

WORK SESSION AGENDA ITEM SUMMARY

City Council



STAFF

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SUBJECT FOR DISCUSSION

Economic Health Strategic Plan.

EXECUTIVE SUMMARY

The purpose of this item is to provide Councilmembers with an update on the proposed Economic Health Strategic Plan with consideration by Council on December 5, 2023.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. What feedback does Council have on the proposed elements of the Economic Health Strategic Plan?
2. Does Council agree with moving forward with the adoption of the Economic Health Strategic Plan on December 5?

BACKGROUND / DISCUSSION

Background

On March 14, 2023, staff presented the general overview and direction of the Economic Health Strategic Plan, along with insights into the Circular Economy. Council members offered valuable feedback and expressed a strong interest in broadening and diversifying the engagement process. Subsequently, staff conducted further community engagement and integrated Council's feedback and concepts into the current plan.

Council provided positive and comprehensive feedback and guidance on the Circular Economy portion. Therefore, during the November 14, 2023 work session, staff will focus on the updated Economic Health Strategic Plan instead of discussing details of the Circular Economy Work Plan. The presentation will demonstrate how the Circular Economy is embedded into the overall Strategic Plan. Again, it is worth noting that the Circular Economy Work Plan has been incorporated throughout the overarching Economic Health Strategic Plan.

Discussion

Fort Collins is undergoing a crucial transformation, necessitating a proactive economic strategy to address population growth, income disparities, and other challenges like climate change, COVID-19, political divisions, and racial injustice. A pragmatic, people-centered approach focusing on economic competitiveness, racial equity, and climate action is essential for sustained growth and resilience. This strategy must consider the impacts of affordable housing, childcare, air quality, and climate emergency. Prioritizing strategic, smart growth is vital to prevent population and infrastructure decline.

Although this plan cannot address every economic challenge facing Fort Collins, by leading with a people-centered approach, it can position Fort Collins residents, businesses, and community for a more resilient and prosperous future. The triple bottom line (TBL) model creates innovative opportunities, forging comprehensive solutions to boost community resilience where people, planet, and prosperity converge. Its focus remains on fostering positive impact and empowering the community.

The updated Economic Health Strategic Plan aims to:

- Redesign economic health to positively address environmental, social, and economic resilience within Fort Collins.
- Evaluate and develop a “both/and” approach to supporting Main Street businesses (locally owned that provide goods and services in Fort Collins) and Primary Employers (businesses that generate over half their revenue from outside the City and bring new dollars into the community).
- Assist in the development, access, and resilience of specific programs to support historically underserved businesses in the community (minority, women, low - income, and veteran - owned).
- Redefine the City’s role in supporting workforce development that supports diverse job opportunities for the community.
- Reaffirm the City’s commitment to equity and inclusion leading with race and applying it to economic resilience.
- Champion the role of innovation in designing and scaling solutions to address local and global challenges and opportunities in climate and life sciences.

Vision Statement

Fort Collins is a healthy, equitable, and resilient community where people and businesses can thrive.

Guiding Principles

The guiding principles play a vital role throughout the plan, ensuring alignment with values and vision, aiding decision making, and maintaining consistency and accountability. Each of the outcome areas in the plan is directly linked to one of the guiding principles, establishing them as the plan’s foundation. This approach ensures that all actions and direction taken are purposeful, consistent, and in line with long-term success.

- **Sustainability** - Enhance the social, economic, and environmental resiliency of our community, and the City organization, for present and future generations, where everyone can afford to live and work in Fort Collins, ensuring good quality jobs, education for the future, and housing affordability.
- **Community Belonging** - Create a sense of belonging and inclusion, integrating principles of diversity, equity, inclusion, and access (DEIA) to support the retention of diverse talent, as well as small businesses that make our community uniquely Fort Collins.
- **Adaptation** - Ability to learn, prepare for uncertainties, act responsively and move forward with resilience toward recovery and renewal.

Five-Year SMART Goals

People success and business success is **community success**, there is not either/or in this scenario. We envision a place where our community has economic choice for upward mobility and wealth generation to create a resilient, sustainable future. With these factors in mind, we have identified four goals.

These goals serve as the plan's fundamental, overarching outcomes the Economic Health Strategic Plan hopes to achieve. All focus areas in the plan are designed to contribute to the achievement of these central goals. In essence, the focus areas are like the building blocks that collectively work towards realizing these **four** fundamental goals:

Goal 1: Increase business owner representation to match Fort Collins MSA demographics.

Goal 2: Increase overall business survivability longer than five years from 45% to 50%.

Goal 3: Add 1,800 new jobs in targeted sectors (life science and climate technology).

Goal 4: Increase representation in employment within targeted sectors.

Focus Areas

Each outcome tied to these objectives has significance in ensuring a healthy, equitable, and resilient Fort Collins economy:

- **Approach Business Retention, Expansion and Attraction Thoughtfully**, helping targeted Primary Employers stay and grow in Fort Collins while ensuring community-wide economic stability and employment opportunities;
- **Ensure Small Businesses Thrive**, supporting our vital "Main Street" businesses that contribute to both the character and economic resilience of Fort Collins;
- **Support Talent and Workforce**, ensuring all businesses have access to good talent and people, while community members have access to good jobs and employers; and
- **Re-position Innovation**, fostering the life science and climate tech cluster ecosystems while championing sustainable businesses and a local circular economy.

The four focus areas exist because a healthy economy is interconnected and cannot be achieved in a silo. Uniquely Fort Collins Main Street (including small and local) businesses need Primary Employer companies to bring new dollars into a community, to employ locally and spend disposable income with them. Primary employers need main street businesses, not only for their local consumer goods and services, but also for the culture of community it creates. A community is built on sales and property tax dollars that fund local amenities in the natural and built environment, which becomes part of the Fort Collins brag book to help recruit and retain a strong community and workforce. The cycle cannot be robust if the focus is one over the other; Main Street and Primary Employer businesses working together enhances the local community.

The full ecosystem of a healthy economy includes a healthy mix of Primary Employer and Main Street businesses, no matter the size. It is not just about the dollars and cents that business contribute to the local economy (through property and sales tax, payroll, and contributions to nonprofits) but the character and sense of belonging to a community. Oftentimes, local businesses are the "front door" to our community that not only build connections and relationships, but also share pieces of their culture, talent, and themselves.

The Economic Health Strategic Plan's emphasis on prioritizing people in the work underscores its commitment to fostering a healthy, equitable, and resilient community where all can thrive. However, the recognition of inherent tensions and tradeoffs for our community is crucial for ensuring its effectiveness. For instance, addressing issues such as job growth outpacing housing development or the disparity

between housing costs and wages will be integral in achieving long-term economic stability. By acknowledging such challenges, the plan can be adapted to better balance the needs of the individual, businesses, and the community.

NEXT STEPS

Based on Council feedback, Economic Health Office propose the Economic Health Strategic Plan be brought forth for consideration by Council at the December 5, 2023 Council meeting.

ATTACHMENTS

1. Economic Health Strategic Plan
2. Circular Economy Work Plan
3. Engagement Report
4. Presentation