



Chapter 9 Economic Development Element



Chapter 9

Economic Development

9.1 INTRODUCTION

The Economic Development Element provides a framework for new development, revitalization, and redevelopment in the City. The purpose of the Economic Development Element is to identify current economic development conditions and to demonstrate how the land use plan will promote business activity and employment growth within the City. The Economic Development Element establishes goals and policies to promote fiscal stability, expand the City's employment base, and enhance the City's revenues in order to provide quality services to the community. The background



report prepared by Stanley R. Hoffman Associates in August 2009 serves as the basis for direction in this Element and can be found in Appendix I of the EIR.

9.2 AUTHORITY FOR THE ELEMENT

The Economic Development Element is not a mandatory element required by State Planning Law. However, a General Plan may also include other topics of local interest, as chosen by the local jurisdiction. Buena Park has chosen to include an Economic Development Element to address the economic health of the City and to establish goals and policies that encourage economic growth while also maintaining and improving the quality of life in the community.

9.3 SUMMARY OF EXISTING ECONOMIC CONDITIONS AND TRENDS

HISTORIC EMPLOYMENT GROWTH

Total jobs in the City grew from approximately 27,860 in 2001 to approximately 31,460 in 2007. The City's 2.1 percent annual average employment growth rate (2001 to 2007) was comparable to the Economic Sub-region, which grew at 2.3 percent. The City and the Economic Sub-region

grew at a faster rate than Orange County (1.1 percent) and Los Angeles County (0.4 percent). The City's employment share of the Economic Sub-region held steady at about 10 percent over the 2001 to 2007 time period and around 1.8 percent of Orange County.

In 2007, office-based employment comprised the largest group of jobs in the City at 16 percent followed by the Retail Trade group (13 percent), Manufacturing (11 percent), Accommodation and Food Services (10 percent) and Wholesale Trade (9 percent). The Other Employment category, which includes the Arts, Entertainment and Recreation industry, comprises nearly 15.3 percent of all jobs in the City, which is significantly higher than the surrounding Economic Sub-region.

Over the 2001 to 2007 time period, the share of manufacturing declined considerably from 18.4 percent to 10.8 percent. On the other hand, office employment grew from 12.4 percent to 15.8 percent, while retail trade grew marginally from 12.3 percent to 12.8 percent. Wholesale trade grew from 7.1 percent to 8.8 percent, while transportation and warehousing grew from 3.6 percent to 5.6 percent. The category of industries classified as 'Other', which includes Arts, Entertainment, and Recreation, saw a decline from 21.2 percent in 2001 to 15.3 percent in 2007.



Ratios of jobs to labor-force by industry of around 1.00 indicate a balance between labor supply and demand, while ratios of more than 1.00 indicate more potential jobs within the City compared to the resident labor pool. Ratios below 1.00 indicate more resident labor force in a particular industry compared to jobs.

Overall, in 2007, the ratio of jobs to labor force was 0.8, indicating a relatively low jobs number in the City economy compared to the resident labor force. The exceptions are Management of Enterprises, Administration-Support-Remediation-Waste Management Services and the Other Employment grouping (including Arts, Entertainment and Recreation), where jobs exceed the local labor force in these industry categories.

It should be noted that the fast developing economic changes in the Country are not captured in the historic data presented herein. Though some data post-onset of the current economic downturn in late 2008 is beginning to emerge at the US-wide, California and county-level, the lack of recent data is especially acute for local communities.

9.4 KEY INDUSTRY ISSUES AND OPPORTUNITIES

This section focuses on the issues pertaining to the key industries in the City that contribute to the jobs and revenues generated in the City. Over the long term, revenue growth needs to be maintained through sales and use tax, property taxes, and other revenues to keep pace with the cost and desired levels of service delivery. This is facilitated through economic development activities that tie to retail, entertainment, and business park/industrial development.

ENTERTAINMENT AND HOSPITALITY INDUSTRY

Activities related to Arts, Entertainment, Recreation, Accommodation, and Food Services are forecast to decline further in Orange County over the 2008 to 2010 time period. Considering the importance of these industries for Buena Park's economy, the City can attract significantly more visitors by creating new and enhancing existing attractions, including multi-use specialty retail, restaurant and entertainment centers, destination resort hotels, aquarium, dinner theatres, interactive museums, and conference centers.

The City received an annual average of nearly 6.4 million visitors, which could double with additional attractions. The City currently has major tourist attractions including the Knott's Berry Farm and Soak City Water Park, Medieval Times Dinner and Tournament, and Pirate's Dinner Adventure. There are currently 19 hotels and motels in the City, with an estimated 2,243 rooms. The Buena Park Convention and Visitor's Bureau estimated the overall city-wide room occupancy at approximately 70 percent occupancy in 2007.

The City's objectives for the entertainment and hospitality industry is to increase tourist activity, create destination local market draw, increase tax revenues, and attract developers for tourist-oriented development. Additionally, the City would like to encourage existing stakeholders to upgrade and share costs with the City for improving the entertainment zone.

RETAIL SECTOR

Buena Park has a sizable portion of jobs in the retailing sector. The regional Buena Park Mall and entertainment corridor are key opportunity areas for revitalization with mixed-use developments to create attractive destinations that will improve the City's retail environment in order to remain competitive in its market area. The Beach and Orangethorpe Mixed-Use Specific Plan envisions a mixed-use designation that includes 350,000 square feet of retail, a 300 room hotel, a corporate office building and 1,000 high-rise residential units.



Opportunities to connect major attractions and retail uses through public transportation improvements, while also facilitating the movement of visitors in the City should be considered. The City is also interested in transit oriented development opportunities around major transit hubs including the Metrolink Station and bus corridors.

Auto dealers form another group of retail activities that the City continues to promote, although it is acknowledged that auto sales are generally down during the current economic downturn. Auto dealers currently support between 150 and 200 employees in the City. Expansion of existing auto dealers, as well as the addition of new dealers, is anticipated to have long-term potential within the City.

MANUFACTURING AND OTHER INDUSTRIAL LAND USES

Manufacturing has been declining steadily in the City over the last decade. It is anticipated that these declines will likely continue over the next few years in Buena Park. Industrially zoned land could potentially transition to higher intensity uses, especially along the freeways for office, research and development, or mixed-use development. Additionally, these lands could serve as potential opportunity for the City to participate in region-wide efforts to facilitate the location of green technology and energy firms.

OFFICE USE

Office-related jobs have been rising steadily in the City over the last decade. The potential rezoning of industrially zoned land to business park and office uses could help the City expand its office-based employment. Further, the City's location along the SR-91 and I-5 Freeways could provide easy access to labor markets in both Los Angeles and Orange counties.

Transit-Oriented Development

The book *Crabgrass Frontier* shows how development has followed transportation investments in United States history time and again, whether the mode of transportation was street car, ferry, train, or automobile. Today, transit nodes such as rail and bus stations are seen as opportunities for "transit-oriented development," or TOD. TOD brings the places where people live, work, and shop closer to transit stations.

Transit-oriented development is often defined as higher-density mixed-use development within walking distance – or a half mile – of transit stations. The Center for Transit-Oriented Development uses a performance-based definition, and believes that projects should also:

- Increase "location efficiency" so people can walk and bike and take transit
- Boost transit ridership and minimize traffic
- Provide a rich mix of housing, shopping and transportation choices
- Generate revenue for the public and private sectors and provide value for both new and existing residents
- Create a sense of place



Transit investments, together with planning policies that promote TOD, raise property values and stimulate development. Other economic benefits of TOD include the cost savings that come from fewer accidents, less congestion, and families spending less of their income on transportation. Employers located near transit can also access a larger labor market. Cities can capture some of the value created by transit through special taxing districts, then use the funds to enhance TOD with additional investments in public space and infrastructure for walking and bicycling.

Source: The Center for Transit-Oriented Development.

9.5 PRINCIPLES, GOALS, AND POLICIES

PRINCIPLE: FISCAL STABILITY

The City of Buena Park seeks fiscal stability and continued financial growth. Stability will enhance opportunity for economic growth sectors of the community.

Goal ED-1: Cumulative growth that provides net fiscal gains to the City.

- Policy ED-1.1: Strive for the cost of services to be balanced with the revenues generated on a recurring basis.
- Policy ED-1.2: Monitor the fiscal health of the community and focus on major public/private economic achievements.
- Policy ED-1.3: Prioritize capital improvement investments based on the potential fiscal revenue stream that will be generated by the development related to the capital improvements.
- Policy ED-1.4: Identify and pursue categories of resident retail demands, which are not being met within the City.
- Policy ED-1.5: Promote diversification of the City's tax base; including sales, use, property, and other taxes to keep pace with the cost and delivery of desired levels of service.

PRINCIPLE: TAX BASE REVENUE GROWTH

Economic growth can bring many benefits to the community, including jobs, housing, and new revenue. New growth will lead to higher tax revenue, thus benefiting residents and the community directly by enhancing many of the public services the City provides. The City will continue to collaborate with the business community to facilitate growth, development, and infrastructure improvements that benefit residents and businesses alike.

Goal ED-2: Encouragement and facilitation of activities that expand the City's revenue base.

- Policy ED-2.1: Encourage a broad range of business uses that provide employment at all income levels and that make a positive contribution to the City's tax base.

- Policy ED-2.2: Encourage opportunities for mixed-use, office, manufacturing, and retail development that respond to market and community needs in terms of size, location, and cost.
- Policy ED-2.3: Track retail trends and tailor regulations to respond to market changes, maximize revenue, and maintain the appropriate business mix.
- Policy ED-2.4: Encourage new development along highly visible corridors that is pedestrian oriented and includes a mixture of retail, residential, and office uses.
- Policy ED-2.5: Use the City's redevelopment authority to create opportunities for businesses to establish in Buena Park and bring high-skill and professional jobs and new revenue sources into the community.
- Policy ED-2.6: Examine options for the development of new infrastructure for new technologies and businesses that use those technologies.

The Community Design Element acknowledges the importance of expanding the City's revenue base. The Land Use Plan supports the development of these uses in key areas of the City.

Goal ED-3: Implementation of the revitalization goals of the City's redevelopment project areas and other strategic locations.

- Policy ED-3.1: Promote the redevelopment of key focus areas, including Central Buena Park, Orangethorpe Corridor East, Orangethorpe Corridor West, Commonwealth Corridor, Civic Center, Northwest, and North Beach.
- Policy ED-3.2: Encourage the rehabilitation, enhancement, or redevelopment of the Fillmore-Jackson focus area.
- Policy ED-3.3: Encourage the construction of new housing opportunities identified in redevelopment project area plans, the Housing Element, and Land Use Element.
- Policy ED-3.4: Continue to provide and enhance civic uses – parks, libraries, and community centers – which provide key services for residents.

PRINCIPLE: DIVERSITY

Buena Park understands that part of its economic stronghold stems from its employment diversity of office, retail, manufacturing, and industrial businesses. Retaining and expanding these businesses will continue the economic benefits the City maintains, as well as those seeking employment opportunities in Buena Park.

Goal ED-4: Maintenance and expansion of the City's diverse employment base, including office, retail, manufacturing, and industrial businesses.

- Policy ED-4.1: Engage in activities that promote Buena Park as a good place to work and develop a business.
- Policy ED-4.2: Identify opportunities to assist underperforming employment centers to restructure their tenant mix, market assets, and improve individual customer bases to remain competitive.
- Policy ED-4.3: Support training and educational opportunities in the City to develop a highly-trained and professional work force, and encourage local business to hire local residents.
- Policy ED-4.4: Support a business friendly environment for which new businesses can locate and existing businesses can flourish.
- Policy ED-4.5: Work with organizations to implement marketing programs that identify economic opportunities in the City.
- Policy ED-4.6: Continue to work with surrounding cities to strengthen North Orange County Regional Economic Development.

PRINCIPLE: BUSINESS RETENTION AND ATTRACTION

Business retention and attraction are top priorities for Buena Park. The City takes great pride in the long, established history of the many business establishments in the City.

Goal ED-5: Retention and promotion of the expansion of the City's employment base through the business retention and attraction program.

Policy ED-5.1: Continue to enhance programs which work toward retaining and expanding businesses in Buena Park.

Policy ED-5.2: Encourage the Chamber of Commerce to work with the local ethnic business communities to develop strategies to help bring success and distinction to the community.

Policy ED-5.3: Continue to encourage the expansion of existing auto dealerships, as well as addition of new dealers in the Auto Center.

Goal ED-6: Attraction of businesses through an efficient development approval process.

Policy ED-6.1: Maintain a well-publicized, informative, and competitive fee structure for development and construction-related permits.

Policy ED-6.2: Continue to enhance user-friendly permit assistance activities.

Policy ED-6.3: Periodically review and update Zoning Ordinance provisions to address the latest development trends.

Policy ED-6.4: Continue to identify ways to streamline the zoning entitlement process.

PRINCIPLE: JOBS-HOUSING BALANCE

Future mixed-use development in focus areas of the City will provide greater opportunity for jobs-housing balancing.

Goal ED-7: Improvement of the jobs-housing balance within the City of Buena Park.

Policy ED-7.1: Encourage mixed-use development to facilitate a better jobs-housing balance.

Policy ED-7.2: Encourage transit-oriented development around major transit hubs including the MetroLink Station and bus corridors to facilitate a better jobs-housing balance and enhance connectivity between entertainment and retail destinations and employment centers.

Policy ED-7.3: Encourage employer assisted housing including grants or loan programs to assist with down payments (for homebuyers) or security deposits (for renters), offering homeownership education and counseling, and investing in the development of affordable homes within Buena Park.

Goals and policies in the Land Use and Community Design Element support a jobs-housing balance within the City.

PRINCIPLE: ENTERTAINMENT CORRIDOR AND TOURISM

The Entertainment Corridor along Beach Boulevard provides multiple attractions and destinations for visitors to Buena Park. The City will continue to seek opportunities to grow and expand the experience for tourists who visit Buena Park.

Goal ED-8: Encouragement of the development and expansion of entertainment and tourism related business in Buena Park.

Policy ED-8.1: Continue to provide enhanced visitor services, including hotels, visitor information, and commercial recreation opportunities.

Policy ED-8.2: Investigate the diversity of entertainment uses and activities, which would encourage tourists and business-oriented travelers to extend the duration of their visit in Buena Park (i.e., theater events, restaurants, movie theaters, themed hotels, commercial recreation opportunities, etc.).

Policy ED-8.3: Explore traditional, non-traditional, and international marketing approaches to attract local, regional, and foreign tourism.

Policy ED-8.4: Continue Agency acquisition efforts of key properties in the Redevelopment Area.

The Land Use and Community Design Element provides the vision for the Entertainment Corridor and Entertainment Corridor North areas, including goals and policies to enhance and attract entertainment and tourism related uses to the City.

PRINCIPLE: REVITALIZATION OF AGING CENTERS

Buena Park recognizes the need to revitalize its older commercial areas and support reinvestment and business growth in these areas. Encouraging economic growth can also help meet identified community needs.

Goal ED-9: Revitalization of aging business centers with uses that bring jobs, housing, and new revenues into the community.

Policy ED-9.1: Continue to use the City's redevelopment authority to facilitate revitalization of blighted and economically struggling business centers and neighborhoods.

Policy ED-9.2: Explore opportunities for mixed-use development projects on sites historically supporting commercial centers.

Goal ED-10: Creation of a major, mixed-use regional center at the Buena Park Mall providing employment, shopping, entertainment, and housing for residents, employees, and visitors.

Policy ED-10.1: Implement a creative, proactive approach in designing a strategic planning process for the development of Buena Park Mall.

Policy ED-10.2: Encourage mixed-use and higher-density development at the Buena Park Mall property.

Policy ED-10.3: Consider large-scale residential development at the Buena Park Mall site to provide a market for the mix of uses in the area.

Policy ED-10.4: Plan for and encourage creativity in design of the Buena Park Mall site in order to adapt to changing situations, circumstances, and challenges that may arise as the area undergoes transition.

Goal ED-11: Promotion of the revitalization of Central Buena Park as a pedestrian-oriented activity center, enhanced with diverse retail, residential and cultural opportunities.

Policy ED-11.1: Promote Central Buena Park as a destination for local residents and regional visitors thereby creating a stimulus for economic revitalization.

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Policy ED-11.2: Encourage mixed-use development incorporating ground-floor retail and high-quality architecture that has quality design and is consistent with surrounding uses.

Policy ED-11.3: Encourage well-designed, convenient parking structures, distinctive street furniture, and ample pedestrian amenities as stimuli to shopping and commercial activity.

PRINCIPLE: RETAIL SECTOR

The stability and growth of the retail sector is vital to the economic well being of the City. Retail opportunities need to respond to both the residents and visitors of Buena Park.

Goal ED-12: Maximization of market potential in order to enhance and retain retail opportunities to serve the population.

Policy ED-12.1: Monitor the conditions and status of older shopping centers and smaller, underutilized commercially zoned parcels.

Policy ED-12.2: Enhance and retain retail opportunities to serve the population.

Goal ED-13: Encourage enhancement of quality commercial development along major corridors.

Policy ED-13.1: Redirect and consolidate underutilized/under-performing strip commercial development to high-activity locations, particularly at key corners of major street intersections.

Policy ED-13.2: Ensure that the development of new commercial centers provide for quality design, pedestrian amenities, convenient access, and distinctive architecture.

PRINCIPLE: MIX OF INDUSTRIAL AND OFFICE USES

A primary factor in identifying focus areas in the City is the need to revitalize and reinvent industrial and office uses to respond to the needs and interests that seek these uses.

Goal ED-14: Promotion of a viable mix of industrial and office uses within the City through emphasis on flexible technology, research, and manufacturing.

Policy ED-14.1: Encourage the transformation of obsolete industrial lands to higher-density office and new research and development activities, such as those related to the emerging “green economy.”

Policy ED-14.2: Encourage support services as part of office/industrial and mixed-use development (i.e., child care, convenience shopping, personal services, restaurants, etc.).

Policy ED-14.3: Allow for innovation in design through a range of techniques including adaptive reuse, mixed-use development, and smart growth concepts.

Goal ED-15: Maximization of the potential of existing and planned development along the Orangethorpe Corridor and develop strategies to attract quality development.

Policy ED-15.1: Encourage the development and/or attraction of retail businesses which serve a regional market and maximize tax revenue.

Policy ED-15.2: Encourage public infrastructure improvements that will support and facilitate development and unify the corridor.

Policy ED-15.3: When necessary, work with owners to develop signage programs that effectively identify and promote the centers.

Policy ED-15.4: Continue to enhance marketing and business retention/attraction programs to effectively compete with neighboring cities in attracting and retaining regional-serving businesses.