

# **Fresno County**

## **Economic Development Strategy**

Adopted  
**October 3, 2000**

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## EXECUTIVE SUMMARY

The economic development strategy has been prepared pursuant to Board of Supervisors direction to implement a preferred general plan growth scenario for the Year 2020 planning horizon. The preferred growth scenario combines three of the five scenarios evaluated in Task 5 of the General Plan Update Process, including encouraging shifts in agricultural production to maximize employment benefits (Scenario B); promoting value-added agriculture industries with national and global markets (Scenario C); and, diversifying the economy to create non-agricultural basic employment (Scenario D). In addition, the strategy contains an element to boost the county's visitor-serving sector. The strategy is intended to serve as the County's Comprehensive Economic Development Strategy (CEDS) pursuant to federal Economic Development Administration regulations.

## VISION

The strategy presents a vision of economic advancement for the county, its residents and its businesses that will accomplish the following:

- By the year 2020 Fresno County will take its place in the Central Valley and California as a center for a wide variety of high value-added firms in a dynamic and growing globally-oriented state economy.
- The growth of basic jobs in the food and fiber industry along with those jobs in emerging industrial clusters, such as information technology, biotechnology and environmental technology, will provide all Fresno County residents with employment opportunities in interesting fields with career potential.
- Full-time lower-paying jobs will be available for the less skilled in the expanding commercial sector due to an increasingly profitable market for retail goods and services triggered by higher incomes and population growth in the incorporated cities and unincorporated communities throughout the county.
- Growth in basic jobs and local-serving jobs, coupled with a sharp reduction in the cost of services to formerly unemployed residents will also provide increased revenues to public sector institutions for building and maintaining the infrastructure necessary for sustaining economic and personal growth.
- The county and its cities and communities will no longer be dependent on continued high levels of population growth and agriculture related employment to provide the increases in consumer purchasing power and expansion in the labor force necessary to support a healthy and growing economy.
- The potential negative impacts of economic and population growth will have been mitigated through the careful location of industrial, commercial and residential development in areas appropriately zoned within the spheres of influence of cities or established communities in the unincorporated area.

- In bringing about this result, all public entities will have searched for, and found, new and innovative ways to carry out their public responsibilities, including providing a sound foundation for economic growth while maintaining an impressive quality of life for all its residents.

## **IMPLEMENTATION APPROACH**

The intent of the Economic Development Strategy is to change the course of business development in the county, even while building on many of the county's existing economic strengths. The main emphasis of the strategy is to forge a new role for the County, to provide regional leadership in economic development and coordination of economic development resources.

While the State Trade and Commerce Agency has designated the Fresno Economic Development Corporation (EDC) as the lead agency for business marketing, there are many agencies and organizations involved with economic development in Fresno County. Yet the resources available are very limited in relation to the difficulty of reducing long term unemployment. The strategy calls for the County to allocate additional staff resources to economic development and to organize a countywide Economic Development Action Team, composed of a wide range of implementation partners. The Action Team would be charged with the responsibility of creating the initiatives necessary to provide the economic foundations for job growth and to ensure that the benefits of growth are gained by local workers through workforce development activities.

It is especially incumbent on the County and the cities to collaborate in supporting business growth and development. While the strategy addresses countywide economic development, the unincorporated communities outside the cities' spheres of influence are projected to receive only seven percent of the new jobs and population in the preferred growth scenario. The County and the cities must create a workable capital improvements plan and resource allocation system to ensure that the costs and benefits of economic development are shared appropriately. The County can assist by coordinating regional land use and infrastructure planning, supporting initiatives to develop regional solutions to economic constraints such as water supply, and cooperating with the efforts of cities and other agencies to access state and federal funds for vital projects in the county.

It is critical that the County continues its efforts in all departments to maintain a supportive business environment in its daily interaction with the business community. There is no better tool for business retention and expansion, and ultimately business attraction, than efficient, well done service delivery. For example, the County Planning and Resource Management Department and the Public Works Department currently offer a comprehensive project review at very early project planning stages to discuss the unique needs of individual business development projects. The process can also involve the Department of Employment and Temporary Assistance and the Agricultural Commissioner as necessary. This kind of service is representative of the customer service approach that is vital to the county's business climate.

## **GOALS AND STRATEGIC INITIATIVES**

The strategy is based on three overarching goals: to increase employment opportunities, to diversify the regional economy, and to improve labor force preparedness. This section provides an outline of the supporting objectives, policies and strategic initiatives presented in the strategy.

## **Goal 1: Increase Job Creation**

### **Objectives:**

1. Expansion of local high value-added firms to create 1,000 jobs per year greater than the growth in labor force.
2. Attraction of new high value-added firms to create 1,000 jobs per year greater than the growth in labor force.
3. Development of new high value-added firms to create 500 jobs per year greater than the growth in labor force.

**Policy 1.1:** The County shall provide regional leadership in economic development and coordination of economic development resources.

### **Strategic Initiatives**

- 1.1.1. The County shall allocate staff resources to the effort of economic planning within county government and coordinating efforts of the cities and regional agencies.
- 1.1.2. The County shall support and staff an Economic Development Action Team composed of County departments, including the Agricultural Commissioner, city representatives and regional organizations engaged in the various facets of economic development in the County.
- 1.1.3. The County shall maintain, monitor, and periodically update the Economic Development Strategy, which shall be used as an operational guide to implementing the economic development goals and policies of the General Plan, as well as fulfill Federal EDA requirements for a Comprehensive Economic Development Strategy (CEDs).
- 1.1.4. The County shall work with the cities to develop a resource allocation program that efficiently bears the costs of economic development and equitably distributes the benefits to local government jurisdictions in the county. The program should include a regional capital improvements plan.
- 1.1.5. The County shall cooperate with and assist the Fresno EDC, the cities and organizations such as the I-5 Business Development Corridor and Five Cities Consortium with their efforts to foster economic development consistent with the countywide strategy. Such assistance may involve joint sponsorship of funding applications, planning and development of regional infrastructure, coordinated marketing efforts and responses to site location requests, and other activities.
- 1.1.6. The County, working in cooperation with the cities, shall develop criteria for the location in the unincorporated areas value-added agriculture processing facilities that are compatible with an agricultural setting. Such criteria shall take into account the service requirements of facilities for processing agricultural products and the capability and capacity of the cities to provide the services required.

- 1.1.7. In keeping with the adopted economic development strategies, targeted industry studies and policies of the cities and taking into account opportunities offered by variations in local environmental conditions, the County shall develop criteria for designation and zoning of adequate land suitable for commerce and manufacturing in rural areas.
- 1.1.8. The County shall participate in regional business retention and expansion programs such as the Rapid Response program, to ensure that County services are accessible to businesses in need.
- 1.1.9. The County shall coordinate an initiative for the integration of capital sources into a seamless delivery system.
- 1.1.10. The County shall routinely review the economic impacts of all policy, budgetary, and discretionary project decisions. To that end, staff reports for all discretionary decisions by the Board of Supervisors, Planning Commission, and other County decision-making bodies shall include an analysis of economic impacts along with fiscal impacts.

**Policy 1.2:** The County shall support and encourage trends in agricultural production that shift suitable land into higher-value, specialty crops that can support a more diverse processing sector with higher paying and more steady employment opportunities.

#### **Strategic Initiatives**

- 1.2.1. The County shall assist responsible agricultural agencies and marketing cooperatives to research global and domestic markets for high value crops.
- 1.2.2. Through its funding contracts related to the CalWORKS program, the County shall contract with the Fresno EDC to develop targeted marketing programs for Fresno County produce.
- 1.2.3. The County shall support efforts of the UC Cooperative Extension, the Agricultural Commissioner, and other entities to provide technical assistance to farmers attempting to shift to higher value crops.
- 1.2.4. The County shall implement general plan land use policies and programs to conserve agricultural land and to promote improved soil productivity.
- 1.2.5. The County shall ensure that regional workforce training programs funded by the Workforce Development Board include modules that address specialized crop care practices needed to implement a continuing shift to higher value crops.
- 1.2.6. The County shall determine if capital deficiencies exist for farmers with the capital costs of shifting production modes to crops that create higher employment levels. If such deficiencies are identified, the County shall assist agencies such as the Valley Small Business Development Corporation to access additional micro-loan funds or redirect existing funds to meet this need.
- 1.2.7. The County shall actively develop, adopt and implement measures to ensure an adequate water supply for municipal and industrial use and agricultural production. The County



shall explore and implement where feasible innovative new arrangements for providing additional water.

**Policy 1.3:** The County shall support accelerated development of high value-added food processing firms.

### **Strategic Initiatives**

- 1.3.1. The County shall collaborate with research institutions and responsible agencies to research global and domestic markets for processed foods capable of production in Fresno County.
- 1.3.2. Through its funding contracts related to the CalWORKS program the County shall contract with the Fresno EDC to market Fresno County as a premier location for the production of globally-distributed food and fiber products.
- 1.3.3. The County shall encourage processing facilities that obtain raw products regionally rather than locally, including those which may logically be expected to expand into regional processing facilities, to locate in established industrial parks under city jurisdiction. While most of the raw products are anticipated to come from within California, increased inspection capabilities may also be needed for products imported from out of state.
- 1.3.4. Support shall be given to cities and districts in their efforts to increase the number of improved sites for commercial and manufacturing uses, in keeping with community and city general plans. Specifically the County, cities, and the Local Agency Formation Commission shall work cooperatively to plan and process applications for city sponsored industrial parks.
- 1.3.5. Certain critical requirements of food processing industries, such as wastewater treatment, may require innovative, regional solutions. The County shall support and encourage technology development programs through collaboration with research institutions, such as the California Agriculture Technology Institute at CSU Fresno, and other responsible agencies, for use by industries and cities to support the expansion of agricultural industries.
- 1.3.6. The County will work to improve regional transportation systems to support increasing hauling of raw product into the county and export of finished goods nationally and globally. Implementation of general plan policies related to rail and truck transportation is especially important for this effort.

### **Goal 2: Diversify the Economic Base**

#### **Objectives:**

The objectives under this goal are a subset of those under Goal 1.

1. Expansion of existing non-agricultural firms in targeted clusters and industries by 500 jobs per year.

2. Attraction of new non-agricultural firms to the County in targeted clusters and industries to create 500 jobs per year.
3. Development of new non-agricultural firms to the County in targeted clusters and industries to create 250 jobs per year.

**Policy 2.1:** The County shall encourage the expansion of non-agricultural business clusters such as information technology and fabricated metal components manufacturing.

### **Strategic Initiatives**

- 2.1.1 The County shall ensure, through its CalWORKS contracts, that the Fresno EDC actively markets the county to non-agricultural firms.
- 2.1.2 The County shall ensure that training provided through the Workforce Development Board includes skills needed for information technology and non-agricultural manufacturing firms.
- 2.1.3 The County shall provide leadership in the development of countywide telecommunications infrastructure. The County shall convene a group of the existing service providers to determine the state of infrastructure currently, the needs for the future and the role of the county and other agencies in facilitating implementation of services demanded by high technology firms.
- 2.1.4 The County shall support the development of a high-speed rail system through the Central Valley in order to improve access between Fresno and the coastal metropolitan regions in the state.
- 2.1.5 The County shall collaborate with Fresno Yosemite Airport to improve the level of air passenger service to Fresno County.
- 2.1.6 The County shall help facilitate where possible the collaboration between institutions of higher learning and local and regional technology firms.
- 2.1.7 The County shall support efforts to enhance the cultural and recreational amenities available in the County in order to maintain the desired livability for its residents as well as to attract business entrepreneurs from other metropolitan areas in California and throughout the nation and the world.
- 2.1.8 The County shall coordinate an initiative to deliver a comprehensive package of technical assistance regarding available technology to local businesses to improve their productivity and make this assistance available as an incentive for business prospects.
- 2.1.9 The County shall convene a roundtable of major financial institutions, venture capital firms, business finance agencies, and organizations such as the California Public Employees Retirement System (CALPERS), to determine the need for improving access to capital for non-agricultural businesses seeking to locate or expand in Fresno County.

**Policy 2.2:** The County shall encourage the development of visitor-serving attractions and accommodation in County jurisdiction where natural amenities and resources are attractive and would not be diminished by tourist activities.

### **Strategic Initiatives**

- 2.2.1. The County shall actively promote the development of the San Joaquin and Kings Rivers for recreational use and as tourist destinations.
- 2.2.2. The County shall promote the development of the Friant-Millerton area as a major recreational corridor that includes camping, water sports, hiking, golf, conference/hotel facilities, and historic attractions. Facilities should include moderately-priced multifamily employee housing.
- 2.2.3. The County shall encourage coordination in advertising by visitor-serving businesses.
- 2.2.4. The County shall coordinate with regional transportation initiatives such as the Yosemite Area Regional Transportation Strategy (YARTS) that encourage strong connections with lodging centers in the foothills and mountain areas.
- 2.2.5. The County shall initiate a planning process to identify additional recreation opportunities in the western hills region of the coast range foothills, and other areas where "gateway opportunities" exist.
- 2.2.6. The County shall encourage tourism and related job creation through implementation of general plan open space and recreation policies and programs.
- 2.2.7. The County shall regularly evaluate the marketing programs of the Visitor and Convention Bureau and provide funding assistance as appropriate to support effective marketing programs that attract business travel to the County.

### **Goal 3. Improve Labor Force Preparedness**

#### **Objectives:**

- 1. Reduction in the unemployment rate equal to the average for the state for employees in the industries targeted for business development over the next 20 years.
- 2. An increase in wages equal to the average for the state for employees in the industries targeted for business development over the next 20 years.
- 3. A decrease in the proportion of workers imported from other locations in the Central Valley.

**Policy 3.1.** The County shall support workforce training efforts that will lead to the availability of local workers to meet all the skilled occupational needs of an increasingly diverse business sector.

## Strategic Initiatives

- 3.1.1. The County shall continue, on an ongoing basis, efforts initiated through the CalWORKS Job Creation Investment Fund to identify the skills required by the clusters and industries targeted for expansion, attraction and new enterprise development.
- 3.1.2. The County Department of Employment and Temporary Assistance shall continue efforts such as the Employee Preparedness Index for CalWORKS recipients, which assist placement agencies and businesses in assessing the availability and work readiness of the hard to place labor force in the County.
- 3.1.3. The County shall continue its collaborative planning and funding efforts with agencies such as the County Office of Education, State EDD, local school districts, post secondary educational institutions, training agencies, and the cities. Such efforts may include education management services, employment placement services, relocation and retention programs, youth employment programs, jobs clubs and neighborhood jobs services.
- 3.1.4. The County shall encourage efforts to prepare students for the 21st century global economy. For example, the School Districts in the county should be encouraged to adopt the School to Work program as a model for K-12 education and focus on the requirements of those clusters and industries targeted for future growth.
- 3.1.5. The County shall assist the Community College Districts to work with clusters and industries targeted for employment growth to develop and provide specialized training for their employees based on their specifications.

## INTRODUCTION

The Economic Development Strategy for Fresno County serves both to guide the preparation of the County General Plan update and also as the Comprehensive Economic Development Strategy (CEDS) pursuant to the Economic Development Administration Reform Act of 1998. Thus, this document replaces the old Overall Economic Development Plan (OEDP) in the Federal EDA process as a prerequisite for the County to qualify for EDA assistance under its public works, economic adjustment, and planning programs.

This draft of the strategy responds to public comments received on the first draft submitted in December 1998. The Fresno County Board of Supervisors had directed the General Plan Consultant Team to prepare an Economic Development Strategy based on the selection of Scenarios B/C (Shifts in Agricultural Production/Value-added Agriculture) and D (Non-Agricultural Basic Employment) as described in the *Economic and Growth Scenarios* report. In its discussion of the Scenarios report prior to the Board's review, the County Planning Commission noted that Scenario B was primarily market driven and, therefore, emphasized Scenario C for the purpose of preparing an Economic Development Strategy. The Planning Commission also noted the importance of diversification and recommended that Scenario D be pursued to relieve the current dependency on the Agricultural Cluster for employment and wealth generation. The Planning Commission also noted the relevance of the recently published report, *A Landscape of Choice*, and recommended that the findings and recommendations of this report be reflected in the Economic Development Strategy and the revised General Plan. The County Board of Supervisors accepted the recommendations of the Planning Commission with minor modifications and directed County Staff and the General Plan Consultant Team to prepare an Economic Development Strategy consistent with those recommendations.

Concurrent with the process of revising the Economic Development Strategy, the Consultant Team drafted the various elements of the General Plan, in the process identifying the impact of the Economic Development Strategy on these elements and the costs and benefits to the county, both incorporated and unincorporated, resulting from its implementation.

The first section of this report provides background information on the research leading to the development of an Economic Development Strategy. Included are summaries of the General Plan *Background Report* and the *Economic and Growth Scenarios Report*, findings from the public review process, a summary of the scenarios selection process, and a summary of the Board of Supervisors' policy direction to the Consultant Team and County Staff.

The second section outlines the Economic Development Strategy proposed for Fresno County. Included is a description of a Vision for the future of Fresno County, a discussion of the goals and objectives appropriate for achieving that Vision, the initiatives required to meet those goals and objectives, a process for implementing those initiatives and systematically benchmarking progress annually and over a 20-year period.



## **BACKGROUND TO THE ECONOMIC DEVELOPMENT STRATEGY**

This section summarizes the information contained in previous reports and lays the foundation for the Economic Development Strategy.

In late 1996 the County began its General Plan Update Program. A Consultant Team led by Mintier & Associates was selected to conduct the project. Fresno County stipulated in its General Plan RFP that the consultant team begin the process by preparing an Economic Development Strategy to guide the drafting of the revised General Plan.

In taking this step, Fresno County recognized that a clear understanding of how the economic base of the county might evolve over the next 20 years would be critical to assessing what changes, if any, would need to be made in each of the General Plan elements. With this in mind, the General Plan Consultant Team conducted an analysis of the county's economic base and identified those industrial clusters showing the greatest potential for employment and income growth over the next 20 years.

### **GENERAL PLAN BACKGROUND REPORT**

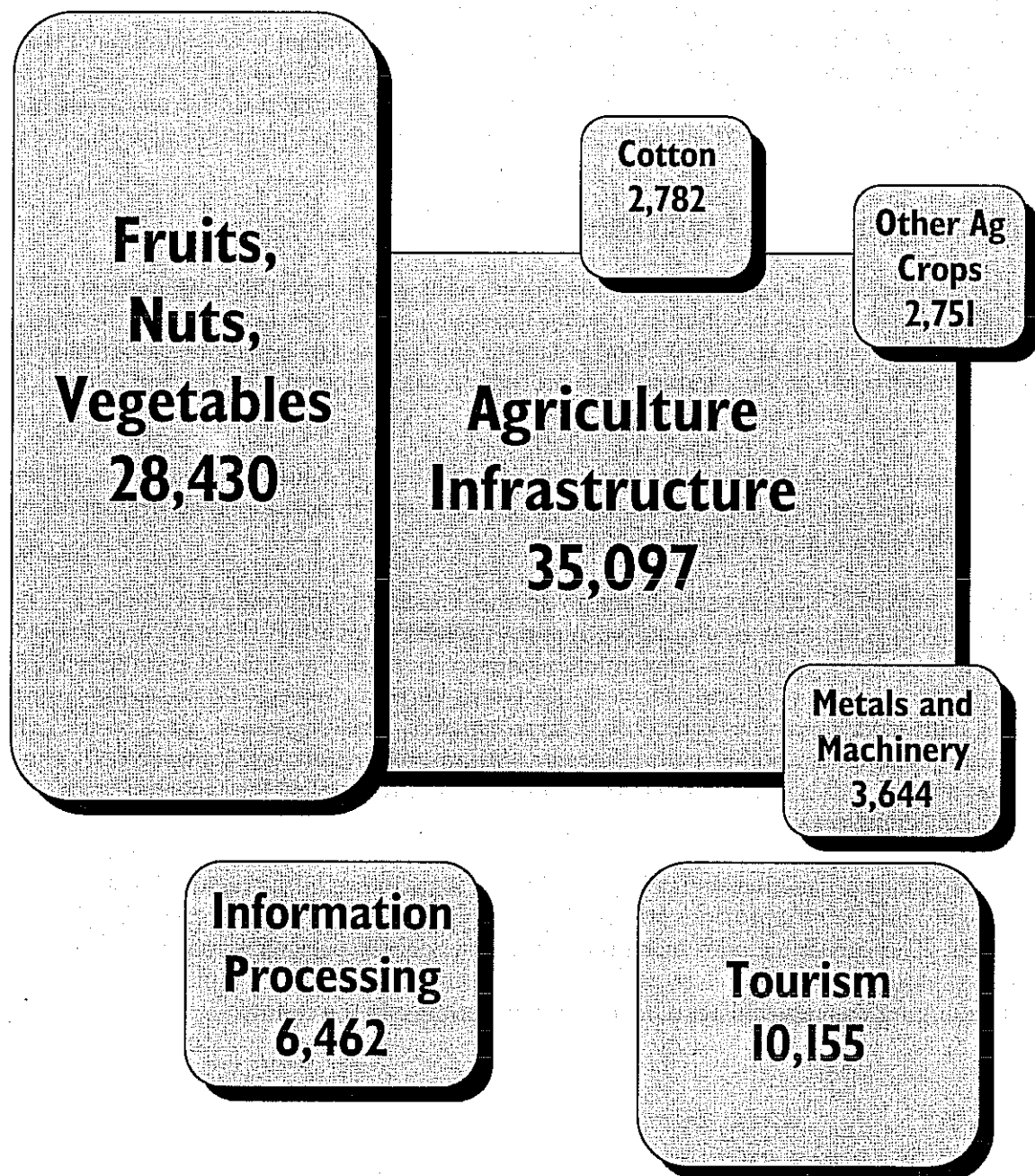
Analysis of the county's economic base disclosed, not surprisingly, that employment and income growth in basic jobs is concentrated among those businesses that are a part of the Agricultural Cluster. While there has been a trend toward lower employment in agricultural production (farming and ranching), many of those industries in processing, packaging and distribution of farm products show strong potential for increased growth.

Of particular significance was what was referred to as the Agricultural Infrastructure cluster. This infrastructure cluster contains all the local businesses that provide goods or services primarily or exclusively to the Agricultural Industry.

Figure 1 below is a conceptual diagram of the Fresno County industry clusters. The four commodity specific clusters--Fruits, Nuts, and Vegetables; Livestock, Poultry, and Dairy; Cotton; and Other Crops--follow the conventional pattern involving a chain of production from raw materials to finished products. They are shown as vertical clusters. Of these, the largest is the Fruits, Nuts, and Vegetables Cluster with approximately 28,430 workers. The Livestock, Poultry, and Dairy Cluster is another mature cluster with approximately 6,922 employees. The Cotton Cluster and the Other Agricultural Crops Cluster are approximately the same size, each with more than 2,700 employees.

Supporting the vertical clusters is a large horizontal Agriculture Infrastructure Cluster, which is not commodity specific, but provides material inputs and services to a wide range of agriculture-related products. This cluster includes such products and services as packaging materials, agriculture and food processing equipment, storage, trucking, and distribution. For example, irrigation technology is an emerging business cluster of increasing importance in the county.

**Figure 1**  
**Fresno County Key Industry**  
**Clusters and Employment**





A major share of the employment in the Agricultural Infrastructure Cluster is in warehousing, packaging, and distribution. These post-production functions play a vital role in making Fresno County growers competitive. Fresno County is an ideal location for these functions because of its extensive highway and rail systems, which connect the northern and southern parts of the state. These businesses are not only growing due to continued expansion in agricultural production, they are also finding new markets, particularly in the consumer goods industries that need warehousing, packaging, and distribution facilities to meet growing consumer demand resulting from population growth.

A second horizontal cluster that is emerging in the region is Metalworking and Machinery. Associated with the Agricultural Cluster through the production of farm machinery and parts, pumping equipment, and metal structures, this cluster also serves markets outside of agriculture and has the potential to further develop independently. Moreover, this type of horizontal cluster provides the manufacturing capacity that is critical to the vitality of other industries. To the extent that the region is capable of providing a rich source of specialty parts and components, the supplier base becomes an integral part of the process, which results in innovation and product refinement.

Another cluster that has begun to develop in Fresno County is information processing, also known as "back office" activity. Back office establishments perform a variety of functions in large corporations such as data processing, insurance claims processing, centralized payroll services, and telecommunications. The industry specializes in high-volume data transactions with low per-unit costs. Because today's technology permits data transactions to occur cheaply over very long distances, clients are frequently located far away. In one sense, back office operations are suppliers to industries with heavy data processing needs, such as health care, banking, and insurance, and, as such, are part of those clusters.

Information processing industries need a substantial number of workers that can be easily trained in telephonic and data management tasks. These individuals are readily available in Fresno County. They also require office space with few amenities, and are willing to locate in mixed-use areas and/or flex space. Information processing firms also use a variety of local services such as software developers, computer repair services, and network specialists. They frequently need access to advanced university training.

Finally, Fresno County supports more visitor-serving employment than any of the other San Joaquin Valley counties, estimated in 1994 at 10,155 jobs. This reflects both leisure travel through the county to Sierra destinations and business travel to the county's employment centers.

Table 1 summarizes employment in Fresno County's various industry clusters. In 1994, these clusters combined employed 96,243 persons in jobs that are predominantly associated with selling products outside the county. Combined employment in these clusters amounted to 39 percent of total employment in Fresno County. Most of the remaining jobs are in local-serving sectors such as retail and services. The construction industry is also an important local serving sector with more than 18,000 jobs. Although most construction businesses are not directly part of export-oriented business clusters, they play an important support function in terms of responding to increased business and residential building demand. They are also a good source of entry-level as well as skilled jobs.

**TABLE 1**  
**CLUSTER EMPLOYMENT**  
**Fresno County**  
**1994**

| Industry                                       | Fresno<br>County<br>1994<br>Employment | Percent of<br>San<br>Joaquin<br>Valley | Concentration<br>Factor |
|--|--|--|-------------------------|
| Agriculture Infrastructure                     | 35,097                                 | 32%                                    | 4.14                    |
| Fruits, Nuts, & Vegetables Cluster             | 28,430                                 | 28%                                    | 4.46                    |
| Livestock, Poultry, Dairy Cluster              | 6,922                                  | 21%                                    | 3.11                    |
| Cotton Cluster                                 | 2,782                                  | 31%                                    | 3.38                    |
| Other Agricultural Crops                       | 2,751                                  | 25%                                    | 1.20                    |
| Metalworking & Machinery Cluster               | 3,644                                  | 26%                                    | 0.93                    |
| Information Processing Cluster                 | 6,462                                  | 36%                                    | 0.61                    |
| Tourism  | 10,155                                 | 24%                                    | 0.69                    |
| <b>TOTAL</b>                                   | <b>96,243</b>                          |  |                         |
| Cluster Employment as %<br>of Total Employment | 39%                                    |  |                         |

Note: The Concentration Factor measures the extent to which employment is more highly concentrated in Fresno County than in California. Industries with a Concentration Factor greater than 1.00 are relatively more concentrated in the county than in the state as a whole. Source: ADE, based on ES202 data series prepared by MIG, Inc.

## ECONOMIC AND GROWTH SCENARIOS REPORT

Based on the analysis of the county's economic base and the potential for employment and income growth, the General Plan Consultant Team developed five economic scenarios that would be the most likely to develop over the 20 year period. The five economic scenarios are:

**Scenario A - Continuing Current Trends:** Continuation of recent trends for both population and employment growth. Current trends generally result in fewer total jobs in relation to population, with a higher proportion of future jobs in retail and service businesses rather than manufacturing. (This is considered the "base" case for comparison purposes.)

**Scenario B - Shifts in Agricultural Production:** Changes in crop patterns from cotton and other lower-value crops to higher-value crops such as nuts, fruits, and vegetables. These trends are already taking place in Fresno County. The result has generally been an increase in the value of crops per acre with no increase in agricultural land use. These trends are market-driven and may shift in other directions over time, and it is vital for the County to explicitly incorporate agricultural production changes in its business development strategy.

**Scenario C - Value-added<sup>1</sup> Agriculture:** Significant increase in industrial development resulting from value-added agricultural business activity and employment (with or without a change in crop patterns). Despite its prominent role in agricultural production, much more of the processing, packaging, and/or distribution of agricultural products could take place in Fresno County.

**Scenario D - Non-Agricultural Basic Employment:** Significant change in the mix of basic jobs toward non-agricultural employment. Many members of the community would like to see diversification in the industrial base away from agriculture. Some success has been achieved, particularly in the location of back-office operations in the county.

**Scenario E - Population-Driven Growth:** Growth driven by population and residential growth, along with commensurate development of local-serving businesses. Residential development has played a significant role in driving the Fresno County economy and continues to be the source of growing demand for retail services, particularly in the urban areas of the county.

It should be noted that Scenarios A and E project employment and population separately, while the others project population as a function of employment growth.

## **PUBLIC REVIEW PROCESS**

Following the publication of the *Economic and Growth Scenarios Report*, County Staff and the General Plan Consultant Team conducted an extensive public review process which included focus groups with organizations and associations interested in the results of the analysis and the selection of a preferred scenario by the County Board of Supervisors. In addition, well-publicized open houses were held throughout the county to discuss the implications of each scenario and how it would affect each area of the county. Meetings were also held with representatives of all cities in the county to discuss their interests and concerns and a special meeting was held with the planning directors of all jurisdictions to get their input.

## **POLICY DIRECTION SUMMARY**

Following these meetings, County Staff and the General Plan Consultant Team joined the County Planning Commission in three public hearings to discuss the pros and cons of each scenario. These hearings resulted in a decision by the Planning Commission to recommend to the County Board of Supervisors that an Economic Development Strategy be prepared that reflected the economic and growth paths described in Scenarios B/C and D.

The County Board of Supervisors accepted the recommendations of the Planning Commission with minor changes and directed County Staff and the General Plan Consultant Team to draft an Economic Development Strategy consistent with these recommendations. In addition, the Board of Supervisors directed that:

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<sup>1</sup>Value-added refers to the increase in the value of products over the cost of their raw materials. Higher value-added products support higher wages and generally return greater economic benefits to the locality in which they are produced.

The General Plan Update, including the Economic Development Strategy, should recognize the differences among the different geographic areas of Fresno County in terms of cropping, size and scale of agricultural operation, water supply, settlement patterns and transportation facilities.

Although individual Commission and/or Board members commented on the sequencing of Scenarios C and D and the limited role of the County in furthering Scenario B, the Board directed that all three scenarios be pursued. The Board did not specify either weighting or sequencing of the scenarios.

## PREFERRED ECONOMIC AND GROWTH SCENARIO

In order to analyze the planning implications of the preferred economic and growth scenario, the consultants prepared residential and employment projections countywide and for each city sphere of influence and county planning area (see *Preferred Economic and Growth Scenario Allocation and Methodology*, February 11, 1999). These projections are important for the economic strategy because they indicate the magnitude of development that would be generated by successful implementation of the strategy. Table 2 shows the 1996 to 2020 population and employment growth in the preferred scenario. The bottom line indicates the ratio of jobs to population, which is projected to increase from about 48 percent to 52 percent owing to a heavy concentration of job growth during the 1996-2020 period. This is the major thrust of the economic development strategy: to increase jobs faster than labor force in order to reduce the unemployment rate.

Perhaps the most striking outcome of the projections is the relatively low proportion of further growth expected to occur in county unincorporated areas. This is consistent with both county and city policies and also responds to the recommendations in the *Landscape of Choice* report. Table 3 shows the percentage distribution of population and employment into each city and county jurisdiction (see Figure 2 for map of planning areas). The upper part of the table lists the cities and a total for the unincorporated area, while the lower part distributes the unincorporated area growth into planning areas. For both population and employment, the unincorporated area would receive about 7 percent of the new growth during this period. This compares to about 15 percent currently in these areas. Thus, the future economic growth of the county is largely in the hands of the cities, and the County's key role is to provide leadership and regional coordination in the allocation and use of limited resources for economic development.

**TABLE 2**  
**PREFERRED ECONOMIC AND GROWTH SCENARIO**

|                          | 1996<br>Base Year |        | 2020<br>Total Development |        | 1996-2020<br>Growth Increment |        |
|--------------------------|-------------------|--------|---------------------------|--------|-------------------------------|--------|
| Total Population         | 769,709           |        | 1,114,410                 |        | 344,701                       |        |
| Total Employment         | 370,778           | 100.0% | 603,712                   | 100.0% | 232,934                       | 100.0% |
| Ag. Production           | 86,333            | 23.3%  | 103,091                   | 17.1%  | 16,758                        | 7.2%   |
| Ag Mfg (Food & Fiber)    | 17,056            | 4.6%   | 39,382                    | 6.5%   | 22,326                        | 9.6%   |
| Non-ag Mfg               | 27,373            | 7.4%   | 43,340                    | 7.2%   | 15,967                        | 6.9%   |
| Construction, Mining     | 18,529            | 5.0%   | 23,610                    | 3.9%   | 5,081                         | 2.2%   |
| Warehouse, Dist., Trans. | 30,321            | 8.2%   | 46,921                    | 7.8%   | 16,600                        | 7.1%   |
| Commercial: Retail & Svc | 85,237            | 23.0%  | 123,409                   | 20.4%  | 38,172                        | 16.4%  |
| Commercial: Office       | 29,324            | 7.9%   | 113,048                   | 18.7%  | 83,724                        | 35.9%  |
| Other Local Serving      | 12,979            | 3.5%   | 18,791                    | 3.1%   | 5,812                         | 2.5%   |
| Public/Institutional     | 63,626            | 17.2%  | 92,120                    | 15.3%  | 28,494                        | 12.2%  |
| Ratio Employ. to Pop.    | 48.2%             |        | 54.2%                     |        | 67.6%                         |        |

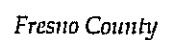
Source: Applied Development Economics

**TABLE 3**  
**PREFERRED SCENARIO**  
**DISTRIBUTION OF 1996-2020 GROWTH INCREMENT**

|                      | Population | Total<br>Employ. | Retail/Local | Office | Industrial | Pub./Inst. | Ag.<br>Production |
|----------------------|------------|------------------|--------------|--------|------------|------------|-------------------|
| Clovis SOI           | 12.3%      | 12.4%            | 12.3%        | 16.3%  | 10.1%      | 12.3%      | 1.7%              |
| Coalinga SOI         | 0.9%       | 0.9%             | 0.9%         | 0.1%   | 1.9%       | 0.9%       | 0.6%              |
| Firebaugh SOI        | 0.6%       | 0.6%             | 0.6%         | 0.1%   | 1.2%       | 0.6%       | 0.6%              |
| Fowler SOI           | 0.5%       | 0.5%             | 0.5%         | 0.3%   | 0.8%       | 0.5%       | 0.8%              |
| Fresno SOI           | 67.1%      | 69.2%            | 67.1%        | 80.2%  | 68.3%      | 67.1%      | 24.0%             |
| Huron SOI            | 0.9%       | 0.8%             | 0.9%         | 0.1%   | 1.5%       | 0.9%       | 1.2%              |
| Kerman SOI           | 0.9%       | 0.6%             | 0.9%         | 0.2%   | 0.8%       | 0.9%       | 1.2%              |
| Kingsburg SOI        | 0.7%       | 0.7%             | 0.7%         | 0.2%   | 1.3%       | 0.7%       | 0.7%              |
| Mendota SOI          | 0.9%       | 0.7%             | 0.9%         | 0.2%   | 1.1%       | 0.9%       | 1.4%              |
| Orange Cove SOI      | 0.6%       | 0.5%             | 0.6%         | 0.1%   | 1.2%       | 0.6%       | 0.2%              |
| Parlier SOI          | 0.9%       | 0.8%             | 0.9%         | 0.3%   | 1.5%       | 0.9%       | 0.5%              |
| Reedley SOI          | 2.0%       | 1.6%             | 2.0%         | 0.5%   | 1.9%       | 2.0%       | 4.5%              |
| San Joaquin SOI      | 0.7%       | 0.4%             | 0.7%         | 0.1%   | 0.3%       | 0.7%       | 0.1%              |
| Sanger SOI           | 1.5%       | 1.6%             | 1.5%         | 0.4%   | 3.3%       | 1.5%       | 1.8%              |
| Selma SOI            | 2.1%       | 1.6%             | 2.1%         | 0.5%   | 2.6%       | 2.1%       | 1.3%              |
| County SOI           | 7.4%       | 7.1%             | 7.4%         | 0.5%   | 2.4%       | 7.4%       | 59.3%             |
| CATEGORICAL<br>TOTAL | 100.0%     | 100.0%           | 100.0%       | 100.0% | 100.0%     | 100.0%     | 100.0%            |
| East Valley          | 4.0%       | 4.7%             | 4.0%         | 0.2%   | 1.6%       | 4.0%       | 43.1%             |
| Sierra Foothills     | 1.7%       | 0.8%             | 1.7%         | 0.2%   | 0.2%       | 1.7%       | 2.9%              |
| Sierra Nev. Mtns.    | 0.5%       | 0.2%             | 0.5%         | 0.0%   | 0.0%       | 0.5%       | 0.0%              |
| West Valley          | 1.2%       | 1.5%             | 1.2%         | 0.1%   | 0.7%       | 1.2%       | 13.3%             |
| Coast Range          | 0.0%       | 0.0%             | 0.0%         | 0.0%   | 0.0%       | 0.0%       | 0.0%              |

Source: Applied Development Economics

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## **ECONOMIC DEVELOPMENT STRATEGY**

### **INTRODUCTION**

A successful economic strategy is one that identifies and efficiently mobilizes available resources around the achievement of a clear and comprehensive vision for the community. It is also one that commands a broad base of support from among its citizens. The efficient mobilization of these resources is measured by how well the strategy identifies priority issues, articulates its goals and objectives consistent with those priorities, and takes advantage of available resources that can be fully committed to addressing these issues during the implementation process.

The major challenge facing Fresno County is the creation of jobs in excess of population growth. The County has historically benefited from the steady growth in its population. But, this growth has consistently exceeded the number of jobs created, contributing to the high unemployment rates regularly registered in the county.

Therefore, a principal goal of the Economic Development Strategy is to create jobs. In order to achieve this goal, the County must aggressively recruit businesses to locate in the area and work with existing businesses to secure their expansion. To be successful, this recruitment and expansion effort must be supported by a concerted effort by key institutions in the community to provide the economic foundations necessary to meet the requirements of the targeted industries.

A second goal of the economic development strategy responds to the concern of many public and private sector leaders regarding dependency on the agricultural sector for continued employment and income growth. While there are many reasons to argue that the economic development strategy should build on its established comparative advantage in this sector, there is no question that other industries should be pursued. Therefore, the second goal of the economic development strategy is a concerted effort to diversify the economic base of the County.

A third goal of the economic development strategy addresses the compelling need to upgrade the labor force. If the basic skills in the labor force do not meet the known requirements of the industries being targeted for business development, these industries will not locate in the County. If they do they will either need to import labor, particularly at the higher skill levels, or suffer from a lack of productivity. Therefore, the third goal is to insure that current and future members of the local labor force have the skills they need to secure and retain the jobs made available through implementation of the economic development strategy.

These three goals are interrelated and achievement of each goal will depend on the success of the business development initiatives discussed in the following section. If these initiatives fail to increase the number of jobs available greater than the growth in the labor force, diversification will be harder to attain and employment of the local labor force will be more difficult.

Focusing on the recruitment and expansion of value-added industries in the Agriculture Cluster and non-agriculturally related industries in Scenario D, the strategy identifies the various location requirements of these industries and provides profiles that can serve as a basis for tailored responses by community institutions.

This level of strategic planning will enable Fresno County to gain a competitive edge over other areas seeking the same type of businesses. For example, offering targeted assistance in the acquisition of technology and capital to finance its purchase is very important to many firms looking for sites. Likewise, the availability of a labor force familiar with their industry cuts down on training costs borne by the company. And, the ability of the public sector to respond quickly to inquiries from prospects is a major advantage for the community in the competitive process.

In accepting this Economic Development Strategy for the county, the County Board of Supervisors recognizes that it cannot be achieved by County government working alone, or by the cities in Fresno County and other public sector institutions confining their interests solely to their respective jurisdictions. The effort must be countywide and involve the private sector and all other organizations that have resources to bring to the table. The strategy also recognizes that the various sub-areas of the County will be affected differently depending on the success of the Economic Development Strategy.

It is clear from the work that has been done to date that adding value-added firms to the county's economic base in sufficient numbers to meet the goals and objectives of the Economic Development Strategy will strain the county's basic resources, such as water, land and air. But, these challenges can be met through a concerted effort on the part of all organizations and institutions in the community to provide realistic solutions to the problems presented.

## VISION

By the year 2020 Fresno County will take its place in the Central Valley and California as a center for a wide variety of high value-added firms in a dynamic and growing globally-oriented state economy. The County and all its local jurisdictions will have experienced significant employment growth in full-time well-paying jobs in industries that are creating new wealth in the region. These jobs will cover the full range of opportunities for all members of the labor force. The labor force will have the skills necessary to gain and retain these jobs due to exceptional education and training programs available in the county. At the same time the quality of life will have been preserved by adherence to the principles of "sustainable economic development" and "smart growth" as recommended in the *Landscape of Choice* report as well as a number of others reports on the Central Valley.

The growth of basic jobs in the food and fiber industry along with those jobs in emerging industrial clusters, such as information technology, biotechnology and environmental technology, will provide all Fresno County residents with employment opportunities in interesting fields with career potential. These jobs will be above the average for current wages and bring average incomes in the Fresno labor market area in line with other regions of the state. Tourism, the world's largest and most rapidly growing industry, will also provide jobs related to the area's abundant scenic, recreation and entertainment opportunities.

At the same time full-time lower-paying jobs will be available for the less skilled in the expanding commercial sector due to an increasingly profitable market for retail goods and services triggered by higher incomes and population growth in the incorporated cities and unincorporated communities throughout the county. As incomes rise, even the smallest communities will attract more businesses providing retail goods and services to local consumers. The expansion of these goods and services will reduce the leakage that currently exists and open up opportunities for larger vendors and more diverse consumer choices.



Growth in basic jobs and local-serving jobs, coupled with a sharp reduction in the cost of services to formerly unemployed residents will also provide increased revenues to public sector institutions for building and maintaining the infrastructure necessary for sustaining economic and personal growth. Transportation systems will be both efficient and effective in moving goods and people both within and through the county. Housing will be available and affordable close to, and matched with, the demands of workers in employment centers. Water will be available in the quantities necessary to support new business and residential growth and quality will be maintained. Recreation and open space will be considered an essential part of all commercial and industrial developments, and environmental quality with respect to air, water and the natural ecology will be required.

As a byproduct of implementing the Economic Development Strategy, the county and its cities and communities will no longer be dependent on continued high levels of population growth and agriculture related employment to provide the increases in consumer purchasing power and expansion in the labor force necessary to support a healthy and growing economy. Population growth will be guided toward achieving a better match between growth in the labor force and growth in jobs, lowering unemployment rates and increasing average wages.

The potential negative impacts of economic and population growth will have been mitigated through the careful location of industrial, commercial and residential development in areas appropriately zoned within the spheres of influence of cities or established communities in the unincorporated area. Consistent and rigorous adherence to standards of sustainability for meeting the requirements of new and expanding businesses in terms of water quality and availability and potential impacts on air quality or other environmental factors will permit economic and residential development to occur without damaging the quality of life that Fresno County residents expect and deserve.

In bringing about this result, all public entities will have searched for, and found, new and innovative ways to carry out their public responsibilities, including providing a sound foundation for economic growth while maintaining an impressive quality of life for all its residents. This analysis includes a more comprehensive look at how public investments are made and how revenues supporting those investments might be more effectively collected in relation to the benefits received from those investments. Increased efficiency and effectiveness in the delivery of public services will further enhance Fresno County as a location for businesses of all types.

## **ECONOMIC GOALS AND OBJECTIVES**

The purpose of the Economic Development Strategy is to provide a framework for achieving the Vision of the County. Additionally it will provide guidance to County Staff and the General Plan Consultant Team as they carry out Phase II of the General Planning Update Program. Goals and objectives that relate to all elements of the General Plan will supplement the economic goals and objectives presented in the Economic Development Strategy. Each element of the General Plan should reflect the vision, goals and objectives of the Economic Development Strategy as it relates to the specific issues that will emerge as the implementation of the Economic Development Strategy proceeds over the next two decades. This section sets out the initial economic goals and objectives for achieving the Vision of the Economic Development Strategy, followed by a set of business development and supporting initiatives to implement the strategy.

## **Goal 1: Increase Job Creation**

The first goal of the Economic Strategy is to increase the number of jobs available to Fresno County residents equal to or above growth in the labor force. Achievement of this goal will provide the personal income, profits and tax revenues necessary for continued investment in sustainable economic growth. This growth will provide for continued improvement in the standard of living and quality of life consistent with achievement of the vision for the county by the year 2020. It will also help decrease the historically high unemployment rates for the county.

### **Objectives**

Achievement of this goal of the Economic Development Strategy will require an average growth in high value-added employment in the County over the 20-year period greater than the growth in the labor force. Since control of the supply of labor is difficult to achieve through public policy, the economic strategy sets objectives in terms of an increase in the demand for labor sufficient to offset increases in the supply of labor and to reduce unemployment rates. While employment growth will vary from year to year, strategic objectives can be based on average annual employment growth measured in five-year increments. The objectives for increasing employment opportunity are:

1. An expansion of local high value-added businesses in the County by 1,000 net new employees per year greater than growth in the labor force over the twenty-year period measured in five-year increments.
2. The attraction of new high value-added businesses to the County by 1,000 net new employees per year greater than growth in the labor force over the twenty-year period measured in five-year increments.
3. The development of new high value-added enterprises in the County by 500 net new employees greater than growth in the labor force over the twenty-year period measured in five-year increments.

Meeting these objectives would provide for an annual increase in employment in high value-added firms of 2,500 per year above the growth in the labor force, which translates into an addition to the labor force of 50,000 net new well-paying full-time jobs over the 20-year period. This would insure an increase in wealth in the county and substantially reduce persistent unemployment rates provided that the training and education requirements of these firms are met.

For comparison, the projections prepared for the Preferred Scenario which are the basis for the upcoming development of the general plan policy document and the EIR, show a labor force growth of 171,300 and a job growth of 232,900 between 1996 and 2020. This suggests a growth in total jobs of more than 61,000 above the growth in labor force. The above goal suggests that most of this additional job growth should be in high value-added business sectors. If this can be accomplished, unemployment in the county could be reduced to a level commensurate with state averages.

## **Goal 2: Diversify the Economic Base**

A second goal of the Economic Development Strategy is diversification of the economic base to reduce dependency on agriculturally-related businesses for employment and wealth creation. The agricultural cluster is well established in Fresno County and will remain strong for the foreseeable future. As this cluster develops, more businesses will be added to the pre-production and post-production functions that are a part of the cluster. However, this expansion will still leave the county vulnerable to a variety of factors that disrupt the local economy. Economic diversification will not only create added stability for the economy but will also help to increase average wages and total income in the county.

### **Objectives**

Achievement of this goal will require that the increases in employment associated with achievement of Goal 1 include a mix of industries that provide for steady and deliberate diversification toward emerging clusters and industries that are unrelated to agriculture. Therefore the targets for business development should include businesses in the information and metals and metal working clusters. Also included should be those non-agricultural industries that have been targeted by the EDC and the cities. The specific objectives for diversification of the economic base outlined below suggest that 50 percent of the total job growth specified in Goal 1 should be in non-agriculturally related industries.

1. An expansion of the number of jobs currently available in targeted clusters and industries other than agriculture by 500 net new jobs annually over the 20-year period measured in five-year increments.
2. Attraction of a minimum of 500 net new jobs annually in firms in targeted clusters and industries other than agriculture over the next 20 years measured in five-year increments.
3. Development of 250 net new jobs annually in new enterprises in targeted clusters and industries other than agriculture over the next 20 years based on five-year increments.

## **Goal 3: Improve Labor Force Preparedness**

A third goal of the economic development strategic plan is insuring that the Fresno County labor force is well prepared to meet the requirements of the industries targeted for recruitment, expansion and/or new enterprise development. This will require that all local public and private sector training and education institutions work collaboratively with local businesses in the agricultural, metalworking & machinery and the information processing clusters to assess current and future demand and develop education and training programs to specifically meet their needs. These institutions will also need to work with the cities and regional groups in the county to develop programs that meet the needs of the industries they have targeted for business development.

## Objectives

Achievement of this goal requires that training and education institutions develop a comprehensive system that will produce tangible results in job placement and retention. The process must begin with the K-12 system and continue into appropriate retraining opportunities that will enable all members of the Fresno County labor force to continue on a skill path that will result in steadily increasing wages throughout their career. Specific objectives for labor force preparedness are:

1. Reduction in the unemployment rate equal to the average for the state for employees in the industries targeted for business development over the next 20 years.
2. An increase in wages equal to the average for the state for employees in the industries targeted for business development over the next 20 years.
3. A decrease in the proportion of workers imported from other locations in the Central Valley.

Meeting these objectives will not only create more and better employment opportunities for Fresno County residents; it will also contribute significantly to the achievement of the other two business development goals.

The three goals and the objectives associated with each will require a stronger commitment to economic development on the part of Fresno County public and private sector institutions than has been previously shown. Moreover, the efforts of these institutions must be carefully directed toward the achievement of these goals and objectives through a targeted economic development strategy composed of business attraction, expansion, retention and new enterprise development initiatives. The specific initiatives recommended for the economic development strategy are discussed in the following section.

## BUSINESS DEVELOPMENT TARGETS

The detailed business development targets that comprise the seven clusters upon which the strategy is based are shown in Table 4. The agricultural infrastructure cluster, which includes a large number of high value-added firms in the processing, packaging and distribution of agricultural products, relates to both Scenario B and Scenario C in the Economic and Growth Scenarios Report. The food and fiber category shows the agricultural processing and distribution industries that are the primary focus of Scenario C. These industries are drawn from the three agricultural commodity clusters shown in Figure 1, but do not include the SICs for farm production in each cluster. These SICs are the focus of Scenario B, but are not business attraction targets per se. The metals and machinery, information technology and tourism clusters represent diversification opportunities for Scenario D. The table is not necessarily exhaustive, however. There are also a number of industries that have been targeted for business development by the cities and communities in the county which can contribute significantly to meeting the goals and objectives of the economic strategy. For example, the cities of Clovis and Fresno, as well as the County EDC, have targeted other high technology manufacturing sectors and also medical industries.

In many respects, the increasing use of technology is bringing the locational profile of modern manufacturing firms much closer to that of high technology and information-based businesses. Table 5 summarizes the most recent site selection survey from *Area Development Magazine*, which ranks all of the considerations for business locations. The sample for this survey included about 70

percent manufacturing and distribution firms and about ten percent in the information processing and business services fields. Even with this preponderance of manufacturing industries, factors such as highway accessibility, skilled labor force and telecommunications rank very high. Environmental regulations, nearness to markets and suppliers rank in the mid-range while availability of raw materials and railroad service rank very low.

The Fresno County EDC recently conducted an extensive business survey as part of its Rapid Response Program funded by the Workforce Development Board. Businesses in Fresno County expressed the following concerns about the business climate:

- Lack of government support for business
- Negative impact of regulations
- Lack of available management and skilled workers
- Difficulty of small businesses in accessing capital
- High labor costs of unskilled workers
- High energy costs
- Quality of airport service

While this is not an exhaustive list of location considerations, it does provide an indication of some of the business priorities for the economic development strategy.

**TABLE 4**  
**DETAILED INDUSTRY COMPONENTS OF TARGETED CLUSTERS**

| SIC                               | AGRICULTURE INFRASTRUCTURE              |      |   |
|-----------------------------------|---|------|---|
| 071                               | Soil Preparation services               | 3086 | Plastics foam products, nec             |
| 072                               | Crop Services                           | 3221 | Glass containers                        |
| 076                               | Farm Labor and management services      | 341  | Metal cans and shipping containers      |
| 0181                              | Ornamental Floriculture and Nurs. Prod. | 3466 | Crowns and closures                     |
| 287                               | Agricultural chemicals                  | 3535 | Conveyors and conveying equipment       |
| 3423                              | Hand and edge tools, nec                | 3536 | Food products machinery                 |
| 3523                              | Farm machinery and equipment            | 3565 | Packaging machinery                     |
| 3524                              | Lawn and garden equipment               | 4221 | Farm product warehousing and storage    |
| 3561                              | Pumps and pumping equipment             | 4222 | Refrigerated warehousing and storage    |
| 497                               | Irrigation systems                      | 473  | Freight transportation services         |
| 244                               | Wood Containers                         | 478  | Miscellaneous transportation services   |
| 265                               | Paper containers and boxes              | 622  | Commodity contracts brokers, dealers    |
| 275                               | Commercial Printing                     | 623  | Security and commodity exchanges        |
| 3081                              | Unsupported plastics film & sheet       |      |   |
| SIC                               | FOOD AND FIBRE PROCESSING               |      |   |
| 201                               | Meat products                           | 2075 | Soybean oil mills                       |
| 202                               | Dairy products                          | 2077 | Animal fats                             |
| 203                               | Preserved fruits and veg.               | 2084 | Wines and brandy                        |
| 2041                              | Flour                                   | 2096 | Potato chips, etc.                      |
| 2043                              | Cereal                                  | 2098 | Macaroni                                |
| 2044                              | Rice milling                            | 2099 | Other Food preparations                 |
| 2045                              | Prepared flour mixes                    | 221  | Broadwoven cotton mills                 |
| 2046                              | Wet corn milling                        | 226  | Textile finishing, except wool          |
| 2047                              | Dog and cat food                        | 228  | Yarn and thread mills                   |
| 2048                              | Prepared feeds                          | 239  | Misc. fabricated textiles               |
| 205                               | Bakery products                         | 514  | Wholesale food                          |
| 206                               | Sugar products                          | 5182 | Wholesale wines and distilled beverages |
| 2068                              | Salted and roasted nuts/seeds           |      |   |
| 2074                              | Cottonseed oil mills                    |      |   |
| METAL WORKING & MACHINERY CLUSTER |   |      |   |
| 344                               | Fabricated structural metal products    | 3567 | Industrial machinery, nec               |
| 347                               | Metal, services, nec                    | 3568 | Power transmission equipment, nec       |
| 349                               | Misc. fabricated metal products         | 3569 | General industrial machinery, nec       |
| 354                               | Metalworking machinery                  | 359  | Industrial machinery, nec               |
| 3562                              | Ball and roller bearings                | 5083 | Farm and garden machinery               |
| 3563                              | Air and gas compressors                 | 5084 | Industrial machinery and equipment      |
| 3564                              | Blowers and fans                        | 5085 | Industrial supplies                     |
| 3566                              | Speed changers, drives, and gears       |      |   |
| SIC                               | INFORMATION PROCESSING CLUSTER          |      |   |
| 631                               | Life Insurance                          | 872  | Accounting, auditing, & bookkeeping     |
| 737                               | Computer and data processing services   | 847  | Management and Public Relations         |
| 7389                              | Business services, nec                  |      |   |
| SIC                               | TOURISM CLUSTER                         |      |   |
| 70                                | Accommodations                          | 45   | Air passenger transportation            |
| 58                                | Eating and drinking establishments      | 41   | Local transportation                    |
| 79                                | Amusement and recreation                | 472  | Arrangement of passenger trans.         |
| 7514                              | Automobile rental                       | 45   | Air passenger transportation            |

**TABLE 5**  
**PRIORITIZED SITE SELECTION FACTORS**

| <b>RANKING</b> | <b>BUSINESS FACTORS</b>              | <b>1997</b> | <b>1998</b> |
|----------------|--------------------------------------|-------------|-------------|
| 1              | Highway Accessibility                | 90.7        | 91.5        |
| 2              | Availability of Skilled Labor        | 84.4        | 88.0        |
| 3              | Occupancy or Construction Costs      | 85.5        | 85.7        |
| 4              | Labor Costs                          | 92.7        | 84.8        |
| 5              | Availability of Telecommunications   | 83.5        | 82.0        |
| 6              | Availability of Land                 | 82.0        | 81.1        |
| 7              | State and Local Incentives           | 77.8        | 80.9        |
| 8              | Energy availability and Costs        | 80.5        | 78.9        |
| 9              | Environmental Regulations            | 77.6        | 78.6        |
| 10             | Tax Exemptions                       | 76.0        | 77.9        |
| 11             | Nearness to Major Markets            | 78.7        | 76.9        |
| 12             | Cost of Land                         | 80.6        | 75.7        |
| 13             | Low Union Profile                    | 77.4        | 75.0        |
| 14             | Nearness to Suppliers                | 67.4        | 65.3        |
| 15             | Right-to-Work State                  | 66.5        | 65          |
| 16             | Availability of Long-term Financing  | 67.2        | 60          |
| 17             | Accessibility to Major Airports      | 56.8        | 59.6        |
| 18             | Availability of Unskilled Labor      | 58.3        | 55.8        |
| 19             | Workers/Technical Programs           | 54.0        | 54.4        |
| 20             | Raw Materials Availability           | 54.1        | 53.4        |
| 21             | Near Technical University            | 37.2        | 32.7        |
| 22             | Railroad Service                     | 28.7        | 26.1        |
| 23             | Waterway or Ocean Port Accessibility | 21.2        | 16.8        |
|                | <b>QUALITY OF LIFE FACTORS</b>       |             |             |
| 1              | Low Crime Rate                       | 79.4        | 81.3        |
| 2              | Health Facilities                    | 69.1        | 69.0        |
| 3              | Ratings of Public Schools            | 69.7        | 68.6        |
| 4              | Housing Costs                        | 67.6        | 67.6        |
| 5              | Housing Availability                 | 65.4        | 66.1        |
| 6              | Climate                              | 55.3        | 56.4        |
| 7              | Recreational Opportunities           | 51.5        | 54.5        |
| 8              | Colleges and Universities in Area    | 54.4        | 54.3        |
| 9              | Cultural Opportunities               | 50.4        | 49.2        |

Source: 1998 Annual Corporate Opinion Survey by Area Development Magazine, December 1998.

Each of the cluster industries have specific location criteria, the most important of which are summarized in Tables 6 through 13.

**TABLE 6**  
**FOOD PROCESSING (SIC 20)**

| <b>TOP 5 HOT BUTTONS</b>              | <b>COMMENT</b>   |
|---------------------------------------|--|
| Proximity to Raw Materials            | Relatively non-perishable food inputs often travel great distances, but more perishable main ingredients are usually drawn from within a 150 mile radius.  |
| Access to Distribution                | Transportation by truck is crucial. Rail and access to ports are somewhat important, depending on the company. Air transport is increasingly important for export markets.   |
| Low Cost, Available Labor             | Abundant labor, primarily in the production, handling and maintenance classifications.   |
| Water Supply and Wastewater Treatment | Certain large processors need large supplies of clean water for washing and processing. Sewer connections typically needed for all but the largest processors, who can sometimes discharge to land (especially on the Westside). |
| Access to Packaging Materials         | Boxes, plastic film and containers of all types. Because of the increased need for packaging, these companies also make excellent attraction targets.  |

**TABLE 7**  
**APPAREL AND OTHER FINISHED TEXTILES (SIC 23)**

| <b>TOP 5 HOT BUTTONS</b> | <b>COMMENT</b>  |
|--------------------------|---|
| Labor availability       | Average of 25 employees per firm, with 30% of them production workers.  |
| Cost of doing business   | General business costs, including labor and land should be as low as possible.  |
| Proximity to markets     | This category provides clothing, and also textiles to furniture and others for finished goods. Rapid response to customers is a must. Dependent on consumer and home improvement markets. |
| Proximity to suppliers   | Cloth and yarns made locally are a real plus.   |
| Public infrastructure    | This includes public services, and also employee services such as public transit.   |



**TABLE 8**  
**INDUSTRIAL MACHINERY (example of SICs 34-35)**

| <b>TOP 5 HOT BUTTONS</b>           | <b>COMMENT</b>   |
|------------------------------------|--|
| Proximity to Markets               | Large equipment that is heavy and bulky to move is easier to make closer to the end user.                              |
| Intermediate Manufactured Products | Hydraulic, mechanical and electronic sub-assemblies in particular.   |
| Precision Production and Repair    | Precision manufacturing equipment and production parts require close tolerances and skilled technicians and operators. |
| Cost of Labor                      | Lower labor costs in an area reduces production costs. Always a trade-off between skills and cost.                     |
| Labor/Management Relations         | Labor relations are generally good in the Central Valley. Union and non-union shops coexist.                           |

**TABLE 9**  
**TRANSPORTATION EQUIPMENT (example of SICs 34-35)**

| <b>TOP 5 HOT BUTTONS</b> | <b>COMMENT</b>  |
|--------------------------|---|
| Proximity to Markets     | Large equipment that is heavy and bulky to move is easier to make closer to the end user.                                     |
| Cost of Labor            | Lower labor costs in an area reduces production costs. Always a trade-off between skills and cost.                            |
| Labor Relations          | Labor relations are generally good in the Central Valley. Union and non-union shops coexist.                                  |
| Built Space Costs        | Cost of leasing and purchasing, then operating in existing industrial space. Power, taxes, transportation costs are included. |
| Energy Dependability     | A minimum of fluctuations and outages. Computer equipment is especially sensitive to fluctuations.                            |

**TABLE 10**  
**MACHINE TOOLS/METALWORKING (example of SICs 34-35)**

| <b>TOP 5 HOT BUTTONS</b>                                      | <b>COMMENT</b>   |
|---|--|
| Cost of Doing Business (including land and built space costs) | General business costs, including labor and land should be as low as possible.                     |
| Labor Availability  | Including production workers -- precision workers, welders, etc.                                   |
| Proximity to Suppliers  | Availability of exotic metal products, heat treatment, other material and service suppliers.       |
| Energy Dependability  | A minimum of fluctuations and outages. Computer equipment is especially sensitive to fluctuations. |
| Access to Intermediate Manufactured Products                  | Many metal products and assemblies are manufactured in stages                                      |

**TABLE 11**  
**COMPUTER AND DATA PROCESSING (example of SIC 737)**

| <b>TOP 5 HOT BUTTONS</b>                | <b>COMMENT</b>   |
|---|--|
| Educated labor force                    | Access to higher education nearby  |
| Labor availability                      | Including office workers   |
| Quality of life (housing affordability) | Housing affordability is an indicator of reasonable living costs, an important quality of life indicator.  |
| Proximity to suppliers                  | For instance, paper, computer services, delivery services  |
| Proximity to markets (customers)        | Customer interface operations must be near the customer. Processing can be remote from the customer, but a rapid means of getting paperwork and information to the customer must be present (overnight delivery, mail, fax, data links). |

**TABLE 12**  
**TELEPHONE SERVICE CENTERS (example of info processing)**

| <b>TOP 4 HOT BUTTONS</b>                 | <b>COMMENT</b>   |
|--|--|
| Telecommunications infrastructure nearby | Reliable, high capacity switching                          |
| Labor availability                       | Relatively accent free, abundance of spouses needing jobs. |
| Low-cost labor                           | Areas of high unemployment are often sought.               |
| Job training                             | Availability of job training services for specific duties. |

**TABLE 13**  
**PROFESSIONAL BUSINESS SERVICES (example of info processing)**

| <b>TOP 4 HOT BUTTONS</b>                                | <b>COMMENT</b>  |
|---|---|
| Communications services                                 | Includes telecommunications, and increasingly internet services   |
| Access to business, professional and technical services | Business services use other business services   |
| Secondary education quality                             | Local office and professional workers are typically graduates of the local school systems. Reading, writing, communication and problem solving skills are at a premium. |
| Higher education quality                                | Professional degrees are needed at the higher levels of service firms.  |

In contrast to manufacturing business clusters, recreation and tourism businesses attract their markets based on local and regional amenities and traffic. In recent years, the County has enjoyed nearly 4 million visitors, more than half of which come for leisure purposes and the rest on business. It is estimated that these visitors spend \$800 million per year in the county economy, generating more than 10,000 jobs.

As the county's economy diversifies, demand for business travel will increase, with the need to develop more and better accommodations, amenities and services. The convention and tourism industry is growing faster than any other industry worldwide. It is also the major source of new employment opportunities in the U.S. and other industrialized nations. California has benefited significantly from this trend due to its large population of high-income individuals that are the major source of consumers for California destinations. The convention business is also growing rapidly due to the growth in all types of public and private sector organizations and associations that see conventions as a regular service to their members or a routine part of staff development. Under the direction of the Fresno City and County Convention and Visitors Bureau, Fresno County has steadily increased its market share of Convention generated revenue from \$32.5 million in FY 91-92 to \$67.1 million in FY 97-98 despite limited exhibit space and fewer hotel rooms than competitors. Likewise, the Bureau reports an increase in visitor inquiries from just over 35,000 in FY 92-93 to 46,490 in FY 97-98.

Similarly, the county's location as a gateway to Yosemite and the other Sierra attractions creates the opportunity for resort development in the foothills that can have a very beneficial impact on the local economy. Fresno County is blessed with recreational opportunities and facilities that if developed, coordinated and promoted could enhance the County position and reputation as a tourist destination of regional and statewide importance. The opportunities listed in the following page should be exploited for their potential to increase tourist spending and jobs in Fresno County.

## **BUSINESS DEVELOPMENT INITIATIVES**

Businesses in these growing clusters can provide the additional employment growth necessary for meeting the goals and objectives of the economic strategy through a combination of business expansion, business attraction, and new enterprise development and business retention. The sections below briefly outline the recommended initiatives in each of these components of the strategy. The discussion then moves on to describe a new expanded role for the County in coordinating the diverse efforts needed for a successful, comprehensive strategy, as well as the current activities and roles of the various implementation partners in the county. With this organizational framework established, the strategy then discusses specific supporting initiatives related to physical planning, workforce development, and other economic foundations.

It is useful to describe several important programs the County is currently undertaking for economic development.

### ***CalWORKs***

The CalWORKS program, California's version of federal welfare reform, is a "work first" program that provides support services to move recipients from welfare to work and self-sufficiency. Assistance is time limited and focused on linking recipients with employment services and jobs. Under CalWORKs, counties have increased flexibility in designing and implementing welfare programs. Fresno County's approach to implementing CalWORKs includes funding EDC for Job Creation Marketing activities and partnering with EDC and a Board appointed task force to develop the Job Creation Investment Fund Plan. The Job Creation Investment Fund grant program was created in legislation, AB 1542, and is administered by the California Trade & Commerce Agency. The purpose of the program is to allocate funds to counties to be used for job creation activities that will provide employment for CalWORKs recipients who are moving into the work force. The Job Creation Investment Fund Plan includes a comprehensive list of targeted job creation attraction and expansion efforts for Fresno County and identifies the need for specialized training and workforce readiness programs. Job creation activities and work force preparedness are key to Goal 3 of the strategy in order to ensure that Fresno workers are adequately prepared to accept the increased job opportunities resulting from implementation of the strategy.

## EXISTING AND POTENTIAL RECREATION AMENITIES

### FCMA Access/Staging/Linkages

Yosemite National Park  
Kings Canyon National Park  
Sequoia National Park  
Convention Center  
Philharmonic Orchestra  
Shaver/Huntington Lakes and other high lakes  
Blossom Trail  
Wildflower Trail

### Friant-Millerton Area

Lost Lake County Park  
Fishing  
Picnicking  
Camping  
Native American sites and artifacts  
Festival sites  
Running courses for charity runs

### Millerton Lake State Recreation Area

Camping  
Motor boating  
Sailing/Marina  
Hiking trails  
Eagle viewing tours  
Historic Millerton Courthouse

### Golf Courses

Brighton Crest World-class 18-hole golf course  
Millerton Audubon-approved natural golf course  
Millerton Par three golf course (proposed)  
Planned Millerton New Town  
Destination convention center/hotel (proposed)

### Friant Community

Old-west Americana  
State Fish hatchery

### Table Mountain Casino

Proposed Commercial Stables/Riding Academy west of Friant Road

### Shaver Lake

Boating  
Lodging  
Fishing  
Camping  
Arts and crafts  
Fairs

### Huntington Lake

Boating  
Lodging  
Fishing  
Camping

### Mountain 168

Sierra Summit Ski Resort  
Snow play areas  
Camp Edison

### San Joaquin River

### Kings River

### County-wide

Dude ranches and resorts

### FCMA

Forestiery Gardens  
Fresno Convention Center  
Fresno Museums  
Fresno Falcons  
Fresno Grizzlies  
Fresno Philharmonic Orchestra  
Old Town Clovis

Although the CalWORKs program encompasses a specific sector of the workforce, approximately 18,000 recipients, it is reflective of the level of concerted effort needed to reduce unemployment among the preexisting Fresno County labor force. This population consists of individuals who may be currently unemployed, underemployed or who have never been employed.

On August 24, 1999, the Board approved Fresno County's Job Creation Investment Fund Plan that was coordinated by EDC and developed by a Board appointed task force. The plan was submitted to the California Trade & Commerce Agency and pending approval shall begin implementation activities in January 2000. The plan includes the major activities required by the Trade & Commerce Agency:

- CalWORKs Client Profile, Employment Preparedness Index and underemployed information
- Identification of target markets for business attraction and expansion efforts
- The needs of local businesses through continuing surveys
- Meeting the needs of business through surveys and utilizing EDC's Business Assistance Representatives (one designated for marketing CalWORKs recipients)
- Increased marketing activities through web site development, trade shows and specialized presentations
- JOBS 2000, a public/private partnership pilot program for CalWORKs recipients that encounter barriers to employment
- Access to Capital services
- Technical assistance to local elected officials
- Retention/Expansion Program

Proposed funding for the implementation of the Job Creation plan is \$95,461 and \$450,000 for Job Creation Marketing activities (which was approved by the Board on September 14, 1999)

The Fresno County Department of Employment and Temporary Assistance is working closely with EDC on the implementation of the plan activities.

The Department is continuing to refine the Employment Preparedness Index for CalWORKs recipients in order to identify those most ready for employment as well as individuals that require additional training and support services. This information will be shared with employment service providers, education providers and EDC to assist in planning for the volume of job placements and training slots needed for CalWORKs recipients.

In addition to job creation activities, the Department works closely with local educational agencies, post-secondary institutions, training organizations and social service organizations who provide a variety of training and job support services.

#### *Community Development Block Grant Program (CDBG)*

The County administers the Urban County CDBG program on behalf of the participating cities in the County and the unincorporated communities. The City of Fresno is an entitlement city with its own CDBG program. Cities that are not part of the Urban County CDBG program participate in the State Small Cities CDBG Program. The purpose of the CDBG program is to benefit households and workers at 80 percent or less of the County median income (the Target Income Group). Eligible activities include housing rehabilitation and financing services, community facilities, public services and economic development. The budget for the current year is \$6.5 million, of which nearly \$2.3

million goes to the cities. Cities use most of the money for housing programs and infrastructure projects, but about ten percent of the funds are allocated to youth summer employment programs and direct assistance for business development. Of the County share of the funds, no direct economic development projects are proposed in the current year, although a number of infrastructure improvement projects will have general benefit for business development and neighborhoods in the unincorporated communities.

### **Business Expansion Initiatives**

Business expansion is often the most cost-effective economic development approach because it builds on the established economic base of the region. The Fresno County EDC should develop and carry out a carefully focused initiative for the expansion of existing value-added businesses in collaboration with the incorporated cities and the regional groups. This effort should focus on ways to help businesses identify and research new and expanding markets as a means of increasing their business activity. At the same time, a critical component of the effort is to address constraints to growth that businesses may face in Fresno County. This requires a comprehensive organizational approach involving not only the County and the cities, but potentially the entire host of agencies addressing infrastructure, workforce, and capital finance issues.

The County should actively participate in these efforts:

- Encourage and collaborate with agricultural marketing agencies to research global and domestic markets for high value crops and value-added processed foods and to develop targeted marketing programs for Fresno County produce.
- Support efforts of the UC Cooperative Extension, the Agricultural Commissioner, and other entities to provide technical assistance to farmers attempting to shift to higher value crops.
- Coordinate an initiative to deliver a comprehensive package of technical assistance regarding available technology to local businesses to improve their productivity and make this assistance available as an incentive for business prospects.
- Regularly evaluate marketing programs of the Visitors and Convention Bureau and provide funding assistance to effective marketing programs.

### **Business Recruitment Initiatives**

The Fresno County EDC is the primary economic development marketing agency in the County. However, most of the cities have economic development staff and in addition two regional groups have been formed for economic development purposes; the I-5 Business Development Corridor (BDC) and the Five Cities Joint Powers Authority (JPA). Therefore, regional cooperation and coordination of business attraction efforts are critical. The EDC should lead the effort to develop and implement a marketing program to attract firms in the targeted business clusters. The County currently supports the EDC efforts through a CalWorks program contract for marketing and business services. It also administers the federal Community Development Block Grant (CDBG) Program, which can fund a variety of job creation activities.

**Additional County roles:**

- Cooperate with and assist cities with their efforts to foster economic development consistent with the countywide strategy. Such assistance may involve joint sponsorship of funding applications, planning and development of regional infrastructure, coordinated marketing efforts and responses to site location requests, and other activities.
- Support efforts to enhance the cultural and recreational amenities available in the County in order to maintain a desirable quality of life for its residents as well as to attract business entrepreneurs from other metropolitan areas in California and throughout the nation.

**New Enterprise Development Initiatives**

New enterprise development often focuses heavily on issues of capital availability and the physical and financial requirements of business start-ups. A more fundamental issue is that of technology transfer and market research for new products and services. The Business Center and the Fresno Unified School District should continue to expand the comprehensive new enterprise development initiative associated respectively with the Central Valley Business Incubator Project and the Center for Advanced Research and Technology (CART) program. The focus of this program should reflect the targets of the Fresno EDC, the cities and the regions by development of new enterprises that are a part of these industrial clusters.

Several of the implementation activities recommended for the County above also relate to this initiative, as well as the following:

- Help facilitate where possible the collaboration between institutions of higher learning and local and regional technology firms.

**Business Retention Initiatives**

The Fresno EDC leads a collaborative effort called the Rapid Response Program, which is intended to serve as a formal business retention/layoff aversion program. As described in the Job Creation Investment Fund Implementation Plan, this effort also involves Fresno Chamber of Commerce, Fresno Revitalization Corporation, Central California Futures Institute, Valley Small Business Development Corporation, Fresno Business Council, Fresno Workforce Development Board, Computing Made Simple, Fresno Redevelopment Agency, Fresno County Department of Employment and Temporary Assistance, California Academy for Economic Development, and Fresno Works. The program is engaged in a three year work program, supported in part by CalWorks program funding, which includes extensive business surveys, technical assistance to local elected officials, services to businesses by Business Assistance Representatives, assistance in accessing capital, and management counseling.

It is important for the County to continue to support this broad based effort, and to encourage the cities to maintain locally-based business retention programs to ensure that businesses obtain the assistance they need to weather difficult periods or to expand to meet their market needs. While not limited to value-added businesses, the programs should focus on those businesses in the community that create basic jobs and new wealth.



## **ORGANIZATIONAL FRAMEWORK**

Implementation of the economic development strategy will require public and private sector institutions to make a full commitment to providing the economic foundations that will be required to attract new businesses to the county, encourage existing businesses to expand and nurture entrepreneurs to start new enterprises (see Appendix A for a partial list of economic development partners). Providing these foundations includes the adoption of policies and investment plans regarding land use and physical development consistent with successful implementation of the business development initiatives in the economic development strategy. Provision of supporting economic foundations also require long term initiatives to reform public and private sector delivery systems that are not in alignment with the requirements of the businesses targeted for attraction, expansion and new enterprise development.

### **Countywide Action Team**

The process for realignment of program resources to match the requirements of the businesses targeted for attraction, expansion and new enterprise development by the economic development strategy will be conducted by an Action Team appointed by the Board of Supervisors. The Action Team will be made up of the organizations that are currently responsible for the allocation of resources critical for meeting the requirements of the businesses targeted for business development. The Action Team will review all economic foundations identified in the economic strategy and develop specific initiatives to address the requirements of the targeted industries through redirection and/or increase in the resources currently available to participating institutions. Although the Action Team would be similar in some respects to the organizational team for the Rapid Response Program, the participation and the focus of the Action team should be broader in that it will be engaged in long term planning and program implementation. The County Staff, and the Staff of the Action Team member institutions will support the work of the Action Team.

### **County Role in Regional Coordination**

The County must provide regional leadership and coordination in order to accomplish the goals and objectives of the Economic Development Strategy. It is clear from the discussion of supporting initiatives that many of the issues affecting business growth and development require regional planning and funding, including the transportation system, workforce preparation, global and national marketing and business attraction, water supply, regional strategies for waste management, and many more. Economic activity occurs on a regional level. Any plan that is narrowly designed to fit the boundaries of governmental jurisdictions will fall short of dealing with the competitive needs of its local businesses and fail to address the opportunities for economic growth associated with the economy, which is bounded only by linkages to suppliers and markets. While the cities, communities and regional groups in the county should continue to collaborate with the Fresno EDC in implementation of the business development initiatives discussed above, there is a need for a strong governmental role at the regional level to accomplish the physical and programmatic improvements needed to accelerate economic growth in Fresno County.

In its role as regional coordinator of the economic strategy, the County should support the local functions that are in the purview of the cities and the regional economic development groups such as the I-5 Business Development Corridor and the Five Cities JPA. Local functions include planning for availability of land for economic development, local infrastructure systems and connections, enforcement of design and development standards, redevelopment activities and marketing specific

business prospects, among others. But each of these areas could benefit from regional collaboration. For example, the County and the cities could jointly develop and maintain an inventory of available industrial and commercial property and vacant facilities for use by the EDC and the cities in their business expansion and attraction initiatives.

At the same time, the County should actively participate in broader regional development efforts. The Central Valley is an economic region. It has well developed linkages between markets and suppliers and will evolve along those paths already established. This does not mean that new emerging industrial clusters will not develop. In fact they can develop very quickly. What it does mean is that Fresno County, as recently suggested by a County Supervisor and other public and private sector leaders, must begin the practice of marketing itself as a region. The California Central Valley Economic Development Corporation (CCVEDC) was designed for this purpose and has proven its worth in the recruitment of industries to the Valley. But, it must not be forgotten the most of the new jobs in California come from the expansion of existing businesses and attention to this can only come from the jurisdiction in which the firm is located.

Fresno County Government must therefore increase its involvement in economic development. The County is currently the major contributor to the Fresno County EDC budget and this level of support should continue. In addition, the Board of Supervisors should also create the position of economic development coordinator in the Office of the County Administrator with responsibility for staffing the Action Team, providing coordination on economic development issues with city and regional groups, and updating the Comprehensive Economic Development Strategy (CEDS).

Although it is incumbent on the County to exert regional leadership, the economic development strategy strongly supports the planning principle of concentrating development efficiently in industrial parks and business centers under city jurisdiction, and only to a minor extent in unincorporated areas. This raises a critical issue about the fiscal impact of the proposed development plan and the ability of the County to fund its expanded economic development role. Fiscal issues have been the subject of substantial debate between the County and cities relating to tax sharing agreements, city redevelopment tax increment distributions, and project specific tax incentive proposals. In addition, there is a range of opportunities for fiscal collaboration in securing state and federal funds for important programs in Fresno County.

The preliminary analysis of the fiscal impact of the initial of economic scenarios, including infrastructure finance, operating costs and revenues and benefit/cost ratios, that was completed in the *Economic and Growth Scenarios Report* will be addressed specifically for the preferred economic scenario in Phase II of the General Plan Process. Based on this information and the deliberations of the Action Team regarding resources to address the economic foundations, the County should initiate discussions with the cities the other implementation partners regarding a regional means of funding the economic development program that recognizes the regional and local functions that must be carried out at each level and the distribution of resources inherent in the land use pattern proposed in the County General Plan. A collaborative effort in this regard may be the development of a countywide capital improvements budget as well as a resource allocation plan for economic development activities.

### Summary of Recommended County Responsibilities:

- Create Economic Development staff position
- Coordinate Action Team
- Coordinate with California Central Valley EDC
- Collaborate with cities on countywide capital improvements budget
- Maintains the Federal Comprehensive Economic Development Strategy (CEDS)

### Implementation Partners

Implementation of the Economic Development Strategy recommended for Fresno County will require the participation of organizations in the county that have resources essential to achieving its goals and objectives. These organizations will serve on an Action Team appointed by the Board of Supervisors. Their responsibility will be to develop supporting initiatives in land use, infrastructure, quality of life, labor force preparedness, capital availability and access to technology. The organizations essential to this effort and the resources they bring to the initiative development process are discussed below.

#### Cities

The cities play a leading role in granting land use entitlements for economic development projects. Along with this function, cities are faced with the need to plan for the land and infrastructure requirements needed by businesses. In addition to planning and regulatory activities, many of the cities are actively engaged in economic development activities. The economic development targets and programs adopted by cities in the county are briefly summarized below.

**Clovis:** The city adopted an economic development strategy in March 1998 which identifies a number of business development targets including computers and data processing, medical equipment, back-office information services and a variety of light manufacturing industries such as plastics components. Clovis is an excellent location to support development in the information technology cluster. Toward this end, the Clovis and Fresno school districts are collaborating in the establishments of the Center for Advanced Research and Technology (CART) to address workforce training at the secondary education and community college levels.

**Coalinga:** Coalinga has a redevelopment agency, which is developing an industrial park. The City also has used the State Small Cities CDBG program frequently to prepare economic planning studies including a target industry analysis and labor force survey and retail studies pertaining to downtown.

**Firebaugh:** According to city staff. Firebaugh is continually undertaking activities to promote economic development. These activities include participation in the I-5 Business Development Corridor (I-5 BDC), preparation of a commercial revitalization design plan and a Highway 33 beautification plan, as well as projects to increase the wastewater treatment capacity, increase the water supply, and improve the airport.

**Fowler:** Fowler has adopted a redevelopment plan and commissioned feasibility studies to improve industrial development along the Highway 99 corridor. The City has been successful in obtaining

grants and low-interest loans to assist business development and expansion. It is also a member of the Five Cities Consortium.

**Fresno:** The City of Fresno offer a substantial hub of infrastructure and existing business centers as a base for future business and employment growth. Fresno not only supports much of the existing value-added food processing and agricultural infrastructure industry in the County, but, along with Clovis, provides the opportunity for future diversification of the economic base into informant technologies and other office-based business development. The City's preferred General Plan Alternative 10z recommended by the Citizens Advisory Committee provides for more than 12,000 acres of industrial development and nearly 2,500 acres of business parks and office development.

**Huron/Orange Cove/Parlier:** These three cities have successfully applied for status as an Enterprise Community and are designated as a Round 1 Champion Community. Their strategic plan includes a variety of new programs including a one-stop capital shop, a "Job Link" transit system, a new farm workers health care facility, expansion of a wastewater treatment plant as well as water system improvements, and new high schools in Orange Cove and Huron.

**Kerman:** Kerman is situated in proximity to Fresno but is also a founding member of the I-5 BDC. It offers a diverse housing mix and a large industrial park as well as a strong commercial corridor along Highway 180 (Whitebridge Road). The City also has a redevelopment agency.

**Kingsburg:** While Kingsburg does not have a written economic development strategy, it intends to be a balanced community and to focus its economic development on tourism related to its Swedish Village theme and its proximity to the Kings River. Kingsburg also has a small redevelopment program focused on industrial development.

**Mendota:** Mendota is a member of the I-5 BDC and features large tracts of industrially-zoned land, an existing waste-to-energy plant and a field office of the State Employment Development Department.

**Reedley:** Reedley has recently adopted an economic development strategy that emphasizes retaining, expanding and attracting employment to provide entry-level jobs to welfare recipients to transition to the work force and to provide jobs at various levels to provide opportunity for advancement. Reedley is a member of the Five Cities JPA and has a community college as well as a satellite office of the County Human Services System. The City Redevelopment Agency is developing a 36-acre industrial park for which it plans to recruit value-added agricultural industries.

**San Joaquin:** San Joaquin has a redevelopment agency and has successfully attracted both commercial and industrial businesses to new sites in the city. The completion of the Manning Blvd. extension to I-5 has improved regional transportation access to the city and the city actively participates in the I-5 Business Development District.

**Sanger:** Sanger is currently updating its general plan and is reviewing its potential for diversified economic development. The City Redevelopment Agency plans to build on a strong existing base of businesses in the industrial park that includes not only agricultural processing, but plastics, word products and machinery manufacturers. Sanger is also a member of the Five Cities JPA.

**Selma:** Selma has an active economic development strategy and program, implemented through a unique shared staff arrangement with the chamber of commerce. Its approach is based strongly upon a customer service orientation to facilitate business growth with a minimum of delay and procedure. Selma has a redevelopment agency, a public finance authority and an economic development corporation in addition to participating in the Five Cities JPA.

### Business Organizations

It is essential that business organizations play a major role in the preparation of initiatives that address the requirements of businesses located, or interested in locating, in Fresno County. Representatives of the business community are the most knowledgeable about the impediments of businesses that reduce their competitive advantage and can bring these insights to the deliberations of the Action Team. They can also network with other members of the business community to build support for the initiatives once they are developed. The following are examples of the type of business groups that should be included on the Action Team.

**The Fresno County Economic Development Corporation:** The Fresno County Economic Development Corporation has the lead responsibility for the implementation of business attraction and expansion initiatives. This organization works closely with the cities in the county as well as industrial realtors and property owners to insure that the county is well represented in the market for business locations and expansions. They also operate the Rapid Response Program, which addresses the need to retain existing businesses. This organization will provide the implementation effort with expertise on the requirements of targeted businesses and how those requirements can be met through supporting initiatives developed and supported by the Action Team.

**The Fresno Business Council:** The Fresno Business Council is a private sector organization that has been actively involved in a number of efforts to stimulate collaborative economic development initiatives in the county and the region. They bring both expertise in employing sound business practices to the development of economic initiatives and influence in building support for the successful implementation of the Economic Development Strategy. The participation of Business Council members will also help the Action Team to build support for their efforts in the business community.

**The Fresno Metropolitan Chamber of Commerce:** The Fresno Metropolitan Chamber of Commerce represents the county's business community on a variety of issues and provides a full range of services to their members. The expertise of their members and staff in the identification of areas needing attention will be a valuable contribution to the implementation process, particularly in those areas where the interests of the retail and services sectors of the economic base are involved. The participation of the Chamber in the initiative development process will help the Action Team to build support among Chamber members and supporters.

**The Hispanic Chamber of Commerce:** The Hispanic Chamber of Commerce provides technical assistance to its members in the successful operation of their business and/or the development of a new enterprise. They also serve as a forum for the discussion of issues that particularly effect the Hispanic business community. This organization will provide expertise in the development and implementation of initiatives that will be of particular benefit to this constituency as well as the larger community. They will also help the Action Team build support for the Economic Development Strategy in the Hispanic community.

**The Fresno County Farm Bureau:** The Fresno County Farm Bureau represents all aspects of the agricultural cluster and is in a position to bring their expertise to bear on issues that have an impact on the interests of their members. This expertise will be valuable to the Action Team in the development of initiatives that will insure the continued high level of performance of the agricultural cluster in Fresno County. Their participation will also help the Action Team to build strong support for the Economic Development Strategy among agricultural businesses.

**The Building Industry Association of the San Joaquin Valley:** The Building Industry Association represents the interests of the construction industry in the Valley. They will bring their expertise in the area of land use and other development issues to the Action Team and assist in the development of initiatives that will facilitate the development process. Their participation will also help the Action Team to gain support for the implementation of the Economic Development Strategy with this constituency.

**The I-5 Business Development Corridor (I-5 BDC):** The cities of Firebaugh, Kerman, Mendota, and San Joaquin, along with the Tranquility Irrigation District, California State University Fresno, and the Board of Supervisors created the I-5 BDC in 1994. Formed as a nonprofit corporation and covering more than 1,000 square miles in northwestern Fresno County, the I-5 BDC is pursuing an economic development strategy of becoming a center for processing and distribution of food and fiber products. It has implemented a number of projects, including enhanced services from both the Valley Small Business Development Corporation and the University Business Center for businesses within the district.

**Five Cities Consortium:** Similar in many respects to the I-5 BDC, this organization is a JPA including the cities of Selma, Fowler, Sanger, Reedley and Parlier. The organization is intended to pool economic development resources in joint marketing efforts and other activities to increase business growth in this area.

#### Education & Training Organizations

The number one requirement of businesses considering expansion or location in Fresno County is the availability of a quality labor force. Low cost, while sometimes important, is being replaced by concerns about the ability of the labor force to be productive. Both educational and training organizations must be a part of the Action Team so that appropriate initiatives can be developed to insure that the Fresno County labor force is job ready when employment opportunities become available. The following are some of the key educational and training organizations that should be a part of the Action Team

**The Business Center, CSU Fresno:** The Business Center located at CSU Fresno has been actively involved in new enterprise development through the incubator program and is also working to make the One Stop training center a success. They also sponsor the Small Business Development Corporation, which provides technical assistance to businesses throughout the San Joaquin Valley. Their participation on the Action Team will insure that the resources of the Business Center are available to plan and carry out the initiatives that are developed.

**The Training Institute, Fresno City College:** The Training Institute has a major responsibility for providing training to the Fresno County labor force. In addition they are one of the sites for the California Manufacturing Technology Network which provides technical assistance to manufacturing firms in the area. The Training Institute is also host to the Export Center, which provides technical assistance to businesses interested in exporting or importing their products or services. The Training Institute can provide valuable expertise to the Action team as it develops initiatives for implementation of the Economic Development Strategy.

**West Hills College:** West Hills College is in the process of expanding its program to better serve Fresno County. The College can bring to the discussions of the Action Team an understanding of the particular issues faced by businesses located in the more rural areas of the county. They can also access funds that are only made available to Community Colleges that are located in rural areas. The addition to the Action Team of West Hills College would strengthen their understanding of the businesses on the West Side of the county and how their requirements might be more successfully met by initiatives that the Action Team develops.

**Fresno County Superintendent of Education:** The office of the Superintendent of Education can make a significant contribution to the development of initiatives to be carried out by the local school districts in the area. The concerns of businesses seeking to locate or expand in the area extend to the need for a steady stream of quality prospects coming out of the local K-12 systems. The school-to-career programs currently operating in the area are demonstrations that will provide insights into on-going initiatives that should be developed and implemented by all school districts in the area. The Superintendent and his office can be a major source of expertise and support for these initiatives.

**Fresno County Workforce Development Board:** The Fresno County Workforce Development Board plays a central role in the allocation of Federal funding for employment training. Although the system is being changed due to Federal Workforce Investment Act, there will be a Workforce Investment Board with similar responsibilities. The anticipated flexibility in the allocation of funding under the new program makes it imperative that the current Workforce Development Board and its successor play a role in the development of initiatives by the Action Team.

**FresnoWorks:** FresnoWorks is a collaborative resource system providing employers and job seekers with comprehensive and integrated job education and training services. The structure of the program promotes a non-hierarchical system of teams from existing agencies to better integrate the delivery of training services. Agency participants include the California Department of Rehabilitation, California Employment Development Department, University Business Center, Fresno Adult School, and Fresno Business Council. Fresno City College, Fresno County Department of Employment and Temporary Assistance, Fresno County Economic Opportunities Commission, Fresno EDC, Workforce Development Board, and Proteus.

### Support Services

A full range of support services to be successful must complement the education and training organizations described above. The availability of support services for individuals and families seeking to improve their ability to gain and hold jobs requires that their individual needs be met by organizations experienced in the provision of those services. To complement the education and training initiatives developed by the Action Team there must be discussion of the needs of

individuals and families and initiatives developed to meet their requirements. The following organizations illustrate the type that must be included on the Action Team

**The Fresno County New United Way:** The Fresno County New United Way not only funds a number of support services that are vital to the success of the Economic Development Strategy; they also conduct an evaluation of social issues every two years. This makes participation of the New United Way on the Action Team doubly important. They can contribute expertise to the development of initiatives for the provision of social services and also have input to the evaluation of those initiatives during the implementation process.

**The Fresno County Human Services System:** The Fresno County Human Services System, comprised of the Adult Services, Employment and Temporary Assistance, Community Health and Children and Family Services Departments, is responsible for the coordinated delivery of services which foster health, safety, and self-sufficiency of individuals and families. The System is also responsible to administer Federal and State Welfare Reform mandates which include preparation for, linking to, and retention of gainful employment, for the eligible client population. Continued nurturing of strong relationships, including cross-agency planning and mutual support between the System, the Economic Development Corporation, the Workforce Development Board, and local employers is critical to the achievement of employment goals. Development of effective Action Team initiatives must include close collaboration with the Human Services System.

**The Fresno County Economic Opportunities Commission:** The Fresno County Economic Opportunities Commission plays a major role in providing supportive services to low-income and other disadvantaged groups in the county. They can be of particular value on the Action Team by sharing their experience and expertise in the development and implementation of programs targeted to these groups. Their participation on the Action Team will also insure that these groups are not left out of the implementation programs that are developed.

#### Technical Assistance to Business

Technical assistance to business is an important component of the Economic Development Strategy. In many cases businesses can improve their competitive position and expand once they are able to master business and marketing practices. This is also true for entrepreneurs that are seeking to start new businesses as evidenced by the success of the incubator project. Technical assistance can also be an inducement for firms seeking new locations in Fresno County. In addition to those already mentioned the following are organizations that might be included on the Action Team to help in the development of technical assistance initiatives for those businesses targeted for new enterprise development, expansion or recruitment.

**The Agricultural Extension Service:** The Agricultural Extension Services has been a resource to the agricultural cluster for decades. It continues to provide that assistance, but is rarely involved in the development of broader initiatives such as those envisioned by the Economic Development Strategy. Discussions with the members of the Action Team will identify initiatives that can be appropriately developed to utilize the expertise and experience of the Agricultural Extension Service.



**The California Agricultural Technology Institute:** This Institute conducts research and provides technical assistance to firms in the agricultural cluster. Participation in the Action Team will result in an opportunity to explore how the services of the Institute can be best incorporated in the Economic Development Strategy. It can lead to both research initiatives and technical assistance initiatives that are targeted to the goals and objectives of the Economic Development Strategy.

**The California Central Valley Economic Development Corporation:** The Corporation is the primary source of capital available from Federal and State sources. These sources of capital are frequently blended with funds from banks and other local lending organizations. The experience and expertise gained through many years of successful operation by the Corporation will be useful to the Action Team as it develops new and creative initiatives that can be made available to targeted firms seeking to expand or locate in the area.

### Special Purpose Organizations

In some cases issues are of such significance that single purpose organizations are in place to consider them on an on-going basis. These organizations can make a significant contribution to the work of the Action Team through their active participation. Some of the more important special purpose organizations and the role that they might play in the development of initiatives for implementation as part of the Economic Development Strategy are discussed below.

**Fresno City and County Visitor and Convention Bureau:** This organization performs tourism marketing and bookings at the convention center in Fresno. The Bureau also serves as the County Film Commission and helps in funding the promotions for a number of special events throughout the County.

**The San Joaquin Valley Unified Air Pollution Control District:** The District is responsible for rules regarding air pollution. Since the San Joaquin Valley is one of the areas in the State with serious problems in their area of responsibility the District will play a major role in the area's economic development. By including a representative of the District on the Action Team a full discussion of the issues and potential solutions can be found and appropriate initiatives developed.

**The Fresno County Water Advisory Committee:** A major issue facing Fresno County businesses is the availability of water. While production agriculture is the segment of the agricultural cluster that is primarily effected, all of the other segments of the agricultural cluster will suffer from any reduction in the availability of water. At the direction of the Board of Supervisors, the Water Advisory Committee has developed a wide ranging set of recommendations, many of which are proposed as general plan policies or implementation programs.

**The Fresno County Council of Governments:** As the major transportation planning organization for the county the Fresno County Council of Governments can play a significant role in bringing a county-wide perspective to discussion of the transportation requirements of targeted businesses by members of the Action Team. Their participation can lead to solutions to transportation issues that might otherwise be overlooked by members with a more narrow perspective.

**The Fresno County Agricultural Commissioner:** As the agricultural base of Fresno County continues to evolve the County Agricultural Commissioner and his organization can play a key role in the identification of potential issues and the development of corrective initiatives. The knowledge

of trends in the operation of the agricultural cluster can be provided by this organization will be valuable to the Action Team in its efforts to deal with critical development issues surrounding the future of the agricultural cluster in Fresno County and the San Joaquin Valley.

**The Fresno County Planning & Management Department:** This Department is responsible for County activities related to community development, natural resource management (including water supply) and transportation programs.

## SUPPORTING INITIATIVES

The initiatives for business expansion, attraction, new enterprise development and business retention provide the programmatic framework for economic development in the county. The specific requirements of businesses in these industrial clusters must be met through a series of supporting initiatives throughout all the county and city jurisdictions. The description of the business targets in the earlier section identified the top site location priorities for representative types of industries. This section of the strategy discusses how the county and the cities can respond to the needs of the targeted business groups. The critical issue here is one of investment. Substantial financial investments are needed to support the level of job growth called for by the Economic Development Strategy. The *General Plan Background Report* indicates that the potential economic benefits can far outweigh these costs, but the investments must be made before the benefits can be realized. Clearly, this is the biggest issue for county/city/private sector collaboration and the County should assume the lead role in coordinating funding issues.

In general, it is important to recognize that the intent of the Economic Strategy is to change the course of business development in Fresno County, even while building on many of the county's existing economic strengths. Therefore, while the county has a proven track record in meeting the basic needs of many of the businesses listed in Table 2, the focus of future implementation efforts must be on the areas that represent a departure from business as usual in the County.

For example, although Fresno is in many ways the leading agricultural county in the state, the strategy seeks to accelerate the pace of development in the food processing sector. This means attracting more industrial facilities that draw their raw product base from well beyond the county's borders. It also means the developing industries whose markets reach well beyond the borders of the nation. This concentration of food processing industries has implications for land use, transportation, resources and infrastructure.

Similarly, an accelerated rate of growth in agricultural infrastructure industries, such as packaging materials and metal fabrication businesses, will mean that more of these businesses are marketing their products and services outside the county. While many of these industries have lower demand for basic resources such as water than do agricultural industries, they will place an increasing burden on the transportation system.

Fresno County offers the agricultural cluster and the industrial machinery cluster a well-trained labor force, although an accelerated pace of job growth will require extended efforts to move unemployed, lower-skilled workers into the occupations needed by these industries.

Growth in the information processing cluster is much more constrained by the small but emerging segment of the Fresno labor force that has the skills and experience to operate office and communications equipment efficiently. While this cluster reaches its customers and market largely

through communications systems, rather than transportation systems, it should benefit significantly by the proposed high speed rail connection with the major technology centers in the Bay Area and the Los Angeles metropolitan area.

## Land Use & Infrastructure

### *Land Use*

In its report entitled *Preferred Economic and Growth Scenario – Economic and Growth Allocation and Methodology*, the General Plan Update team prepared a projection of the amount and distribution of growth in the preferred scenario. Less than five percent of the land demand for non-residential uses is projected to occur in county unincorporated areas outside the cities' existing spheres of influence. There are some existing concentrations of industrial development in unincorporated areas such as Malaga that will continue to grow, and County zoning permits agriculturally-related industries in agricultural zones, but, overall, the economic strategy very much supports the concentrated patterns of growth proposed in the *Landscape of Choice*.

The issue of agricultural industry location is important in light of the emphasis of the strategy on increasing value-added food and fiber processing. As noted in the summary of location criteria for these industries, the distances at which raw product can be transported are continually increasing, and the strategy seeks to attract industries that would import food products from throughout the Central Valley. Therefore, there should be a coordinated effort between the cities and the county to locate such industries in city industrial parks where services and infrastructure can be provided more cost-effectively. There will continue to be instances where individual plants should be located closer to fields in the county, because of the scale of the facility or the inability of the nearest city to provide necessary services. The strategy includes initiatives for the County and cities to coordinate on new zoning criteria and development standards for the location of manufacturing plants in rural areas. But in general terms, the agricultural emphasis of the economic strategy should not be viewed as a call to decentralize industrial development in the county.

In addition, there must be careful planning coordination in the cities' spheres of influence. These areas are under county jurisdiction but represent the expansion potential of the cities. Businesses must hear one voice from both the city and county agencies in terms of the future direction of growth and development standards in these areas.

In terms of the distribution of business cluster growth among the cities, the projections are generally based on the assumption that existing large concentrations of business development will continue to receive the most growth out to the general plan 2020 horizon. Communities along the Highway 99 corridor and in the East Valley region of the county would experience the most diverse job development. These cities currently support much of the metal fabrication and machinery cluster as well as agricultural infrastructure industries including paper, plastic and glass packaging materials. Information processing facilities can be expected to concentrate in Fresno and Clovis, although start-up firms will seek locations in the smaller communities as well. The West Valley communities are more heavily concentrated in food processing industries, although there are numerous examples there as well of growth in non-agricultural manufacturing activity.

While there is sufficient raw land available in most of the county's communities to support the level of job development envisioned in the strategy, there is a general lack of large sites that are fully prepared to receive development. Site preparation and development of adequate infrastructure systems must be a strong priority of all communities in the county.

To summarize, key implementation initiatives for County government include:

- Conservation of agricultural land
- Concentration of food processing industries in city jurisdictions
- Maximize visitor-serving "gateway opportunities" through the creation of visitor attractions in strategic locations such as along the San Joaquin and Kings rivers, in the Friant-Millerton area and possibly in the west hills area of the coast range foothills.
- Implementation of general plan open space and recreation policies.

### *Transportation*

The level of economic development anticipated in the economic strategy will increase commercial traffic throughout the county, particularly truck traffic. The increasing emphasis on truck transportation versus rail even among manufacturing firms is due in large part to deregulation of the trucking industry which has brought trucking rates much closer to those of rail.<sup>2</sup> In addition, the higher value-to-weight ratio of technologically oriented products decreases the importance of transportation expenses.

This will signal the need for regional transportation improvements regardless of the location of most of the new and expanded businesses. The *Economic and Growth Scenarios Report* noted that a significant impact of all the alternate economic scenarios is the need for major investments in road maintenance and improvement. Significant increases in truck traffic will place much greater strain on road paving and will increase conflict with auto traffic on narrow roads.

Despite the emphasis on truck transportation, it is in the interest of the county to make rail transportation as efficient and attractive as possible. The *Economic and Growth Scenarios Report* discusses the possibility of combining the main line through the county for more efficient operation. Consolidating freight traffic on one line would also possibly allow high-speed rail or other passenger services on the other line. This could be a major benefit for attracting information processing and technology firms and would also help mitigate the congestion and air quality impacts of the increased truck traffic from other industries.

Additional food processing activity may increase demand for rail services, but this will require a concentrated development pattern conducive to an efficient branch line system. This reinforces the need for city/county coordination of land use planning for economic development.

Finally, it was noted in the recent business surveys by the EDC, that businesses are concerned about the level of passenger air service to the County. As the County attempts to diversify into information technology sectors, convenient and inexpensive air service will become increasingly important.

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<sup>2</sup> "1998 Annual Corporate Survey," *Area Development Magazine*, December 1998. p. 72.

The general plan circulation element outlines a wide range of policies and program to improve the transportation system. The following are of particular importance for the economic development strategy:

- Maintain good truck access to industrial areas
- Maintain the integrity of the rail freight system
- Support the establishment of high speed passenger rail service
- Improve the availability of passenger air service
- Coordinate with regional visitor-serving transportation initiatives such as YARTS.

#### Water

Food processing industries are higher water users than are metal fabrication and electronics firms (Table 14). Information processing facilities use even less water per employee. Successful development of value-added food processing industries will further exacerbate an already contentious problem, in that surface water supplies are currently fully appropriated and groundwater aquifers are in overdraft conditions throughout much of the county. The county should exercise a leadership role in developing additional water supplies through ground water recharge and banking projects as well as exploring alternative water sources such as the reclamation systems in use in many areas of Southern California. If the county could develop a model for implementing water reclamation for industrial use, it could help mitigate a portion of the higher cost for affected firms seeking locations in the county. As an example, the City of Mendota has suggested that perhaps San Luis Drain waters could be cleaned sufficiently to use in certain agricultural processing applications.

- The County Water Advisory Committee is a key resource in the development of implementation program to address this issue.

#### Wastewater

The *Economic and Growth Scenarios Report* indicates that many jurisdictions in the county will need to expand their wastewater treatment facilities in order to meet demands by the year 2020. Waste disposal is a problem for many firms that are targeted for business development. A recent study that interviewed value-added food processing firms indicated that wastewater disposal is often a more difficult problem than securing adequate water supply.<sup>3</sup> The County and the cities will need to provide assurances to firms interested in locating or expanding in the county that their waste disposal needs will be met. This issue could be addressed by designating specialized industrial parks with on-site pre-treatment or disposal of liquid waste, or by establishing cost subsidy incentives.

- Institute technology development programs, through collaboration with research institutions and responsible agencies, for use by industries and cities to support expansion of agricultural agencies.

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<sup>3</sup>Licciardello & Associates, *Trends in Regional Agriculture*. Fresno. February 1998.

**TABLE 14  
INDUSTRIAL WATER USE**

| Industry Group | Industry Name                    | Average Water Use Per Employee (Million Gals/yr.) | Rank |
|----------------|----------------------------------|---|------|
| 20             | Food Processing                  | .592  | M    |
| 22             | Textile mill products            | --  |      |
| 23             | Apparel and textile products     | .006  | L    |
| 24             | Lumber and Wood products         | 1.520   | H    |
| 25             | Furniture and fixtures           | .026  | L    |
| 26             | Paper and allied products        | 1.670   | H    |
| 27             | Printing and publishing          | 0.130   | L    |
| 28             | Chemicals and Allied products    | .370  | M    |
| 29             | Petroleum and coal products      | 6.640   | H    |
| 30             | Rubber and plastic products      | .050  | L    |
| 31             | Leather and leather products     | .191  | L    |
| 32             | Stone, clay and glass products   | .405  | M    |
| 33             | Primary metal industries         | .618  | M    |
| 34             | Fabricated metal products        | .067  | L    |
| 35             | Machinery, except electrical     | .029  | L    |
| 36             | Electric & Electronic equipment  | .019  | L    |
| 37             | Transportation equipment         | .059  | L    |
| 38             | Instruments and related products | .038  | L    |
| 39             | Miscellaneous mfr.               | .012  | L    |
| <b>AVERAGE</b> |                                  | <b>.378</b>                                       |      |

Source: Water Use by Manufacturing Industries in California 1979 (DWR Bulletin 124-3, May 1982, Table 4).

### *Power*

The deregulation of utilities in California has led to an increase in the flexibility in the choice of servers. The new competitive system, however, has not fully developed and there are still many unanswered questions. Many of the candidates for location and expansion in the county are major power users and will be looking for the best possible rates.

### *Telecommunications*

As the county seeks to diversify its economy, improved communications facilities will become increasingly important. The County should provide leadership in this area to ensure that barriers to the development of a state-of-the-art communications system are addressed aggressively by responsible public agencies.

- Convene the existing service providers to determine the state of the infrastructure currently, the needs of the future, and the role of the County and other agencies in facilitating implementation of services demanded by high technology firms.

### *Flood Control*

The serious flooding problems in many sections of the county are well known. If industrial parcels in floodplains are to be part of the inventory of available sites then investments will need to be made in mitigating these conditions. If mitigations cannot be found then a considerable number of potential sites will not be available for industrial development.

### *Quality of Life*

The Economic Development Strategy must address quality of life issues in addition to meeting the specific location requirements of firms in the targeted clusters and industries. Firms that are looking for sites will be interested in the quality of life that Fresno County can provide for them and their employees. Such things as housing, schools, safety and amenities all play an increasing role in the concerns of employers for their workforce. While quality of life remains a term subject to interpretation it can be said to include the following categories based on the experience of economic development practitioners.

### *Environmental Quality*

Long-range planning for industrial development is critical to avoid environmental impacts that may result from land use conflicts, noise and odor conditions or disposition of hazardous materials. The County's planning and project review process attempts to anticipate issues for specific industries and locations and to identify effective and efficient mitigations for individual business development projects. It is essential that environmental quality be maintained through a "customer service" process that assists businesses to meet applicable standards.

### *Air Quality*

The problems associated with reduced air quality will arise from those problems associated with the specific industry seeking a site and from the traffic that the site will generate. Since the mobile non-point sources of air pollution are far greater than stationary point sources, traffic generation will be a major consideration. While trips to work related to the number of employees will be a factor, it is likely that the generation of truck traffic will be the major consideration. A major variable will therefore be the location of the site of the prospective firm. In addition to traffic as a source of air pollution, each business seeking a location regardless of the industry it is a part of will have some unique problems that need to be resolved. In many cases the introduction of technologies and/or changes in processes can provide a solution. But a close working relationship with the San Joaquin Valley Unified Air Pollution Control District is essential.

### *Natural Resources*

The primary issue with respect to natural resources will be compliance with the Endangered Species Act. This has been a contentious issue in the county as well as all other agriculture-based sections of the state. It will be necessary to anticipate problems with compliance in prioritizing sites for industrial development.

### *Housing*

Although housing is not usually included as an economic development issue, there is growing concern about the availability of affordable housing. Firms looking for sites will take the availability of housing for their executives and production workers very seriously. In addition, it is in the best interest of the community to provide housing in relative proximity to the site to reduce air pollution and transportation circulation problems.

### *Health*

It is well established in industrial analysis that the health of employees is a major cost factor. Absenteeism is a significant cost of doing business. Poor health has also been documented as a detriment to productivity as well as a cause of absenteeism. Turnover, which is costly to firms, is also frequently a result of poor health. Therefore the availability and the level of health services, both public and private, will be of concern to most prospects for location in the County.

### *Public Safety*

Industrial areas present crime prevention problems for local law enforcement agencies because they are usually not in well-lighted and or routinely patrolled areas of the community. The location of sites will need to take into consideration the ability of law enforcement agencies to provide the level of protection to employees and the company that prospects will expect.

### **Economic Foundations**

There are several issue areas that need to be addressed in addition to the categories listed for inclusion in the General Plan Update process. These issue areas stem from the need to provide a set of economic foundations for the community that all businesses expect and those seeking to locate in the county are likely to require. These economic foundations are identified and discussed below.

#### *Labor Force Preparedness*

The new jobs made available over the next 20 years through implementation of the Economic Development Strategy will not benefit the current and future labor force of the county if its members are not qualified to secure and retain the jobs created. Training and education must be addressed to build a base of skills that would be attractive to firms locating in the area or seeking to expand. A quality work force is a top ranking requirement for selecting a site according to site location professionals. More often than not a quality work force is one that demonstrates a willingness to work productively. The county has a workforce that meets those criteria. However, employers will be increasingly interested in employees that can be trained to a higher skill level. Therefore the objectives for meeting this goal must include those that can be used to measure success across all ages and skill levels.

Table 15 indicates the distribution of occupations implied in the job growth projections for several of the main business clusters in the preferred scenario. For each cluster, the average occupational distribution is shown and these percent figures are applied to the future job projections for the cluster. This gives an indication of the future labor demand in the county, which can be refined to identify specific skills development programs that are needed. As part of the CalWORKS program, the EDC and the Central California Futures Institute are undertaking surveys to ascertain the labor



skills businesses demand. The bottom line in the table shows the 1990 distribution of occupations in the county labor force for comparison. The county labor force has shown a fairly even mix across the broad occupational categories. It is likely that increased development of the information processing cluster will require emphasis in developing a greater range of technical skills in the labor force.

The planning and delivery of education and training services is one of the most complex activities related to economic development, due to the wide range of agencies involved, the diverse needs of the business community, and the disparate educational and social conditions in the workforce. The discussion of the organizational framework for economic development in the previous section mentions a number of initiatives currently underway in the field of workforce development. In the past budget year, the Board of Supervisors took more than 40 separate actions related to training and education, of which half related to the implementation of the CalWORKS program. Other activities address gang prevention, youth intervention programs, library work/study programs, probation education and training, specialized child welfare training, social services to support education and training programs, substance abuse prevention, planning for child care services, and support of applications for cities to gain Rural Federal Empowerment Zone designations that would provide greater access to Title XX social service funds.

The CalWORKS program itself, which is focused on serving 18,000 CalWORKS recipients in the County, involves a comprehensive approach that includes detailed assessment of worker employment readiness, extensive surveys to determine job demand and skill requirements by businesses, and training and service programs that are customized to address a wide range of social, demographic and labor force needs within the target population.

This is the kind of approach needed on a broad basis to move all segments of the County's unemployed and underemployed workforce into productive, long-term employment. The County Economic Development Strategy must be supported with an education and training component that is closely tied to the needs of the growing businesses in the County. Generally, the system must encompass the training agencies, the school districts and the colleges and universities.

**TABLE 15**  
**DISTRIBUTION OF PROJECTED EMPLOYMENT GROWTH BY OCCUPATION**  
**Percent Distribution of Labor Force**

| Targeted Business Clusters                      |                                  | Total  | Mgrs./<br>Admin | Prof./<br>Tech. | Sales  | Cler.  | Serv. | Ag.   | Prod.  |
|---|----------------------------------|--------|-----------------|-----------------|--------|--------|-------|-------|--------|
| <b>AGRICULTURAL INFRASTRUCTURE</b>              |                                  |        |                 |                 |        |        |       |       |        |
| 07  | Agricultural Services            | 100.0% | 3.1%            | 3.1%            | 0.7%   | 5.3%   | 0.5%  | 77.3% | 10.0%  |
| 287   | Agricultural chemicals           | 100.0% | 8.7%            | 18.4%           | 9.9%   | 22.0%  | 0.8%  | 0.7%  | 39.5%  |
| 342   | Hand tools                       | 100.0% | 10.0%           | 5.2%            | 5.2%   | 22.0%  | 0.6%  | 0.0%  | 57.0%  |
| 352   | Farm and garden equipment        | 99.9%  | 8.3%            | 4.5%            | 3.3%   | 13.8%  | 1.7%  | 0.2%  | 68.1%  |
| 356   | General industrial equipment     | 99.9%  | 9.9%            | 13.2%           | 3.6%   | 16.5%  | 0.8%  | 0.0%  | 55.9%  |
| 49  | Electric, gas and sanitary serv. | 100.0% | 6.5%            | 3.9%            | 1.5%   | 25.4%  | 1.6%  | 0.2%  | 60.9%  |
| 244   | Wood containers                  | 100.1% | 6.1%            | 1.0%            | 2.3%   | 5.6%   | 0.8%  | 0.1%  | 84.2%  |
| 265   | Paper containers and boxes       | 100.2% | 5.4%            | 3.9%            | 5.2%   | 10.7%  | 0.7%  | 0.0%  | 74.3%  |
| 275   | Commercial printing              | 99.9%  | 10.0%           | 5.9%            | 10.5%  | 19.9%  | 0.5%  | 0.0%  | 53.1%  |
| 308   | Misc. plastic products           | 99.9%  | 7.0%            | 5.1%            | 2.4%   | 10.8%  | 1.2%  | 0.0%  | 73.4%  |
| 322   | Glass containers                 | 100.0% | 3.0%            | 1.3%            | 0.3%   | 3.7%   | 1.2%  | 0.0%  | 90.5%  |
| 341   | Metal containers                 | 100.0% | 4.0%            | 1.7%            | 1.9%   | 5.1%   | 0.8%  | 0.0%  | 86.5%  |
| 346   | Metal stampings                  | 100.0% | 6.8%            | 6.1%            | 2.2%   | 9.6%   | 0.9%  | 0.0%  | 74.4%  |
| 353   | Moving equipment                 | 100.1% | 10.2%           | 9.7%            | 5.4%   | 16.6%  | 1.3%  | 0.0%  | 56.9%  |
| 422   | Warehousing                      | 100.0% | 8.7%            | 2.4%            | 2.9%   | 41.3%  | 2.6%  | 0.0%  | 42.1%  |
| 473   | Freight transportation           | 100.1% | 10.3%           | 4.0%            | 8.8%   | 56.5%  | 0.6%  | 0.0%  | 19.9%  |
| 478   | Misc. transportation services    | 99.9%  | 7.4%            | 1.7%            | 5.3%   | 31.7%  | 0.0%  | 0.0%  | 53.8%  |
| 622   | Commodity contracts brokers      | 99.0%  | 8.3%            | 3.2%            | 41.8%  | 45.5%  | 0.0%  | 0.0%  | 0.2%   |
| 623   | Security and commodity serv.     | 100.1% | 19.4%           | 15.1%           | 14.4%  | 47.9%  | 1.4%  | 1.2%  | 0.7%   |
| Cluster Average                                 |                                  | 100.0% | 8.1%            | 5.8%            | 6.7%   | 21.6%  | 1.0%  | 4.2%  | 52.7%  |
| Job Growth Increment Distribution               |                                  | 38,926 | 3,151           | 2,250           | 2,600  | 8,400  | 390   | 1,635 | 20,500 |
| <b>METAL WORKING AND MACHINERY</b>              |                                  |        |                 |                 |        |        |       |       |        |
| 344   | Fabricated structural metals     | 100.0% | 9.5%            | 8.0%            | 3.2%   | 11.2%  | 1.9%  | 0.0%  | 66.2%  |
| 347   | Metal services                   | 100.1% | 6.3%            | 2.0%            | 2.4%   | 9.7%   | 1.3%  | 0.0%  | 78.4%  |
| 349   | Misc. fabricated metal prod.     | 100.0% | 10.0%           | 6.8%            | 1.7%   | 15.5%  | 1.3%  | 0.0%  | 64.7%  |
| 354   | Metalworking equipment           | 100.1% | 10.1%           | 6.0%            | 4.8%   | 16.2%  | 1.2%  | 0.0%  | 61.8%  |
| 356   | General industrial equipment     | 99.9%  | 9.9%            | 13.2%           | 3.6%   | 16.5%  | 0.8%  | 0.0%  | 55.9%  |
| 359   | Misc. machinery                  | 100.0% | 10.0%           | 4.0%            | 1.3%   | 9.8%   | 1.4%  | 0.0%  | 73.5%  |
| 508   | Machinery distribution           | 100.2% | 9.5%            | 10.6%           | 21.1%  | 26.5%  | 0.8%  | 0.0%  | 31.7%  |
| Cluster Average                                 |                                  | 100.0% | 9.3%            | 7.2%            | 5.4%   | 15.1%  | 1.2%  | 0.0%  | 61.7%  |
| Job Growth Increment Distribution               |                                  | 15,967 | 1,489           | 1,154           | 869    | 2,404  | 198   | 0     | 9,858  |
| <b>INFORMATION PROCESSING</b>                   |                                  |        |                 |                 |        |        |       |       |        |
| 631   | Life insurance                   | 99.9%  | 8.7%            | 11.2%           | 38.6%  | 40.9%  | 0.2%  | 0.0%  | 0.3%   |
| 737   | Computer and data processing     | 100.0% | 13.5%           | 39.9%           | 12.3%  | 30.5%  | 0.2%  | 0.0%  | 3.6%   |
| 738   | Misc. business services          | 100.0% | 10.8%           | 23.4%           | 10.6%  | 21.6%  | 20.0% | 0.0%  | 13.6%  |
| 87  | Professional services            | 100.0% | 15.0%           | 47.9%           | 2.9%   | 26.0%  | 3.4%  | 0.3%  | 4.4%   |
| Information Technology<br>Manufacturing         |                                  |        |                 |                 |        |        |       |       |        |
| 357   | Computer equipment               | 100.0% | 12.9%           | 37.7%           | 5.4%   | 17.3%  | 0.6%  | 0.0%  | 26.1%  |
| 367   | Electronic components            | 100.1% | 10.4%           | 24.8%           | 2.5%   | 12.9%  | 0.8%  | 0.0%  | 48.7%  |
| 38  | Instruments                      | 100.0% | 14.8%           | 38.0%           | 3.9%   | 12.7%  | 0.9%  | 0.1%  | 29.5%  |
| Cluster Average                                 |                                  | 100.0% | 12.0%           | 30.1%           | 15.4%  | 27.4%  | 3.2%  | 0.0%  | 11.9%  |
| Job Growth Increment Distribution               |                                  | 83,724 | 10,009          | 25,175          | 12,895 | 22,925 | 2,690 | 32    | 9,982  |
| <b>1990 COUNTY LABOR FORCE<br/>DISTRIBUTION</b> |                                  | 100.0% | 10.4%           | 15.0%           | 11.6%  | 15.6%  | 12.0% | 10.9% | 24.4%  |

- The Workforce Development Board has the responsibility for coordinating training services for the broader workforce. The data being collected and the experience gained from the intensive approach of the CalWORKS program should be utilized in developing long term programs to reduce unemployment in the County.
- In terms of K-12 education, the School Districts in the county should adopt the School to Work program as a model for K-12 education and focus on the requirements of those clusters and industries targeted for future growth.
- The Community College Districts should work with clusters and industries targeted for employment growth to develop and provide specialized training for their employees based on their specifications.

#### *Capital Availability*

Businesses that are attracted to the area, or seek to expand here, are often faced with problems concerning the availability of capital at reasonable costs. Major lending institutions are familiar with the needs of farm and ranch operations and have long established relationships with local farmers and ranchers needing capital. However, there is often less familiarity with the intricacies of other industries, such as the manufacturing of industrial machinery or the provision of business services to targeted firms. In addition, venture capital is often needed, particularly during an expansion. To insure that there is adequate capital of all types is available the following initiative should be undertaken.

- Coordinate an initiative for the integration of capital sources into a seamless delivery system, featuring as a starting point those banks serving county and city agencies. The system should improve access to debt, equity and venture capital for the firms targeted in the Economic Development Strategy. This effort should focus particularly on agricultural firms attempting to transition into new crops or processed products and non-agricultural firms with the potential to help diversify the county economy.

#### *Access to Technology*

Many of the firms that will seek to locate in the Fresno area will want to be sure that they have access to the latest technologies and an opportunity for employees to work with leaders in the field. By focusing on the technological needs of companies targeted for development in the economic strategy, educational institutions in the area will be able to tailor their academic offerings to the specific requirements of those firms that make up that cluster. Access to technology for firms seeking sites in Fresno County can be facilitated through the following initiative.

- Coordinate an initiative to deliver a comprehensive package of technical assistance regarding available technology to local businesses to improve their productivity and make this assistance available as an incentive for business prospects.

## **REVIEW AND EVALUATION**

Review and evaluation of the Economic Development Strategy will follow the guidelines for performance measurement recently recommended to applicants for Federal Empowerment Zones. These guidelines recommend that economic development strategies be measured in terms of Process, Outputs and Outcomes. These measures are described as follows:

### **Process**

Process benchmarks would be milestones that you expect to reach on an annual basis for each business development initiative. Indicators would be selected for each initiative and monitored for level of achievement. For example, the number of contacts made with prospective businesses might be selected as a process indicator for evaluating the accomplishments of the Economic Development Strategy on an annual basis. This evaluation would be used to make management decisions regarding this initiative on an on-going basis. The Economic Development Action Team will conduct the process evaluation.

### **Outputs**

Outputs relate to short term accomplishments. The objectives of the Economic Development Strategy, previously discussed, will be the indicators for the outputs evaluation. Actual accomplishments would be measured against quantifiable objectives on an annual basis and adjustments in policies and activities made according to the results. For example, increases in total employment relative to growth in the labor force might fall far short of the objectives for the first five years of the program. The evaluation would indicate how initiatives should be adjusted to get the Economic Development Strategy back on schedule to meet the objective in five years. The Fresno New United Way or another independent and qualified institution will conduct this evaluation.

### **Outcomes**

Outcomes measures are those that relate to the achievement of the goals of the Economic Development Strategy. The indicators would be those previously discussed. Assessment of progress related to these indicators would be conducted at the end of each five years and adjustments in policies and activities would be made for the subsequent five years. For example, despite some success in attracting value-added businesses, incomes for county residents are not rising sufficiently to meet 20-year goals, signaling the need for an adjustment in the Economic Development Strategy or the goal. The Central California Futures Institute or another independent and qualified institution will undertake this evaluation.

## APPENDIX A: ECONOMIC DEVELOPMENT PARTNERS \*

|   | Activities           |                      |          |                        |                   |                        |                    |             |                                |         |                  |                    |               |            |
|---|----------------------|----------------------|----------|------------------------|-------------------|------------------------|--------------------|-------------|--------------------------------|---------|------------------|--------------------|---------------|------------|
|   | Business Development | Access to Technology | Land Use | Training and Education | Access to Capital | Surface Transportation | Air Transportation | Air Quality | Water Quality and Availability | Housing | Support Services | Recreation/Tourism | Participation | Evaluation |
| <b>Partners*</b>  |                      |                      |          |                        |                   |                        |                    |             |                                |         |                  |                    |               |            |
| County Government   | O                    | O                    | X        | O                      | O                 | O                      | O                  | O           | O                              | X       | X                | X                  | O             | X          |
| City Government   |                      |                      | X        |                        |                   | O                      | O                  |             | O                              | X       |                  |                    | O             |            |
| Economic Development Corporation                          | X                    | O                    | O        |                        | O                 |                        |                    | O           | O                              |         |                  | O                  |               |            |
| Fresno Business Council                                   | O                    | O                    | O        |                        | X                 |                        | X                  | O           |                                |         |                  |                    | O             |            |
| Metropolitan Chamber                                      | O                    |                      |          | O                      | O                 |                        | O                  |             |                                |         |                  | O                  | O             |            |
| Hispanic Chamber and Community Chambers                   | O                    |                      |          | O                      | O                 |                        | O                  |             |                                |         |                  |                    |               |            |
| University Business Center                                | O                    | X                    |          | O                      | O                 | O                      |                    |             |                                |         |                  |                    |               |            |
| County Agricultural Commissioner                          | O                    |                      | O        |                        |                   |                        |                    |             | O                              |         |                  |                    |               |            |
| Agricultural Extension Services                           |                      | O                    | O        | O                      |                   |                        |                    |             |                                |         |                  |                    |               |            |
| County Farm Bureau  | O                    | O                    | O        | O                      |                   |                        |                    |             | O                              |         |                  |                    | O             |            |
| California Agricultural Technology Institute              | O                    | X                    |          | O                      |                   |                        |                    |             |                                |         |                  |                    |               |            |
| Workforce Development Board                               |                      |                      |          | X                      |                   |                        |                    |             |                                |         |                  |                    |               |            |
| West Hills Community College                              |                      |                      |          | X                      |                   |                        |                    |             |                                |         |                  |                    |               |            |
| Fresno City College, Training Institute                   |                      |                      |          | X                      |                   |                        |                    |             |                                |         |                  |                    |               |            |
| County Superintendent of Schools                          |                      | O                    |          | O                      |                   |                        |                    |             |                                |         |                  |                    |               |            |
| Council of Fresno County Governments                      |                      |                      |          |                        |                   | X                      | O                  |             |                                |         |                  |                    |               |            |
| San Joaquin Valley Unified Air Pollution Control District |                      |                      |          |                        |                   | O                      | O                  | X           |                                |         |                  |                    |               |            |
| Regional Water Quality Control Board                      |                      |                      |          |                        |                   |                        |                    |             | X                              |         |                  |                    |               |            |
| New United Way  |                      |                      |          |                        |                   |                        |                    |             |                                |         | O                |                    | X             | X          |
| Central Valley Futures Institute                          |                      |                      |          |                        |                   |                        |                    |             |                                |         |                  |                    |               | X          |
| Economic Opportunities Commission                         |                      |                      |          | O                      |                   |                        |                    |             |                                |         | O                |                    | X             |            |
| Building Industry Association                             | O                    |                      | O        |                        |                   |                        |                    |             | O                              | O       |                  |                    |               |            |
| American Farmland Trust                                   | O                    |                      | O        |                        |                   |                        |                    |             | O                              | O       |                  |                    |               |            |
| Visitor and Convention Bureau                             | O                    |                      |          |                        |                   |                        |                    |             |                                |         |                  | X                  |               |            |
| Center for Advanced Research and Technology               |                      | X                    |          | O                      |                   |                        |                    |             |                                |         |                  |                    |               |            |
| Central Valley Business Incubator                         |                      | O                    |          | O                      | O                 |                        |                    |             |                                |         |                  |                    |               |            |
| Five Cities Economic Development Authority                | O                    |                      |          |                        |                   |                        |                    |             |                                |         |                  | O                  |               |            |
| I-5 Business Development Corridor, Inc.                   | O                    |                      |          | O                      | O                 |                        |                    |             |                                |         |                  |                    |               |            |

\*Partial List

X=Lead

O=Support

