

Economic Development Policy Framework

Draft for Public Review

March 2024

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Overview

This Public Draft Policy Framework was prepared for review by the Petaluma community. The first two sections provide important context and are identical in each of the draft policy frameworks. The “Introduction” section briefly explains general plans, Petaluma’s General Plan Update project, policy frameworks, project next steps, and key terminology. The “Policy Framework Foundations” section summarizes the analysis and community input that informed this policy framework.

The remaining sections are the core of this document that the City would like the community to review. The first of these sections, “Summary of Framework Approach,” summarizes the overall approach to the topic addressed by this framework. Next is the main body of the framework, the “Goals, Policies, and Actions” section, which is organized into several goals. Each goal, in turn, has several related policies. And many policies have actions that implement those policies.

Introduction

General Plans

State law requires that each city “adopt a comprehensive, long-term general plan for the physical development of the county or city.” This general plan must contain an “integrated, internally consistent and compatible statement of policies” that appropriately responds to local conditions and circumstances. General plans are organized into different “elements,” or chapters, like conservation, housing, and land use. There is no required time interval at which jurisdictions must update their general plans, though Housing Elements must be updated every eight years.

State law stipulates that capital improvements and certain other planning policies, such as specific plans, zoning actions, development agreements, and subdivisions, must be consistent with the general plan. The general plan also includes policies that relate to a wide variety of matters under local jurisdiction, which can guide future decision-making.

Petaluma’s General Plan Update

The current Petaluma General Plan was adopted in 2008 and last updated in 2012, and it accounts for a planning period through 2025. Petaluma has experienced a great deal of change since then, so the City initiated an update to the General Plan internally in 2020, and brought a consultant team on to assist with the project in 2021.

Petaluma’s updated General Plan will address many topics, including: natural environment, hazard mitigation, historic preservation, land use, urban design, housing, mobility, parks, facilities, the arts, economic development, and environmental justice. To meet State deadlines, the Housing Element was completed, adopted, and certified by the State in early 2023. Concurrently with the General Plan Update, the City is also developing a Climate Action Plan, the “Blueprint for Carbon Neutrality” (Blueprint); the team has worked to align the two concurrent efforts and will continue to align greenhouse gas reduction strategies with the General Plan elements as the Blueprint moves through the adoption process.

For more information about General Plans and Petaluma’s General Plan Update process, go to <https://www.planpetaluma.org/>.

Policy Frameworks

Purpose and Structure

Policy frameworks such as this one outline the proposed General Plan goals, policies, and implementation actions for each topic addressed by the General Plan. They were developed based on:

- The existing General Plan (<https://cityofpetaluma.org/general-plan/>)
- Key findings from the Existing Conditions Reports (see the “Policy Framework Foundations” section below)
- State requirements and guidance
- Related technical, policy, and programmatic resources
- Extensive community input (<https://www.planpetaluma.org/getinvolved>)
- The Vision, Pillars, and Guiding Principles developed based on community input (see the “Policy Framework Foundations” section below)
- Input from the General Plan Advisory Committee (GPAC) (<https://www.planpetaluma.org/gpac-page>)
- Input from City committees, boards, and commissions, and
- Guidance from City staff and consultants.

Topics Covered

There is a draft Policy Framework for each of the following topics¹:

- Natural Environment
- Safety
- Flood Resilience
- Land Use & Community Character
- Transportation
- Infrastructure & Utilities
- Public Facilities
- Parks & Recreation
- Historic Resources
- Arts, Culture, and Creativity
- Economic Development
- Noise
- Health Equity and Environmental Justice
- Implementation & Governance.

There are many connections among the topics covered in different frameworks. Generally, the following topics are addressed as follows. This list includes overarching topics and subtopics, and then lists the frameworks that address this topic in brackets. This is not a comprehensive list of topics covered or of intersections among frameworks:

Climate Change

- Greenhouse gas reduction (Blueprint for Carbon Neutrality, Parks & Recreation, Transportation, Infrastructure & Utilities)
- Mode shift, active transportation, EV charging, vehicle miles traveled (VMT) (Transportation)
- Green building² (Land Use & Community Character, Public Facilities, Infrastructure & Utilities)
- Low impact development³ (Natural Environment, Infrastructure & Utilities)
- Climate adaptation (Safety, Flood Resilience, Land Use & Community Character, Health Equity & Environmental Justice)
- Just transition⁴ (Economic Development)

Ecosystems

- Habitats, wildlife corridors, & open space (Natural Environment, Parks & Recreation, Transportation)
- Urban forestry⁵ (Parks & Recreation, Health Equity and Environmental Justice)

Petaluma River and Tributaries

- Ecology, habitats, & wildlife corridors (Natural Environment)
- Flooding (Safety, Flood Resilience)
- Adjacent land uses (Land Use & Community Character, Parks & Recreation, Historic Resources)
- Trails and transportation (Transportation)
- River Access and Enhancement Plan (Parks & Recreation, Flood Resilience)

Stormwater, Water Supply, and Wastewater

- Watershed and river protection (Natural Environment)
- Flood control (Flood Resilience, Parks & Recreation, Safety)
- Public water, water conservation, drought, & wastewater systems (Infrastructure & Utilities, Safety)

Transportation

- Mobility network⁶, accessibility⁷, safety, and VMT (Transportation, Parks & Recreation, Economic Development, Safety)
- Public realm⁸ (Land Use & Community Character, Noise)

15-Minute Neighborhoods

- Types, locations, and characteristics (Land Use & Community Character)
- Mobility networks, design, and safety (Transportation)

Equity (in addition to the Health Equity and Environmental Justice Framework)

- Tribal collaboration⁹ (Natural Environment, Historic Resources)
- Equitable transportation (Transportation)
- Park and public facilities access (Parks & Recreation, Public Facilities)
- Recreation program access (Parks & Recreation)
- Cultural equity (Arts, Culture, & Creativity)
- Economic justice¹⁰ (Economic Development)
- Community engagement (Parks & Recreation, Implementation & Governance).

Next Steps

The Public Draft Policy Frameworks will be reviewed by the public, Petaluma committees and commissions, the GPAC, and the City Council. Community input and related direction from the City will inform the Draft General Plan, which will also be reviewed by the community before it is presented to the City Council for adoption. A Program Environmental Impact Report (EIR) will be prepared and approved along with the updated General Plan. For the most up-to-date project information and schedule, go to <https://www.planpetaluma.org/>.

Key Definitions

When reviewing the Policy Frameworks, keep in mind these definitions:

- **Goal:** a general statement that expresses the outcomes towards which planning efforts are directed; often a topic-specific component of the Vision
- **Policy:** a statement of intent or direction that contributes toward achieving a goal and that guides decision-making
- **Action:** a specific activity, procedure, program, or project aimed at implementing a policy.

Policy Framework Foundations

Existing Conditions Key Findings

The Existing Conditions Reports for Petaluma’s General Plan Update serve as the technical analysis of diverse dimensions of the city’s status as evaluated in 2021. They provide a detailed analysis of current conditions and provide a data-based foundation for policymaking. The nineteen Existing Conditions Reports as well as a summary presentation can be downloaded from the “Plan Documents” section of the project website: <https://www.planpetaluma.org/documents#ecr-final>.

The following key findings from Existing Conditions Reports informed the preparation of this policy framework.

Petaluma’s economic growth is driven by a healthy mix of “export-oriented” and “household-serving” industries. The city serves as a significant employment destination, with over 30,000 jobs and approximately 15 percent of Sonoma County’s jobs as of 2018. Nearly 80 percent of workers at jobs in Petaluma commute into the city from elsewhere.

Manufacturing is the city’s largest industry by number of jobs. Jobs in the industry sector grew from 2011 to 2018, and the sector is concentrated in Petaluma compared to Sonoma County. Industry strengths in Petaluma include agricultural production, food manufacturing, medical devices and equipment, and a variety of smaller and diverse high-tech businesses.

Petaluma is positioned to continue attracting additional business activity and job growth based on:

- The city’s fundamental competitive strengths are based on easy commute and goods movement access to the larger region via Highway 101, a location within productive agricultural land, and the presence of a large and highly educated residential base;
- Continued growth in major industries as agricultural production continues, tourism expands, medical device company sales and investment grow during and after the COVID-19 pandemic, and local residents create additional demand for goods and services as the population grows and ages; and
- Potential opportunities to attract business growth based on access to the Petaluma Downtown and future North Petaluma SMART stations.

However, challenges for growth include traffic congestion on Highway 101—impacting commutes and distribution of products—and the limited supply of large commercial and industrial development opportunity sites with convenient access to Highway 101.

Demand for industrial space is high and likely to continue growing in Petaluma. Petaluma’s strengths include the demand for:

- Flex spaces that combine R&D and production for technology industries;
- Flex and manufacturing spaces for food- and beverage-related businesses and medical equipment production; and
- Distribution facilities to support manufacturing businesses and distribution to local homes and businesses.

Challenges facing new industrial development and business growth include costs for space, lack of workforce due to the area's high cost of living, traffic congestion on Highway 101, and a lack of land suitable for industrial development.

While demand for office space in Petaluma has historically been weaker compared to industrial space—apart from the “Telecom Valley” era of the late 1990s to 2000s—the presence of the Downtown Petaluma SMART station and the addition of a second SMART station could potentially generate additional interest from employers and developers. Office space in Downtown Petaluma already attracts relatively stronger demand compared to other locations in Petaluma, creating an opportunity to expand office uses in this transit-oriented location.

Petaluma successfully functions as a retail destination meeting the needs of the city's residents, residents of nearby communities, and tourists/visitors. While the city does not include a traditional regional mall that serves an especially large regional trade area, shoppers come to Petaluma from outside the city to shop at Petaluma's collection of “big box” retail stores and outlet malls. Downtown Petaluma also attracts additional tourists and visitors from throughout the North Bay for events.

Related Vision, Pillars, and Guiding Principles

The Vision Statement, Pillars, Guiding Principles, and Supporting Concepts reflect community engagement input that occurred during the Visioning Phase of the General Plan Update in 2021. On February 17, 2022, the GPAC voted unanimously to recommend that the City Council accept these Vision materials as the guidance for the ongoing General Plan Update planning process, and the City Council accepted them on March 21, 2022.

- The Vision Statement describes the desired future conditions and characteristics of the city.
- The Pillars are the core community values.
- The Guiding Principles and Supporting Concepts provide the broad direction and pathways to achieve the vision and honor community values, with a focus on the community's specific challenges and opportunities.

The Vision Statement, Pillars, and Guiding Principles and Supporting Concepts can be downloaded from the “Plan Documents” section of the project website: <https://www.planpetaluma.org/documents#gpuvision>. Together, the Vision Statement, Pillars, and Guiding Principles and Supporting Concepts provide the basis for the goals, policies, and programs included in the General Plan Public Draft Policy Frameworks.

The following verbatim excerpts from the Vision Statement, Pillars, and Guiding Principles informed the preparation of this policy framework:

Vision

We invest in each other. We provide plentiful and varied housing choices, convenient access to healthy local food, and an educational system that builds leaders.

We are prosperous. We support our local businesses that provide jobs for our own residents and services to our city and region. Our economy is localized and self-reliant and builds wealth for residents of all socioeconomic backgrounds. We invite new businesses and development to join in our vision. Our city infrastructure and facilities are sustainably financed, resilient, and well-maintained.

We are creative. We build an environment that promotes beauty, resilient architecture, and inventive design citywide, where art, crafts, design, and economic innovation thrive.

We are forward-thinking leaders. By achieving carbon neutrality in 2030, we demonstrate that equitable, carbon-neutral, regenerative communities and economies are possible through action and collaboration with other cities, communities, and our region.

Pillars

Equity, Justice, and Demographic Changes. Current demographic trends indicate that Petaluma will have an older, more diverse population well into the future. Petaluma commits to advancing social and economic justice to create an inclusive and equitable city in which all can thrive.

Guiding Principles

There are a total of sixteen Guiding Principles, each with multiple, lettered Supporting Concepts. The following Guiding Principles and Supporting Concepts informed this policy framework:

15. Advance a forward-looking economic development strategy that focuses on diversity, opportunity, innovation, and resilience.

- a. Recognize that economic development, self-sufficiency, and resilience are vital to the City's overall prosperity and fiscal health – and critical for accomplishing other City goals and programs.
- b. Pursue “green” jobs and industries that help address the climate emergency and advance a closed-loop, circular local economy.
- c. Support small, local, and BIPOC-owned¹¹ businesses through a variety of strategies including the potential for incubation spaces and mentorship.
- d. Support the creative reuse of vacant and underutilized spaces to build the local economy and support other city goals and initiatives.
- e. Achieve a jobs-housing balance in the city by expanding job opportunities that match the skills of residents, providing living-wage jobs and affordable housing, and encouraging new work models such as working from home or coworking.
- f. Incentivize employing local residents, contractors, and service providers.

Other Relevant Guiding Principles

3. c. Celebrate the role of the Petaluma River in the city's history, economy, recreation, and development patterns.
3. d. Recognize that the future economic, social, cultural, and environment of Petaluma is intertwined with the river.
4. Promote social and economic justice to address structural social and economic inequities and racism.
5. b. Guarantee individual and community food security, including equitable access to healthy, local food.
5. c. Support local farmers and food businesses.
10. j. Encourage and facilitate outdoor opportunities for dining, retail, and other uses by downtown business.

Summary of Framework Approach

The Economic Development Policy Framework focuses on fulfilling the Petaluma community's vision of ensuring the local economy centers diversity, opportunity, innovation, and resilience. The City of Petaluma has significant discretion to craft an Economic Development Element that achieves this vision since this element is not a State-mandated component of the General Plan.

The overarching strategy articulated in the following “Goals, Policies, and Actions” focuses on cultivating industry and business opportunities that responsibly grow an inclusive economy while supporting the City’s ability to raise revenues that fund public services for the community. The framework identifies and leverages specific industry opportunities that enhance Petaluma’s economic diversity, self-reliance, and environmental sustainability (Goal 1). Specific sets of policies focus on ensuring that economic growth is accompanied by reduced economic inequality (Goal 2), enhanced access to jobs (Goals 1 and 2), entrepreneurship opportunities (Goals 2 and 6), and improvements to community amenities (Goals 1, 4, and 5).

Implementing this strategy requires collaborative efforts from the public sector, private sector, and non-profit partners. The policies and actions therefore focus on how the City of Petaluma can leverage its unique role within these collaborations to shape outcomes. This role includes the ability to, for example, fund programs and infrastructure, adopt regulations, engage in partnerships, disseminate information, study issues of concern, and revise internal City processes and policies.

Goals, Policies, and Actions

Goal ED-1: Strong Economy

Foster a strong, diverse, and self-reliant economy that attracts businesses and customers while supporting the local community with a focus on:

- Locally produced goods and services
- Exporting goods and services to build local wealth
- Innovative and creative/arts businesses
- Agricultural support businesses and local food supply chains
- Ecologically sustainable businesses
- Carbon neutral or carbon reducing businesses.

Policy ED-1.1: Target Major and Emerging Industry Sectors

Target business growth and retention efforts to major and emerging industry clusters in Petaluma and the region, including:

- Food and beverage production
- Specialized electronics-related and medical/life science
- Professional services for residents
- Retail, especially specialty retail, dining, and entertainment
- Green industries (i.e., electrification, renewable energy, reuse, and recycling).

Action ED-1.1.1: Conduct regular collaboration with and outreach to brokers and industry representatives from these targeted industry clusters to identify shared challenges and opportunities at the local and regional levels.

Action ED-1.1.2: Regularly analyze resident occupations and industries of employment to align business growth and retention efforts with creating job opportunities within Petaluma for residents.

Action ED-1.1.3: Update the City's Economic Development Strategic Plan every five years to assess changing conditions and opportunities, adjust the City's approach to economic development activities, examine the relationship between economic development and fiscal health, and adjust business and industry targets for growth and retention.

Policy ED-1.2: Maintain Industrial Land Inventory

Maintain and expand inventory of land available for industrial and flex space suitable for the needs of local businesses.

Action ED-1.2.1: Monitor the remaining inventory of vacant and underutilized land zoned for industrial uses.

Action ED-1.2.2: Examine options for expanding and redeveloping the inventory of land zoned for industrial uses if few remaining well-positioned opportunity sites exist for development and reinvestment.

Action ED-1.2.3: Consider expanding the Urban Growth Boundary to create more available land for employment and light industrial uses.

Policy ED-1.3: Ensure Water and Sewer Capacity

Ensure adequate water supply and sewer capacity exists to support businesses.

Action ED-1.3.1: Maintain adequate water and wastewater facilities and capacity planning and funding.

Policy ED-1.4: Foster Office Development

Foster office development and investment in Downtown Petaluma.

Action ED-1.4.1: Establish policies and programs that incentivize the development of office space in Downtown Petaluma via new construction and conversion of existing buildings.

Policy ED-1.5: Streamline Business Permitting

Streamline and/or expedite permitting for local businesses contributing to the local tax base and/or providing jobs.

Action ED-1.5.1: Adopt and implement a streamlined permit process, including definitions of applicable permit types and criteria for qualification.

Policy ED-1.6: Grow Ecologically Sustainable Businesses

Focus resources to encourage business growth and entrepreneurship in industries aligned with Petaluma's industry strengths and opportunities for ecologically sustainable businesses, such as agriculture, green building, renewable energy, and green manufacturing.

Action ED-1.6.1: Maintain or expand business, broker, and developer contacts to monitor and address potential constraints to the ongoing growth of these industries, including zoning, land supply, transportation, and infrastructure.

Action ED-1.6.2: Identify growth opportunities through one-on-one contacts with business owners, brokers, and industry representatives, and participation in industry organizations and convenings.

Action ED-1.6.3: Focus business recruitment and support resources on green industry businesses that are providing good-paying jobs and support diverse levels of educational attainment among their workforce.

Action ED-1.6.4: Explore opportunities to partner with other organizations to create an incubation center for the "circular economy," providing affordable spaces and creative opportunities for businesses focused on repair, mending, skill-sharing, and closed-loop manufacturing.

Policy ED-1.7: Support Just Transition Efforts

Support "just transition" efforts to support workers as industries change over time.

Action ED-1.7.1: Participate in current or future regional collaborations to develop an inclusive and just transition strategy to shift towards regenerating industries while maintaining jobs for existing industry workers.

Policy ED-1.8: Strengthen Innovations to Shorten Supply Chains

Strengthen process innovations among regional businesses to shorten supply chains.

Action ED-1.8.1: Explore the possibility of integrating supply chain considerations into a Made in Petaluma and/or Made in Sonoma County certification program, and/or partner with organizations promoting locally made goods.

Action ED-1.8.2: Establish or maintain partnerships with regional industry groups, including industry-specific groups sponsored by the Sonoma County Economic Development Board such as the Outdoor Recreation Group and Technology Industry Group.

Policy ED-1.9: Encourage Food Industry Business Collaboration

Encourage collaboration between food industry businesses.

Action ED-1.9.1: Regularly participate in and partner with Naturally North Bay and other efforts to convene businesses in the food cluster to identify common supply chain issues or other needs that could be addressed through public or collective action.

Action ED-1.9.2: Participate in regional certification programs for locally produced goods to market and drive consumption towards locally supplied and created food and artisan goods.

Goal ED-2: Equitable Economy

Develop an economy that is inclusive and equitable, fostering wealth-building and reducing economic inequality.

Policy ED-2.1: Direct Resources Toward Closing Wealth Gaps

Direct resources toward programs for closing wealth gaps in Petaluma.

Action ED-2.1.1: As opportunities and funding arise, coordinate, facilitate, or experiment with pilot programs focused on enhancing equity, and expand/adopt successful programs, such as universal basic income or business incubation partnerships.

Policy ED-2.2: Advance Equity and Support the Local Economy

Ensure the City of Petaluma's administrative policies are locally oriented to actively advance equity and support the local economy.

Action ED-2.2.1: Regularly review City procurements, staffing, and hiring to examine equity implications, outcomes, and required modifications.

Action ED-2.2.2: Adopt policies prioritizing City procurement from women-owned and disadvantaged business enterprises.

Action ED-2.2.3: Adopt City procurement criteria that prioritize proposals led by or incorporating local businesses.

Policy ED-2.3: Support BIPOC-Owned Businesses

Support leasing and ownership opportunities for small businesses and BIPOC-owned businesses by reducing barriers to access.

Action ED-2.3.1: Partner with outside organizations to connect business owners with available spaces and affordable funding and financing resources.

Action ED-2.3.2: Develop, maintain, and disseminate targeted resources for home-based businesses regarding opportunities for support and expansion into commercial and industrial spaces.

Action ED-2.3.3: Explore opportunities to partner with non-profit organizations to create low-cost business incubator spaces.

Action ED-2.3.4: Adopt provisions in the Zoning Ordinance to facilitate the creation of "maker" spaces (for small-scale production and design activities) and business incubator spaces.

Policy ED-2.4: Increase Access to Workforce Training

Align workforce training opportunities with local business needs and increase the accessibility of these opportunities for all Petaluma residents.

Action ED-2.4.1: Support collaborations between local and regional business and educational institution programs to develop and run successful job training programs.

Action ED-2.4.2: Consider supporting an annual forum for business and manufacturing leaders to interact with local educational institutions, to foster increased opportunities for partnerships, internships, and apprenticeships that facilitate workforce training.

Action ED-2.4.3: Collaborate with regional partners to create or strengthen low-cost credential programs and apprenticeships or other affordable training opportunities.

Policy ED-2.5: Consider Fee & Tax Waivers for Microbusinesses

Consider waiving impact fees or first year of business license taxes for new microbusinesses (ten or fewer employees) in Equity Priority Areas.

Action ED-2.5.1: Consider adopting an ordinance that allows a waiver of impact fees or a portion of business license taxes for new microbusinesses (10 or fewer employees) that demonstrate completion of a Small Business Administration-funded (or equivalent) training program and are in or focused on serving an Equity Priority Area.

Policy ED-2.6: Support Living Wage Job Growth

Support the growth of jobs that pay at least a living wage that allows workers to afford housing in Petaluma.

Action ED-2.6.1: Regularly review the required minimum wage for jobs in Petaluma to determine whether the City should pursue increases.

Action ED-2.6.2: Focus business and industry retention and growth efforts on jobs that pay a living wage, have low educational barriers to entry, and provide career advancement opportunities.

Goal ED-3: Adequate Tax Revenue / Municipal Finances

Increase tax and fee revenues to support the City of Petaluma's ability to equitably provide robust public services, infrastructure, and facilities for residents and businesses.

Policy ED-3.1: Consider New Business and Sales Taxes

Consider leveraging opportunities to increase tax generation from existing businesses such as business taxes for cannabis uses and sales tax from equipment purchases.

Action ED-3.1.1: Study and adopt relevant new taxes and policies.

Policy ED-3.2: Leverage External Grant Funding Opportunities

Leverage external sources of revenue, such as state and federal grants, to multiply the effectiveness of Petaluma's investments in public services and infrastructure.

Action ED-3.2.1: Proactively monitor and pursue available grant funding and other outside sources.

Policy ED-3.3: Prepare Fiscal Impact Studies

Prepare citywide and project-specific fiscal impact studies as needed to provide information on progress in sustaining net positive City revenues.

Action ED-3.3.1: Develop and implement requirements for citywide and project-specific fiscal impact studies.

Goal ED-4: Destination City

Ensure that Petaluma is a preeminent destination for local residents and regional, state, and national visitors by providing desirable retail offerings and unique experiences.

Policy ED-4.1: Grow Hotel Stays and Tourism

Support the continued growth of hotel stays, hospitality, and tourism in Petaluma to increase external spending in Petaluma's economy.

Action ED-4.1.1: Initiate a focused process to identify and leverage opportunities to amplify the role of the Petaluma River in attracting visitors and retail uses.

Action ED-4.1.2: Closely collaborate with local tourism organizations such as Visit Petaluma and Sonoma County Tourism to promote Petaluma's tourism assets and hotels.

Action ED-4.1.3: Invest City resources to beautify and promote Petaluma's historic downtown and other business areas.

Action ED-4.1.4: Create and maintain attractive gateways and excellent wayfinding signage for visitors arriving via Highway 101.

Action ED-4.1.5: Study the adequacy of Petaluma's hotel supply during updates to the Economic Development Strategic Plan, including consideration of whether the market is oversupplied, or whether particular hotels require reinvestment/repositioning.

Policy ED-4.2: Encourage Retail & Businesses Near Residents

Encourage the creation of retail and business spaces for a variety of businesses throughout neighborhoods such that day-to-day needs are accessible to residents without driving.

Action ED-4.2.1: Perform evaluations of Petaluma's opportunities to expand/enhance "15-minute neighborhoods" every three years, identifying development opportunities and transportation improvements to increase accessibility for all Petaluma residents.

Action ED-4.2.2: Based on land use policies of the General Plan, align zoning and land use regulations to provide opportunities to add limited neighborhood-serving commercial space in or within close proximity to existing residential neighborhoods.

Action ED-4.2.3: Conduct retail studies to develop area-specific analyses of retail markets in sub-areas of the City to identify which NAICS code uses are most appropriate or most needed in each location, including Petaluma Boulevard North, Petaluma Blvd South, and North McDowell (north of

Corona) where retail is desired. Explore incentives, and opportunities, forecast demand, and identify barriers to attracting small businesses and tenants to retail spaces.

Policy ED-4.3: Support Shopping Centers as Community Hubs

Support reinvestment in shopping centers as pedestrian-friendly community gathering spaces and as mixed-use retail and housing communities.

Action ED-4.3.1: Review and update, if necessary, the zoning of these shopping centers to encourage development flexibility and enhance options for incorporating a broader mix of uses.

Action ED-4.3.2: Regularly update development and design standards to require pedestrian-friendly design and amenities in shopping centers.

Action ED-4.3.3: Monitor the sales tax performance and vacancy rates in shopping centers for performance concerns; conduct outreach to owners regarding reinvestment and reuse options and provide supportive City services for property owners pursuing reinvestment in centers.

Action ED-4.3.4: Clarify the City's zoning and permitted use intentions for these shopping centers to increase certainty for private developers while recognizing that private lease agreements or land covenants may restrict adaptive uses.

Action ED-4.3.5: Ensure design and building standards for ground-floor commercial space in new mixed-use development projects that promote spaces that are sufficiently flexible to meet the needs of multiple kinds of tenants, including consideration of restaurant needs.

Action ED-4.3.6: Retain retail-centric economist services to advise on retail as initiatives are undertaken and development applications are received and evaluated.

Policy ED-4.4: Prioritize Investment in Unique Local Retail

Prioritize investment in local retail spaces to cultivate unique experiences that distinguish themselves from the online shopping experience.

Action ED-4.4.1: Undertake a community planning and policy effort to define and cultivate the role of the Petaluma River in the commercial district and place-making efforts—providing a unique experience for Petaluma shoppers and visitors.

Action ED-4.4.2: Consider the creation of a local retail business assistance low-interest loan program.

Action ED-4.4.3: Review land use definitions and other City regulations to ensure small business owners can readily undertake a variety of activities in a single storefront space, such as combined sales, artisanal production, exhibitions/performance, and/or shipping.

Policy ED-4.5: Invest in Downtown

Invest in Downtown Petaluma so that it is a safe, inviting community and regional destination for retail, nightlife, tourism, and creative businesses.

Action ED-4.5.1: Improve and maintain Downtown Petaluma as a clean, well-lighted place by investing in creating and maintaining high-quality public spaces and sidewalks, and ensuring private properties are safe and well-lit.

Action ED-4.5.2: Emphasize well-designed ground floor commercial space in downtown areas, via the use of development incentives such as density bonuses or height bonuses.

Action ED-4.5.3: Encourage developers and property owners to build/maintain small square-footage retail spaces to maximize occupancy in the Downtown Petaluma commercial area.

Action ED-4.5.4: Explore the adoption of “formula” or “chain” retail controls in Downtown Petaluma and other selected areas of the city.

Action ED-4.5.5: Maintain close collaboration and coordination with the Petaluma Downtown Association and area businesses to identify opportunities for business support, promotion, maintenance, service, and code enforcement needs.

Action ED-4.5.6: Maintain and invest in the public realm of Downtown Petaluma and adjacent districts to encourage pedestrian circulation and storefront visibility/access.

Action ED-4.5.7: Implement Crime Prevention through Environmental Design (CPTED) program and appropriate technology solutions to enhance community safety and support economic development in Downtown Petaluma.

Action ED-4.5.8: Design and implement creative programs to address safety issues related to Downtown alcohol establishments.

Policy ED-4.6: Attract Visitors to Downtown

Direct marketing resources towards attracting visitors to Downtown Petaluma, and promoting its retail, nightlife, and tourism businesses.

Action ED-4.6.1: Consider partnering with other organizations to complete a Downtown Petaluma branding study and marketing strategy.

Action ED-4.6.2: Collaborate with the Chamber of Commerce, Downtown Petaluma Association, Sonoma County Tourism, and other regional partners to amplify the reach of tourism marketing efforts.

Action ED-4.6.3: Incorporate Downtown Petaluma in all local and collaborative marketing and promotion efforts.

Action ED-4.6.4: Explore working with the State California Cultural Districts program to establish downtown and adjacent areas as arts district(s), cultural district(s), or similar designations; consider the promotion of arts uses along the Petaluma River.

Goal ED-5: Transportation Serves Business

Robust local and regional transportation connections enable Petaluma's workers to readily access jobs and Petaluma's businesses to readily access workers, customers, and regional goods movement destinations.

Policy ED-5.1: Concentrate Development Near SMART Stations

Encourage job access, business attraction, and business retention by concentrating development activity near Petaluma's current and potential future SMART stations.

Action ED-5.1.1: Consider contributions to necessary streets, pedestrian infrastructure, utilities, stormwater, sewer, and water infrastructure with a goal of supporting commercial development proposals near SMART stations.

Action ED-5.1.2: Through contacts with current and prospective businesses, site locators, and brokers, emphasize the benefits of locations near SMART stations.

Policy ED-5.2: Enhance Multimodal Commute & Access Options

Enhance multimodal transportation connections between employment centers and SMART stations or major bus stops and between residential communities and employment and business destinations.

Action ED-5.2.1: Incorporate consideration of practical multimodal commute connections as transit and active transportation plans/projects are completed and implemented.

Action ED-5.2.2: Focus on equity in transportation connection efforts, increasing access to existing amenities and jobs among disadvantaged groups.

Policy ED-5.3: Develop Industrial Sites Near Highway 101

Continue to encourage the development and intensification of industrial sites near Highway 101, recognizing that the supply of new sites conducive to transportation and logistics developments may be exhausted soon.

Action ED-5.3.1: Complete regular contacts with industrial brokers and developers to identify opportunities for additional investment in and development of industrial sites.

Action ED-5.3.2: Match businesses seeking space with industrial buildings and development opportunities near Highway 101.

Action ED-5.3.3: Assess long-term needs for enhanced freight transportation connections to Highway 101 from industrial sites.

Goal ED-6: New Businesses

New businesses can readily start and grow in Petaluma.

Policy ED-6.1: Support Locally Owned Businesses

Support startup and growth of locally owned small businesses with tools, expert advice, references to regional resources, and funding, where available, that can help them overcome barriers to entry.

Action ED-6.1.1: Enhance outreach to and coordination with business organizations that support small business growth.

Action ED-6.1.2: Ensure City business resources are published in Spanish and other languages that may emerge as a high priority for the community.

Action ED-6.1.3: Continue providing referrals to technical assistance providers such as the Small Business Development Center.

Action ED-6.1.4: Pursue participation in regional programs or the creation of a low-cost loan program for small business development.

Action ED-6.1.5: Pursue opportunities to create business incubator partnerships, focused on small local businesses that provide living wages, are worker-owned, vary in scope and focus, and/or use local inputs and outputs.

Policy ED-6.2: Grow Existing Businesses

Enhance opportunities for existing small or medium-sized businesses to grow and stay within Petaluma.

Action ED-6.2.1: In consultation with leaders of “creative economy” businesses (see the Arts and Culture Element), identify the unique needs and barriers that creative economy businesses experience with current City policies, permits, and codes, and update as appropriate.

Action ED-6.2.2: Regularly conduct a survey and inventory of business needs to stay attuned to changing business conditions, maintain regular engagement with business owners, and proactively respond to business needs.

Action ED-6.2.3: Continue assisting current businesses by streamlining City permitting and approvals processes through permit expediting.

Action ED-6.2.4: Collaborate with local commercial and industrial real estate brokers to track leasing opportunities and market conditions in Petaluma.

Policy ED-6.3: Support Home-Based and New Businesses

Enhance opportunities for startup businesses and home-based businesses with limited resources.

Action ED-6.3.1: Provide support to home-based and creative businesses. Foster and support local businesses that sell directly to the public, such as farmers, makers, and small manufacturers.

Action ED-6.3.2: Ensure zoning and land use regulations allow limited small business activity to operate from homes.

Action ED-6.3.3: Maintain City economic development practices of close collaboration with small and startup business applicants seeking permits, licenses, and approvals.

Notes

¹ The Flood Resilience and Land Use policy frameworks will be released after the other frameworks. These Frameworks relied on the development of a comprehensive update to the City's floodplain model, which was completed in late 2023.

² Environmentally responsible and resource-efficient planning, design, construction, operation, maintenance, renovation, and demolition of buildings

³ Techniques to increase water infiltration, reduce runoff, and improve water quality

⁴ The protection of workers' rights and livelihoods while economies are shifting to sustainable production, combating climate change, and protecting biodiversity

⁵ The management of trees in urban settings

⁶ The system of streets, walkways, trails, and railroads used to move goods and people

⁷ The ease of reaching destinations by people of all abilities

⁸ Public space that is open and accessible to the general public, including roads, trails, public squares, and parks

⁹ Communication and coordination among local government and Native American Tribes

¹⁰ Creating opportunities for every person to have a dignified, productive, and creative life

¹¹ "BIPOC" refers to Black, Indigenous, and People of Color