

Task force: City can help budget by helping retailers

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CHICO -- A detailed study of Chico's retail-related problems authored by a Chico Chamber of Commerce task force made its way to a City Council committee this week.

The city committee made some comments in response, but will likely incorporate the study into the General Plan process.

Triggering the study was the city's budget crisis, which has been blamed in part on the city's flat sales tax revenue. Convening the broad-based task force, the chamber hoped to shed light on challenges the city could address.

Chico Chamber executive Jim Goodwin summarized some of the 25 findings and 15 recommendations to the city's Economic Development Committee on Thursday.

"We're not asking you adopt everything, but please have a dialog over it," Goodwin asked the councilors.

"There's only so much that can be done," said Dirk Hallen, president of Pacific Properties Group of Chico and a local commercial developer, "but a lot can be done to make matters worse."

Among Goodwin's first comments was the negative feeling toward national chains sometimes evident in the community. He pointed out that of the top 25 sales tax producers, 16 are national chains.

"You can't believe our economy isn't driven by

them," he said.

The study also showed Chico's development impact fees are higher than other communities with bigger populations. A retailer would weigh those costs along with the market potential in deciding where to settle, Goodwin said.

"While we love Chico and can't see why someone coming into the community wouldn't do the same, people without an emotional attachment don't look at Chico the same way we do," he said.

Councilman Andy Holcombe suggested those extra costs may have produced the "specialness of Chico."

"If our cost of business is similar to another region, the investment will go to a bigger area," Goodwin said.

Former assistant community services director Clif Sellers completed a study in June of development impact fees in 17 Central Valley communities that was also presented to the committee on Thursday.

His report showed Chico's commercially related fees are among the highest, with street impact fees being the biggest factor. However, he concluded they were "appropriate and justified by the nexus studies."

Other issues cited by the Chamber task force were mandated design preferences for new buildings.

Goodwin noted there have been only two construction projects in downtown over the past 10 years. Businesses have complained about city steps to approval.

"We are making an effort to deal with this," Holcombe said about the task force report.

Available land may be another factor handcuffing

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Hallen, who served on the task force, noted a city land inventory includes landowners don't want to sell, and some parcels host government-protected plant and animals.

Economic development coordinator Martha Wescott-Andes acknowledged the amount of property available for development in town is constrained.

The task force also recommended the city pinpoint a "go-to" person, but not the busy city manager. If a project bogs down through the planning or construction process, the developer could call on that individual.

Planning Services Director Steve Peterson said that already occurs inside the departments.

Downtown parking is another stumbling point, the task force report indicated. The task force provided testimony from Borders books that the national bookseller decided against downtown Chico because of the lack of parking. A number of letters from downtown businesses lamenting parking availability and concerns about safety and homeless problems were included in the report.

The task force also suggested, "Those who have made an investment downtown should be heard more than those who may just drive through," Goodwin said.

Goodwin said that in the past the city has planned purposefully to attract and accommodate retailers, but that lapsed as Chico became a retail hub. That attention needs to be revived, he said.

Chico Manager Dave Burkland said the report would dovetail with the city's already-approved economic

development strategy.

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BACKGROUND: In exploring the reasons behind the city's budget deficit, the city's flat sales tax revenue is under scrutiny.

WHAT'S NEW: A citywide task force created by the Chico Chamber of Commerce presented its suggestions for retail improvement to a city committee this week.

WHAT'S NEXT: The chamber has asked the city to examine its findings and suggestions.

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