

North Highlands Economic Development Strategy

PART 1: CONDITIONS AND TRENDS

October 2, 2003

Visions Task Force Meeting

PART 2: STRATEGY ELEMENTS AND ACTION PLAN

October 9, 2003

Visions Task Force Meeting

PURPOSE AND INTENT

Overall Goal: Improve quality of life

Intent:

- Characterize the demographic, land use, and economic profile of the community.
- Identify economic development opportunities, challenges, and constraints.
- Define strategy to address economic development challenges & realize opportunities.
- Define an Action Plan to implement the economic development strategy.

META THEMES AND ISSUES

Meta Themes and Issues ¹	Completed	In Progress	To Do	Notes
Improve Community Image/Sense of Place				
1 Town Center/Town Square	X			First phase of improvements completed
2 Beautify Watt Avenue Streetscape		X	X	<i>Beautification Plan</i> adopted; <i>Arts Plan</i> prepared in Fall 03
3 More Civic/Community Uses and Amenities		X	X	Freedom Park, Grant Joint Union Vo-tech, Aviation Museum
Revitalize and Enhance Economic Base				
4 Reuse the Former McClellan AFB		X	X	7,000 jobs and growing; ultimately up to 32,000 jobs
5 Revitalize Watt Avenue Commercial Corridor		X	X	Façade, frontage, parking improvements; retail repositionings
6 Redevelop Underutilized Properties/Infill Dev.		X	X	PLACES3 workshops in Summer 03; several projects underway
Improve Quality of Community Services				
7 Improve Public Transit Service		X	X	McClellan Commuter Center and expanded bus routes
8 Improve County Services		X	X	NORCAST formed in March 2003; service priorities identified
9 Enhance Local Base of Private Services			X	More health services, youth services/activities, etc.
Improve Public Participation and Communication				
10 Community Newspaper/Communications		X		North Highlands News; community website August 2003
11 Community Participation/Advisory Groups		X		CPAC, Visions Task Force, Business Roundtable, etc.
12 County/SHRA Outreach		X		Stakeholder interviews 02/03; 30+ community meetings in 02

¹ Sources: *North Highlands Visions Plan* (1995); County and SHRA Stakeholder Interviews (2002/03)

DEMOGRAPHIC PROFILE

Diverse Racial Composition – similar to region

Many Family Households

- Higher percentage of families with children (37.2% versus 34.2%).
- Higher incident of single parent headed households (12.7% versus 7.9%).

Younger Residents

- Median age is younger than the region as a whole (30.4 years versus 34.4 years).

Lower Income Levels

- Average per capita income is \$14,109 versus \$22,302 for the region.

Lower Educational Attainment

- 24.5% of adults have no high school diploma versus 15.4% for the region.

LAND USE PROFILE

Large Inventory of Lower Quality Industrial Space

- Reuse of McClellan has added approximately 6 million sqft of inventory.
- Substantial inventory of industrial space in N. Sacramento.
- Market perception as a lower quality industrial location.

Large Inventory of Vacant/Underutilized Land

- Estimated 700 acres of vacant land (not including McClellan).
- Policy issue: is industrial reserve/ag-residential west of Watt underutilized?

Jobs - Housing Balance

- Jobs-housing balance = 1 job for every 1 housing unit (1.00 ratio)
- North Highlands currently has a jobs-housing ratio of 0.95.
- Potential ratio of 2.0 if no new housing added

ECONOMIC BASE PROFILE

Regional Economic Center



McClellan Park is a regional economic center; ultimately will employ up to 34,000

Industrial Orientation



McClellan Park and the Roseville Road industrial corridor: 8+ million square feet.

Fixed Retail/Service Performance



Strong in Building Material and Furniture merchandise categories but generally weaker in remaining merchandise categories.

CHALLENGES

Negative Market Perception

- Market perception is that of a lower quality and higher crime community.
- Perception is overstated; however “perception is reality”.
- Perception limits ability to attract investment, businesses, and development expertise.

Retail/Service Leakage

- Leakage in General Merchandise, Apparel and Accessory, and Miscellaneous Retail.
- Leakage in Personal Services, Business Services, and Recreation/Entertainment.

“Challenged” Properties

- Many industrial & retail properties are dated, functionally obsolete, and/or blighted.
- Significant investments required to update some properties.
- Many small, irregular, and awkward parcels that constrain redevelopment.

OPPORTUNITIES

Undervalued Strategic Location

- Inner suburban location proximate to major regional transportation corridors, employment centers, and amenities.
- Community fundamentals are solid with significant upside potential.
- The community's strategic regional location is currently an undervalued asset.

Infill/Redevelopment Opportunities

- Many viable infill & redevelopment sites that can support additional new development.
- Potential to diversify local economic base, better jobs-housing balance, and support additional community quality of life improvements.

“Virtuous Cycle” Economic Development

- Catalyst, complementary economic development.
- As an example, reuse of McClellan will generate additional demand for retail, services, and housing throughout the community. Conversely, improvement of community retail, service, and housing will attract a higher quality tenant base to McClellan Park.