

**CITY OF ARCATA  
ECONOMIC DEVELOPMENT COMMITTEE  
MINUTES**

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

**May 11, 2015  
Thursday at 5:00**

- I. ROLL CALL. 5:00.**  
Present: Brett Watson (Chair), Jane Woodward, Craig Wruck, David Rosen  
Absent: Fawn Scheer (Vice-Chair), Maureen Hart, Darrell Burlison  
Staff Present: Susan Diehl McCarthy
- II. ORAL COMMUNICATIONS. None.**
- III. CONSENT CALENDAR.**  
A. **Minutes** of April 2, 2015 meeting  
Consent calendar adopted by unanimous vote.
- IV. PRESENTATION. None.**
- V. UPDATE FROM THE CHAIR.** Brett Watson reported:
- A. He and Maureen Hart met with Cedar Rueben; referred by Mayor Winkler. Rueben suggested shaking up bureaucracy to effect change
- B. Had productive meeting with Rob Holmlund, Community Development Director for Eureka, which does not have an EDC.
- C. Attended National Zero Waste Conference – Arcata has prestigious reputation in recycling– although we don't have a recycling center any more. CA leads the country in recycling tech. Humboldt should look at how what is does compares to its reputation.
- VI. ACTION ITEMS.**
- A. **Creamery District Land Use Table Revision Recommendation.** *Discuss land use table revisions proposed by Creamery District representatives (provided at last meeting) and make a recommendation to the City Council.*
- The difference between pallet and palette was pointed out.
- Discussion:
- Land use issue as opposed to economic development concern? Here, the EDC role is simply to support or not support the Council's direction to Planning Commission to explore the Creamery District proposal.
  - Without analysis or factual data, building a case is difficult – with only subjective information, how can we weigh against other issues or opportunities before the EDC?
  - Is this an appropriate trade off for industrial space that may be needed in the future? Should businesses just go through the planning process?
  - Shouldn't the EDC's focus should be on economic development while specific issues are taken care of by staff? The EDC has wanted to be involved in things that go to Council, but it is difficult to obtain data or ask questions in timely manner.
  - If current ownership in Creamery District means the overlay zone just creates more rental property, does it help all businesses or only a few existing property owners?
- Discussion about what EDC should be doing:
- Economic development, creating replacement funds for City operating budget: tax and other revenue, instead of discussing zoning changes that may take years to change.

- Focus on economic tactics to create change – incremental or drastic. Difference between raising money for City purposes (growing government) and improving the overall economy (growing jobs, businesses, economy). City receives benefits from taxes when economy grows.
- Conversation ties in with list of items brought to Budget Task Force to increase revenue and decrease costs – list passed out. This list may help the EDC in discussion, but is not about economic development per se.
- Why it is so hard to do business in Arcata? That question is anecdotal – no study or actual data.
- Economic Development discussion tends to be more anecdotal by nature. So we have to let people know the kind of information we need to have in order to evaluate whether an idea is good or not.
- If Arcata is the light manufacturing hub of Humboldt County (and do we actually know it is?) do we have enough space for new manufacturing? Room for growth?
- Strategic action around attracting businesses that align with City goals and quality of life. Last strategic plan document was looking inward rather than outward. Examples of looking outward are the Alder Grove Industrial Park success, eliminating permitting fees, creating tax incentives. What kinds of jobs will be created? What will wages be? What fits with what the City of Arcata wants and can be attracted?
- What have cities that have faced this problem done? Public-Private partnerships. Property tax reassessments. Contributions from government, like business condo idea.

Back to Creamery District – decision to recommend that the CC send the proposal to the planning commission for their review. EDC is not pro or against because there isn't enough information in terms of economic cost and benefit. The strategy of economic development by rezoning should be reviewed. And the EDC offers to help if it can. Susan to get the EDC statement to the Council after reviewing with Chair.

More discussion:

- To be effective, the EDC should decide to work on only a few things. HSU and marijuana have been two areas of focus, with cannabis making the most noise.
- There are studies that large businesses in the area have made – the EDC may be able to use their planning documents for data in looking at issues.
- How does information get to the Council? Susan to find out.

## VII. BUSINESS ITEMS.

- A. **Discuss Possible EDC Action on 5 Topics of City Council interest.** *Refer to and discuss items provided by senior Staff and sent by email on 04-17-15.*

Ballpark: the City is working on a study – maybe EDC could liaison? Desire for a site visit – Susan to see if we could walk over and look at the park at our next meeting?

What kinds of business or personal incentives are desirable? Decide target to be attracted, then create incentives. Students population provides example: CPoints cards – prepaid cards used on campus and at Philly Cheese. No other businesses have signed up. Plaza merchants might attract business with this card.

Find attractive business, financial, loan, training incentives. Duplicate successes.

Discussed value of private party investments in projects like the Marijuana innovation Area. Example, CCVH not included in the conversation but would like to be. Investment would be valuable in a Public/Private partnership there. Comment: CCVH or some of its group bought the Willow Creek golf course to develop into a retirement place. What is the expected outcome here? Both incentives and disincentives have value.

Chair Watson requested direction from Mayor Winkler as to what the marijuana subcommittee should do next on cannabis innovation area; was referred to the City Manager.

Discussed problems in Trinidad with Air B&B; schemes like Uber best in more urban areas; mobile food court may have traction near Rails with Trails. Of the five areas proposed to the EDC the Tech Hub/Tech Shop and the Ball Park were selected for further action.

EDC member Darrell Burleson can help with Tech Hub discussion; looking at job training, local work force. Low impact businesses, like call centers may fit. Cheapest thing to transport out of Arcata is data bytes.

Discussed need to examine growth, our economic situation, what type of growth is desirable and possible. A quality truck stop and truck tax were discussed.

Discussed a subcommittee to review economic impacts; growth and kinds of growth. It was noted that City goals will be coming out with the budget for Council for approval. City policies are helpful.

Move items B, C and D to June agenda.

- B. **Discuss Formation of Additional Subcommittees.** *Discuss potential focus and formation of other subcommittees.*

Move to June agenda.

- C. **Update on Marijuana Legislation and Related Issues.** *Hear Subcommittee update and any other updates. Revisit Cannabis Update as a Standing Agenda Item.*

Move to June agenda.

- D. **Measuring the Importance of Economic Development Issues.** *Refer to Economic Development Objectives and Evaluation Factors sheet provided by David Rosen on 04-02-15 and discuss how to best use for assessment of economic development issues and potential.*

Move to June agenda.

#### VIII. FUTURE AGENDA ITEMS.

- A. Economic Development Aspects of Sea Level Rise – waiting to hear back from Larry Oetker. Susan to follow up on.

- B. Economic Development Aspects of Arcata Community Forest Management – Mark Andre will make a presentation – 10 minutes oral, or a written report. Susan to follow up on.

- C. Mark Andre and Northcoast Environmental Center on June agenda for presentations.

#### IX. CORRESPONDENCE, COMMITTEE, AND STAFF COMMUNICATIONS.

- A. ECONOMIC DEVELOPMENT COMMITTEE: Jane would like to see business along the tracks.

Is there a source for statistics on Arcata's economy? David will see if he can find a source or someone who can speak to the Committee.

Brett went with Sandy Scott, Mayor Winkler and Ross Welch to Jonathan Gilberts' house to look at indoor grow operation. Will try again to have Jonathan speak at a meeting.

- B. STAFF: Passed copies of most current sales tax information.

#### X. ADJOURNMENT. 7:07 Jane/Craig

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

KEY:

X Present	A Absent	N NA – Not a member this month	C No Meeting	Special Meeting (not regular attendance)
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Attest:   
 Susan Diehl McCarthy, Committee Liaison