



City of La Quinta

CITY / SA/ HA/ FA MEETING DATE: March 17, 2015
ITEM TITLE: ECONOMIC DEVELOPMENT STRATEGIES

AGENDA CATEGORY:
BUSINESS SESSION:
CONSENT CALENDAR:
STUDY SESSION: 2
PUBLIC HEARING:

RECOMMENDED ACTION:

Provide direction regarding economic development strategies.

EXECUTIVE SUMMARY:

- In economic development, La Quinta's primary role has been to serve as a platform for people to thrive in retail, tourism, recreation, quality of life, and business.
- The opportunity now is to drive more people and industries to utilize that platform while maintaining the investments made over the years.
- The purpose of this study session is to begin a conversation that addresses the issue(s) to solve by highlighting the City's current economic development opportunities by geographic region, laying out economic drivers and the City's differentiating characteristics, and ultimately developing a new economic development framework of guiding principles and actions.

FISCAL IMPACT:

None.

BACKGROUND/ANALYSIS:

On May 20, 2014, the City Council appointed two Councilmembers to form an Economic Development Subcommittee with the goal of recommending new

economic development strategies. The Subcommittee met with a series of business stakeholders within the City and Coachella Valley to understand specific business concerns and emerging trends in economic development. The meetings provided a solid foundation of concerns and potential opportunities to explore including maintaining and improving quality of life for residents and further developing commercially diverse areas of the City.

To put economic development into a La Quinta-based geographic context, four distinct opportunity areas exist that would require individually developed strategies as shown in Attachment 1. These geographic opportunities include:

- The Village – new retail space, artist studio, affordable and market rate housing and office space in the Village.
- SilverRock Resort – development of new luxury hotels, resort retail, residential development and course modifications.
- Highway 111 Corridor – while people are continuing to buy goods online versus at brick and mortar locations, conversations with the commercial broker community highlighted the needed to increase communication and connectivity with them. The ongoing dialogue can provide valuable information for both the City and brokers and their clients.
- Eastern Unincorporated La Quinta – seize opportunities for co-branding Thermal Club and Jacqueline Cochran Airport tenants that drive people to La Quinta’s existing and new amenities.

Within each of these geographic areas, there are key drivers that allow the City to capitalize on or seize going into the future. They include the BMW Driving School at Thermal, medical doctors in training wanting to live in La Quinta, art festivals and cultural activities, Coachella Music Festival, Humana and tennis-related events, startup businesses, and home studios populating areas of the Cove.

Serving as a background to these opportunities are several differentiating characteristics that have set La Quinta apart from others in building a strong economic base.

- Unique physical environment
- Educated population
- Brand
- Sizeable seasonal population
- Retail and resort infrastructure
- Political stability
- A focus on Return on Investment Diversity

In moving forward with this conversation, the recommended next key steps are:

- Diagnose the City's strengths that may be leveraged and frailties that can be addressed through economic development.
- Establish the desired return on its economic development investments.
- Define strategies for the future of economic development within La Quinta.
- Determine what role and level of involvement the City should participate with state, regional and local economic development initiatives.
- Identify desired outcomes for economic development initiatives at the regional and local level.

In defining salient points for an economic development strategy, the next component of the dialogue would be to consider policymaking for the Economic Development Reserve.

ALTERNATIVES:

As this is an informational item, staff does not have any alternatives.

Report prepared by: Ted Shove, Business Analyst

Report approved for submission by: Frank J. Spevacek, City Manager

Attachment: 1. Geographic Map of Current Economic Development Efforts in
 La Quinta

