

## **2006 Longmont City Council Retreat Economic Strategies and Retail Opportunities**

### **Introduction**

Over the past several years, the City of Longmont has made numerous adjustments to its economic development efforts in order to meet the challenges of dramatic changes in the competitive environment. The most easily recognized of these challenges are occurring within a 40 mile radius of downtown Longmont in the form of intense, incentive-based competition to create primary jobs and attract retail development. Less visible are the competitive challenges coming at the state, national and international levels. Although these latter challenges are less clearly understood, they may significantly influence the City's competitive position in the world marketplace.

During 2005, we have engaged numerous members of the community in discussions about what is most important from an economic standpoint currently and looking into the future. Data obtained from the City's annual customer survey (Attachment A) and from citizens involved in the Focus on Longmont strategic planning process (Attachment B) show that our residents have clear expectations about the local economy—provide appropriate jobs to fit the skill levels of those seeking employment and convenient, diversified shopping opportunities. Citizens want this with a mixture of small local and large national enterprises and in a way that promotes a healthy and vibrant traditional downtown.

During the update of the Longmont Area Comprehensive Plan (LACP) in 2002-2003, an economic analysis was completed to assess the land use balance included in the existing comp plan. That analysis demonstrated a need to designate considerably more land for regional retail and mixed use economic development uses.

Until recently, Longmont's general approach to economic development could best be described as:

1. Provide adequate and balanced land uses in the LACP
2. Ensure first-rate infrastructure to support the LACP land uses
3. Adopt development standards that meet the community's expectations
4. Partner with public and private entities such as the Longmont Downtown Development Authority (LDDA) and Longmont Area Economic Council (LAEC) to promote appropriate business development
5. Send clear messages to the private sector that business opportunities exist in Longmont provided they meet the community's expectations
6. Provide some monetary incentives such as fee waivers and use tax rebates, mostly for primary job creation and affordable housing

Attachment C contains recent articles on business activity in Longmont and area trends.

## Current Situation

Since the update of the LACP in 2003, the City has continued to assess the economic development environment and make ad hoc changes to meet new conditions. The following examples provide a flavor of the recent efforts to keep our community competitive and to provide the basis for long-term sustainability.

1. *Focus on Longmont* Citywide Strategic Plan. Develop community-supported strategic policies that, if followed, will sustain Longmont's capacity to provide desired services as we approach build-out of the Longmont Planning Area.
2. Fiscal Impact Model. Develop an economic model that will assess the assumptions and actions undertaken during implementation of the strategic plan.
3. Retail Opportunities Analysis. Understand what steps are necessary to influence the type and quality of retailers that come to Longmont, improve the downtown retail mix and maximize sales tax receipts necessary to provide municipal services.
4. Redevelopment Plans. Explore redevelopment potential of the Flour Mill and Midtown Main Street areas.
5. Urban Renewal Authority Study. Create an Urban Renewal Authority that will facilitate urban renewal activities.
6. Downtown Mixed Use Parking Study. Examine the feasibility for constructing a mixed retail, residential, parking facility in downtown.
7. Funding for CTEK (Colorado Technology Incubator), Longmont Area Visitors Association and Longmont Small Business Association. Budget public resources for private/public entities engaged in promoting business in Longmont.
8. Economic Vitality Coordinator. Provide resources in the 2006 budget to enhance the City's capabilities to plan, coordinate and collaborate in the myriad of economic activities underway in Longmont.
9. FasTracks. Actively participate in station location decisions and plan for Transit Oriented Development (TOD) opportunities related to commuter rail.

It is easy to see from the above list that the City Council is simultaneously responding to numerous opportunities to improve the short and long-term economic health of the community.

The City Council's approach is to maximize collaborative partnerships in all areas of economic development. One of the best examples of this is the long standing contractual arrangement the City has with LAEC for recruitment and retention of primary employers. The same approach exists with CTEK for promotion and support of entrepreneurial start-up companies. The recent addition of the Economic Vitality Coordinator position will provide necessary resources to more easily coordinate and facilitate collaborative efforts like these.

One of the early tasks the Economic Vitality Coordinator will undertake is coordinating the development of an economic action plan that identifies priority steps we should undertake to strengthen our economic position. This work will be done in collaboration with a wide variety of stakeholders including existing entities with which the City is currently involved to promote a healthy economy. Over the past several months, we have gathered a substantial amount of information regarding retail leakage, primary employment and redevelopment opportunities. Much of this information will be used to develop the action plan. However, there is much more to bring into the effort.

Many communities begin such a process by initiating a “big picture” scan of the strengths, weaknesses, challenges and opportunities they face. The City Council may want to consider appointing a task force of appropriate residents, business leaders, landowners, economic professionals and Council representatives to help guide the completion of the environmental scan and economic development action plan. The effort should take approximately six months. Staff would facilitate and support the task force, if Council determines that direction.

In summary, the Longmont City Council has moved to use public resources more actively to promote a wider range of economic efforts. This is consistent with the message citizens sent during the *Focus on Longmont* strategic planning process, which is aimed towards promoting a balanced, healthy business climate.

### **Suggested Questions for Discussion**

1. Does City Council concur with the concept of a task force to help guide the Economic Vitality Coordinator or does Council have other ideas about how to develop this economic action plan? Are there additional areas of emphasis that the City Council expects from an economic action plan?
2. Does the City Council have suggestions on ways to ensure that more active City involvement in promoting economic vitality is accomplished without unnecessary disruption to existing players?
3. What broad trends do City Council members believe will affect the future of economic development in Longmont?