

Creating Quality

at work | in life

September 2006

New initiatives to improve
Lancaster's job market, workforce,
commerce and community



LEDR

presented by

The Lancaster Economic Development/Redevelopment Department

Why Plan?

“Simply put, strategic planning determines where an organization is going over the next year or more, how it is going to get there, and how it will know if it got there or not.”

– Carter McNamara, Authenticity Consulting

Establishing priorities, budgets and timetables are all important aspects of a strategic plan, but a well-written plan also helps an organization to communicate to its staff and other stakeholders to help them better understand the role and capabilities of an organization. By involving key stakeholders early in the process, they develop a sense of ownership in the plan and are more likely to be committed to its success.

Getting everyone on the “same page” is critical to obtaining the commitment and “buy-in” that makes a strategy successful. When everyone understands which direction we are heading, there is far less chance of tripping over each other’s feet in the process.

Implementing a well-planned strategy also means better allocation of resources, fewer errors and fewer mid-course corrections, which lead to lower costs and more efficient operations overall. By focusing our attention on the most important tasks at hand, we can better identify how and where we spend our time and money.

A good plan also puts the groundwork in place to effectively measure future success by establishing a baseline and identifying the key metrics to track later.

Putting a plan in place is not a trivial task. It takes time, energy and commitment by all those involved. But the benefits far outweigh the costs by providing clarity of purpose and universal understanding of goals among all who participate.

“Vision isn’t forecasting the future; it is creating the future by taking action in the present.”

Jerry Porras and James Collins
Co-authors, *Built to Last*

The City’s Vision 2020 Strategic Plan has laid the groundwork for our efforts. Now we have taken these priorities and focused our attentions on the role of the Economic Development/Redevelopment Department in achieving these goals.

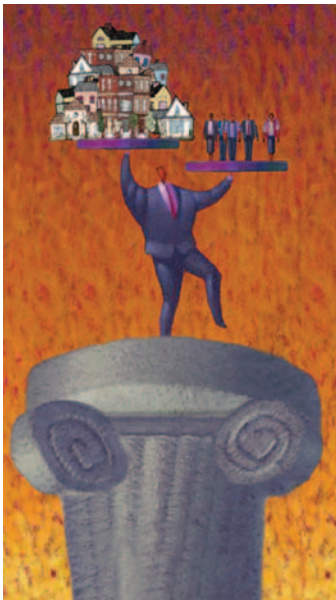
With a new management team for economic development and redevelopment within the City of Lancaster now on board, it is the opportune time to take a fresh look at how we approach our challenges. This plan is a key part of that process.

Introduction

There is much to appreciate about life in Lancaster. However, in 2006, as the City approaches its thirtieth anniversary of incorporation, Lancaster is experiencing unprecedented challenges that must be met if we are to fulfill our mission of providing our citizens with the safety, prosperity and quality of life they seek and deserve.

This document covers a four-pronged approach to addressing the major challenges that threaten the economic vitality of our community:

- the jobs/housing imbalance
- workforce development
- revitalizing local commerce
- creating a new sense of community



These four strategic pillars form a balanced foundation upon which a new, more vibrant, energetic and prosperous Lancaster can emerge. The actions we take today will set the stage for future generations. Action is long overdue. Each day we wait, the problems grow and become tougher to fix. We must act now.

The challenges we face are complex and intertwined. Fixes in one area alone will not resolve our problems. In fact, overemphasis on just one aspect could actually exacerbate problems by creating expectations that cannot be fulfilled. If we are to raise the community, all four pillars must rise in unison.



The Four Strategic Pillars:

- Solve Jobs/Housing Imbalance
- Develop 21st Century Workforce
- Revitalize Local Commerce
- Promote Sense of Community



The First Pillar | *Local Job Creation*

It was never conceived of by City founders, nor is it a part of the General Plan, but somewhere along the way, the City of Lancaster became a bedroom community. As innocent as that term may seem, it has taken a significant toll on the citizens and the City as a major portion of our population makes a daily exodus beyond the Antelope Valley to find employment.

Often spending hours on end in their daily commute, these mothers, fathers, grandparents and grown children struggle to preserve their jobs and their family life. It is not an easy road.

Commuting must be viewed as a significant contributor to many of the challenges our community faces. Schools struggle to support students when parents are not available to help. Attempts at reforms are tough when Mom and Dad are not engaged in PTA and school board issues.

Neighborhoods decline when residents aren't around or are simply too exhausted to attend to yard work or basic repairs.

Well publicized educational and anti-crime initiatives address symptoms of the problem, but not the underlying cause. Effective treatment requires that we deal with the source, not merely its symptoms. Without doubt, the cause of most of our thorniest issues can be traced back to the tremendous jobs/housing imbalance the entire Antelope Valley faces today.

“Commuting time cuts involvement in community affairs.”

Robert D. Putnam
Author of *Bowling Alone*

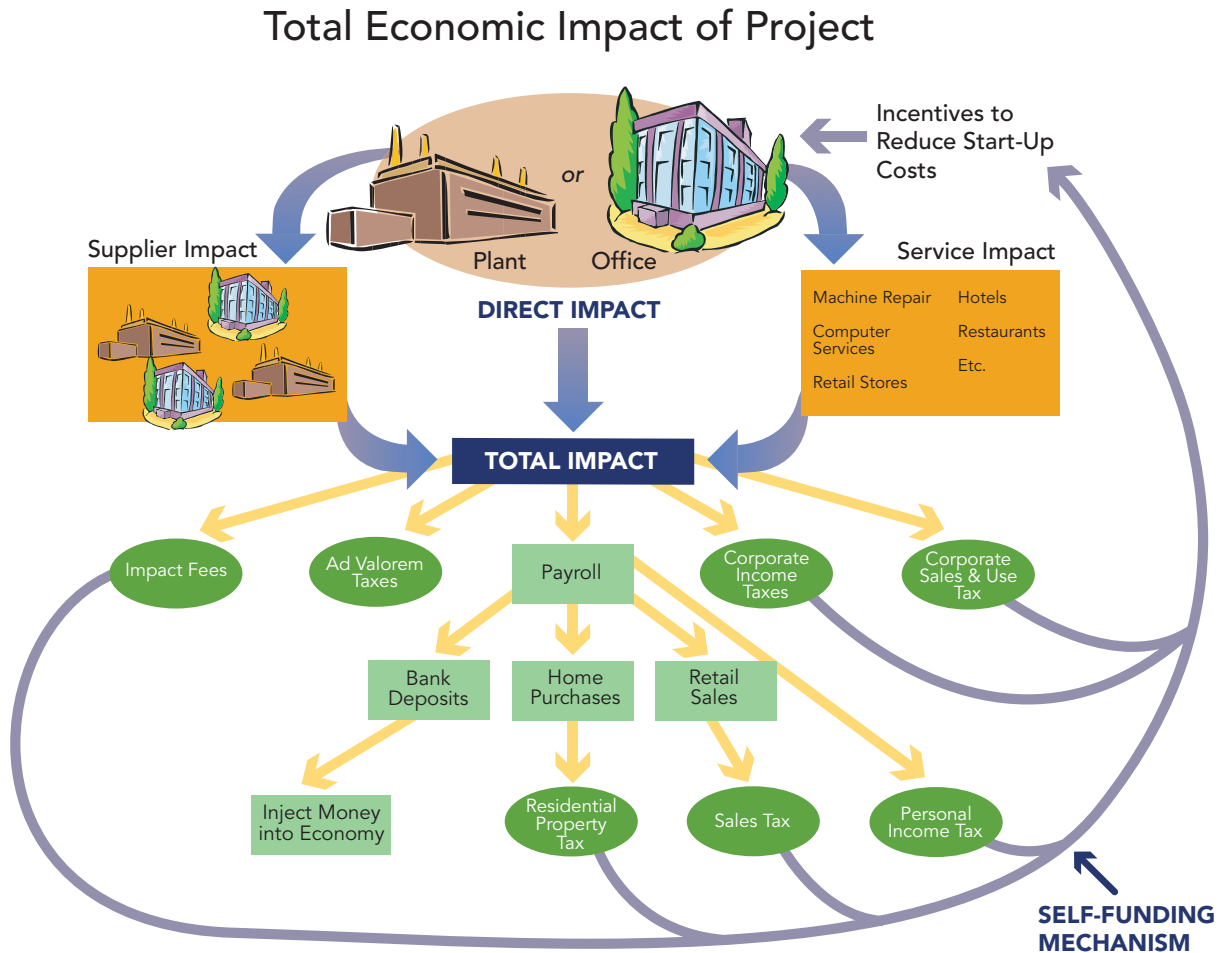
Despite the best efforts of policy makers who made addressing the jobs/housing imbalance one of their highest priorities in their Vision 2020 statement, market forces continue to add to the imbalance.

The Antelope Valley is the last, large, developable open space remaining in LA County. Developers have flocked to the area buying land cheap and selling homes high. This bonanza has created a plethora of new housing units (currently 25,000 under development or in the planning stages) within the Antelope Valley. Research has shown that each new home creates a need for one and one-half new jobs.

Lack of water, sewage treatment and transportation infrastructure are all considered factors for limiting residential growth, yet seldom are developers held accountable for the impact their new homebuyers will have on local employment and the social fabric of the community.

Finding a better balance between job and housing creation is critical if Lancaster is to achieve its full potential and effectively treat a problem that threatens our community. The time has come to address the issue head on, before it is too late.

We propose employing the same metrics applied to basic urban infrastructure to the negative economic impact that new housing, without requisite jobs, has on our community. “Economic Impact Fees” would provide the resources required to mitigate the 1.5 new jobs that are needed to support each new local household.



Source: Fantus Location Strategies, a service of Deloitte Touche.

We must facilitate the creation of new workplaces that will attract high quality businesses into the community. Our emphasis must be on attracting and retaining firms that will bring more head-of-household jobs back into the community. Doing so will allow these workers to end their tedious commutes, let them spend more time with their families and in turn, become more involved in the community.

However, to attract these wealth-creating jobs into the community we need an environment that is attractive to world-class companies. Recent successes have exhausted our inventory of improved land. Without fully improved property, ready for a building permit, expanding firms will simply look elsewhere. The cost and time involved in assembling land, creating improvements and getting all the required approvals are just too great.

We must pay close attention to recent market trends that have seen residential developers attempting to convert existing commercial property to residential designation. Such moves reduce our ability to generate an adequate tax base.

Jobs Initiatives:

1. *The City, where practical in partnership with master developers, must play a pivotal role in the process of creating new, high caliber workplaces in the community.*
2. *The City must look for ways to make working with it easier, more understandable and less burdensome on businesses that are interested in bringing new jobs to the community.*
3. *The City must be proactive in its approach to business retention. Initiatives such as the proposed Mayor's Business Roundtable Breakfasts and regular visits to key local employers by Department staff will help us promote a dialog between the City and this often forgotten, but critical sector of our employment base.*
4. *If we want to retain our "business friendly" reputation, the City must prioritize the process of reviews and approvals for commercial customers by breaking through the logjam created by the current residential boom.*



The Second Pillar | Workforce Development

The ability of our people will in large part determine the quality of the firms Lancaster will attract. If we are to succeed in luring world-class businesses to our area, we must have a world-class workforce. In today's globally competitive world, that requires a frequent refresh of skills and knowledge to match the needs of our existing and prospective employers. As Tom Friedman noted in his recent book, *The World is Flat*, today's workers must fall into one of four categories to successfully compete in a global economy where customer support representatives in Bangalore, India and assembly workers in Shanghai, China are competing for the same jobs that would have gone to Lancaster residents a decade ago. Friedman claims workers who can't be outsourced fall into four broad categories: "workers who are 'special,' workers who are 'specialized,' workers who are 'anchored' and workers who are 'really adaptable.'"

Special workers are people like Michael Jordan and Bill Gates. They have unique talents that cannot be duplicated, but they are few and far between. Workers who are "specialized" are highly skilled individuals with competencies in specific areas...brain surgeons, software engineers, machine tool operators and the like. These skills are in high demand and not easily interchangeable. "Anchored" workers are those with jobs that are dependent on a physical location. Barbers, plumbers, waiters and waitresses as well as a host of other service sector jobs are anchored and relatively secure so long as other jobs exist to support this work.

"Keep your tax incentives and highway interchanges, we'll go where the quality people are."

Carley Fiorina
Former CEO, Hewlett-Packard

But according to Friedman, it is the 'really adaptable' worker who is in the best position to compete in the global economy. These workers are constantly refreshing their skills and expertise so they can offer added value to employers. And it is in this area that the City can offer assistance.

Providing our current and future workforce with the tools and knowledge they need to be productive and effective workers is critical. With its strong aerospace heritage, the Antelope Valley has more high-tech talent than most communities. We must leverage that strength to create a new generation of workers with the same drive and commitment as their predecessors. Jobs need not peak at the 2nd or 3rd tier of semi-skilled labor if we choose to develop the workforce required to bring high-paying skilled technical and professional jobs here.

However, it takes more than just technical talent to create a balanced workforce. We need the type of creative and innovative thinkers that nurture new ideas and build them into growing firms. Toward this end, we must take steps to encourage local entrepreneurship.

Workforce retention is also an issue that must be addressed. When our community's best and brightest students leave to go to college, they often do not choose to return home to start their careers. This has significant implications on our future.

Workforce Initiatives:

1. *The City, in cooperation with local schools, colleges and other institutions, must facilitate the creation of strong workforce development programs that meet the needs of area employers. We must find new ways to fill the gap between the requirements of a changing economy and the skills of our residents.*
2. *Toward this end, the Department proposes creating a process that would help identify the needs of local employers and how they align with the skills of our workforce. This analysis will help identify what programs will have the greatest impact on improving our current jobs/skills mismatch.*
3. *School-based programs may include work ethics training, job shadowing, internships and skills development. Specifically, we'd like to see a new focus on vocational training and propose setting up a pilot project with Antelope Valley Union High School District that would bring business leaders and students together to inject a bit of "real world" experience into a business education program.*
4. *The Department, in cooperation with local employers and schools, should establish a program that supports "real world" business education. This program should be coordinated by a full-time Department liaison.*
5. *The City must work with local employers to create training and retraining programs that meet the specific needs of business. The proposed Mayor's Business Roundtable Breakfast provides a good forum for this discussion with detailed follow-up by Department staff.*
6. *Entrepreneurial training and counseling should be aimed at improving the success rate of new ventures. The small business incubator program should be expanded with a downtown location to assist small retailers and professionals.*
7. *Local scholarship and grant programs should be considered to create an effective "boomerang" program to bring local students back home to start their careers within the City of Lancaster.*



The Third Pillar | *Revitalization of Local Commerce*

While core industry jobs in manufacturing, logistics, administrative and information services are the key to wealth creation, establishing a solid retail sector is critical to attracting the caliber of companies and people we desire. A vibrant retail marketplace helps circulate wealth throughout the community and helps avoid losing some of that wealth to neighboring cities through “leakage.”

The same residential growth that creates new challenges on the job front creates new opportunities in commerce. As new, higher-priced homes attract more affluent consumers into the community, our demographics are shifting. This rapid up shift in household income should prove to be the tipping point for many national retailers and restaurateurs to make their move to Lancaster.

Attracting new upscale national brands and local merchants also complements job creation and workforce retention by creating the ambiance and lifestyle that quality firms and the next generation of rising stars expect to find near their workplaces.

Today’s young professionals look for a vibrant retail component as a sign of a community’s overall vitality. While gauging a community’s quality of life by the number of coffee houses, bookstores and bistros the City supports may seem somewhat superficial, the “Starbucks Test” is used by many to determine the suitability of a community for their generation. Many are attracted to a more urban and urbane downtown atmosphere where work, commerce and entertainment are intertwined to create a vibrant cosmopolitan experience they often see in the media and seek to emulate in their own lives.

To date, Lancaster has not scored well with this metric. But times are changing. The new Lancaster Town Center has attracted a Panera Bread sandwich shop, a favorite among young professionals for its laid back atmosphere and free “WiFi” Internet access. New “lifestyle” centers on the City’s west side hold significant promise since retail demographics are strongest here. Even the City’s eastern edges are expanding with new residential growth. We must seek appropriate opportunities in all new growth areas to establish retail centers to service these growing needs.

The challenge lies in convincing potential retailers and restaurateurs that 2000 census figures are not indicative of today’s marketplace with \$400,000 homes and family incomes rapidly approaching six figures. As the fastest growing city in Los Angeles County, Lancaster has an abundance of affluent new residents eager to decorate and furnish their new homes, landscape their yards and fulfill the many day-to-day necessities of growing families.

“Big competitive advantages in the marketplace always come from ‘better recipes, not just more cooking.’”

Paul Romer
Stanford Economist
Author of *Economic Growth*

Despite the fact that Lancaster ranks 15th in sales tax revenues among 88 Los Angeles County cities, recent studies have shown we suffer a “leakage” of sales to other areas when it comes to apparel, appliances, restaurants and other retail. Approximately 63 percent of respondents in the recent City survey felt the community was underserved on the retail front.

Commerce Initiatives:

1. *The City must put current, accurate demographic information into the hands of retail decision makers and work with our existing shopping center developers, auto dealers and the downtown revitalization effort to promote the quality of the customer to be found in Lancaster. Only by actively promoting our changing community can we help existing developers recruit new tenants and convince new developers to build the shopping centers we need.*
2. *We must initiate true partnerships with our existing and potential shopping center developers. These entrepreneurs and corporate developers are the key to filling the gap between retail demand and store openings and expansions. With several new centers in the works, these developers, with cooperation from the City, can help bring new tax dollars into the community while encouraging existing retailers to expand and in turn, generate more tax revenue for the City.*
3. *As one of the City’s largest contributors of sales tax revenue, the Auto Mall represents a very successful and vital element in our retail mix. The City must explore realistic opportunities to expand its Auto Mall to make sure that successful dealerships already located there and looking to expand are not faced with a decision to move elsewhere simply because they have run out of space. As the community’s demographics mature, upscale European and Asian brands, now absent from Lancaster’s Auto Mall, will be likely candidates for expansion.*
4. *As the City expands residential development outward, beyond the urban core, we must explore new opportunities for retail and commercial development as ways to create new shopping and dining opportunities within the City.*
5. *The Department, working with experts in the restaurant field, must conduct a “Gap Analysis” to identify new dining opportunities and communicate those to prospective restaurant chains. Once completed, this study will be utilized to develop a comprehensive marketing strategy to attract likely targets.*
6. *The healthcare industry continues to be a key source of well-paying jobs within our City while also providing vital services to the community. The City must work with local and regional healthcare providers and regulators to ensure that healthcare remains viable and that it can adequately expand to meet the needs of a growing community.*



The Fourth Pillar | *A New Sense of Community*

Over the last decade or more, many forces have conspired to create a disconnect between the City and its citizenry. We must strive to achieve new forms of civic engagement at all levels and encourage a new sense of place, pride and goodwill within our community.

People who do not make it home from their commutes until 8 pm don't know their neighbors, attend PTA meetings or root for the home team at ball games. As we begin to repair our jobs/housing imbalance, we must strive to rebuild the cohesiveness of the community that has been lost over the last several years.

Revitalizing commerce is a good first step. These efforts will create natural gathering places and shared experiences for our citizens. But revitalizing downtown or creating new neighborhood coffee houses are not enough on their own.

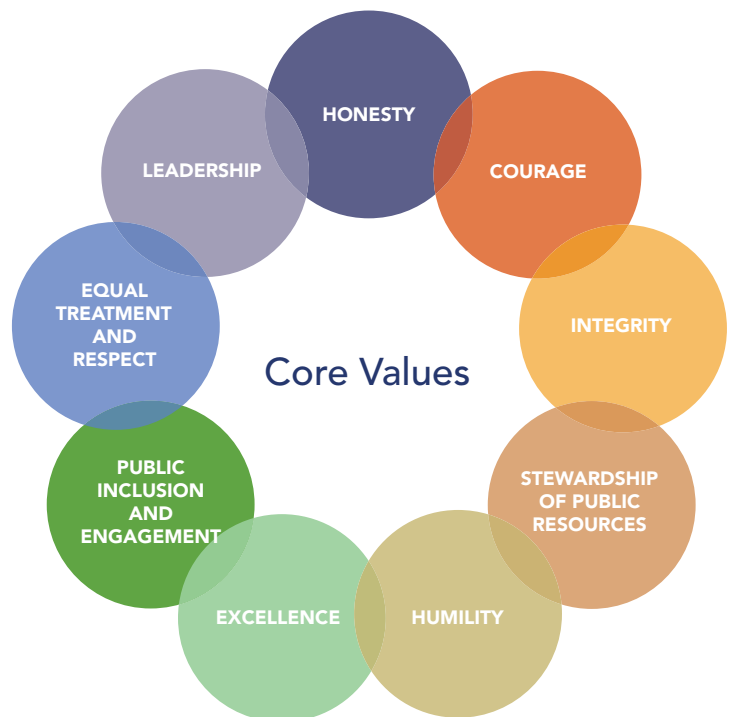
By teaming with local schools, organizations and City outreach programs such as those initiated by the Housing/Neighborhood Revitalization Department, LEDR should seek to communicate at a grassroots level to highlight the many positive accomplishments citizens and the City achieve together. These small neighborhood gatherings can help us discover what works and what doesn't, providing vital feedback on programs and progress. What we discover in the field should then be distilled into best practices going forward.

As the City approaches its 30th anniversary, it may be an opportune time to reexamine the public perception of the City and consider "re-branding" ourselves to allow the image we portray to better fit the vision to which we aspire.

Corporations work hard to establish and maintain their public's positive perception of their products and services. Why should it be different for our municipal message? Many communities have found that a strong brand image can go a long way to improving their own self-image and re-inventing themselves

"The broader your investment in human good, the more your portfolio is [protected]."

Daniel Nettle
Author of *Happiness*



in the eyes of their neighbors, visitors and prospective corporate citizens. We recommend that the City initiate a community branding process that will help us identify a unique and authentic new public identity. Unveiling of this new “brand” could be timed to coincide with the City’s 30th birthday and could involve new theme lines, new graphic elements and a new way finding system for residents and visitors.

Community Initiatives:

1. *Starting at the neighborhood and business district level, we must create a grassroots campaign that sparks the imagination, engages the populous and encourages the emergence of new vitality throughout the community, making sure that older areas are not left behind. We need to create a new sense of Lancaster loyalty and pride to support and sustain all of our other efforts, by creating a strong, genuine “brand” identity for the City that citizens can relate to and feel happy they are a part of.*
2. *We envision working with local businesses and the Strong Neighborhoods initiative to create mentoring programs and after school activities that provide work ethics training and technical skills in a fun and stimulating environment. The Department’s educational liaison, proposed earlier, would be responsible for coordinating this program.*
3. *Our communications with the citizenry via the LEDR’s Update newsletter should continue and perhaps be expanded with special editions to cover specific issues of interest such as Downtown Revitalization, Training and Education Opportunities, Job Fairs, etc. Progress reports should be conveyed in the Outlook and our website expanded to feature more information of interest to the public at large as well as business interests.*

Funding the Initiatives

It will take money to achieve our goals. Since much of the problem can be directly attributed to the influx of thousands of new residents without providing an offsetting number of jobs, we believe it is reasonable and proper to assess an Economic Impact Fee on each new residential unit created in the community.

Lack of water, sewage treatment and transportation infrastructure are all considered factors for limiting residential growth, yet seldom are developers held accountable for the impact their new homebuyers will have on local employment and the social fabric of the community.

Our existing Urban Structure Program, currently under review, may provide a vehicle for assessing an Economic Impact Fee to help offset the overall development impact. The amount that should be assessed is easily calculable. According to our latest labor base analysis, each new home brings with it 1.6 new workers. The costs of creating the infrastructure, recruiting the companies, providing needed training and supporting existing employers growth can all be calculated.

“We invest more in guns, dogs and locks than in social capital for crime defense.”

Robert D. Putnam
Author of *Bowling Alone*

Developers’ fees would be based on this calculation with funds ear-marked for specific economic development programs. We propose undertaking an independent analysis by the same firm who is currently reviewing our Urban Structure Program to identify the justifiable nexus between the proposed fee and the costs of creating a job infrastructure.

Under this plan, developers would always have the option of mitigating their job impact by creating business parks and shopping centers along with their housing tracts. The option would be theirs: create the infrastructure for employment themselves or let the City do it for them.

If we are to stem the tide of daily migration out of Lancaster to employment centers fifty or one hundred miles away, we must act now and we must act decisively. Waiting only compounds the problem and makes the eventual cure even more painful.

Other revenue sources that can assist in funding the proposed projects include the new bond issue scheduled for later this year and lease revenues from new and existing incubator sites.

With strong local congressional influence over issues of education and workforce development, we also have a unique opportunity to apply for federal grants and matching funds to help fund our workforce activities.

Grassroots support for expanding job creation programs is apparent. In the recent City-sponsored survey, nearly 87 percent of respondents said creating new jobs was very important to the City’s future.

Specific Recommendations

Jobs Initiative One | *Create new workplaces*

The City, where practical in partnership with master developers, must play a pivotal role in the process of creating new, high caliber workplaces in the community.

Action: Expand Lancaster Business Park

The Lancaster Business Park has been a compelling success story. Today, the 90 companies that call the Park home employ over 4,100 people in manufacturing, back-office services, design and development endeavors.

Unfortunately, all available parcels in the Business Park have been sold. If we wish to continue to attract businesses of the caliber of Lance Campers, Deluxe Corporation and Countrywide Home Loans, we need to provide the catalyst for creation of new sites for large business expansion.

Over the last several years, we have developed good working relationships with spec developers who create the multi-tenant buildings critical for smaller business growth. They too are feeling the pinch from lack of developable parcels.

With the Business Park, we pioneered a concept of developing fully-permitted sites with utilities to the curb that allowed companies to move quickly without getting bogged down in red tape and endless approvals. Today, this concept is popularly known as “Certified Sites.”

Now, the need for “Certified Sites” is even greater. With a mind-boggling array of agencies and jurisdictions involved in project approvals, it is becoming more and more difficult for a typical business to make their way through the morass. By having the City and/or master developer establish specific plans for new development areas, with all environmental and technical permits already in place, businesses can focus on their business objectives, rather than jumping through regulatory hoops.

Our goal must be to create new ready-to-build Certified Sites and obtain the cooperation of all agencies and utilities in streamlining the process. If we fail to do so, prospects will go elsewhere, where the process has been simplified.

There are two viable approaches to creating new business parcels: work with an established master developer or do as we have done in the past and act as our own master developer.

To date, discussions with master developers have not borne fruit, but we continue to have dialogs with a number of potential partners.

A “make vs. buy” policy decision on the best approach to business park expansion is required to proceed further on this front. An inter-agency, cooperative process for streamlining approvals must be established.

Action: Creation of rail-served industrial parcels

Demand for rail-served sites by both manufacturers and distributors is on the increase. We recently have had inquiries by two large food manufacturers who are looking for 100-acre, rail-served parcels. We currently have no improved sites to offer and the costs of installing the required infrastructure, if borne by the buyer, make the deal prohibitively expensive. Other potential properties are either not within a project area or outside of current City limits.

We should consider expanding through annexation City boundaries up to Avenue F, thus allowing us to improve several blighted properties in the area that have discouraged private development in the area.

The City Attorney indicates that a limited time window may exist for creation of new project area expansion.

Policy decisions are required to determine if we should move forward and create a new project area and to consider annexation of additional areas into the City.

Action: Attract major employers to downtown core

A critical aspect of revitalizing downtown is to create more reasons to be there. One method, successfully employed by the City of Santa Clarita with its placement of Princess Cruises, is to put a major employer into the downtown district. This creates new customers for shops and restaurants and creates new best uses for underutilized properties.

The Downtown Revitalization Plan currently being developed should address this goal and provide the Department with guidelines on how best to proceed in attracting one or more appropriate “anchor employers” downtown.

The Department should actively participate in the downtown revitalization process and provide its input into the planning process early and often. We must work cooperatively with developers, property owners and tenants to help bring the vision of a new downtown into reality.

Following the guidelines established in the Downtown Strategic Plan and the concepts developed from public participation in the recent “Immersion” process, the Department can be an important catalyst for change. We recommend assigning a full-time employee to work in cooperation with the Old Downtown Site Committee, to coordinate all of the City’s downtown efforts.

Action: Encourage creation of new downtown incubator site

As a part of our downtown revitalization efforts, we should also encourage creation of new commercial space designed to appeal to “creative class” start-ups as well as retail entrepreneurs. We envision a mixed-use facility with small square footage retail on lower floors, ideal for boutiques and specialty shops; and executive suite style offices with high-speed Internet, shared conference space and business services available on upper floors. To be most effective, the facility should be anchored by a major retail draw that would help create traffic.

Incubator space has the advantage of generating lease revenues directly to the Department, as it acts as the landlord for these projects to ensure flexibility and affordability for smaller start-ups.

Another advantage of the executive suite approach is that it can be marketed as a site for telecommuters and job seekers. Individual, furnished and fully-equipped offices could be let out on a daily or even hourly basis to allow people to hold meetings, conduct conference calls and get connected to the home office.

Action: Create multi-pronged business attraction marketing campaign

Once a clear path for creation of new business sites has been established, a comprehensive marketing program aimed at both potential employers and their brokers should be undertaken to make the market aware of the opportunity. Details of this marketing program will be addressed in a future Department Marketing Plan that will be created once the business site inventory issue has been addressed.

The Department also proposes developing a retail support campaign to 1.) aid center developers in attracting well-known stores and restaurants to the community and 2.) create a retail image campaign focusing on general awareness of activity taking place in Lancaster's retail sector to encourage residents to shop locally.

The Department is currently developing a detailed Marketing Plan which dovetails into this Strategic Plan and the Dining Gap Analysis. This document will propose communication and sales strategies that support the programs in the Strategic Plan. The Marketing Plan should be available for review this calendar year.

Jobs Initiative Two | *Make it easier to work with us*

The City must look for ways to make working with it easier, more understandable and less burdensome on businesses that are interested in bringing new jobs to the community.

The challenges we face are not minor and cannot be solved with traditional methods alone. It will take creative thinking and innovative implementations to achieve our goals of bringing new jobs here. The Department should encourage an entrepreneurial attitude and promote a risk-taking approach that allows staff members to explore new ideas and test the waters with pilot programs. Some will succeed, some will fail. We must reward those who are willing to experiment, regardless of the initial outcome. As we have learned time and again from the high-tech, medical and engineering fields, a series of small failures can often lead to big successes.

Conversely, government's natural tendencies towards bureaucratic structures and complex procedures should be discouraged. Wherever possible, red tape should be eliminated, processes streamlined and the need for any regulatory burdens clearly defined. The Department should think of itself as a facilitator for worthy businesses, rather than a regulator. The growth in government that will inevitably occur in response to our residential growth, must not be allowed to impede business and commercial customers.

All job-creating businesses, whether they are large or small, new to the community or a long-term resident, deserve equal and fair treatment in their dealings with the City. The City of Lancaster should develop processes and programs that fairly and equitably handle paperwork and provide a strong level of customer service to all business organizations.

Action: Create an incentive program that applies sophisticated metrics to achieve a reasonable cost-benefit balance across industries

The City appreciates that certain jobs have greater value to the community than others. Not only is a living wage an important aspect of this consideration, but also the multiplier effect that core industry jobs have over service sector and retail employment.

The Department should develop a new approach to incentives that clearly rewards job creation whether it comes from a new employer attracted to the community or a successful existing company with growing needs. A simple, understandable cost-benefit analysis should be performed on each project that weighs the type and quantity of jobs being created, the wages and benefits offered and any mitigating circumstances that may override the primary job creation objective.

LEDR should develop a transparent formulae used for determining the net worth of a business to the community that takes into consideration employment characteristics, wages, benefits, sales and use tax generation and other appropriate metrics.

Action: Work to understand the issues that get in the way of new job creation

Often times, government creates as many challenges as the problems it solves. The Department must keep an open channel of communications with the business community to make sure that the policies and procedures it develops always help the overall goal of job creation.

Regular dialogs between City officials and the business community should be encouraged. The Mayor's Business Roundtable Breakfasts should form the core of this effort with specific follow-up by Department staff.

A business ombudsman should be available to address issues and work to resolve them.

Action: Encourage business to take an active role in the job creation process

Local businesses should be encouraged to take an active role in the job creation process by inviting suppliers, customers and affiliates to locate within the City.

Who better understands the benefits of working with Lancaster than those who do it, day in and day out? The Department should develop programs that encourage businesses to invite other organizations they work with to consider locating here.

Action: Make new businesses feel welcome; encourage them to join in dialog

Whenever a new business applies for a business license, a representative from the Department should make contact with the new or incoming business and welcome them into the community and make them aware of the programs and incentives that are available to them.

Action: Make it easier to work with City Hall

The City must distill in all its workers the importance of job creation to the overall well-being of community. All staff members must understand how their job can contribute to or hinder this goal. Whether it is a gardener for Parks and Recreation or a clerk in Public Works, all must see their role as critical to helping the City achieve its goal. Incentives, awards and "atta-boys" should be freely distributed to those who set good examples by going above and beyond to help bring more jobs here. Achieving such buy-in from City staffers will require a new level of inter-departmental cooperation and communication. Our monthly DRC meetings are a good start. LEDR must work with all departments to promote and encourage innovative thinking and new solutions to problems that discourage job growth.

For example, we would propose that two queues be created in Planning and Public Works, similar to the "Merchant's window" offered at many banks. One queue would be for residential projects, the other for business projects. This would help reduce the wait for approvals on projects that positively impact the community. To further streamline the process, an expediting fee, similar to that offered by the City of Santa Clarita should be established to defray the cost of overtime should a business require top priority processing.

A recent article in the *Los Angeles Times* noted, cities like Santa Clarita, that take a proactive stance with business, are reaping huge rewards. A new Mercedes-Benz dealership wanted to be open for the prime holiday selling season. By paying \$19,000 in expediting fees to the city, they were able to shave weeks off the approval process and met their critical selling season. The business is now on track to generate close to \$100 million in sales in the first year and add substantially to city sales tax revenues.

In Anaheim, the city has lowered business license fees and eliminated fees for smaller home-based businesses. As a result, the city saw nearly a 20 percent increase in new business licenses, reflecting both substantial growth in new businesses and better compliance from those start-ups that flew below the radar in the past.

In Oxnard, the local economic development corporation is helping new businesses run through the gauntlet of multiple agency approvals. "Once a company finds a location, we can act as their surrogate all the way through," claims Steven Kinney, president of Oxnard's EDC. "This way, they never have to step foot in city hall. Instead of just dropping someone off at the Planning Department counter and introducing them to the right person, we kept on hanging around longer." Eventually, it lead to the EDC actually facilitating the entire approval process, much to the relief of business people who are not professional developers familiar with the ins and outs of zoning, safety or environmental issues.

Creating "Certified Sites" will also contribute to this streamlining process. With much of the red tape already cleared, businesses will be able to be far more agile.

Action: Find common ground with competing agencies and organizations

The jobs/housing imbalance is a regional problem and will require a regional response to fully solve. LEDR should work with like-minded organizations to identify areas of duplication of effort and find ways to pool resources and talents, so they can be used most effectively.

Strong working relationships should be established with other entities to find ways to make it easier to work together. Public utilities, state and county agencies as well as regional authorities such as the AVAQMD, GAVEA, local Chambers and the Board of Trade should be consulted with on a regular basis.

Programs should be coordinated not only to avoid duplication, but also to strengthen the overall message. Calendars should be consulted to avoid scheduling competing events or campaigns with other entities.

We must strive to understand the essence of "coop-etition" in today's marketplace. Someone who is a competitor in one area, may be a valuable ally in another. The Department must work to identify those areas where cooperation makes sense and accept those areas where allies may on occasion, do battle.

Workforce Initiatives:

The City, in cooperation with local schools, colleges and other institutions, must facilitate the creation of strong workforce development programs including work ethics training, job shadowing, internships, specific skills development, as well as employer-driven training and retraining programs. Entrepreneurial training and counseling should be aimed at improving the success rate of new ventures. Local scholarship and grant programs should be considered to create an effective “boomerang” program to bring local students back home to start their careers.

Action: Work with local schools to promote school-to-work programs

The Department should support local school districts in creating and expanding programs that promote a strong work ethic among students. Vocational training and internship activities such as job shadowing, Junior Achievement and work-study programs should be sponsored and promoted.

LEDR should bring together local employers and educators to promote a dialog between each other and help facilitate programs that match market needs.

Action: Tailor employer-driven training programs

The Department should work with major employers and the local WorkSource Center to make it easy to create and sustain programs that provide specific skills required by employers. LEDR can act as a facilitator, promoter or sponsor of these programs and may help underwrite some of the development costs of appropriate programs. We should examine programs developed by College of the Canyons in Santa Clarita as “best practices” examples to emulate.

LEDR must look for ways to bridge the gap between the requirements of a changing economy and the skills of our existing workforce.

Action: Create incentives for best and brightest students

The loss of the community’s most promising young adults is of particular concern to all of us. This “brain drain” left untreated will create a leadership vacuum for the next generation. The Department should promote the development of “boomerang” programs that encourage students who go away to college to return to the community once their education is complete. Such programs could take the form of ROTC-style scholarships granted in exchange for a fixed term in local public service or in the form of start-up grants to local students who return to the community to establish a new business or professional practice.

LEDR should establish seed money for a scholarship and encourage community business leaders to provide matching funds for the program.

Action: Assign Department staff to coordinate all workforce programs

A minimum of one FTE within the Department should be assigned to champion all workforce development activities. This individual would act as the primary liaison between schools and colleges, workforce and employers.

Local Commerce Initiatives:

The City must put current, accurate demographic information into the hands of retail decision makers and work with shopping center developers, auto dealers and the downtown revitalization effort to promote the quality of the customer to be found in Lancaster.

Action: Downtown revitalization

In concert with the Downtown Specific Plan, work with existing businesses and landholders in the downtown core to help analyze best possible use for vacant or underutilized properties. Facilitate façade improvements, attract new retail stores, restaurants and service businesses to the downtown core. Assist in attracting one or more major employers downtown. Explore the possibilities of establishing a new downtown retail/office incubator.

Prime targets are local hotels. Faced with growing competition from newer hotels entering the market, the City should explore ways it can assist these landmark properties in “reinventing” themselves. Since these properties serve as focal points for many civic activities and the hotels provide a steady stream of occupancy tax, we believe it is in the City’s best interest to help them find new ways to succeed.

Action: Create shopping opportunities

We should facilitate zoning and the extension of infrastructure at key locations throughout the City to allow the development of commercial centers to service new residents. By strategically locating these centers towards the southern side of the City, we can more effectively market to the new upscale audience we are attracting with new higher priced homes and can expect to benefit from shoppers in other upscale subdivisions nearby. These new “lifestyle” centers should help offset some of the retail “leakage” we have experienced in the past.

Action: Expansion of Auto Mall

Approximately 20 percent of Lancaster’s sales tax receipts come from our auto dealers. This represents about \$3.6 million a year in annual revenue to the general fund. These entrepreneurs consistently outperform the dealers in other areas of the Antelope Valley. With recent expansion of existing dealerships, all parcels currently under our control will have been sold. This will force new dealerships, particularly the upscale European and Asian lines that are likely to be attracted by our changing demographics, to look elsewhere.

If we wish to continue to control the lion's share of our area's automotive sales tax, we must offer new alternatives.

The Department should analyze the alternatives and recommend the best course of action to maintain our leadership in auto sales.

Action: Expansion of Front Row Center

The County of Los Angeles owns 70 acres located at the southeast corner of 30th Street West and Avenue I. Approximately 50 acres of the parcel is zoned "H" Hospital; the remaining property is zoned "C" Commercial. A drainage channel bisects the site. This site is located directly to the west of the Front Row Center project. This parcel is ideally located to serve as an expansion area for our regional commercial zoning. A recent report by a firm that estimates sales tax leakage indicates that leakage may exist in Lancaster for apparel stores, other retail stores, home furnishing and appliances, and eating and drinking establishments. The prime location of this property, coupled with the already installed infrastructure, may make this site the next logical candidate for development.

The Department should enter into discussions with the County to determine the feasibility of repurposing this site to meet growing commercial needs.

Community Initiatives:

Action: Communicate clearly with all constituents

The Department must make a point to regularly communicate with all members of the community in both formal and informal settings. Through neighborhood meetings, council presentations, regular newsletters and press reports, we must make it clear exactly what we are doing about jobs and what impact our programs are having on the community.

The processes we put in place that impact local residents must be transparent and the benefits of our actions must be clearly understood. The benefit of taking private property for public use must substantially outweigh the costs. Property owners must be fairly compensated and neighbors and the community at large must view the “greater good” as a compelling reason to proceed.

LEDR should recruit Community Ambassadors from affected areas as spokespeople and provide them with the support required to let the City’s rationale be heard.

The Department should develop new methods of communications for the 21st century. The next generation of Lancaster’s business and community leaders are not avid newspaper readers, they are of the electronic age and we must aim our message effectively in their direction.

Action: Encourage activities that create a sense of place

As human beings, we like to feel we belong somewhere. A key priority of the Department should be to encourage activities and programs that help define and develop a unique sense of place to Lancaster. When people truly feel like they are members of a community that has real value, they are more likely to defend and support it when challenged.

The Downtown Revitalization and Strong Neighborhoods initiatives are key elements in creating a sense of place. The Agency should help promote these programs and encourage all activities that help build community pride and self-esteem and bring cohesiveness to the community.

LEDR should recruit Community Ambassadors who can effectively communicate the role of redevelopment to local citizenry and the value of doing business in Lancaster to prospective new employers.

Project Deliverables

Each initiative should have specific project deliverables defined for it with budget allocations and time requirements. These deliverables should be prioritized and ranked in order of importance on a cost/benefit basis.

Initial Deliverables include:

Fox Field Land Acquisition & Infrastructure Funding Strategy

Dining Gap Analysis

Annexation and Project Area Expansion Plan

Fox Field Specific Plan Update

Downtown Specific Plan and EIR

Process Timetable

A master project calendar should be developed based on the time requirements and prioritization of the deliverables section. Each entry should clearly show any prerequisites or other dependencies whose delay might affect a project.

Funding Options

Based on the budget, timetable and priorities, an overall funding requirement can be determined and various options for funding of projects considered. Line item funding sources should be identified for the most appropriate use of funds coming from economic impact fees, bond issues and ancillary income.

Measuring Success

Each project should have specific metrics that can be used to determine its relative success or failure. A methodology should be established to measure progress at specific milestones and perform a post-project analysis so that we can learn from specific challenges or opportunities that were discovered. Such findings can be employed to encourage continuous process improvement both on refinements to existing projects and processes as well as new initiatives.

Knowledge Retention

Each project undertaken should be well-documented from start to finish, showing how the process worked, the obstacles that were encountered and the outcomes achieved. These “post-mortems” can provide valuable insights for future projects, chronicling best practices and identifying shortcomings that can be avoided in the future.

Revisiting Objectives

Annually, the objects of this plan should be reviewed and modified as necessary. Any changes should be incorporated into a revised plan with references to why and when changes were made.