

**CITY OF ARCATA
ECONOMIC DEVELOPMENT COMMITTEE MINUTES**

City of Arcata Council Chambers
736 F Street, Arcata (City Hall)

August 6, 2015
Thursday at 5:00

- I. **ROLL CALL.** Committee Members: Brett Watson (Chair), Jane Woodward, Maureen Hart, David Rosen, Craig Wruck
- II. **CONSENT CALENDAR.**
 - A. Minutes of July 2, 2015. Woodward/Hart Unanimous. Replace “fra” with “between”. Correct HIPAA.
- III. **PRESENTATIONS.** None.
- IV. **UPDATE FROM THE CHAIR.** None
- V. **ACTION ITEMS.** None.
- VI. **BUSINESS ITEMS.**
 - A. **Update on Marijuana Legislation and Related Issues.** *Hear Subcommittee update and any other updates.*
Staff Recommendation: None
 - Subcommittee report. Brett, David Craig met. Talked about doc Woodward presented to PC. Idea of creating a public survey in context of econ dev. Look at and consider how this could impact other industries. Flesh out concerns in re existing businesses (include HSU, health care, transportation). Can't lose sight of property values, recruiting, social costs, health care. Eyes open. What will impact be? Target survey toward . . . communicate fact that there will be a survey to gen population. Some questions outlined in Jane's thing. Ask Fawn for assistance in posing questions. Maureen also has experience. Oh and so does Jane. Communicate survey to newspapers. And Chamber mailing list. And on City website. For what purpose? To increase public discourse about MMIZ and MJ industry in general, now and in future (say five year from now). Pose scenarios – how would it impact (prop values, hire good employees. EDC purpose for survey is to be better informed and to set agenda for EDC.

Agree on survey. Start making questions. Send questions to Susan. She compiles for next meeting. By 20th. At next meeting on agenda – go over questions; decide what to do (subcommittee or what); then to someone who can put together a good survey. Craig will find someone at HSU who will create actual questions. For next meeting – determine what it is we want to know. Deadline 08-20 have questions to Susan. She to send to Craig for draft of questions. Chances of a large group attending a public hearing is much less than people taking a survey. Council and EDC want to know concerns. (Survey can also be a marketing opportunity). Question: would IZ change demographic of people who want to live here, come here, send kids to school? Ranking with alcohol and tobacco? Survey needs to be as neutral as possible, and based on economic impact. Increase public discourse – not based on feeling, but on neutral questions.
 - Report on Kevin Hoover's KHSU show (attended by Larry Oetker and Woodward). LPO gave entire history of Flakboard property, pollution, IZ . . . truly a troubled asset. Radio survey was that only 25% of people supported IZ. Would like to have info written up as informational deal. Recorded by HSU. Request City to write up? For next meeting? Ask LPO.
 - Review analysis of MMIZ (Woodward). Presented to PC but not on behalf of EDC. Wood not there; has heard no response. Will help with formulating survey questions. Accepted format.
 - Opportunities in marijuana innovation area in the long term. Goes to what happens after legalization. Incubator? Does PW get the money from the sale of the property? Will City operate an incubator? No stated interest at this time. Survey will help focus on what to look at in the long term.

B. **Review Metrics for Evaluation of Economic Issues.** *Review revised metrics developed by subcommittee.*
Staff Recommendation: Approve adoption of useful metrics. NOTE if someone wants to make a presentation, use jans's form to show them what we're interested in. Write up something that says we are happy you are speaking; here's what we're interested in. Email copy of metrics to council? Product of Committee? Susan to send.

C. **MakerSpace Event Report** – Maureen Hart.

Well attended 40 with add'l 40 who wanted to attend. Researched for some time. Redwood Coast Rural Action – regional tryin got pull people together over issues.

Hacker space (computer, engineering, etc. – taking things apart and putting into new form).

2012 Maker space stemmed from HS.

Tech Space is a brand

Fab Lab – facrication lab – design concept (Europe)

Two types: STEM: Science, Technology, Engineering, Math. And Craft Focus – skill development. Often combo. STEAM: Sci, tech, engine, arts, math

Info about Tech Shop – 3 in Bay Area. 15k SF. Private investor company; commitment of \$10M over 5 years (investors or other). Ex. The Square – early development businesses. Looked at different work spaces – extruder, powder coating, design, laser, electronic, metal working, bike repair, welders, paint room, computers. We have some components of TS here, but not the larger ones. \$150/month. Kids education (after school, weekend, summer). Many events (that make \$). Meeting areas. While some businesses have equipment here most is not available to public.

Scrap Humboldt. Started as NP – then franchised with Scrap Portland. Gave years of experience and knowledge to Scrap Humboldt. Portland takes care of financials. Take normally discarded materials and organize into supply store. \$ from sales, workshops, retail, camps, memberships. Successful? Revenues good, adding staff, expanding.

HSU Engineering Project – teams with SCRAP to create new products. Get to use 3D printers in this.

Fire Arts Center. S Corp with community shareholders. \$ from classes, membership, office space, sales, special firing. Important to have good director and staff.

Origin Design Lab. Sewing skills and craft. Large specialized sewing machine. Membership, work space rental, workshops, co-locating (using space for business – a number of businesses in one location). Organize Maker Fair in old town.

Access Humboldt. Studio and equipment for community. \$ from suddenlink, memberships. (can use for Kick Starter vids)

Others: Arcata High (STEAM); Ink People incubator (DreamMakers); Blue Ox Millwork, FoodWorks; the Link (businesses co-locate to use printers, copiers, office space); Redwood Acres (foodworks-like, maybe wood working?)

What does a rural version of MakerSpace look like? (insufficient space and investors for TechSpace)

- fRANCHIse with another successful company (prob not TechShop but maybe another makerspace – like AMX Portland)
- What do we already have?
- What do we need?
- Priority equipment?
- Who has oversight?

Participants gave ideas and resourses (equipment/services needed, Resources, People, Organizations, Events)

Arcata has most mfg in Arcata – most started as microenterprise. Can help develop by providing cheaper prototype development. HSU interest in partnership. Training for employment. For City Council – pursue MS development? How to make recommendation? What would EDC do?

Is this a good medium for econ dev – jobs?

Use the new matrix to evaluate! Maureen

A number of properties. Can be many places from libraries to schools to own space. Objective is to enable enterprise.

Asset mapping – determine what people/companies would be willing to lend, give, etc.

Need assets, space, structure, reason for being (facilitate business development), sponsor, funding.

What about people who use the MS to develop business then move away? Always a risk . . . how to ensure there's a net benefit – MS being self-sustaining. HSU and CR key players.

Subcommittee to fill out matrix. What should we do? Look at more. Could Maureen complete for the next meeting? Send to me. Start with asset mapping if we decide this is something we want to work on. Send info to Susan to forward to Hart. Go over at next meeting.

D. Strategic Activity Discussion. *Review items selected for EDC attention at last meeting.*

Staff Recommendation: Use metrics developed by subcommittee to select best option(s) for action.

- Arcata Ballpark opportunities (Staff update on presentation by Parks Superintendent). Talking with Dan in September. Anything we tackle should have to do with job creation – will hear at presentation.
- Improving attendance at Arts Arcata (Staff research of code relaxation for sidewalk vending, busking). Arts Arcata – banners. Wonder if there could be a multi-banner discount. Refer to Melanie. AA is hiring Nancy Stephenson to take over and make more vibrant. Eureka is packed. Streets closed. Anything EDC can do to improve attendance?

Sidewalk displays: complaint-driven system. If anyone complains they can be shut down. And if any injury there's a real problem. AA could look at Farmer's Market model. Talk with Doby – what would be considered safe.

- Train track development. We're done with this.
- Research of successful tech hubs. Done by Maureen.
- Opportunities at Marijuana Innovation Area in the long term. Being dealt with by the subcommittee / survey.

E. Loss and Creation of Industrial Space. *To be a new standing agenda item.*

Check in on industrial space in Arcata with so many competing uses. Concern: tendency to take industrial area and turn into residential . . . if not replaced you end up with no industrial space. Development of Happy Valley. Both Twin Parks upper and lower have closed. With divestment can PO ReDev debt, are looking as to how to develop Happy Valley. Repayment also means we would eligible to be available for infrastructure. Happy Valley concepts . . . bus condos? No firm plans at this point. So far, not creating more industrial space, and with Creamery rezone have net loss of industrial space. Keep on agenda. MJ growing impact on industrial space could be part of survey.

One strategy to obtain renters is to give lower rent to begin with, until business on feet. We lose tenants to Eureka as their rents are lower. Brett started in garage. Found low cost place at Craftsman Mall. Now in a shop on someone else's property. Try to help startups – lean or big investor where they can afford to pay rent. Microenterprise space - important for new businesses. Happy Valley – great option for startups. If city is into promoting businesses.

Survey question – should City be promoting econ dev. Think MCIZ is going to have some rent protectons? Will MCIZ affect the rent that you pay.

70% of Arcata is rental properties /// that’s how lots of people make their living. We should look at this. 8000 students; room on campus for 2200.

- F. **FUTURE AGENDA ITEMS.** The purpose of this item is for Staff and the Committee to request and prioritize items to be placed on future agendas. No deliberation of the items will be conducted, nor will any action take place, other than whether a specific item will be included on a future agenda.
- Economic development and large classes of business (Hospitals, University, etc.). Discussed large classes. Senior care center. Hospitals. HSU. Etc. Econ viability of large classes of businesses expanding. EDC members were going to talk to those already in business as it involves less effort – why add innovation overlay zone? Where is the best bang for the buck. Survey: Do you think new emphasis will have overall positive or neg effect on businesses? Should this be on future agenda?
 - Economic development aspects of Sea Level Rise – schedule LPO for presentation.
 - Reports from Main Street, Film Commission, Welcome Center – Susan need to get these reports.

VII. CORRESPONDENCE, COMMITTEE, AND STAFF COMMUNICATIONS.

A. ECONOMIC DEVELOPMENT COMMITTEE:

-

B. STAFF:

- Strategy for improving public attendance at EDC meetings. Fab strategy but has not worked on. Email to CC with agenda and invitation. FU with Hoover. Put on FB. New website coming – will be great.

VIII. ADJOURNMENT. Adjourn @ unanimous.

2015	Jan	Feb	Mar	Apr	May	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Jane Woodward	X	X	X	X	A		X	X	X				
Fawn Scheer	X	X	X	X	A		X	X	A				
Brett Watson	X	X	X	X	A		X	X	X				
Maureen Hart	X	X	X	X	A		A	X	X				
Darrell Burlison	X	X	X	X	A		X	X	A				
Craig Wruck	X	X	X	A	A		X	X	X				
David Rosen	N	N	X	X	A		X	A	X				

KEY:

X Present	A Absent	N NA – Not a member this month	C No Meeting		Special Meeting (not regular attendance)
--------------	-------------	-----------------------------------	-----------------	--	--

Attest: _____
Susan Diehl McCarthy, Committee Liaison