**Chapter Seven
Economic Development**

**7.1 Introduction**

The primary purpose and function of pursuing ~~the concept of~~ economic development in Provo is to promote job creation and increase the tax base. The Economic Development element of the General Plan identifies current market conditions that exist in our community and then recommends specific policies that will directly contribute to job creation and increases in the tax base.

**7.2 Background**

The Economic Development Element of the General Plan will concentrate on both the current status and future proposals for improvements in the transportation system. Those areas include headings found in Table 7.1.

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| **TABLE 7.1 – ECONOMIC DEVELOPMENT HEADINGS** |
| 7.2.1 Current Economic Development Policies | 7.2.3 Quality of Life |
| 7.2.2 Major Community Development Entrance |  |

**7.2.1 Current Economic Development Policies**

Recognizing that Provo City does not operate in a vacuum, our economy is impacted by what happens in our state and nation. National trends of on line shopping, store closures and consumer willingness to drive to surrounding communities for goods and services are all having a major impact on local retail offerings. While job creation continues to be an important focus, as higher paying jobs provide more discretionary income to consumer driven households, there is an ongoing shift in demand in our community to provide more and better retail offers for Provo residents. Adequate local retail provides residents with the opportunity to reduce the distance of vehicle trips and to keep retails sales tax dollars within Provo. ~~Although the nation has faced a major recession since 2007, despite decreases in revenue, Provo has continued to see strong development interest in its Downtown. This being the environment that Provo is currently in, there are no major policy shifts or changes to previously established goals.~~ The pursuits of job creation and increasing the tax base remain the primary areas of focus. ~~As a result of events beyond our control,~~ In an ever changing economic environment, the methods in which we attempt to accomplish these goals do change over time.

The long-term fiscal health of the City is a critical provision in providing for quality municipal services, including the maintenance of public infrastructure. The ongoing fiscal health of the City will allow the City to address some of the quality of life challenges we face. For the purpose of this General Plan, fiscal health refers to revenue growth to support a growing population and revenue diversity to minimize the negative effects of potential revenue shortfalls in any one category. The following are the current Economic Development policies as discussed in the Economic Development Strategic Plan:

* *Business retention and expansion:* Keep existing businesses, including start ups, in Provo and help them expand their operations, facilities, and markets.
* *Attract new retail business to Provo:* Provide a broad range of goods and services within Provo to keep tax dollars local, including a grocery store on the west side of I-15.
* *Encourage Downtown development:* Focus on new development that increases the number of people that work and live downtown, with related services.
* *Mountain Vista Business Park ~~Ironton~~ development:* Pursue the redevelopment of this former industrial complex into a new, state-of-the-art, mixed-use business and technology park.
* *Technology transfer:* Create a stronger link between intellectual creativity (linked to higher education) and the financial and work force resources of the business community.
* *Telecom business development:* Provide direct access to the business community, allowing for an increased competitive advantage.
* *Attracting new jobs:* Encourage corporate recruitment in targeted technology sectors by promoting competitive advantage of Provo’s resources.
* *Business incubation and retention:* Foster small business start-ups by providing access to business services and locations.
* *Targeted redevelopment:* Selective approach to redeveloping underutilized properties for higher and better uses, based on the concept of “making the most of fixed land resources.
* ”*Financial tools:* Explore both the conventional and “outside the box” financial alternatives to funding credible business ventures.
* Targeted, but limited post performance retail sales tax incentives as a means to “jumpstart” improved or enhanced retail opportunities.
* *~~Business Development Corporations (BDC):~~*~~Involve BDC in expanded roles as mentors to start-up business ventures.~~
* *Economic Strategic Planning efforts:* Reach out to the business community to develop a long-range, coordinated, economic strategic plan.
* *Airport transportation linkage:* Capitalize on the economic advantage of the Provo Airport.

**7.2.2 Major Community Entrance Development**

Major entrances (or Gateway areas, as they are referenced on the Land Use Map) into Provo move large volumes of traffic and provide significant opportunities for development that is different or more intense than currently being used. Because these areas experience a daily in and out flow of workers and visitors to the City, the economic development potential for these areas is much greater, and should be a focus of economic development. This may include limited and specific more intense and dense development in and around the Bus Rapid Transit routes and stations. There are six such major entrances into Provo:

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| --- | --- |
| • West Center Street | • North University Avenue |
| • South University Avenue | • University Parkway |
| • South State Street | • North State Street. |

Recognition of the unique character and function of each major community entrance aids in the City’s efforts to determine the best future uses of the currently vacant property in these areas and how underdeveloped properties might be redeveloped in the future.

**7.2.3 Quality of Life**

The quality of life of Provo City residents is also a major economic development consideration. For purposes of this General Plan, quality of life refers to education, income, jobs, and access to goods and services. The overall fiscal health of the City plays a part in all facets related to quality of life. For example, as Provo City revenue growth is continued through increasing property values, and sales tax increases, these revenue increases support a growing population and enhancement in the offerings of the City through recreation and other public services. As Provo City continues the trend of revenue growth, it will allow the City to address the many issues raised in this General Plan.

**7.3 Vision**

Vision 2030 states:

Provo City and the business community will mutually seek to build enjoy a relationship based on mutual need, trust, and cooperation to assist the community in becoming the best place in Utah to do business. Provo City and the business community will discover ways to foster communication and cooperation to understand and resident needs while promoting business and political practices that are fiscally conservative and responsible to the taxpayer.

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Provo City will strive to ~~continue to establish a~~ grow~~ing~~ a~~nd~~ diverse economic base. The City will ~~continue to~~ grow employment opportunities by building on existing strength and attracting entrepreneurs. The City will employ the Economic Development Strategic Plan to target those items that were deemed deficient and continue to bring high value assets to the City.

**7.4 Issues, Goals, and Actions**

**Goal 7.4.1 Prioritize areas within the city for economic development.**

 7.4.1.1 Determine the appropriate type, level, and location of economic development initiatives for Provo City;

**Goal 7.4.2 Facilitate environmentally sensitive industrial land use and development to contribute to employment opportunities and the city’s tax base without negatively impacting quality of life.**

 7.4.2.1 Accommodate an appropriate amount of industrial growth in the city.

**Goal 7.4.3 Work effectively and fairly with the business community to earn a reputation ~~so the dominant perception~~ ~~in the business community~~ ~~is~~ that it is easy to work with Provo City.**

 7.4.3.1 Work to significantly reduce the barriers to growing/expanding/doing business in Provo.

 7.4.3.2 Look for ways to help grow/leverage the city assets to improve economic development.

**Goal 7.4.4 Foster the entrepreneurial spirit and reality of Provo as the preeminent place to start a business in Utah Valley.**

 7.4.4.1 Create a fertile environment for business ideas for products and services to progress more rapidly through the business cycle.

 7.4.4.2 Make it cheaper and easier to be in Provo as a new/growing business.

 7.4.4.3 Make it easier to expand a business.

**Goal 7.4.5 Determine the appropriate types of businesses for Provo to foster and grow.**

 7.4.5.1 Build on our strengths and continue in the direction the business community wants to go.

**Goal 7.4.6 Retain/support our established businesses and talent.**

 7.4.6.1 Create incentives to reinvest in growth mode businesses in Provo.

**Goal 7.4.7 Maximize the vast second language skill set in the community.**

 7.4.7.1 Take better advantage of Provo’s second language resources to improve business opportunities and services. Provo City and the business community enjoy a relationship based on mutual need, trust, and cooperation. Provo City and the business community understand and realize that each relies on the other to be successful and healthy.

**Goal 7.4.8 Maximize our airport for business and recreational traffic.**

 7.4.8.1 Promote the airport to the local business and tourism travel industry as an economical and convenient alternative to using the Salt Lake International Airport.

 7.4.8.2 Develop a business park around the Provo Municipal Airport that attracts and promotes aviation related business.

**Goal 7.4.9 Maintain well-functioning transportation routes throughout the city.**

 7.4.9.1 Ensure that all modes of transportation to, from, and within Provo are safe and efficient.

**Goal 7.4.10 Facilitate participation by Provo business leaders in the political process.**

 7.4.10.1 Encourage Provo business leaders to become engaged in the political process to ensure that business interests are appropriately balanced with residential interests.

**Goal 7.4.11 Provo City will partner with the business community to encourage greater political participation as well as ensure the process of creating, promoting and growing business is streamlined and easy to navigate.**

 7.4.11.1 Provo City will regularly examine internal administrative and legislative policy regarding development review, business licensing and other processes associated with business development and regulation to ensure efficiency and responsiveness to business needs;

 7.4.11.2 Provo City will encourage business leaders and entrepreneurs to be actively involved in the political process ~~through the following methods:~~

* ~~Running for elected office or applying for vacant positions on boards and commissions that closely align to their skillsets and experience;~~
* ~~Participating in City Council and Provo Mayor out-reach events such as policy lunches or Ask Me Anything sessions, including City Council and Mayor social media outreach efforts;~~
* ~~Encouraging attendance at City Council meetings and to become familiar with the current administrative and legislative issues of Provo City; and~~
* ~~Becoming familiar with Provo’s Neighborhood Program and interface regularly with the Neighborhood Chair where their business is located.~~

 7.4.11.3 Provo City will encourage businesses to become involved in other non-political business entities, such as the Chamber of Commerce and Downtown Provo Inc., whom we partner with to help facilitate business growth and advocacy.

**Goal 7.4.12 Develop Provo as the leader in the State of Utah and Mountain West in entrepreneurial support and the preeminent place to start and grow a business.**

7.4.12.1 Provo City will continue to be an advocate for startup-level businesses by offering access and support from City departments as well as dedicated staff to both understanding the needs of this sector and to help generate policy to encourage growth and resources to these businesses.

 7.4.12.2 Provo City will partner with local, state and national organizations that foster entrepreneurial growth (e.g. The Kauffman Foundation) to bring a greater variety of both educational and financial resources to startup businesses.

 7.4.12.3 Provo City will work with area brokers, property owners and developers to ensure startup businesses have sufficient real estate to pursue their ideas and grow their business; and

 7.4.12.4 Support city economic-develop initiatives that aid local businesses.

**Goal 7.4.13 Provo City will encourage a robust business retention and expansion program, while also seeking to recruit businesses and services to our community that are either lacking or have been identified as targeted, key industries.**

 7.4.13.1 Staff will foster open and regular communication through business visits, email communication and seminars with business owners and employers to understand the strengths and weaknesses of the Provo economy;

 7.4.13.2 Staff will follow the recommendations provided in both the Economic Development Strategic Plan and Retail Strategic Plan to look for opportunities in identified, key industry sectors for both business expansion of existing industries and recruitment of additional businesses;

 7.4.13.3 Provo City will explore incentives and programs to assist in the recruitment of new businesses that will substantially add to both the tax base and service/employments offerings of the community. Incentives will also be explored for the expansion of existing businesses that are experiencing substantial growth;

 7.4.13.4 Provo City will continue to encourage infill development at Mountain Vista Business Park, as well as other City-owned properties, for developers to create employment and tax-generating uses; and

 7.4.13.5 Provo City staff will work with land and property owners who have properties that are 1) non-tax generating, 2) non-conforming for the surrounding neighborhood, 3)historically vacant and underutilized properties, or any property that has developed potential for residential or commercial use to see if win-win agreements can be made to improve underserved and underutilized properties.

**Goal 7.4.14 Require high-quality commercial development.**

 7.4.14.1 Encourage performance standards for commercial developments;

 7.4.14.2 Require landscaping around the perimeter of commercial projects to soften

 development;

 7.4.14.3 Hide or soften commercial area parking by using berms and trees with perimeter and interior landscaping;

 7.4.14.4 Integrate signs within the architecture of a development and limit the size;

 7.4.14.5 Design the open space first in future large-scale commercial development projects; and

 7.4.14.6 Regulate the scale of commercial buildings by the land size of the project.

**Goal 7.4.15 Develop business facilities and locations to encourage new business growth and job formation.**

 7.4.15.1 Support the Provo Towne Centre, ~~Mall~~ Downtown Provo, University Parkway

 commercial corridor and the North State Street commercial corridor;

 7.4.15.2 Support the future development of Mountain Vista Business Park ~~Ironton~~ as a mixed-use facility for jobs and retail services;

 7.4.15.3 Support Riverwoods and East Bay for additional business locations to accommodate both small and large business; and

 7.4.15.4 Promote business creation through a small business incubator/start up program.

**Goal 7.4.16 Promote the Central Business District.**

 7.4.16.1 Improve public transportation in the Central Business District;

 7.4.16.2 Create a vibrant mix of businesses, government, residential development and

 cultural opportunities in the downtown area;

 7.4.16.3 Draw new cultural activities into the downtown area; and

 7.4.16.4 Target land uses that bring more people to the downtown area.

**Goal 7.4.17 Require clean business and industry.**

7.4.17.1 Encourage~~s~~ non-polluting business and industry to locate in Provo; and

7.4.17.2 Provide regulations and incentives to encourage established businesses to improve air quality.

**Goal 7.14.18  Work with the Provo Downtown Inc. organization to maintain the Central Business District (CBD) as a vibrant center of business, financial, residential, government, retail, service, and cultural activities in Provo.**

**Goal 7.14.19  Facilitate a dialogue between local businesses and City government so that business and government needs and concerns can be addressed in a timely manner.**

**Goal 7.14.20  Utilize redevelopment programs and incentives to encourage the revitalization of blighted commercial and industrial areas.**

**Goal 7.14.21 Study the feasibility of improved access on to and off of ~~between~~ I-15 to improve access to Brigham Young University and Intermountain Healthcare. ~~and the north end of Provo~~. ~~The preferred option for access is a collector-distributor system along the I-15 right-of-way, between Center Street in Provo and University Parkway in Orem.~~**

**Goal 7.14.22  Collect, maintain, and regularly evaluate a sales and property tax data base, showing tax generation by commercial locations.**