

# City of Orange Economic Development Strategy

## Purpose

The purpose of the City of Orange Economic Development Strategy is to guide City efforts to:

- Foster a positive environment that expands economic opportunities
- Ensure a broad revenue base to fund City services
- Create and retain quality jobs in the city
- Provide a wide range of retail, restaurant, and service amenities for residents and visitors
- Ensure that housing development supports the needs of residents and businesses

## Conditions that Foster Economic Development

Economic Development does not happen in a vacuum, and creating the right conditions for development relies on these essential factors:

- Effective public safety
- High quality public infrastructure
- Quality of life services such as parks, libraries, historic preservation, and code enforcement
- Responsive and effective government that is efficient and provides a high level of customer service
- A sustained, proactive economic development program with sufficient resources and a range of tools to achieve its objectives

## Economic Development Team

Under the direction of the City Council, the City Manager's Office leads economic development efforts in partnership with the Community Development Department and other City departments. The City Manager's Office takes the lead on business attraction, retention, and expansion efforts, while the Community Development Department oversees the development review process and affordable housing development. City efforts are augmented through partnerships with the Orange Chamber of Commerce, Small Business Administration, the Small Business Development Center, and other economic development nonprofits.

## Economic Development Objectives

### 1. Identify and build on Orange's key economic strengths.

Orange's key economic strengths include:

- Diversified economic base
- High quality infrastructure
- Excellent public safety and municipal services
- World renowned health and educational facilities

- A city with character and diverse communities including historic districts, Orange Park Acres, El Modena, and Uptown Orange

Building on these strengths requires a multi-faceted approach that includes ensuring sufficient funding for infrastructure and other municipal services as well as developing partnerships with educational and health institutions. Historic preservation and place making investments can support the character of diverse neighborhoods.

## **2. Identify existing economic development resources and opportunities to develop additional resources.**

The City has one full-time staff member dedicated to economic development, along with a marketing budget to produce and print one to two promotional brochures per year and a conference budget to pay for membership and send three staff members to the annual ICSC retail conference.

The City has the following economic development incentives to offer businesses when appropriate:

- Sales Tax Sharing Ordinance
- Transient Occupancy Tax Sharing Ordinance
- Industrial Development Authority financing

In addition, the City has developed partnerships with the following organizations to support economic development efforts:

- Orange Chamber of Commerce
- Small Business Administration
- Small Business Development Center

The following are opportunities to develop additional resources:

- Pursue additional partnerships with Chapman University and Santiago Canyon College
- Develop partnerships with neighboring cities to develop regional economic development strategies
- Explore the creation of the following:
  - Tourism Improvement District
  - Business Improvement District
  - Enhanced Infrastructure Financing District
  - Economic Development Roundtable
- Consider membership in the following organizations:
  - International Economic Development Council
  - California Association of Local Economic Development
  - Orange County Business Council

### **3. Retain existing Orange businesses.**

Develop relationships to retain top employers and sales tax producers. This effort involves talking to businesses about their needs and business plans, monitoring when leases on key properties expire, and ensuring that businesses have the resources and support they need to be successful. A Shop Local program could be implemented to encourage residents to support local businesses.

Targeted Business Sectors:

- Hospitals/Medical
- Auto Dealers
- Malls/Shopping Centers
- Industrial
- Office
- Public Institutions

### **4. Facilitate private property investment.**

Private property investment is the lifeblood of economic development as the private sector has far greater resources than local government. Well designed property investment provides enormous public benefits such as job creation and aesthetic improvements while enhancing City revenues and spurring additional private investment into neighboring properties. The following can help create the ideal conditions for private investment:

- Ensure zoning that facilitates investment
- Provide public infrastructure to support private investment
- Identify properties ripe for redevelopment
- Provide a streamlined development review process that eliminates unnecessary delays and reduces uncertainty from discretionary and subjective review processes

### **5. Attract quality businesses to the city.**

Business attraction efforts focus on building relationships with property owners, brokers, leasing agents, retailers, and developers to fill vacant commercial properties with new businesses that meet community needs. Efforts also include attending economic development conferences and conventions, marketing Orange as an attractive place to do business, and staying abreast of changes in the retail sector.

Targeted Business Sectors:

- Hotel
- Big Box Retail

- Auto Dealers
- Cultural and entertainment amenities

## **6. Promote Orange as a destination for visitors.**

Orange is located in Orange County, one of the premier visitor destinations in the world. Orange hotels are considered part of the Disneyland hotel market, which serves the Disney Resort, Anaheim Convention Center, Anaheim Stadium, and Honda Center. The Outlets at Orange and Old Towne Orange are popular amenities for visitors to the area.

- Outreach to Orange hotels to explore the creation of a Tourism Improvement District (TID) to provide funding for tourism promotion and placemaking improvements in visitor areas
- Continue to collaborate with OCTA and ATN to develop transportation solutions to support visitors and residents in Uptown and Old Towne Orange
- Deepen partnerships with the Orange Chamber of Commerce, City of Anaheim, and Visit Anaheim to benefit Orange's visitor-serving businesses
- Create a vision, place branding, and place making to develop a visitor-focused district on West Katella Avenue that is complimentary to the OC Vibe and OC Riverwalk developments
- Work with the Orange Police Department and Code Enforcement to ensure that they have sufficient resources to keep visitor-serving areas safe and attractive
- Ensure that Public Works has sufficient resources to build and maintain infrastructure to support development in visitor-serving areas

## **7. Provide housing at all income levels while preserving the character of existing neighborhoods.**

Adequate housing supply is an important economic development driver as it ensures that businesses have the workers and customers that they need to be successful. The following policies support housing development:

- Allow for density where appropriate to address the lack of available land for new housing development
- Provide flexible zoning to allow mixed use developments in commercial and other zones where appropriate, and allow for a wide range of housing products
- Provide a streamlined entitlement and plan review process to facilitate housing development
- Work with the Building Industry Association to ensure that housing permit fees are not an impediment to housing production
- Develop workforce and affordable housing to ensure that enough housing units are developed at every income level

## **Fiscal Year 2023-24 Action Plan**

The following activities are proposed to be completed this fiscal year:

- Convene an Economic Development Forum to better identify Orange's economic development strengths and resources, and discuss additional strategies
- Organize an Economic Development Roundtable to meet regularly and discuss the implementation of this Economic Development Strategy
- Meet with Orange hotels to discuss interest in establishing a Tourism Improvement District (TID) and present a report to City Council with policy options to promote Orange as a visitor destination
- Identify tools to finance infrastructure and other improvements to Uptown Orange, Tustin Street and other major commercial corridors
- Research the effectiveness of Enhanced Infrastructure Financing Districts and provide recommendations to City Council
- Explore the development of a Shop Local program in partnership with the Orange Chamber of Commerce
- Continue to work with ATN and the Orange Chamber of Commerce on a microtransit service for Old Towne
- Continue to work with OCTA on a circulator service to connect Uptown Orange, South Main Street, and Old Towne
- Conduct outreach to Old Towne businesses regarding the design and implementation of parking management solutions
- Request proposals for City Council consideration to create a vision, place branding, and place making for a resort district on West Katella Avenue that is complimentary to OC Vibe and OC Riverwalk