpson Credit Union, only loans in Arcata..??
- For Foster Av. development – annex including the ag land, create a community land trust that would own the land, and opportunities for small farmers to own houses on the land along with small truck farms – create a buffer, avoid ag/residential conflicts, support small ag business.
- Arcata has an interesting environment, with natural beauty in and around town – it's an important part of how we look...how to keep nature in town (and do infill)?
- Street tree program status? Seems dead. Use some Façade money for grates? <MainStreet
- More collaborations – like the Stillman building sculpture garden (HSU/downtown)
- Should one of the Objectives of our Economic Development Strategy be to have a minimum wage which is also a living wage? What, if any, adjustments would our restaurants, retailers, motels/hotels have to make to be able to survive with such an ordinance?
- The City's dependence on sales tax revenues tends to put pressure on the need to promote consumerism. How can we use local taxes (e.g. Utility Users Tax) to promote conservation?
- In re transportation issues:
 - We can only afford one – rail or highway...
 - Air travel is a polluter.
 - Can there be more flexibility with trucking?
 - Re Buckhorn – we need facts – what are the economics for everybody? HSU project...?

AEDSP Interview Participants

<u>Participant</u>	<u>Affiliation*</u>	<u>Title or Role</u>
John McBeth	O&M Industries	Co-owner
Joel Risch	Amulet Manufacturing	President
Steve O'Meara	Kokatat	President/CEO
Paul Lubitz	Holly Yashi	Co-owner
Matthew Schmit	Tofu Shop Specialty Foods	President
Mary Keehn	Cypress Grove Chevre	Owner
Gene Joyce	Arcata Exchange	Co-owner
Phil Ricord	Wildberries Marketplace	President & GM.
Sarah Knight	Hotel Arcata	Controller
Becky McBain	McBain & Trush	CFO
Sharon Kramer	Stillwater Sciences	Manager, Arcata
Office		
Rollin Richmond	Humboldt State University	President
Maggie Gainer	HSU Office for Economic & Community Dev.	
Brook Otis	Wildwood Music	Co-owner
	Also: Humboldt Arts Council	Board member
Marina Coleman	Arcata Artisans	President
Mimi LaPlant	Artist/Arcata Artisans	Member
Alex Stillman	Stillman Properties	Owner
Dan Johnson	The Danco Group	CEO
Mark Burtchett	self & development partnerships	Owner/Developer
Rudy Ramp	Environmental interests	Various roles
Lisa Brown	Environmental interests;	
	Also: Solutions retail store	Co-owner
Edith Stromberg-Wahl	Humboldt Bay Housing & Dev. Corp.	Board member
Thea Gast	Senior interests	Various roles
Rebecca Lesley	Arcata Chamber of Commerce	Exec. Director
Sharon Cissna	“ “ “	President
	Also: Humboldt Bank	Manager, Arcata
Branch		
Jim Test	Arcata Econ. Development Corp.	Exec. Director
Kelly Denny	“ “ “	Sr. Loan Officer

*Many of these individuals have numerous affiliations. A second affiliation is noted here only if it weighed substantially into selecting them as an interview candidate and was represented in their responses.

Arcata Economic Development Strategic Plan

Dec. 4, 2003 Stakeholder Session Notes

PARTICIPANTS

Joel Risch	Amulet	Manufacturing
Gene Joyce	Arcata Exchange	Retail
Marian Coleman	Arcata Artisans	Arts & Culture / Retail
Dirk Pederson	Stillwater Sciences	Services
Rollin Richmond	HSU	Education
Dan Johnson	DanCo Group	Developer/Builder/Property Management
Edith Stromberg-Wall	HBHDC	Affordable Housing
Thea Gast	Seniors	Seniors
Jim Test	AEDC	Econ. Dev.
Maggie Gainer	HSU	Education / Economic & Community
Dev.		

Consultants: Nancy Reichard, Net Gain
John Miller, Planwest Partners
Dan Ihara, Center for Environmental Economic Development.

Overview

After introductions and a brief discussion about the project, participants paired-up and “interviewed” each other. Each person identified some economic development goals for the city, and then some objectives to go with one or more of the goals. A list of all of the goals was compiled for everyone to consider and discuss. All participants turned in note sheets with their list of goals and objectives. The five “strategies” from the existing plan were reviewed for relevance.

Some observations were that there was not much overlap amongst the goals, and yet there was general, informal concurrence with almost all of them. (The only topic that generated controversy was whether or not the Council’s involvement with national political issues is a deterrent or an attraction for commerce in the city.)

GOALS

(Categories were created after-the-fact to facilitate review of the list.)

General & Miscellaneous

- Make a commitment to make a complete community – jobs, housing, shopping, education, culture.
- Become a destination point for art and environmental tourism
- Continued improvement of Arcata’s image – regarding the Plaza/street people reputation, and the effects of some of the council’s actions. (alternate point of

view: the “global” actions that the Council takes creates a unique image for Arcata that is exciting, and can attract people to Arcata.)

- Distinguish different kinds of people on the street – jugglers, people passing through, from those who are irresponsible – redirect their energy, they should not interfere with business – find an amicable approach for solutions.
- Develop greater capacity for childcare (there is not enough for working people in Arcata)
- Address the impacts of illicit drugs and the associated underground economy (how much money is leaving the area?)

Infrastructure

- Upgrade the condition of streets (potholes)
- Provide more trails for running and biking – not necessarily along the streets
- Provide more efficient public transportation, in & out of and within the City
- Address parking needs, in coordination with HSU.
- Provide public restrooms near the Plaza. Stores could give tokens for use in pay toilets.
- Water – will there be enough; are we using it efficiently; can it be a source of revenue?

Housing

- Provide affordable housing - not just for low-income but also middle-income. Coordinate with the city’s Housing Element.
- Provide affordable, high-density, middle class housing
- Provide housing and services for seniors, including assisted living, nursing.
- Support the development of live/work spaces

Development

- Clean-up development guidelines; reduce the amount of uncertainty involved – developers need to know what to expect when they walk in the door. Don’t burden businesses unduly, i.e. requiring landscaping in the back where no one will see it. (But protect Arcata’s character.)
- Better utilization of the South G St. area – it is underdeveloped.
- Complete the new industrial park
- Develop additional space for business or industrial parks
- Develop a light industry incubator, which can help with funding for storefronts and advertising.
- Provide affordable space for white-collar businesses, with high speed internet, and in proximity to resources such as are available downtown/norhtown (Kinko’s, post office, etc.)
- Continue to foster diversity of businesses - encourage each to develop their own style & look, and not become standardized/mall-like.
- Maintain downtown+ for non-chain businesses, and Valley West for chains.

Retention, Expansion, Assistance, and Attraction

- Save the businesses we have, give them support, help with financing. BRE: Business Retention and Expansion.
- Help businesses help each other – such as through peer support networks.
- Identify excess production capacity among businesses, and find ways to put it to use.
- Find ways for city hall to be more sympathetic and pro-active for business
- Help address expansion opportunities for appropriate businesses.
- Grow local businesses rather than bringing ones from outside.
- Start-up businesses – look for opportunities to help start-ups, find out gaps where businesses could succeed.
- Encourage more technology businesses; “embrace” technology
- Attract new businesses, industries that are a good fit for Arcata – such as restoration and knowledge-type businesses that are symbiotic with the University.
- Identify what businesses are missing, and how to attract them, such as men’s clothing.
- Identify: what businesses really create economic growth? i.e. we have lots of manufacturing jobs – what do they do for the city, especially if most employees can’t afford to live in the city?

Some Goals from above with Ideas for Objectives

Become a destination point for art and environmental tourism

- Develop an environmental technology hostel
- Publicize/outreach/advertising – through the University, media, chambers of commerce in other cities, professional organizations (attorneys, MDs, etc.)
- Provide affordable work/live space – live-in studio space – for artists.

Develop affordable middle-class housing

- Development plan: finance, locate and build affordable housing
- Involve local financial institutions
- Conduct an annual survey of what is available

Improvement of Arcata’s image

- Image campaign; hire a p.r. firm
- Parking problem is perceived only
- Council stick to city business, in the interest of keeping shoppers in Arcata

Provide services and housing for seniors, including assisted living, nursing.

- Recognize this as a goal
- Develop a funding strategy to support senior/assisted housing.
- Form an ad hoc committee to address senior housing needs.

Business Retention and Expansion

- Clean-up brownfields, so there will be space for business expansion.

- Help businesses with succession of ownership (as owners get older and retire)
- In conjunction with local businesses and the University, find creative ways to put forth programs to promote employee health (bike to work, provide showers, etc.)

Identify what businesses are missing, and how to attract them

- Survey all of the businesses we have
- Pinpoint businesses we need
- Publish the list, do outreach to get these businesses here – locally and out of the area.

Review of the 5 Strategies from 1997 Economic Development Strategy

1. Develop capacity to respond to new business relocations or expansions in the community.
 - Still relevant.
2. Create a supportive environment for start-ups and expansions that are not well capitalized.
 - Keep, but delete “not well capitalized.” Most are not, these days.
3. Strengthen existing businesses.
 - Still relevant. Many of the goals identified tonight pertain to this.
4. Develop and implement a plan to attract visitors whose spending will increase both businesses and City revenues without causing significant negative impact on the community environment.
 - Godwit Days grew out of this.
 - The goal above of developing more as an art and environmental tourism destination fits under this.
5. Provide an ongoing forum to interpret, coordinate, and discuss economic development.
 - There have been several positive developments since 1997: the city created the Economic Development Committee; at the county level there is the Economic Development Forum and the Prosperity!-related activities

There is interest in doing more, locally – Arcata entrepreneurs have a lot to offer each other...

City of Arcata

Economic Development Strategic Plan

Technical Appendices

Appendix G

City of Arcata 1997 Economic Development Strategic Plan Status of Accomplishments as of April, 2004

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Specific plans for Programs and Projects were linked to Objectives and included in the 1997 Plan. The status of these is provided beginning below. The overall Strategies and Objectives were written broadly and do not lend themselves to a listing of accomplishments. These are listed beginning on page 11.

G.1 PROGRAMS AND PROJECTS

A. Existing and Proposed Programs

1) Low-interest Loan program (existing)

The City contracts with AEDC to market, originate, review, monitor and service business loans. The City's contract also allows the City to contract with Redwood Region Economic Development Commission or other agencies on a project by project basis.

As shown on the following page, AEDC originated nine business loans with City and Redevelopment funds since 1997, for a total of \$309,915. AS a condition of receiving these loan funds, the borrowers committed to creating new jobs, prorated based on the amount loaned, generally 1.0 full time equivalent jobs per \$35,000 loaned.

Business Loans

New Since 1997	Year Signed	Location	Amount Committed	Project Description
Wing Inflatable, Inc.	2001	1165 Samoa Blvd.	50,000	Expansion to new facility; upgrades
Munki Munki	2001	1085 K Street	15,000	Long-term capital for growth
Wallace and Hinz	2004	1065 K St.	21,200	Working capital to diversify and streamline production; retain workforce
Cypress Grove Chevre	2004	1330 Q Street	88,000	Equipment purchase
Sun Circle/American Hydroponics	2003	286 S. G St.	25,000	Expansion to new facility
Shift EZE Transmission	2002	1215 Giuntoli Lane	15,000	Equipment and working capital
Sew What!	2002	923 9th St.	15,000	Start-up, inventory, machine purchase.
Emerald City Laundry	1998	1210 G St.	40,448	Information unavailable
Moonrise Herbs	2004	826 G Street	40,267	Working capital and refinance debt.
Total \$ 309,915				

2) Arcata Economic Development Corporation (AEDC) (existing)

In 1997, AEDC was independently managing the City Community Development Block Grant (CDBG) Business and Housing Revolving Loan Portfolio's development related tasks. As a result of staff turnover and Portfolio record tracking deficiencies, in 1999 the City took over management of the CDBG Business and Housing Revolving Loan Portfolio and Façade Grant Program. The City reduced the scope of the contract with AEDC to the tasks described in I.A.1 above (Business Loan Program) and servicing the City's Housing Rehabilitation and First-Time Homebuyer loans.

Currently AEDC is serving approximately 120 City of Arcata loans from among the three programs. All loans are active and current and no defaults have occurred in the reporting period.

In 2002 the City purchased the 20,000 square foot Foodworks Culinary Center from AEDC and executed a five-year lease and management agreement with College of the Redwoods to continue operation of this food manufacturing incubation facility.

3) Arcata Downtown Business Community (Arcata MainStreet) (existing)

- Under contract with the City, the Arcata MainStreet maintains a storefront, markets businesses and services, recruits and refers businesses to development programs.
- Assists City with recommendations of applicants for the downtown façade grant program.
- Also operates seasonal festivals, offers promotional materials, and maintains tourist information.

4) Facade Rehabilitation Program for the Plaza downtown area (existing)

As shown on the following page, there have been 33 Façade Program grants since the program began in 1990, 13 of these since 1997. The award amounts since 1997 have increased, with an average of \$21,998 and a range of \$4,000 to \$40,000 given. All of the grants to date have been made in the downtown area.

Façade grants are used for building improvements and renovations that are intended to provide tax generation, infrastructure improvement, community beautification, historic preservation, job creation and a sense of well being and vitality in the Agency's commercial areas.

This program has been extremely successful in assisting business to revitalize the downtown. This program is currently in a transition period as many of the facades in need of repair have been completed.

Façade Grants

Name	Year Signed	Location	Amount Committed
A. Stillman; Rocking Horse; Plaza Cards & Gifts	1991	833/853 H Street	10,000
Denver Phillips; Phillips Camera & Studio	1991	823 H Street	5,540
David Phillips; Historic Properties	1991	1015 H Street	75,000
Maurice & Evelyn Dungan; Julie-Jacklyn Florist	1991	898 G Street	5,358
Dennis Morgan; Hunter, Hunt & Hunt/KT Printing	1992	10th & G Street	4,041
Mario Celotto; Humboldt Brewing Co.	1992	856 10th Street	5,289
Dennis Rael; Los Bagels	1992	1061 H Street	2,209
Fred Slack; New Outdoor Store	1993	876 G Street	5,325
Historic Properties	1993	1041 H Street	10,000
Virgil Moorehead; Hotel Arcata	1993	708 9th Street	5,270
Demetri Mitsanas; Pythian Castle	1993	1101 H Street	9,793
Jan Dooley; Pacific Rim Noodle House	1994	1021 I Street	5,018
David Phillips; Minor Theatre Corp	1994	1036 G Street	20,000
Jeff Dickey; Arcata Stationer/Kelly's Jewelers	1994	833/837 G Street	13,970
Bill Silvester; U.S. Post Office	1996	799 H Street	4,750
Alexandra Stillman; Moonrise Herbs	1996	826 G Street	10,000
Julie Fulkerson; Plaza Design	1996	808 G Street	20,000
Virgil Moorehead; Hotel Arcata	1997	708 9th Street	7,698
Zumbrum & Atwood	1997	645 7th Street	17,463
Emily Stokes Rowe	1997	630 9th Street	19,740
North Coast Co-op	1998	811 I Street	20,000
Slack Family Partnership; Gaines Building	1999	905-933 H Street	40,000
Richard Sanborn; Tin Can Mailman	1999	1000 H Street	11,978
David Phillips; Historic Properties/Bubbles	2000	1041 H Street	20,000
Galarzy, Wertz & Forman; Heart Bead	2000	830 G Street	30,000
Philip Dresser; Philip's Camera and Studio	2001	823 H Street	15,000
Virgil Moorehead; Hotel Arcata	2001	708 9th Street	40,000
Alex Stillman; The Hunt Building	2002	839 9th Street	20,000
Guido Canclini; Yi Fang Imports	2002	774 9th Street	15,000
Jan Dooley; Pacific Rim Noodle House	2003	1021 I Street	10,000
Dennis Morgan; Pialorsi Building	2003	1010-30 G, 650-80 10th	30,000
Scott Heller	2003	887 11th Street	4,000
Demetri Mitsanas; Pythian Castle	2004	1101 H Street	30,000
Total			\$512,442
Average Grant			\$16,438
Average Grant since 1997			\$21,998

5) Public Capital Improvements Program (Modified existing)

Capital improvements are made through Owner Participation Agreements (OPA's) between the Arcata Community Development Agency (Agency) and developers/property owners to encourage business vitality in Arcata. The Agency will agree to certain improvements to facilitate completion of a project's needed public infrastructure. Agreements often encompass improvements such as paving sidewalks, improving drainage and grading, and covering the cost of the parking in lieu fees for the developer. As shown below, there have been ten Owner Participation Agreements made by the Agency since 1997. The total Agency Assistance for this period has been \$652,315, with average assistance of \$59,301 to each project.

Owner Participation Agreements

Name	Year Signed	Location	Total Assistance	Project Description
Paul Lubitz; Holly Yashi	2001	1266-1300 9th St	71,000	Survey, concrete walkways, curbs, drainage, grading, etc.
Thomas Perrett; Tomas Jewelry	2001	793 K St	30,000	Sidewalk, driveway apron, ramp, curb
Thomas Perrett; Tomas Jewelry	2000	8th and L St	17,880	Replace driveway cut, sidewalks and off site storm drainage improvements.
Jody Hansen; Coastal Care Centers, Inc.	2000	1635 & 1655 Heindon Rd	24,667	Assistance for traffic mitigation fee and sidewalk improvements
Karen Beaver-Buffington	2000	1058 9th St	7,230	Sidewalk improvements
J. Gutierrez; Plaza Shoe Shop	2001	699 G St	15,842	New construction
Noel Hilliard; Lamps By Hilliard	2000	1433 11th St	5,260	Sidewalk improvements on 10th and 11th.
Alex Stillman	2001	9th and H	72,500	Parking in lieu fee; alleyway parking
McBain and Trush	2001	7th and J	109,500	Construction of commercial/residential bldg; day lighting Jolly Giant Creek.
Pacific Builders/Lucchesi and Rupp	2001	9th and G	261,000	3-story building commercial retail and residential.
Mary Kehne; Cypress Grove	2003	1330 Q St	37,436	Public infrastructure
		Total	\$652,315	
		Average	\$59,301	

6) Downtown Parking (in-lieu fees for new parking facilities) (existing)

In 2001, City staff completed a detailed Downtown Parking Inventory. The inventory concluded that the total number of existing private and public on- and off-street parking spaces was 1,981. The distribution of these spaces is shown in the table below.

Parking Spaces in the Downtown Parking Inventory Study Area, 2001

Zone	Sq. Ft. floor area	Required Spaces	Total On- Street	Total Off- Street Public	Total Off- Street Private	Total Existing Spaces	Need (surplus)
A	61,720	176	84	0	40	124	52
1	315,230	901	129	0	185	314	587
2	128,100	366	110	0	174	284	82
3	141,400	404	186	0	90	276	128
4	106,400	304	20	163	56	239	65
5	92,400	264	138	45	132	315	(51)
6	128,100	366	87	45	297	429	(63)
Total	973,350	2,781	754	253	974	1,981	800

Based on this Inventory and recommendations from the City's Transportation, Safety, and Economic Development Committees and Arcata Main Street Design Committee, the Council authorized staff to eliminate the preferential parking zones in the downtown and to grind back extended red "no parking" areas to agreed upon standards. These changes resulted in the availability of 35 new parking spaces.

In 2003, the City completed a Downtown Streetscape Master Plan. As part of the Master Plan, the Council authorized a complete reconfiguration of the 8th and F Streets public parking lot and making 8th and 9th streets one way and placing diagonal parking in place of the current parallel parking. These changes are scheduled to be implemented in the summer of 2004 and are projected to make available 10 additional parking spaces.

In 2003, the Agency authorized the purchase of Humboldt Machine for a new parking lot. This purchase is in ongoing negotiation.

As shown on the following page, the City has collected over \$689,888 for new parking facilities, most of that since 1997. Parking in lieu fees that were covered by the City as part of OPA's are included below and in the OPA table above.

Parking in Lieu Fees

Name	Year Signed	Location	Amount Committed
Other Fees Paid Prior to 1992			54,756
Open Door Clinic	1990	770 10th Street	1,520
Hensels Hardware	1990	884 94 Street	45,885
Peter Daggett	1992	7th & G	1,166
North Coast Children's Center	1993	685 F Street	3,990
Thomas Lin	1993	1086 I Street	1,714
Humboldt Child Care Center	1993	7th & F Street	3,990
Feuerwerker Building	1996	9th & I Street	117,000
Plaza Shoe Shop	2001	7th & G Street	9,000
Alex Stillman *	2001	9th and H	72,500
McBain and Trush *	2001	7th and J	109,500
Pacific Builders/Lucchesi and Rupp *	2001	9th and G	261,000
Interest Earned From Fees (7/1/97 to 12/31/03)			62,623
Total			\$ 689,888

* also listed in OPA table; project included parking component

7) Assistance to student/youth entrepreneurs proposed)

- There has been no action on this item.

8) Establish a business recruitment program in the area of ecotourism, health care, import substitution, food products, and mail order marketing businesses (proposed)

- There has been no action on this item.

9) Create focus groups for seniors, empty nesters and professionals (proposed)

- There has been no action on this item.

10) Create a small business institute (proposed)

- The City purchased the Foodworks Culinary Center from AEDC. Foodworks offers space for lease and kitchen rental on an hourly basis for small manufacturers of food products. Access to AEDC is on-site.
- There has been no further development of an Arcata business institute. However, the City has been active in and supportive of the development of the Prosperity Center on E Street in Eureka. SBDC, SBA, BizNet, RREDCC and County Economic Development

share this space. These providers offer loans, classes, technical assistance and other resources for small business start-up and business expansion.

- The City has publicized the BizNet resource directory and phone number.
- The City also approved the co-location of SBDC classes along with AEDC at the Foodworks site now operated by College of the Redwoods; CR has also offered business classes at the Arcata site.

11) Create an information and coordination center, mentor program, information packet of resource people (proposed)

- Same as above. The Prosperity Center is the key support center in the county.
- The City also contracts with both Arcata Chamber of Commerce and Arcata Main Street, both of which provide information and assistance to their members and people interested in locating a business in Arcata.

12) Provide services for retail retention/expansion (proposed)

- The services that the City has provided include the Business Loan Program, the Façade Grant Program and various Owner Participation Agreements, usually related to infrastructure or parking, that have helped facilitate business expansion.

13) Promote small food production and community organized farming proposed)

- The City has promoted small food production through the Foodworks Incubator project. Ten tenants have “graduated” from Foodworks and expanded their businesses (e.g., Desserts on Us, Tofu Shop). Over 60 jobs have been created. Currently, there are nine small business tenants.
- The City provides space and set-up for the Northcoast Grower’s Association Farmer’s Market.

B. Proposed Projects - General

1) Identity in-fill sites, inventory of vacant/underutilized industrial sites, traffic access, and any development constraints.

- A “Vacant and Underutilized Map” was created in 1999 and targeted parcels for redevelopment.
- Several vacant parcels in the Aldergrove site have been sold for development.

2) Study the possibility of acquiring land for a new industrial park

- The Agency acquired the Little Lakes former industrial site, which is comprised of three parcels (12 acres) located off south I Street.
- The City is working with the U.S. E.P.A. to characterize site conditions and a plan to remediate this brownfields property.

3) Development of three vacant lots on the Plaza

- Two of the three parcels identified on the plaza in 1997 have been developed (9th and G and 9th and H), and one is under construction. Two additional parcels in the downtown have been developed with Agency assistance, at 7th and G and 7th and F Streets.
- Since 1997, three additional buildings have burned down, leaving three new vacant lots.

4) Create a parking inventory (private and public) to change perception

- The Downtown Parking Study, including an inventory, was completed and found a shortage of spaces.
- The Council approved through Resolutions 012-19 and 012-20 the creation of 35 new downtown parking spaces by shortening red zones and eliminating preferential parking.
- The City currently owns 2.81 acres of parking in 4 downtown lots. These four and the intermodal transit facility parking lot provide 246 public spaces.
- The City provides parking at the Community Center and the D Street Neighborhood Center.

6) Develop a new public parking lot on the west side of downtown

- The City has used its parking in lieu fees to make an offer to purchase to Humboldt Machine Works to convert the parcel to a parking lot. This is in progress.

6) Feasibility study for conservation lodge, bed and breakfast inns

- A preliminary conceptual study of the eco-hostel concept was completed in June 2002. A feasibility study is planned for spring 2004.

7) Establish a new trail along the north end of the bay connecting Arcata with Samoa Peninsula

- The City purchased the Hunt property for the new levee.
- There are a number of trail plans in the Pedestrian Plan, the General Plan, and the Rail Trail Plan.
- There is a policy addressing pedestrian access.

8) Improve visual quality of vehicular approach to Arcata Marsh and Wildlife Sanctuary

- Visual quality has been improved through the removal of the blighted buildings on the Little Lakes parcels.
- The City has done stream restoration in that area.

9) Improve signage for visitors (information about destinations)

- The City has accomplished the designs for the Samoa Gateway Street Plan.

- A contract with Arcata Main Street for design of improvements, including signage and landscaping, at Samoa Boulevard, has been approved.
- 10) Discourage conversion of older homes in the downtown to apartment buildings
- There has been no action.
- 11) Community visioning image plan within General Plan process
- Since 1997, the General Plan 2020 update was completed, which provided for community visioning.
 - The Community Image survey was completed.
 - There were scooping sessions for the Little Lakes project
 - The Housing Element Update provide a public meeting process
 - The Downtown Streetscape public meetings also provided for community visioning.
- 12) Review and revise home-based occupation regulations for residential areas near industrial/commercial
- There has been no action.

C. Proposed Projects, Ecotourism

- 1) Plan and implement annual Spring Bird Migration Festival (Godwit Days) to cover operating expenses, at the least, and to make a profit, if possible.
 - The City contracted with Arcata Main Street to plan and promote this festival, in its ninth year. The festival has grown substantially, and 2004 will be the last year it is operated by Arcata MainStreet. A new operator has not been identified yet.
 - The festival has not made a profit yet, and Arcata Main Street indicates that with all of the start-up investments, such as branding, interactive web registration system, and other infrastructure, a new operator should be ready to make a profit.
- 2) Establish the Arcata Marsh Interpretive Center as the Control Center for 1-800-number and distribution of collateral material
 - There is an 800- number for Godwit Days, operated by MainStreet and not out of the Marsh.
- 3) Explore the feasibility of offering weekend seminars on local birds and their habitats designed to attract birding enthusiasts during the Fall migration season
 - The City has not led efforts on this activity, however the local Audubon Society and Friends of the Arcata Marsh (FOAM) lead weekend walks.
 - Private outfitters (e.g., LBJ Enterprises) offer birding workshops.

- 4) Develop service brochure listing food, lodging, and guided tour companies for distribution to walk-in traffic and 1-800-number call-ins.
 - Under contract with the City, the Arcata Chamber of Commerce maintains the California Welcome Center office with daily hours. They also advertise Arcata, distribute an Arcata event calendar, and provide tourism (and relocation) information such as lodging.
 - Under contract with the City, the Humboldt County Convention and Visitors Bureau produces and disseminates brochures marketing Arcata accommodations, parks, restaurants, and attractions, including marketing Arcata special events.
- 5) Develop partnerships with other bird/wildlife festivals within the region: Kern County, San Diego, San Luis Obispo Morro Bay), Salton Sea, Sierra Vista
 - Arcata MainStreet has been part of the Northern California Festivals Group, which meets quarterly to share information and expertise about event tourism. They are moving toward joint promotion and other collaboration.
- 5) Develop partnerships with area non-profits and resource agencies such as Coastal Conservancy, Friends of the Dunes, HSU Natural History Museum, Redwood Region Audubon, other Audubon Chapters in the Western Region, Humboldt Bay NWR, California DFG, etc.
 - The Godwit Days Festival is promoted widely, in cooperation with many of the above agencies.
 - The City has not developed other partnerships with these agencies related to tourism.
- 7) Develop a Homepage - hyperlink with Arcata Home Page
 - Godwit Days has a web site that is linked with the Arcata home page.

G.2 STRATEGIES AND OBJECTIVES

Strategy 1: Develop a capability to respond to new business relocations or expansions in the community.

Objectives:

- a. Promote the Arcata area for eco-tourism, seniors, health care services, import substitution, professional services, specialty food products, information data services, businesses which reuse and recycle materials, and "high value" businesses (or those with high value-added products).
- b. Identify regulations that impact relocations.
- c. Develop a quick response capability for business relocations/expansions.

Strategy 2: Create a supportive environment for start-ups and expansions that are not well-capitalized

Objectives:

- a. Improved availability of technical assistance and expertise for start-up entrepreneurs.
- b. Provide a descriptive inventory of existing businesses in Arcata, with an indication of which were original start-ups.
- c. Develop a capability to provide information on how to capitalize business start-ups and expansions.
- d. Identify joint or shared space, services, equipment, etc.

Strategy 3: Strengthen existing businesses.

Objectives:

- a. Identify "stressed" businesses before they fail or relocate.
- b. Create a barometer of local business health.
- c. Assess regulations that impact relocations.
- d. Revitalize neighborhood commercial centers.
- e. Revitalize existing industrial areas.
- f. Identify businesses which have potential for expansion.

Strategy 4: Develop and implement a plan to attract visitors whose spending will increase both business and City revenues without causing significant negative impact on the Community's environment.

Objectives:

- a. Develop a tourism niche (ecotourism, bird watching, outdoor recreation, historical resources, and specialty retailing).
- b. Establish an image and reputation for Arcata as a "birder-friendly" community.
- c. Prepare an Action Plan to develop bird-watching products and marketing strategy.
- d. Develop monitoring mechanism to track visitation and revenue generation resulting from marketing efforts.
- e. Increase length of stay and spending in Arcata by visitors traveling through the city with destinations elsewhere.
- f. Study development of environmentally-minded visitor accommodations ("ecolodge", camping area, hostel).

Strategy 5: Ongoing public forum to interpret, coordinate, and discuss economic development

Objectives:

- a. Maintain City of Arcata Economic Development Committee
- b. Coordinate City economic development efforts and planning with Arcata Economic Development Corporation (AEDC)
- c. Generate information on economic development
- d. Assess economic development needs and changes in time needs
- e. Establish an explicit and interactive link between the Economic Development Committee and the General Plan Update Program