

6 ECONOMIC DEVELOPMENT

The Economic Development Element creates a long-range plan for strengthening and diversifying the County’s economy. In accordance with strategic plans developed by the Board of Supervisors, the Economic Development Element’s goals and policies establish the direction for the County’s economic future.

The General Plan’s economic policies accomplish three key objectives.

- Financial stability for delivery of County services
- Economic sustainability for business development
- Diverse work opportunities for County residents

6.1 ECONOMIC DEVELOPMENT ISSUES AND SUMMARY OF MAJOR FINDINGS

The economy of Mariposa County is one issue of the General Plan. The following are among the primary issues and major findings for the achievement of economic development in the County.

- Livelihood and County Character
- Growth and Economic Development
- Brand Positioning and Marketing
- Diversification
- Enhancing the County’s Economic Sectors
- The Public-Private Partnership

6.1.01 LIVELIHOOD AND COUNTY CHARACTER

What is the connection between the County’s economy and character that makes economic development an important concern for Mariposa County? On the one hand, the character and performance of the local economy provides the livelihood of County residents, businesses, and public institutions. On the other hand, economic activity is tightly woven into the fabric of Mariposa County daily life, contributing to the County’s character and quality of life.

Mariposa County residents have relatively little control over outside economic forces affecting the local economy. However, the County does have an ability to plan for and capitalize on regional, national, and global economic forces to benefit the local economy and elevate the economic status of its citizens.

6.1.02 GROWTH AND ECONOMIC DEVELOPMENT

Growth is an issue for County residents for differing, and often opposing, reasons. Does economic development result in, or from, growth? What kind of growth? In one sense, economic development means growth—it may result both from, and in, different kinds of growth. By definition, growth is an increase in population, or it also can be an increase in building occupancy rates, personal income, and in the ability of the County to provide services. Growth provides indigenous capital for local investment, an aspect of capital missing in the County.

6.1.03 BRAND POSITIONING AND MARKETING

In another sense, economic development means diversification of business. One of the ways that communities attempt to attract new business investment and position themselves with potential investors is through an image or “brand” that identifies the community and its assets. To the extent that Mariposa County has an image in the public mind, this association is with Yosemite National Park. While Yosemite provides the County with a symbol that is recognized worldwide, the symbol of Yosemite does not necessarily translate into an image for the County as a whole. The lack of a Mariposa County “brand” creates an additional hurdle in the County’s efforts to develop its economy.

Successful economic development requires that a Mariposa County brand identification be created. Establishing brand identification for Mariposa County as a destination in itself and as an important part of the Yosemite experience creates opportunities to improve the local business environment.

Marketing the Mariposa brand identity will require the enhancement of existing assets and the development of new assets to interested visitors, thereby giving them reasons to stay in the County longer, and encouraging them to spend more money locally. History, scenery, culture, arts, specialty and regional agricultural products, entertainment, shopping, and non-Yosemite recreation are examples of assets that currently exist in Mariposa County (in varying degrees) and can be further developed to market the Mariposa brand.

6.1.04 DIVERSIFICATION

Simply speaking, diversification means a dual focus on strengthening the existing economy while creating new economic opportunities. For Mariposa County, it means a twofold approach enhancing countywide tourism related businesses and extending the tourism seasons (which expands and stabilizes employment), while expanding the County’s economy to career-oriented, non-tourism related businesses. This kind of diversification reduces dependency on tourism and creates higher-paying career opportunities for County residents.

There are three aspects to expanding the County’s economy: relocation of outside business into the County, expansion of existing businesses, and creation of new businesses. Businesses need basic components to be in place as incentives for relocation such as available sites, adequate infrastructure, skilled (or trainable) employees, educational and training opportunities, other employment opportunities for family members, and suitable affordable housing.

The General Plan’s strategy creates diverse businesses from the County’s fundamental economic assets and unique market positions. This strategy is developed first by General Plan goals and policies that can be incorporated into the Mariposa County Economic Development Strategic Plan.

6.1.05 ENHANCING THE COUNTY’S ECONOMIC SECTORS

A. Expansion of the Visitor-Serving Economy

Resource extraction, agriculture, and tourism were pivotal in the early development of Mariposa County’s economy. Agriculture remains important, but the decrease of mining and logging activity has left tourism as the largest single sector of the local economy entering into the first part of the 21st Century.

The tourist economy creates a dichotomy in Mariposa County. On the one hand, the County’s small town character—particularly the historic communities of Mariposa, Coulterville, and Hornitos—adds to the visitors’ experience as they pass through on their way to Yosemite National Park. On the other hand, the County’s tourism potential outside of Yosemite National Park really has not been fully realized.

Expanding the visitor economy is an important short-term economic strategy. This expansion will be accomplished through a number of different efforts, but the primary goals are to extend the “season” from five to nine months or longer, increase lengths of stay and room occupancy rates, and make Mariposa County, outside Yosemite National Park, a major destination for visitor activities.

General Plan land use policies and the Economic Development Strategic Plan will encourage the development of destination resorts and hotel facilities in appropriate locations in Mariposa County.

B. Improving the Local Economy

B(1) THE EXISTING LOCAL ECONOMY

The Mariposa County economy can be described as a service-producing economy with concentrations of employment in the accommodations industry, governmental services, retail trade, and eating and drinking establishments. The local economy is heavily weighted to servicing visitors rather than local residents. Few businesses export goods and services outside the County; those businesses represent a small portion of the County's overall economic activity.

A large percentage of sales dollars, which could be spent in Mariposa County, are spent in neighboring counties instead. Part of the reason why residents and visitors spend sales dollars outside of the County is that Mariposa lacks the population base to support the large supermarkets, national chain drug stores, department stores, and many other businesses offering a broad array of goods and services.

B(2) EXPANSION AND DIVERSIFICATION

Businesses that export goods and services outside the County can help support the local economy. The County encourages the development of new agricultural products and businesses to strengthen the local economy.

B(3) BUSINESSES IN THE HOME

Home-based businesses have long been a significant factor in Mariposa County for their contribution to both the County economy and character. Therefore, the County has encouraged home businesses with relatively few restrictions through its long-standing "Home Enterprise" and "Rural Home Industry" regulations. However, as the County has grown, two important questions have arisen.

- First, what is an appropriate home-based business in the rural areas outside the County's planning areas for which the General Plan addresses most business activities?
- Second, how should the General Plan address the case where a business in the home has grown to the point it needs to be in an appropriately designated business location?

Because both the County population and businesses in the home will continue to proliferate and grow, the General Plan must address the issue of compatibility with adjacent uses underlying these questions. The compatibility issue becomes more complicated as home businesses grow or as adjoining undeveloped parcels are developed.

Ensuring businesses in the home requires clear policies and standards for compatibility with neighboring uses and viable sites for relocation within nearby communities. This provides the basis for the required "fair share" of lands in planning areas to accommodate relocation of rural home industries and growing home enterprises.

[a] HOME OFFICE

A home office is simply a business in the home conducted from a few rooms within the home, usually a den or bedroom. A home office requires little if any customer traffic,

deliveries arrive via one of the express delivery services, such as UPS or Federal Express, and the business is generally invisible to neighboring property owners. Home offices can be compatible within many zoning districts or type of dwelling unit.

[b] HOME ENTERPRISE

Home Enterprises have long been permitted in Mariposa County. Home Enterprises are based in residential areas and generally involve a service or sales of products fabricated or produced onsite. Home Enterprises may operate with more than one employee. The traffic threshold determines whether or not a hearing is required prior to the business commencing operations. Depending on location and surrounding land uses, Home Enterprises on parcels under five acres in size may not be appropriate for allowing either employees, customer traffic, or both.

Home Enterprises are the foundation of economic diversification. The vast majority remain small businesses at home; however, some Home Enterprises become successful and grow. The purpose of the Home Enterprise is to allow the business to “incubate.” If it outgrows home usage, it needs to be relocated to appropriately zoned lands. This is one reason all Planning Areas—except Wawona and Fish Camp—are required to designate lands for a fair share of business relocation.

Mariposa County has successfully grown and encourages the development of Home Enterprises. It is important to the County to ensure that these types of businesses do not encroach on residential neighborhoods and are compatible with their surrounding neighbors. The County will develop criteria for Home Enterprises with the objective to achieve a compatible balance between the interests of neighbors and the needs and success of the Home Enterprise. Potential criteria to be considered include traffic, noise, safety, dust, size of parcel, character of neighborhood, type of business, and visual compatibility of structures.

[c] RURAL HOME INDUSTRY

Rural Home Industries differ from Home Enterprise. The purpose of the Rural Home Industry is to allow a business to grow on appropriately zoned and developed property.

In general, the County Code will specify the standards. The basic criteria for a Rural Home Industry shall establish a requirement for a minimum parcel size, access on a maintained road, and a maximum of three non-family employees.

C. Connecting to the Regional Economy

For many years, because of the importance of Yosemite National Park tourism, the national and global economy has had more of an impact on Mariposa County than the regional California economy. Within the past few years the County has become more closely linked to the economy of the Central Valley. Growth in other surrounding areas, such as Modesto and Merced, coupled with attractive land and housing prices in Mariposa County encourages living in rural Mariposa and working outside the County.

Historically, growth in California’s Central Valley cities puts significant development pressure on adjacent foothill counties. Fresno growth impacts are visible in eastern Madera and portions of Mariposa County, while growth in the Modesto urban area has affected northern Mariposa County. Merced County’s plans for accommodating the University of

California/Merced campus are repeating the sprawling urban growth patterns of other Valley cities in the 1980s and 1990s.

The combination of natural and scenic qualities; three universities within easy commutes; quality County schools; and high-speed, accessible, reliable communications and data transmission provide the County with advantages to attract small-scale businesses not requiring proximity to their customers or markets.

6.1.06 THE PUBLIC-PRIVATE PARTNERSHIP

Economic development requires investment, both public and private. Economic development requires adequate infrastructure, including libraries, parks, museums, cultural centers, tourism support, and circulation systems (such as airports, roads, public transit), all of which are strong contributors to the successful local economy. Providing public infrastructure is an important role of County government. The public-private partnership functions by the County priming the pump with infrastructure investment and the private sector reinvesting in the County.

Accomplishing economic development goals require the County to be an active partner with the private sector, community based organizations, and the public at large. The General Plan cannot be achieved without the involvement of the Board of Supervisors, the private sector, and the public. Only if the County government, private business, and public join together can the County actually diversify the economy.

The General Plan does not envision County government as the sole economic engine; rather its role enables other segments to work together in achieving County economic development goals while pursuing their own missions and objectives.

6.2 GENERAL PLAN IMPLEMENTATION

Goal 6-1: Pursue sustainable economic growth.

Policy 6-1a: Create and maintain an economic development function as a part of County Government.

Implementation Measure 6-1a(1): The County Administrative Officer will hire an Economic Development Coordinator within the County Government.

Timing: Intermediate-term

Responsibility: Board of Supervisors.

Fiscal Impact: Funding for staff and supporting equipment and operations. Ongoing long-term cost.

Consequences: The Board of Supervisors moved in this direction in 2001, at the time of General Plan preparation; the future of this County function was vacant. The General Plan depends on a central contact point for economic development in order to coordinate the County's partnership role. It is not envisioned that this role is necessarily to recruit new business, but during the long-term planning period, it is a possibility—if the County has infrastructure available.

Policy 6-1b: Adopt a long term strategic plan for diversifying and strengthening the economy with an active public-private partnership.

Implementation Measure 6-1b(1): The Board of Supervisors should adopt an ongoing Economic Development Strategic Plan, including an assessment of assets, definition of target markets, specific implementation activities, assigned responsibilities, measurable objectives, and metrics to measure progress. The plan should contain provisions for destination resorts and hotel facility development.

Timing: Short-term
Responsibility: Board of Supervisors and County Administrative Officer.
Fiscal Impact: Allocation of budget to support development and adoption of the plan.
Consequences: While the General Plan assumes the role of a strategic plan, a comprehensive economic development strategy is needed at a higher level of detail than appropriate for the General Plan. This is a critical component to the success of the County’s business plan.

Implementation Measure 6-1b(2): On an annual basis, the Board of Supervisors shall review accomplishments of the Economic Development Strategic Plan.

Timing: Ongoing
Responsibility: Board of Supervisors, County Administrative Officer.
Fiscal Impact: Unknown budget costs.
Consequences: This policy requires the County to annually assess accomplishments of individual components in the County’s economic development strategy.

Goal 6-2: Position the County to capture economic development opportunities through brand identification.

Policy 6-2a: Establish a Mariposa County brand based upon the County’s strategic characteristics and unique assets.

Implementation Measure 6-2a(1): The County should develop a clearly defined Mariposa County brand and supporting marketing program.

Timing: Intermediate-term
Responsibility: County Administrative Officer.
Fiscal Impact: Unknown operational and administrative costs.
Consequences: This policy initiates an effort for the County to define its market niche.

Implementation Measure 6-2a(2): The County shall implement the marketing program, successfully establishing the brand within target economic markets.

Timing: Intermediate-term
Responsibility: County Administrative Officer.
Fiscal Impact: Unknown marketing and advertising costs.
Consequences: Implementation measures should be part of the Strategic Plan.

Goal 6-3: Expand job opportunities, increase personal income, and strengthen the Mariposa County economy through economic diversification.

Policy 6-3a: Promote programs strengthening and retaining existing County businesses, creating new businesses, and providing an attractive environment for relocating appropriate businesses.

Implementation Measure 6-3a(1): The County Economic Development Strategic Plan should include a proactive business retention and growth program to be implemented during the short-term planning period.

Timing: Intermediate-term
Responsibility: County Administrative Officer.
Fiscal Impact: Administrative costs.
Consequences: This policy has the Board of Supervisors more closely involved in the County's job market for purposes of growing local businesses.

Policy 6-3b: Increase the total funding available for economic diversification by improving access to capital.

Implementation Measure 6-3b(1): The County should support programs to assist in the acquisition, and administration of grants as part of its economic development function.

Timing: Ongoing
Responsibility: Board of Supervisors, County Administrative Officer.
Fiscal Impact: Up front personnel costs or consulting costs to seek out grants.
Consequences: This policy requires the Board of Supervisors to either contract with a grant consultant or to hire one as part of staff.

Implementation Measure 6-3b(2): As part of the business retention and attraction program, the County should establish working relationships with local and regional financial institutions to serve as potential sources of financing for establishing and expanding businesses in the County.

Timing: Intermediate-term
Responsibility: County Administrative Officer.
Fiscal Impact: Nominal within Department administrative costs.
Consequences: This Measure requires the County to establish business relationships that can be turned into resources for local businesses needed for various types of business capital.

Goal 6-4: Strengthen and diversify the Mariposa County economy by connecting and capitalizing on economic opportunities in the region.

Policy 6-4a: Improve the ability to connect business in Mariposa with business in the region.

Implementation Measure 6-4a(1): Meet with leaders from telecommunication companies serving the County to bring high-speed telecommunications to Mariposa County.

Timing: Intermediate-term
Responsibility: Board of Supervisors.

Fiscal Impact: Ongoing.
Consequences: This policy continues the Board’s commitment to the objectives of San Joaquin Access.

Policy 6-4b: Utilize the development of the University of California/Merced campus as a stimulus for economic development in the County.

Implementation Measure 6-4b(1): Incorporate an assessment of potential businesses created by the University of California at Merced in the County’s Economic Development Strategic Plan.

Timing: Intermediate-term
Responsibility: County Administrative Officer.
Fiscal Impact: Staff time.
Consequences: Implementation of the strategic plan.

6.3 RELATED GENERAL PLAN ELEMENTS

6.3.01 RELATION TO THE LAND USE ELEMENT

The Land Use Element defines areas of the County that are appropriate for economic development and provides standards for development in these areas. They include, but are not limited to:

- development in planning areas,
- development in Rural Economic areas, and
- development in Agriculture/Working Landscape areas.

6.3.02 RELATION TO THE ARTS AND CULTURE ELEMENT

- The Arts and Culture Element includes policies that address linkage of arts and culture to economic development, including:
- recognition of the role of arts and culture in the economy of the County, and
- opportunities for the development of cultural tourism.

6.3.03 RELATION TO THE HOUSING ELEMENT

The Housing Element recognizes the linkage between economic development and adequate housing for existing and potential residents through programs addressing the availability of housing, including:

- supporting efforts to improve the supply of affordable housing, and
- increasing opportunities for home ownership.

In addition, the Housing element also addresses the question of balance between jobs and housing as an aspect of economic development.