



AN ECONOMIC DEVELOPMENT STRATEGIC PLAN FOR THE CITY OF SOLVANG





City of Solvang Economic Strategic Plan

Solvang City Council

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INTRODUCTION

A city's role in economic development is distinct from that of business. Business mobilizes human and financial capital, and physical and natural resources to create marketable goods and services. In so doing, business takes risks and, if successful, makes a profit. The city's role, on the other hand, is to influence and accommodate business investment decisions by:

- Investing in supporting infrastructure
- Adopting supportive taxing and regulatory policies
- Providing high levels of customer service, being “business friendly”
- Creating smart, sustainable incentives
- Understanding trends in the local economy
- Communicating with the business community

If the city is successful it encourages job creation, generates the revenue to support and sustain local services, and improves the community's quality of life.

Like many American communities during this period of economic uncertainty, the City of Solvang chose to enhance its role in the economic development of its community. There is much at stake in this effort and by continuing to make wise choices and actions, the City will make an important contribution to Solvang's economic viability and the high quality of life enjoyed in its very unique built environment. This Economic Development Strategic Plan (EDSP) presents a list of actions that the City of Solvang can take in this direction to further build on the base of actions it has already taken. The plan also reflects as much as possible the ideas and priorities expressed by both the public and private stakeholders who participated in the initial information-gathering phase of the project.

It's important to remember that successful economic development planning requires that a community takes the “long view”. Many great economic development plans end up collecting dust in a city storage room not because of lack of noble intent or initiative but because expectations were unrealistic, particularly in regard to the time it would take to see success. A steady effort at implementation, frequent review of progress by community leaders and the willingness to amend a plan as the environment changes greatly enhance the likelihood of success.



BACKGROUND

In February 2010, an economic development assessment of the City of Solvang was carried out by a volunteer team of economic development professionals convened by the California Association for Economic Development (CALED). In response to the key recommendations of the CALED team, the City established a group of stakeholders and policy makers to guide the City's economic development efforts. This Economic Development Committee has met monthly since April of 2010, discussing a variety of economic development issues relative to Solvang and the Santa Ynez Valley. Since its creation, the committee has made several recommendations to the Solvang City Council including requesting a review of the City's Sign Ordinance which resulted in the creation of a Sign Ordinance Subcommittee.

The City of Solvang recognizes the importance of economic development and has made improvements towards improving its processes to that end.

In order to provide better customer service to new businesses, staff has revised the review process for Business Certificate applications. In the past, some business owners have believed that issuance of a Business Certificate meant all City requirements were addressed, and signed leases based on this presumption. Requirements for tenant improvements and signage, particularly for accessibility, were discovered afterward which is detrimental to development of a successful business plan.

Businesses which are opening a new store or facility now make application at the Community Development Department. Building and Planning staff meet with business owners to review zoning, signage regulations, tenant improvements plans, and other matters related to occupying a new space. Providing this information with the Business Certificate applications helps business owners develop their improvement and signage plans early in the business development process.

In 2011, the City created and staffed the position of Planning & Economic Development Director. The incumbent joined the newly hired Associate Planner and Code Enforcement Officer, as well as the City's experienced Building Department staff. This new team has made improvements to customer service by using any flexibility allowed by the City codes to customize processes and solutions to meet businesses' needs. The team had also reached out to the Chamber of Commerce, the Solvang Conference &

Visitors Bureau, and business groups to form public/private partnerships toward economic development.

The City Council approved revisions to the Sign Ordinance in March of 2012. The revisions provide additional opportunities for signage, and enable the Board of Architectural Review to approve exceptions to the ordinance if unique conditions exist. In order to provide a user-friendly Ordinance, a new format was included. The new format includes tables to summarize regulations, individual pages with photographs and details regarding each type of sign allowed, and updated definitions and terms. Staff will be able to use pages of the new ordinances to prepare customized information packages for customers.

The City Council also recently adopted new sewer and water connections fees. Fees are now calculated based upon meter size, instead of plumbing fixtures and restaurant seating. These changes have removed financial impediments which negatively affected tenant improvements and restaurant expansion.

One of the Planning & Economic Development Director's first actions was to create this Economic Development Strategic Plan, an initiative also supported in the recommendations of the CALED team.

The first step in the strategic planning process was to gather the input of local economic and policy stakeholders. Representatives from civic, service, retail and hospitality groups met in four workshops to participate in a SWOT (**S**trengths, **W**eaknesses, **O**pportunities and **T**hreats) analysis of Solvang. Participants from each group were asked to share their perceptions of Solvang's strengths and weaknesses, and then to offer their perspectives on what they view as Solvang's potential opportunities and threats.

While input from each of the groups included perspectives unique to that group, shared concerns and themes arose across all four of the groups. And although opinions varied, a strong sense of civic pride was evident among all participants in the workshops. In addition to the SWOT workshops, several individual interviews were conducted with other business, civic, and policy leaders.

The fact that Solvang is largely built out makes strategic planning for economic development particularly challenging and creates a need for greater focus on infill

opportunities, small business assistance, capital formation, the leveraging of external resources and broader regional cooperation.

The following Strategic Plan is organized around five initiatives. While each initiative stands on its own from an implementation standpoint, they are all very interdependent. For example, the success of efforts to support the retention and expansion of Solvang businesses is very much dependent on City continuing its recent significant efforts to streamline its processes and welcome new investment. The fifth initiative which advocates for the attraction of new businesses to Solvang is particularly dependent on the successful implementation of the other four. A welcoming business environment, sensible land use policies, strategic infrastructure investment and sustainable business attraction policies will be indispensable components in the successful expansion of the city's economic base and essential to making Solvang an attractive choice for new business location.



STRATEGIC PLAN

Initiative #1: Strengthen & expand diversity and opportunity in Solvang's retail and service economy

Goals

- To encourage greater economic diversity and entrepreneurial opportunities
- To support the continued authenticity of Solvang's Danish identity within the Village core
- To increase demand for underutilized retail/commercial space
- To encourage more resident-serving commercial activity
- To provide greater incentives for increased evening activity in the Village area

Actions

1. Review and redefine the physical boundaries of the Village as originally drawn in the General Plan of 1988
2. Permit greater flexibility in architectural design and other standards and uses in the periphery of the current TRC, particularly in those areas where properties are underutilized and economically underperforming. Consider encouraging niche uses in the periphery by creating "districts" for art galleries, antique vendors, craft artisans, artists and food artisans. Review and revise permitted uses (zoning) as necessary to expedite targeted uses in the periphery.
3. Support the more defined and compact Village through the following actions:
 - a. Improve the adequacy of street lighting where necessary
 - b. Install directional signage at entries to the Village
 - c. Using the general concept embraced by the Tivoli Square Task Force, provide temporary closure of the Village block as proposed in the Tivoli Square study on weekends and the high tourist season
 - d. Revise encroachment permitting to expedite outdoor dining and other pedestrian-friendly activities and attractions in the "Square"
4. Explore feasibility of annexation(s) to expand Solvang's commercial development options

Initiative #2: Strengthen Solvang’s appeal to a broad cross section of visitors

Goals

- Strengthen opportunities for Solvang to become a year around choice for small conventions and other meetings of business and non-profit groups, particularly during mid-week during the off-season
- Create a venue that serves both Solvang and the greater Santa Ynez Valley region and becomes a catalyst for increased patronage of Solvang’s retail and hospitality sectors

Action

- Pursue development of a conference center, possibly at the location of the existing Veterans Memorial Hall

Initiative #3: Adopt more business-friendly policies and processes to encourage new investment and support business expansion

Goals

- Continue to refine and improve the “front counter” experience for businesses seeking information and permits from the City
- Increase the pace and efficiency of the permitting process

Actions

1. Create a new “business packet” for new businesses
2. To the extent possible, provide applicants with as clear and complete explanations and instructions for getting through the permitting process as possible
3. Develop policies & procedures that enable counter staff to help applicants minimize costs when multiple fees are involved

4. Develop policies & procedures that give greater discretionary powers to counter staff to issue approvals on routine BAR issues and standards, particularly related to signage and color schemes
5. Improve communication with the business and real estate communities to assure they are aware of the changes and improvements to the permitting process and that the City is “open for business”
6. Seriously explore the feasibility hiring an in-house plan checker
7. Encourage “green” development projects by providing incentives such as reduced permitting fees for buildings that meet LEED certification standards

Initiative #4: Promote and support business retention and expansion

Goals

- Provide new and existing businesses with comprehensive information about the community and region and available resources for business assistance
- Provide timely technical assistance to existing and new businesses

Actions

1. Establish an economic development partnership with the Solvang Chamber of Commerce, Allan Hancock College, Solvang Conference & Visitors Bureau, Small Business Development Center (SBDC) and others to promote business retention and expansion
2. Publish an annual comprehensive Economic & Demographic Profile of Solvang
3. Develop an Economic Development page on City website
4. Support the development and promotion of workshops and conferences on topics of interest to local business
5. Provide a venue for the small business services of Small Business Development Center (SBDC) consultants and Service Core of Retired Executives (SCORE) mentors
6. Determine the extent of home-based business activities in Solvang and determine what assistance they might need to grow

7. Encourage commercial & retail property landlords and brokers to list current information about available properties on the Economic Development page of the City's website, <http://www.cityofsolvang.com>
8. Consider updating/revising the City's logo

Initiative #5: Support the targeting and attraction of new businesses that complement Solvang's commercial character, leverage regional assets and/or serve local residents

Goals

- Expand Solvang's economic base
- Provide a broader selection of goods, services and attractions
- Promote greater leveraging of regional assets and attractions, e.g. wine touring, cycling and other outdoor recreation, the nearby lakes and beaches, etc.

Actions

- Form a task force of stakeholders to clearly define and oversee the process
- Retain the services of a tenant mix expert and/or other retail specialist to help determine what types of businesses would best complement Solvang's retail and hospitality base and which would be most likely to consider a Solvang location
- Develop a Marketing Plan with identified sources of funding and the clearly-defined roles of the City and its economic development partners



OTHER THINGS TO CONSIDER

A reading of twenty years' worth of economic development reports and strategies focused on Solvang reveals several recurring themes and concerns that were also expressed during the SWOT Analysis workshops held in preparation of this Strategic Plan. While this Plan focuses primarily on the actions most appropriate for the City to undertake, there remains an abundance of ideas worthy of further discussion in the appropriate forums.

Recurring issues such as early store closures, lack of night life, the attraction of more affluent visitors, longer visitor stays, and so on, seem appropriate initiatives for the leadership of Solvang business groups, certainly with the encouragement of the City. However, many of the most interesting opportunities that arose during the workshops and interviews require that Solvang broaden its regional thinking and look beyond its city limits for strategic partners with common interests.

Clearly, the growth of tourism in the Santa Ynez Valley over the past few decades has significantly benefited Solvang, and this benefit has been reciprocal. The entire region benefits from the strengths and successes of each of its component communities. While individual businesses may fear the competition of similar enterprises in neighboring communities, the overall success of the region is a net positive for Solvang. As an example, transient occupancy tax (TOT) revenues for Solvang in FY 1995/96 were approximately \$950,000. Fifteen years later, in FY 2010/11, they had reached nearly \$2.5 million, a 163% increase. During that same period, sales tax revenues grew by only 11%. While the relatively pale increase in sales tax revenues reflects several years of recession and slow economic recovery, the marked increase in TOT revenues can in part be attributed to external factors such as wine touring and the development of the nearby casino. The fact that Solvang had 13 wine tasting operations at the date of this writing also attests to the broadening of the region's appeal.

A recent study of visitors to Solvang during the 2011 fall quarter indicates that they enjoy an average median household income of 167% of that the US as a whole and nearly 150% of that of the state as a whole. According to the most recent data on Solvang visitor incomes, approximately 34% of visitors to the city had total annual incomes of \$100,000 or more.

A cursory glance at Solvang's economic performance since the beginning of the recession indicates that it has held its own fairly well. Like other popular California

destinations, it is experiencing a more cautious and frugal visitor. By encouraging greater diversity in its retail and service offerings, as this Plan recommends, and by encouraging the development of new regional attractions, whether within the City or in proximity, Solvang stands to benefit significantly by potentially increasing its share of more affluent visitors.

One such development that has been suggested is a year around, high quality venue for the performing arts that could attract performances of “marquee value”. Additionally, it is suggested that the production of annual festivals of the arts and music could attract broader, more affluent audiences. While such undertakings are not the responsibility of municipal government per se, the City of Solvang, in collaboration with its economic development stakeholders, could take the lead in convening a summit of regional partners to discuss these ideas and other regional issues of mutual concern and interest.

Certainly one regional partner with common interests is the Chumash Casino Resort. Throughout the SWOT Analysis workshops, its presence was regarded as “strength.” It is recognized that the casino draws visitors and that Solvang businesses benefit as a result. However, it was also noted that Solvang and the casino resort complex share a dependence on the same infrastructure and services. Any significant change in the operations of one neighbor will have an impact on the other, whether positive or negative.

Given this strong symbiotic relationship, continuing to work closely and collaboratively with the Chumash is critically important for the mutual benefit of both parties. Therefore, it is recommended that any economic development partnership as envisioned in this Plan, welcomes the participation of the Chumash as an important regional stakeholder and investor in the community.





Attachment A

Implementation Plan

Economic Development Strategic Plan
City of Solvang

Legend: Status Column -

Green: Implementation on time, on plan

Yellow: Implementation behind schedule, but making progress

Red: Implementation in question, confronting significant issues that need resolution

White: Work not scheduled to commence

Initiative #1: Strengthen and expand diversity and opportunity in Solvang’s retail and service economy

Action No.	Action Description	Year	Responsible Entities	Notes	Status
1.	Review & redefine the physical boundaries of the Village & review allowed uses in TRC	2 (FY 2013/14)	Lead: City Planning Support: Chamber of Commerce	<ul style="list-style-type: none"> Will require a General Plan Amendment and Zone Change Anticipate need for a minimum of two (2) workshops <p>Labor Intensity: High</p>	
2.	Permit greater flexibility in architectural design & other standards in current TRC	1 (FY 2012/13)	Lead: City Planning Support: Board of Architectural Review (BAR)	<ul style="list-style-type: none"> Will require update to Design Guidelines Goal is to allow modern Danish architecture while protecting design quality BAR Sub-Committee is advised <p>Labor Intensity: Moderate</p>	
3.a	Improve the adequacy of Street lighting	1 - 3 (FY 2012/13 – FY 2014/15)	Lead: City Public Works Support: Economic Development Staff	<ul style="list-style-type: none"> Will require coordination with Caltrans for crosswalks on Mission Drive; may limit options Lights are owned by PG & E Funds are not budgeted for this project <p>Labor Intensity: Moderate</p>	
3.b	Install directional signage at entries to village	1 (FY 2012/13)	Lead: Economic Development Staff Support: City Public Works	<ul style="list-style-type: none"> Sub-Committee is recommended Some initial work has been done Funds are not budgeted for the project <p>Labor Intensity: Moderate</p>	
3.c	Provide temporary closure of Village block defined in Tivoli Square Plan	1 (FY 2012/13)	Lead: Economic Development Staff Support: City Public Works, Chamber of Commerce	<ul style="list-style-type: none"> Need to assess interest levels of businesses Conduct several closures to assess level of success <p>Labor Intensity: Moderate</p>	

Initiative #1 continued

Action No.	Action Description	Year	Responsible Entities	Notes	Status
3.d	Revise rules to expedite pedestrian-friendly activities in Tivoli Square	3 (FY 14/15)	Lead: City Planning Support: Chamber of Commerce	<ul style="list-style-type: none"> • Need to assess success of street closures recommended in Action No. 3.c prior to initiating work • Would require an amendment to the Municipal Code <p>Labor Intensity: Moderate</p>	
4.	Explore feasibility of annexation to expand commercial development options	5 (FY 16/17)	Lead: City Planning Support: Chamber of Commerce, Real Estate group	<ul style="list-style-type: none"> • Need to prepare a Land Use Inventory for commercial properties • Sub-Committee is recommended <p>Labor Intensity: High</p>	

Initiative #2: Strengthen Solvang's appeal to a broader cross section of visitors

Action No.	Action Description	Year	Responsible Entities	Notes	Status
1.	Pursue development of a conference center, possibly in the location of the existing Veterans Memorial H	1 (FY 12/13)	Lead: Economic Development Staff Support: Solvang Conference & Visitors Bureau, Santa Ynez Valley Hotel Association	<ul style="list-style-type: none"> ● Sub-Committee is recommended ● Explore a performing arts venue ● Will need to use service of a consultant to conduct a feasibility study ● Following completion of feasibility study, will assess feasibility and determine if project should be pursue or scheduled for consideration in the future. <p>Labor Intensity: Moderate</p>	

Initiative #3: Adopt more business-friendly policies & processes to encourage new investment and to support business expansion

Action No.	Action Description	Year	Responsible Entities	Notes	Status
1.	Create a new "business packet" for new businesses	1 (FY 12/13)	Lead: City Building, City Planning Support: Chamber of Commerce	<ul style="list-style-type: none"> Work is currently underway Chamber will assist in review of packet and distribution <p>Labor Intensity: Low</p>	
2.	Provide applicants with clear & complete instructions for permit process	1 (FY 12/13)	Lead: City Building, City Planning Support: Chamber of Commerce	<ul style="list-style-type: none"> Include process information as part of new business packet recommended in Action No. 1 Chamber will assist in review of packet and distribution <p>Labor Intensity: Low</p>	
3.	Give counter staff ability to help applicants minimize multiple-fee costs	All	Lead: City Building , City Planning Support: Chamber of Commerce	<ul style="list-style-type: none"> Service is currently provided; staff discusses projects with applicants and advises of opportunities to apply for phased work, particularly with BAR applications Chamber will assist in providing information to the business community <p>Labor Intensity: Low, ongoing practice</p>	
4.	Consider giving counter staff greater discretion in approving routine BAR standards	3 (FY 14/15)	Lead: City Planning	<ul style="list-style-type: none"> Would require amendment of the Zoning Ordinance to give staff approval authority <p>Labor Intensity: Moderate</p>	
5.	Improve communication with business & real estate communities	1 (FY 12/13)	Lead: Economic Development staff, City Planning	<ul style="list-style-type: none"> With concurrence from real estate group, staff could attend MLS meetings monthly to provide information and learn of concerns which need to be addressed <p>Labor Intensity: Low</p>	

Initiative #3 continued

Action No.	Action Description	Year	Responsible Entities	Notes	Status
6.	Explore feasibility of hiring "in-house" plan checker	1 (FY 12/13)	Lead: City Manager Support: Economic Development staff, City Building	<ul style="list-style-type: none"> • Need to circulate RFP for in-house plan checking services • Will still need a Building Official • Explore sharing services with Buellton <p>Labor Intensity: Moderate</p>	
7.	Encourage "Green" development	3 (FY 14/15)	Lead: City Building, City Planning	<ul style="list-style-type: none"> • Consider reduction of fees for LEED certified buildings, explore other incentives to promote green development <p>Labor Intensity: Moderate</p>	

Initiative #4: Promote and support business retention and expansion

Action No.	Action Description	Year	Responsible Entities	Notes	Status
1.	Establish Economic Development Partnership	1 (FY 12/13)	Lead: Economic Development staff Support: Economic Development Ad Hoc Committee	<ul style="list-style-type: none"> Expand Economic Development Ad Hoc Committee to include Allan Hancock College, Small Business Development Center (SBDC), Vintners Association, Santa Ynez Visitors Association, and City of Buellton Chamber of Commerce Solvang Chamber of Commerce and Solvang Conference and Visitors Bureau are participating members of the Ad Hoc Committee <p>Labor Intensity: Low</p>	
2.	Publish Economic & Demographic Profile of Solvang	1 (FY 12/13)	Lead: Economic Development staff	<ul style="list-style-type: none"> Publish print and electronic versions of Profile, and post on City website <p>Labor Intensity: Low</p>	
3.	Develop a dedicated Economic Development Page on City website	1 - 3 (FY 12/13 – FY 14/15)	Lead: Economic Development staff	<ul style="list-style-type: none"> Begin by providing Economic & Demographic Profile on City website Develop Economic Development page on City website Pursue re-design of City's website <p>Labor Intensity: Moderate</p>	
4.	Support the development & promotion of workshops & conferences for local business	1 (FY 12/13)	Lead: Chamber of Commerce, Support: Economic Development staff	<ul style="list-style-type: none"> Chamber has held several business development workshops in 2012 City can participate with business assistance workshops <p>Labor Intensity: Moderate</p>	
5.	Provide a venue for delivery of technical services to small businesses	1 (FY 12/13)	Lead: Economic Development staff Support: Chamber of Commerce, Real Estate Group	<ul style="list-style-type: none"> Action would involve locating meeting space for small business assistance programs such as SBDC consultants and SCORE mentors <p>Labor Intensity: Low</p>	

Initiative #4 continued

Action No.	Action Description	Year	Responsible Entities	Notes	Status
6.	Determine size & needs of home-based businesses in Solvang	5 (FY16/17)	Lead: Economic Development staff Support: Chamber of Commerce	<ul style="list-style-type: none"> Action would involve surveying home based businesses and determining need for services which could be shared <p>Labor Intensity: Low</p>	
7.	Encourage commercial landlords & brokers to list details of available property on Economic Development website page	1 (FY 12/13)	Lead: Real Estate Group Support: Economic Development staff	<ul style="list-style-type: none"> Real Estate group would need to provide timely information, ED staff would update City website Could also consider a link <p>Labor Intensity: Low</p>	
8.	Consider updating or revising City's logo	1 (FY 12/13)	Lead: Economic Development staff Support: Parks and Recreation staff	<ul style="list-style-type: none"> Sub-Committee is recommended <p>Labor Intensity: Moderate</p>	

Initiative #5: Support the targeting and attraction of new businesses that complement Solvang’s commercial character, leverage regional assets and/or serve local residents

Action No.	Action Description	Year	Responsible Entities	Notes	Status
1.	Form a taskforce of stakeholders to clearly define & oversee the process	1 (FY 12/13)	Lead: Economic Development Staff	<ul style="list-style-type: none"> Taskforce should include a member of the City Council, Chamber of Commerce, Real Estate group, and Solvang Conference and Visitors Bureau Labor Intensity: Low	
2.	Retain the services of a tenant mix expert for retail, IT, medical, etc.	1 (FY 12/13)	Lead: Economic Development staff Support: Chamber of Commerce, Solvang Conference and Visitors Bureau	<ul style="list-style-type: none"> Funds are not budgeted for this project Labor Intensity: Moderate	
3.	Develop a Marketing Plan	1 - 2 (FY 12/13 – FY 13/14)	Lead: Economic Development staff Support: Chamber of Commerce, Solvang Conference and Visitors Bureau	<ul style="list-style-type: none"> Work would commence after tenant mix/retail study is complete Labor Intensity: High	



Attachment B

Transcription of worksheets from

SWOT Analysis Workshops

Held February 14 & 15, 2012
City of Solvang Council Chambers

Note: The SWOT Analysis process is an information-gathering, brainstorming session where participants are encouraged to express "top of mind" thoughts and ideas in a rapid-fire format.

SWOT Analysis Workshop Participants

Special thanks to those who participated in the SWOT Analysis Workshops & Interviews:

Civic Group

Jim Richardson, Mayor
Hans Duus, Mayor Pro Tem
Brad Vidro, City Manager
Day Yeager, Planning Commission Chair
Kathi Hopkins, Planning Commission Vice Chair
Rick Rantz, Allan Hancock College
Chris Parker, Solvang Lutheran Home
Maria Centrella, PCPA Solvang Theatre

Services Group

Debbie Reed, Santa Barbara Bank & Trust
Lana Clark, Buynac & Fauver, Chamber Co-President
Allan Jones, SYV Real Estate
Rich Condit, SYV Real Estate
Steve Battaglia, Battaglia Commercial Real Estate
Kelly Schreiner, Nirvana
Brian McNerey, Property Owner

Retail Group

Susan Williams, Wandering Dog Wine Bar, Chamber Co-President
Dave Rasmussen, Rasmussen Gifts
Max Hanberg, Solvang Shoe Store
Travis Mueller, First Street Leather
Candice Libera, Parts Unknown
Rodney Nielsen, Nielsen's Market
Ken Andersen, Nielsen's Building Materials
Michael Lerner, Vintners Association
Sue Moulalim, Artistic Pony
Linda Smith, Solvang Chamber of Commerce

Hospitality Group

Aaron Petersen, Greenhouse Café, Peterson Inn, Other)
John Martino, Hotel Corque
Mary Harris, Santa Ynez Valley Hotel Association
Tracy Farhad, Solvang Conference & Visitors Bureau
Susie Sorensen, Bit of Denmark
Linda Johansen, King Frederick
Sandy Hallman, Wine Valley Inn

Interviews

Elaine "Willi" Campbell, Former Mayor
Lee Rosenberg, Arts & Entertainment Interests

CIVIC GROUP

Workshop February 14, 2012

Strengths	Weaknesses
<p>Danish tradition</p> <p>Pedestrian friendly</p> <p>Beautiful location</p> <p>Great year-around climate</p> <p>Close to LA and Southern California</p> <p>Safe</p> <p>Good bakeries</p> <p>Active with lots of opportunity for healthy recreation</p> <p>Clean city</p> <p>Unique Danish architecture in the TRC</p> <p>PCPA theatre offerings</p> <p>Allen Hancock Community College</p> <p>Good hospital, medical services</p> <p>Vibrant retirement community</p> <p>Good museum(s)</p> <p>Friendly, hospitable community</p> <p>Slow growth policies have helped retention of unique legacy</p> <p>Proximity to vineyards</p> <p>Wine tasting</p> <p>Chumash Casino as draw to the area</p> <p>Windmills</p> <p>Special events</p> <p>Farmers markets</p> <p>Stronger tourism & hospitality efforts</p> <p>Good restaurants</p> <p>Good schools</p> <p>Golfing & tennis</p> <p>Stable city council and city finances</p> <p>Pro-business city council</p> <p>Beautiful parks</p> <p>Ample public restrooms & parking</p>	<p>Lack of family activities</p> <p>Lack of economic diversity--too dependent on tourism and retail</p> <p>Lack of evening activities--streets roll up at 5:00</p> <p>Some Danish-themed places lack authenticity</p> <p>There has been compromise with aesthetic standards</p> <p>Feeling by some residents that TRC is a nuisance (traffic, parking, crowds)</p> <p>Perception by some residents that TRC merchants don't care about their trade</p> <p>Some residents lack knowledge of the goods, services and other assets of the TRC</p> <p>Limited transportation services</p> <p>Lack of certain type of shopping</p> <p>Commuters who patronize businesses closer to their jobs</p> <p>Cost of water and water hook-up fees</p> <p>Citizens who are opposed to any change</p> <p>New development is limited to infill</p> <p>Weekend traffic</p> <p>Lack of regional focus and cooperation among organizations--too much "turf"</p> <p>Limit of business types</p> <p>Fading of Danish tradition</p> <p>Lack of food/dining variety</p> <p>High cost of some commercial leases</p> <p>Lack of interest and responsiveness of some absentee landlords</p> <p>Aspects of the current Sign Ordinance</p> <p>Quality of public lighting not consistent throughout TRC</p>

Opportunities	Threats
<p>Sequel to film "Sideways" is underway</p> <p>Casino expansion & wine passport (?)</p> <p>Greater leverage of wineries and vineyards</p> <p>Potential Allen Hancock expansion of offerings including culinary arts</p> <p>Greater number of art galleries, antique dealers and other niche businesses</p> <p>Farmers market</p> <p>Architectural envelop (?)</p> <p>Improving the quality and substance of the town's "look"</p> <p>Greater leveraging of regional attributes and assets</p> <p>New festival opportunities</p> <p>Development of a conference center</p> <p>Increasing off-season, mid-week visitors</p> <p>Improved night life</p> <p>Improving the consistency of efforts—developing good plans & sticking with them</p> <p>More spontaneous activities</p> <p>Greater use of theater</p> <p>Environmental tourism, e.g. birding</p> <p>Encourage more economic diversity in city's periphery</p> <p>Enhanced resources for marketing through the regional tourism BID</p> <p>Greater promotion of Solvang's proximity to Cachuma Lake</p>	<p>Potential negative impacts of casino expansion</p> <p>Doing nothing</p> <p>Increasing traffic</p> <p>Economic uncertainty (macro)</p> <p>Natural disasters affecting region</p> <p>Competition from neighboring communities, wineries, etc.</p> <p>Continuing business closures</p> <p>Scattered, uncoordinated efforts</p> <p>Lack of focus on attracting good businesses</p> <p>Policies unfriendly to business from local, state and federal governments and agencies</p>

SERVICE GROUP

Workshop February 14, 2012

Strengths	Weaknesses
<p>Great weather</p> <p>Unique architecture</p> <p>Attractive landscaping</p> <p>Proximity to wine country</p> <p>International recognition as a destination</p> <p>Diverse visitors</p> <p>Danish tradition</p> <p>Proximity to SoCal</p> <p>Developed, efficient infrastructure in place</p> <p>Good municipal services</p> <p>Strong sense of community</p> <p>Safe</p> <p>Clean</p> <p>Good schools</p> <p>Relatively stable real estate values</p> <p>Good recreation assets inc. golf</p> <p>Art & theatre</p> <p>Strong events including "3rd Wednesday"</p> <p>Support for philanthropic activities & organizations</p> <p>A "sense of place"</p> <p>Commercial center of Valley region</p> <p>Casino as a magnet for commercial activity</p> <p>Recognition created by participation in Amgen tour</p> <p>Home of world-famous equine hospital</p> <p>Good medical and other human services</p> <p>Good grocery stores</p> <p>Welcoming people</p> <p>The Alisal</p>	<p>Negative impacts of casino</p> <p>Traffic problems, especially on weekends</p> <p>Over-regulation by local government</p> <p>High water/sewer costs & hook-up fees</p> <p>"Nickle diming" by city on various fees</p> <p>Short duration of visits by tourists--day trippers</p> <p>Slow community acceptance of new business</p> <p>Fear of competition</p> <p>Resistance to change</p> <p>Landscaping in TRC needs improvement</p> <p>Lack of night life</p> <p>Too many businesses close too early</p> <p>Perceived lack of shopping variety</p> <p>Lack of adequate directional signage</p> <p>Retail shopping leakage to other cities</p> <p>Lack of adequate parking in some areas</p> <p>Lengthy and expensive code checking process</p> <p>Regulations of the State of California</p> <p>Reputation as a difficult place to do business</p> <p>Insufficient communication to business and development communities of beneficial changes in city policies</p> <p>Overly complicated and cluttered building code and zoning ordinance</p> <p>Definition of TRC needs revision, includes too many marginal businesses</p> <p>Dated image as a "cute" little Euro village</p> <p>Conflicts between citizens and shop owners(?)</p> <p>City leadership lacks understanding and experience with commercial activities of village</p>

Opportunities	Threats
<p>Wellness-related vacations</p> <p>Cross marketing opportunities of local & regional attributes</p> <p>Rebranding of Solvang to tourists</p> <p>Upgrading of hotels and restaurants to a high standard</p> <p>Increased/improved nightlife including a "night life district"</p> <p>Adaptation to changing tastes</p> <p>Lower fees and removal of other barriers to entry for business</p> <p>Better use of social media</p> <p>A better front counter experience in the planning department--a more "can do" attitude</p> <p>Create a "concierge" approach to permitting</p> <p>Empower counter staff to issue approval for BAR review issues (signs, colors)</p> <p>More help at the counter to save applicants costs associated with multiple fees. Better communication about process and available shortcuts</p> <p>A wine festival</p> <p>More catering to the wine and culinary visitor</p> <p>More arts & cultural offerings, shops, etc</p> <p>Culinary college courses</p> <p>Hospitality directed to the wives of the Rancho riders</p> <p>More focus on promoting the mission and its grounds</p> <p>More mixed uses in the TRC commercial/residential</p> <p>Potential development of a state park near mission</p> <p>An in-house, on-site plan checker</p> <p>The natural environs surrounding Solvang</p> <p>Opportunities for greater regional cooperation</p> <p>Potential development of a new regional park</p> <p>Greater bicycle touring</p> <p>More technical assistance for business</p>	<p>Increasing cost of water</p> <p>More traffic</p> <p>Casino expansion</p> <p>Competition for same tourist</p> <p>Higher gas prices</p> <p>Potential road closures, projects</p> <p>Political policy related to cost of doing business and regulations</p> <p>Continuing business failures</p> <p>Labor force quality & costs</p> <p>Increased social instability, e.g. divorce, drugs & alcohol abuse</p> <p>California's financial condition</p> <p>Gang activity</p> <p>Lack of youth activities</p> <p>Immigrations reform</p> <p>Doing nothing</p>
	<p style="text-align: right;">?</p>

RETAIL GROUP

Workshop February 15, 2012

Strengths	Weaknesses
<p>Location--close to large population centers</p> <p>Unique architecture</p> <p>Solvang is a good "brand"</p> <p>Small town</p> <p>Compact design</p> <p>Diversity of visitors</p> <p>Variety of retail types</p> <p>Generally satisfied citizens</p> <p>Beauty of location--SIV</p> <p>Good weather</p> <p>Safe environment</p> <p>Good infrastructure</p> <p>Famous residents</p> <p>Strong civic pride</p> <p>Strong traditions</p> <p>Presence of Mission St. lines</p> <p>Casino</p> <p>Employment opportunity</p> <p>Variety of life styles</p> <p>Strong local/regional marketing organizations</p> <p>Clean</p> <p>Generous number of hotel rooms</p> <p>International visitors</p> <p>International name recognition</p> <p>Proximity to other popular destinations</p> <p>The commercial center of Valley</p> <p>Relatively affluent community</p> <p>Popular events & festivals</p> <p>Destination for external events, e.g. Amgen Tour, Rancho Ride</p> <p>Healthy community environment</p> <p>Civic pride</p> <p>Strong civic involvement</p> <p>Support for philanthropy</p> <p>Strong retirement community</p> <p>PCPA</p> <p>Popular wedding venue</p> <p>Stable city politics</p>	<p>Traffic--Hwy. 246 divides the town</p> <p>Lack of merchant involvement--apathy</p> <p>Expensive cost of living for younger people</p> <p>Few high paying jobs</p> <p>Relatively high commercial rents in some properties</p> <p>Early and inconsistent merchant closing times</p> <p>Lack of readily available information about which businesses stay open at night</p> <p>Low off-season, mid-week visitor traffic</p> <p>Lack of economic diversity</p> <p>Few options for new manufacturing businesses (e.g. wine making)</p> <p>Solvang is nearly completely built out</p> <p>Excessive retail space (?)</p> <p>Residents who commute out for jobs, shop near jobs</p> <p>Water costs</p> <p>Zoning ordinance discourages wine making</p> <p>Road projects and closures</p> <p>Transportation</p> <p>Image of Hwy. 154 as a dangerous road</p> <p>Lack of business diversity</p> <p>Difficult to fill commercial vacancies</p> <p>Dearth of cultural activities not based on retail</p> <p>Lack of directional signage</p> <p>City's permit process</p> <p>Poor press coverage, relationships</p> <p>No strong iconic image--there is no "thing" that represents Solvang</p> <p>Image as a "cute", kitschy place</p> <p>Local support for village merchants by residents and neighbors is weak</p> <p>Local economy is seasonal</p> <p>Too weekend-dependent</p> <p>Limited selection of available merchandise</p> <p>Limited cultural diversity</p> <p>Scarcity of worker housing</p> <p>Not enough for kids to do</p>

Opportunities	Threats
Revising zoning ordinance to allow more light manufacturing for artisans & crafts	Change in City government
New events and festivals	Stricter state & local regulations
Better signage	Natural disasters
More effective use of and presence on internet	Highway projects and road closures
More training for businesses in use of internet and social media	Competition
Better public transportation (esp. from SB)	State's financial problems
Development of medical services as a visitor draw	The economy
Continued development of wedding services	Scandals and negative publicity
Stronger targeted marketing of Solvang brand	Casino
Casino marketing of region	Limits of infrastructure
Stronger "shop local" efforts	Cost of gas
Developing a "green" image	Increasing competition from internet commerce
Higher end restaurants	More big-box retail development nearby
Taking a more regional view of marketing	Competition from Los Olivos
Attracting more higher paying jobs	Internet rating sites like YELP
Move night life options--dance club	Decline of local media
A community forum to exchange information and ideas	Failure to improve quality and variety of dining options
Improved city permit process	Absentee landlords
Better government - business cooperation	Physical limits to economic growth and business diversity
	Fear of change

HOSPITALITY GROUP

Workshop February 15, 2012

Strengths	Weaknesses
Beautiful setting in the Santa Ines Valley	Too many day visitors, not enough overnight stays
Large number of hotel rooms with wide range of rates	Lack of local buy-in of importance of tourism
Proximity to large markets (LA, SoCal)	Early or inconsistent closing times
Good weather	Quality and quantity of available workforce
Improving mix of restaurants	Fear of change, new ideas
Improving mix of retail mix	Trapped in strict tradition(s)
Variety of available leisure activities	Kitschy image for some, including travel writers
Unique destination--"look"	Perception that Solvang has "sold out" to cheap tourism
Strong standards--BAR	Inconsistent public lighting in parts of village
Safe environment	Theatre is open air, limiting its utility
Pedestrian-friendly	Not a destination for business groups
Parking, accessibility	Not a conference center
Clean, available public restrooms	Lack of variety of restaurants
Parks and other civic assets	Too rigid enforcement of regulations, rules
Collaborative public/private relationship	Too few off-season, mid-week stays
Tourism sector is very focused	Limited resources for promotion of tourism
Affordable destination	Funds for tourism promotion are not secure—subject to annual review
Adjacent wine region	Lack of directional signage, info kiosk
Solvang Festival Theater (?)	Visitor information center staff need better training
Mission	Weak cross-marketing among retailers
Diverse business opportunities	Lack of forum for communication among business sectors
	Uncertain definition of "Solvang"
	Dearth of "new blood" to take on leadership roles in tourism
	Some high commercial rents
	Absentee landlords

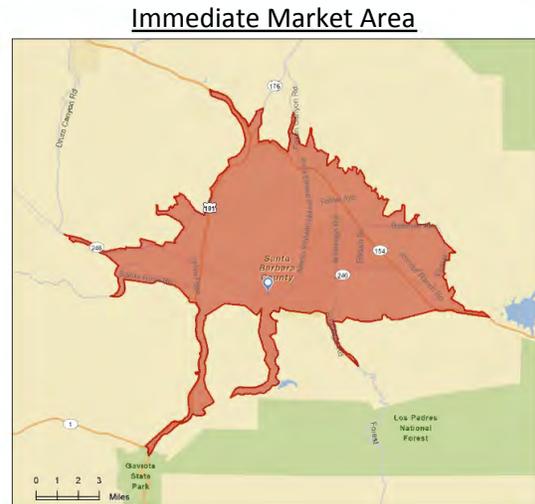
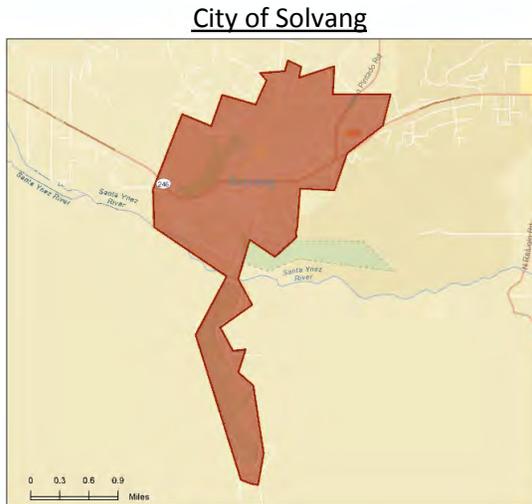
Opportunities	Threats
<p>Greater cooperation with other Valley towns on projects of mutual interest</p> <p>Greater cooperation with Casino</p> <p>Hold a Valley-wide summit on tourism issues and opportunities</p> <p>Develop a conference center</p> <p>Upgrading public facilities</p> <p>Stronger off-season, mid-week visitor promotion</p> <p>Increased promotion of outdoor activities and niche markets</p> <p>Allen Hancock expansion</p> <p>Niels Brock Culinary School</p> <p>Expansion of city's sphere of influence to permit more business activity</p> <p>Greater collaboration with vintners</p> <p>Improvements at the corner of Alisal & Mission</p> <p>Improve business portal</p> <p>Greater night life</p> <p>More music</p> <p>Stronger promotion of Wednesday as locals' night</p> <p>Create tangible benefits for merchants willing to stay open later</p> <p>Stronger outreach to locals & neighbors</p> <p>Creation of strategic parking limits and/or metering</p> <p>Better transportation</p> <p>Incentives for new businesses to open</p> <p>Opportunities to attract more visitors from northern part of state</p>	<p>The economy</p> <p>Price of gas</p> <p>Competition</p> <p>Loss of Danish tradition</p> <p>Apathy, doing nothing</p> <p>Exhausting the volunteer leadership</p> <p>Natural disasters</p> <p>Road closures</p> <p>Potential threat to BIDs by State courts</p> <p>California's financial situation</p> <p>Failure to improve regional transportation issues</p> <p>Zealous traffic stops & ticketing by CHP & police patrols during tourist events and festivals in SYV</p>



City of Solvang

2010 Socioeconomic Profile

The following socioeconomic profile is compiled from Esri's estimates and other sources such as the U.S. Census Bureau. Esri's estimates are used unless otherwise stated. When appropriate, the City's data is compared with its Immediate Market Area (IMA), which is defined as the area within 15 minutes of normal driving from the intersection of Alisal St. and Mission Dr. In the case where city-level data is not available, data from the closest area (e.g., Santa Barbara County) is used.



Demographics

Population

	<u>City of Solvang</u>				<u>Immediate Market Area</u>			
	Year 2010 (official Census)	Year 2010 (est.)	Year 2015 (proj.)	Annual change* (%)	Year 2010 (official Census)	Year 2010 (est.)	Year 2015 (proj.)	Annual change* (%)
Population	5,245	5,169	5,085	-0.33%	18,396	19,096	19,464	0.38%
Households	2,173	2,164	2,129	-0.33%	7,166	7,365	7,488	0.33%
Families	1,385	1,399	1,366	-0.48%	4,959	5,243	5,304	0.23%
Average household size	2.39	2.31	2.30		2.53	2.56	2.57	
Owner-occupied housing units	1,257	1,283	1,230	-0.84%	4,808	5,026	5,046	0.08%
Renter-occupied housing units	916	881	899	0.41%	2,358	2,339	2,442	0.87%

* Annual change is the calculated using 2010 estimates and 2015 projections.

Population by Gender

	<u>City of Solvang</u>				<u>Immediate Market Area</u>			
	Year 2010 (official Census)	Year 2010 (est.)	Year 2015 (proj.)	Annual change* (%)	Year 2010 (official Census)	Year 2010 (est.)	Year 2015 (proj.)	Annual change* (%)
Male	2,528	2,476	2,441	-0.28%	9,020	9,262	9,421	0.34%
Female	2,717	2,693	2,644	-0.37%	9,376	9,834	10,043	0.42%

* Annual change is the calculated using 2010 estimates and 2015 projections.



City of Solvang

2010 Socioeconomic Profile

Population by Race and Ethnic Origin

	City of Solvang				Immediate Market Area			
	Year 2010 (official Census)	Year 2010 (est.)	Year 2015 (proj.)	Annual change* (%)	Year 2010 (official Census)	Year 2010 (est.)	Year 2015 (proj.)	Annual change* (%)
White	4,326	4,343	4,185	-0.74%	15,491	15,748	15,627	-0.15%
Black or African American	38	25	25	0.00%	120	92	99	1.48%
Native American	59	42	44	0.93%	394	431	464	1.49%
Asian or Pacific Islander	73	69	71	0.57%	355	263	285	1.62%
Some other race	611	419	467	2.19%	1,404	1,804	2,135	3.43%
Two or more races	138	271	292	1.50%	632	788	884	2.33%
Hispanic (of all races)	1,530	1,415	1,564	2.02%	4,333	4,827	5,637	3.15%

Population by Race and Ethnic Origin - Percentages

	City of Solvang				Immediate Market Area			
	Year 2010 (official Census)	Year 2010 (est.)	Year 2015 (proj.)	Percentage point chg. (% pt.)	Year 2010 (official Census)	Year 2010 (est.)	Year 2015 (proj.)	Percentage point chg. (% pt.)
White	82.5%	84.0%	82.3%	-1.7%	84.2%	82.3%	80.2%	-2.2%
Black or African American	0.7%	0.5%	0.5%	0.0%	0.7%	0.5%	0.5%	0.0%
Native American	1.1%	0.8%	0.9%	0.1%	2.1%	2.3%	2.4%	0.1%
Asian or Pacific Islander	1.4%	1.3%	1.4%	0.1%	1.9%	1.4%	1.5%	0.1%
Some other race	11.6%	8.1%	9.2%	1.1%	7.6%	9.4%	11.0%	1.5%
Two or more races	2.6%	5.2%	5.7%	0.5%	3.4%	4.1%	4.5%	0.4%
Hispanic (of all races)	29.2%	27.4%	30.8%	3.4%	23.6%	25.2%	28.9%	3.7%

Population by Age

	City of Solvang			Immediate Market Area		
	Year 2010 (official Census)	Year 2010 (est.)	Year 2015 (proj.)	Year 2010 (official Census)	Year 2010 (est.)	Year 2015 (proj.)
0 - 4	280	284	288	941	1,054	1,098
5 - 9	264	280	286	1,037	1,061	1,103
10 - 14	338	276	266	1,200	1,122	1,128
15 - 19	324	331	251	1,406	1,311	1,057
20 - 29	550	657	714	1,694	2,380	2,490
30 - 39	529	488	553	1,811	1,767	2,302
40 - 49	708	679	542	2,704	2,702	2,134
50 - 59	818	782	736	3,136	3,190	3,145
60 - 69	627	560	608	2,216	2,157	2,468
70 - 79	392	372	419	1,281	1,283	1,506
80+	415	458	417	969	1,066	1,031
Median Age	45.0	44.2	43.8	44.6	43.7	42.9



City of Solvang

2010 Socioeconomic Profile

Marital Status (Age 15+)

	City of Solvang	Immediate Market Area
Never married	970	3,559
Married	2,566	8,592
Widowed	188	676
Divorced	525	1,499

Source: U.S. Dept. of Commerce, Bureau of the Census, American Community Survey, 2005-2009 estimates

School Enrollment (Age 3+)

Grade level	City of Solvang	Immediate Market Area
Nursery & preschool	118	290
Kindergarten	104	327
Grades 1 to 4	190	796
Grades 5 to 8	269	1,062
Grades 9 to 12	387	1,256
Undergraduate College	190	719
Graduate/Professional School	37	114

Source: U.S. Dept. of Commerce, Bureau of the Census, American Community Survey, 2005-2009 estimates

Educational Attainment (Age 25+)

Level of education	City of Solvang		Immediate Market Area	
	No. of residents	Percent of total (%)	No. of residents	Percent of total (%)
No schooling completed	54	1.5%	57	0.5%
Nursery to 4th grade	0	0.0%	138	1.2%
5th and 6th grade	91	2.5%	376	3.2%
7th and 8th grade	0	0.0%	171	1.4%
9th grade	0	0.0%	49	0.4%
10th grade	124	3.4%	209	1.8%
11th grade	87	2.4%	181	1.5%
12th grade, no diploma	6	0.2%	135	1.1%
High school graduate, GED, or equivalent	801	21.7%	2,736	23.1%
Some college, less than 1 year	186	5.0%	652	5.5%
Some college, 1+ year, no degree	583	15.8%	1,981	16.7%
AA degree	402	10.9%	1,109	9.4%
BA/BS degree	840	22.8%	2,572	21.7%
MA/MS degree	385	10.4%	994	8.4%
Professional school degree	99	2.7%	307	2.6%
Doctorate degree	28	0.8%	160	1.4%
No. of residents with college degree or above	1,754	47.6%	5,142	43.5%

Source: U.S. Dept. of Commerce, Bureau of the Census, American Community Survey, 2005-2009 estimates



City of Solvang

2010 Socioeconomic Profile

Income, Employment, and Spending

Household Income Distribution

	City of Solvang				Immediate Market Area			
	Year 2010 (est.)	Year 2010 – % of total	Year 2015 (proj.)	Year 2015 – % of total	Year 2010 (est.)	Year 2010 – % of total	Year 2015 (proj.)	Year 2015 – % of total
< \$15,000	113	5.2%	82	3.9%	389	5.3%	270	3.6%
\$15,000 - \$24,999	156	7.2%	116	5.5%	498	6.8%	367	4.9%
\$25,000 - \$34,999	196	9.1%	139	6.5%	545	7.4%	377	5.0%
\$35,000 - \$49,999	370	17.1%	288	13.5%	954	12.9%	711	9.5%
\$50,000 - \$74,999	453	20.9%	443	20.8%	1,354	18.4%	1,357	18.1%
\$75,000 - \$99,999	239	11.0%	230	10.8%	992	13.5%	998	13.3%
\$100,000 - \$149,999	458	21.2%	586	27.5%	1,625	22.0%	2,070	27.6%
\$150,000 - \$199,999	75	3.5%	100	4.7%	487	6.6%	627	8.4%
\$200,000+	105	4.8%	144	6.8%	531	7.2%	723	9.6%

Household and Per Capita Income Summary

	City of Solvang			Immediate Market Area		
	Year 2010 (estimates)	Year 2015 (projection)	Avg. annual change (%)	Year 2010 (estimates)	Year 2015 (projection)	Avg. annual change (%)
Median household income	\$ 64,246	\$ 74,722	3.07%	\$ 73,837	\$ 90,168	4.08%
Average household income	\$ 79,912	\$ 92,245	2.91%	\$ 95,244	\$ 111,174	3.14%
Per capita income	\$ 33,504	\$ 38,636	2.89%	\$ 36,916	\$ 42,990	3.09%

Commute Time (of Those Not Working at Home)

	No. of commuters	Percent of total
Less than 5 minutes	196	9.0%
5 to 9 minutes	462	21.2%
10 to 14 minutes	426	19.6%
15 to 29 minutes	318	14.6%
30 to 44 minutes	520	23.9%
45 to 59 minutes	179	8.2%
60 to 89 minutes	60	2.8%
90 or more minutes	17	0.8%
Avg. commute time (minutes)	21.7	

Source: U.S. Dept. of Commerce, Bureau of the Census, American Community Survey, 2005-2009 estimates



City of Solvang

2010 Socioeconomic Profile

Employed Residents' Occupations

Occupation Categories	City of Solvang		Santa Barbara County
	No. of employed residents	Percent of total (%)	Avg. Annual Wage *
Management	286	11.6%	\$113,543
Business and financial operations	163	6.6%	\$71,381
Computer and mathematical	31	1.3%	\$77,805
Architecture and engineering	50	2.0%	\$87,683
Life, physical, and social science	76	3.1%	\$68,846
Community and social services	34	1.4%	\$44,381
Legal	0	0.0%	\$96,301
Education, training, and library	158	6.4%	\$63,089
Arts, design, entertainment, sports, and media	130	5.3%	\$60,860
Healthcare practitioner, technologists, and technicians	117	4.8%	\$85,419
Healthcare support	42	1.7%	\$30,468
Protective service	74	3.0%	\$58,061
Food preparation and serving related	313	12.7%	\$21,962
Building and grounds cleaning and maintenance	291	11.8%	\$26,541
Personal care and service	24	1.0%	\$28,350
Sales and related	203	8.3%	\$34,652
Office and administrative support	209	8.5%	\$37,154
Farming, fishing, and forestry	0	0.0%	\$20,780
Construction and extraction	76	3.1%	\$50,643
Installation, maintenance, and repair	40	1.6%	\$46,322
Production	110	4.5%	\$36,543
Transportation and material moving	29	1.2%	\$33,024
Total of civilian employed population age 16+	2,456	100.0%	\$47,806

* Based on extrapolation of 2011Q1 wages.

Source: U.S. Dept. of Commerce, Bureau of the Census, American Community Survey, 2005-2009 estimates



City of Solvang

2010 Socioeconomic Profile

Employed Residents' Industries

Industry	No. of employed residents	Percent of total (%)
Agriculture, forestry, fishing and hunting	83	3.4%
Mining, quarrying, and oil and gas extraction	12	0.5%
Construction	138	5.6%
Manufacturing	216	8.8%
Wholesale trade	75	3.1%
Retail trade	258	10.5%
Transportation and warehousing	14	0.6%
Utilities	23	0.9%
Information	56	2.3%
Finance and insurance	46	1.9%
Real estate and rental and leasing	70	2.9%
Professional, scientific, and technical services	257	10.5%
Management of companies and enterprises	0	0.0%
Administrative and support and waste mgmt. services	73	3.0%
Educational services	199	8.1%
Health care and social assistance	223	9.1%
Arts, entertainment, and recreation	107	4.4%
Accommodation and food services	431	17.5%
Other services, except public administration	57	2.3%
Public administration	118	4.8%
Total of civilian employed population age 16+	2,456	100.0%

* Based on extrapolation of 2011Q1 wages

Source: U.S. Dept. of Commerce, Bureau of the Census, American Community Survey, 2005-2009 estimates



City of Solvang

2010 Socioeconomic Profile

Consumer Spending

	City of Solvang		Immediate Market Area		City of Solvang as % of IMA
	Average Spending per Household (\$)	Total Spending (\$000s)	Average Spending per Household (\$)	Total Spending (\$000s)	
Apparel and Services	\$ 1,958	\$ 4,238.0	\$ 2,268	\$ 16,702.9	25.4%
Men's	\$ 353	\$ 763.2	\$ 412	\$ 3,037.7	25.1%
Women's	\$ 605	\$ 1,309.7	\$ 708	\$ 5,213.7	25.1%
Children's	\$ 328	\$ 709.7	\$ 378	\$ 2,783.4	25.5%
Footwear	\$ 238	\$ 515.1	\$ 273	\$ 2,013.5	25.6%
Watches & jewelry	\$ 229	\$ 496.5	\$ 277	\$ 2,039.8	24.3%
Apparel products and services	\$ 205	\$ 443.8	\$ 219	\$ 1,614.8	27.5%
Computer					
Computers and hardware for home use	\$ 227	\$ 490.5	\$ 268	\$ 1,976.0	24.8%
Software and accessories for home use	\$ 35	\$ 75.3	\$ 41	\$ 302.6	24.9%
Entertainment & recreation	\$ 3,762	\$ 8,140.3	\$ 4,567	\$ 33,632.5	24.2%
Fees and admissions	\$ 751	\$ 1,626.1	\$ 920	\$ 6,775.5	24.0%
Membership fees for clubs	\$ 202	\$ 436.7	\$ 248	\$ 1,827.4	23.9%
Fees for participant sports, excl. trips	\$ 129	\$ 279.7	\$ 161	\$ 1,186.5	23.6%
Admission to movie/theatre/opera/ballet	\$ 187	\$ 403.9	\$ 220	\$ 1,621.0	24.9%
Admission to sporting events, excl. trips	\$ 65	\$ 141.7	\$ 81	\$ 599.7	23.6%
Fees for recreational lessons	\$ 167	\$ 362.0	\$ 208	\$ 1,533.7	23.6%
TV/video/audio	\$ 1,394	\$ 3,015.6	\$ 1,623	\$ 11,950.2	25.2%
Community antenna or cable TV	\$ 797	\$ 1,724.1	\$ 921	\$ 6,780.9	25.4%
Televisions	\$ 225	\$ 486.4	\$ 271	\$ 1,995.4	24.4%
VCRs, video cameras, and DVD players	\$ 24	\$ 52.7	\$ 28	\$ 207.5	25.4%
Video cassettes and DVDs	\$ 61	\$ 131.7	\$ 70	\$ 512.2	25.7%
Game hardware and software	\$ 62	\$ 133.3	\$ 71	\$ 520.7	25.6%
Rental of video cassettes and DVDs	\$ 48	\$ 103.2	\$ 56	\$ 409.9	25.2%
Audio	\$ 165	\$ 356.2	\$ 192	\$ 1,412.6	25.2%
Pets	\$ 590	\$ 1,277.6	\$ 729	\$ 5,367.8	23.8%
Toys and games	\$ 158	\$ 341.5	\$ 186	\$ 1,372.2	24.9%
Recreational vehicles and fees	\$ 378	\$ 819.0	\$ 512	\$ 3,773.2	21.7%
Sports/recreation/exercise equipment	\$ 163	\$ 351.9	\$ 203	\$ 1,497.3	23.5%
Photo equipment and supplies	\$ 119	\$ 258.2	\$ 145	\$ 1,068.0	24.2%
Reading	\$ 183	\$ 396.3	\$ 219	\$ 1,609.9	24.6%
Catered affairs	\$ 25	\$ 54.2	\$ 30	\$ 218.5	24.8%
Food	\$ 8,846	\$ 19,143.7	\$ 10,187	\$ 75,020.7	25.5%
Food at home	\$ 5,155	\$ 11,154.5	\$ 5,912	\$ 43,541.5	25.6%
Bakery and cereal products	\$ 678	\$ 1,467.9	\$ 782	\$ 5,761.2	25.5%
Meats, poultry, fish, and eggs	\$ 1,197	\$ 2,590.8	\$ 1,357	\$ 9,997.3	25.9%
Dairy products	\$ 566	\$ 1,225.8	\$ 654	\$ 4,813.1	25.5%
Fruits and vegetables	\$ 937	\$ 2,027.8	\$ 1,068	\$ 7,865.4	25.8%
Snacks and other food at home	\$ 1,776	\$ 3,842.2	\$ 2,051	\$ 15,104.5	25.4%
Food away from home	\$ 3,692	\$ 7,989.1	\$ 4,274	\$ 31,479.2	25.4%
Alcoholic beverages	\$ 674	\$ 1,459.2	\$ 772	\$ 5,683.2	25.7%
Nonalcoholic beverages at home	\$ 500	\$ 1,081.3	\$ 572	\$ 4,214.9	25.7%

(Continued on next page)



City of Solvang

2010 Socioeconomic Profile

	City of Solvang		Immediate Market Area		City of Solvang as % of IMA
	Average Spending per Household (\$)	Total Spending (\$000s)	Average Spending per Household (\$)	Total Spending (\$000s)	
Financial					
Investments	\$ 2,164	\$ 4,682.2	\$ 2,819	\$ 20,763.1	22.6%
Vehicle loans	\$ 5,155	\$ 11,155.1	\$ 6,251	\$ 46,032.9	24.2%
Health					
Nonprescription drugs	\$ 113	\$ 243.8	\$ 135	\$ 995.3	24.5%
Prescription drugs	\$ 521	\$ 1,127.5	\$ 624	\$ 4,593.6	24.5%
Eyeglasses and contact lenses	\$ 86	\$ 186.9	\$ 104	\$ 768.9	24.3%
Home					
Mortgage payment and basics	\$ 10,587	\$ 22,911.3	\$ 13,626	\$ 100,346.5	22.8%
Maintenance and remodeling services	\$ 2,331	\$ 5,043.5	\$ 3,042	\$ 22,404.2	22.5%
Maintenance and remodeling materials	\$ 403	\$ 871.0	\$ 528	\$ 3,889.5	22.4%
Utilities, fuel, and public services	\$ 4,921	\$ 10,648.0	\$ 5,771	\$ 42,504.1	25.1%
Household furnishings and equipment					
Household textiles	\$ 157	\$ 340.6	\$ 192	\$ 1,410.3	24.2%
Furniture	\$ 705	\$ 1,526.3	\$ 861	\$ 6,340.3	24.1%
Floor coverings	\$ 85	\$ 183.6	\$ 104	\$ 769.0	23.9%
Major appliances	\$ 333	\$ 720.3	\$ 417	\$ 3,073.5	23.4%
Housewares	\$ 93	\$ 200.2	\$ 109	\$ 800.9	25.0%
Small appliances	\$ 37	\$ 81.0	\$ 44	\$ 324.5	25.0%
Luggage	\$ 11	\$ 24.1	\$ 14	\$ 99.7	24.2%
Telephones and accessories	\$ 33	\$ 72.3	\$ 39	\$ 289.1	25.0%
Household operations					
Child care	\$ 507	\$ 1,096.3	\$ 611	\$ 4,497.7	24.4%
Lawn and garden	\$ 476	\$ 1,029.6	\$ 617	\$ 4,542.9	22.7%
Moving/storage/freight express	\$ 84	\$ 181.4	\$ 101	\$ 742.8	24.4%
Housekeeping supplies	\$ 782	\$ 1,691.6	\$ 921	\$ 6,785.2	24.9%
Insurance					
Owners and renters insurance	\$ 482	\$ 1,042.0	\$ 613	\$ 4,513.1	23.1%
Vehicle insurance	\$ 1,315	\$ 2,846.4	\$ 1,548	\$ 11,403.9	25.0%
Life/other insurance	\$ 442	\$ 956.3	\$ 560	\$ 4,121.3	23.2%
Health insurance	\$ 2,115	\$ 4,577.6	\$ 2,532	\$ 18,646.5	24.5%
Personal care products	\$ 456	\$ 985.9	\$ 536	\$ 3,948.0	25.0%
School books and supplies	\$ 117	\$ 253.2	\$ 134	\$ 983.4	25.8%
Smoking products	\$ 448	\$ 968.6	\$ 497	\$ 3,656.7	26.5%
Transportation					
Vehicle purchases (net outlay)	\$ 4,851	\$ 10,498.3	\$ 5,864	\$ 43,183.8	24.3%
Gasoline and motor oil	\$ 3,067	\$ 6,637.1	\$ 3,624	\$ 26,689.0	24.9%
Vehicle maintenance and repairs	\$ 1,084	\$ 2,346.3	\$ 1,291	\$ 9,509.2	24.7%
Travel					
Airline fares	\$ 592	\$ 1,280.6	\$ 718	\$ 5,289.0	24.2%
Lodging on trips	\$ 524	\$ 1,133.0	\$ 655	\$ 4,823.8	23.5%
Auto/truck/van rental on trips	\$ 47	\$ 102.7	\$ 59	\$ 431.6	23.8%
Food and drink on trips	\$ 520	\$ 1,125.8	\$ 641	\$ 4,718.5	23.9%



City of Solvang 2010 Socioeconomic Profile

Businesses & Employment

	City of Solvang				Immediate Market Area			
	Number of businesses	Percentage of total (%)	Employment	Percentage of total (%)	Number of businesses	Percentage of total (%)	Employment	Percentage of total (%)
Agriculture, forestry, fishing and hunting	7	1.1%	42	1.2%	54	3.6%	199	1.7%
Mining and oil and gas extraction	1	0.2%	0	0.0%	2	0.1%	2	0.0%
Utilities	1	0.2%	0	0.0%	3	0.2%	12	0.1%
Construction	55	8.8%	84	2.4%	160	10.6%	432	3.7%
Manufacturing	16	2.6%	125	3.6%	71	4.7%	588	5.0%
Wholesale trade	17	2.7%	73	2.1%	53	3.5%	247	2.1%
Retail trade	151	24.1%	710	20.6%	304	20.1%	3,147	26.9%
Transportation and warehousing	8	1.3%	49	1.4%	20	1.3%	101	0.9%
Information	15	2.4%	84	2.4%	28	1.9%	111	0.9%
Finance and insurance	46	7.3%	303	8.8%	72	4.8%	418	3.6%
Real estate and rental and leasing	31	5.0%	50	1.4%	79	5.2%	255	2.2%
Professional, scientific, & technical svcs.	52	8.3%	129	3.7%	124	8.2%	379	3.2%
Mgmt. of companies and enterprises	1	0.2%	130	3.8%	1	0.1%	130	1.1%
Admin., support, & waste mgmt. svcs.	33	5.3%	124	3.6%	73	4.8%	215	1.8%
Educational services	10	1.6%	127	3.7%	30	2.0%	502	4.3%
Health care and social assistance	40	6.4%	365	10.6%	68	4.5%	511	4.4%
Arts, entertainment, and recreation	13	2.1%	50	1.4%	29	1.9%	1,787	15.3%
Accommodation	18	2.9%	289	8.4%	38	2.5%	654	5.6%
Food services	31	5.0%	373	10.8%	82	5.4%	1,067	9.1%
Other services	60	9.6%	182	5.3%	166	11.0%	669	5.7%
Public administration	14	2.2%	160	4.6%	27	1.8%	270	2.3%
Unclassified	6	1.0%	0	0.0%	28	1.9%	8	0.1%
Total	626	100%	3,449	100%	1,512	100%	11,704	100%

Business counts by Infogroup; 2010 estimates by Esri



City of Solvang

2010 Socioeconomic Profile

Retail Demand, Supply, and Leakage – City of Solvang

Industry Group	NAICS	Demand (potential; \$000s)	Supply (sales; \$000s)	Retail gap (D – S) (\$000s)	Leakage/surplus factor*	No. of businesses
Motor vehicle & parts dealers	441	\$ 12,659.6	\$ 530.6	\$ 12,128.9	92	3
Automobile dealers	4411	\$ 10,763.9	\$ 0	\$ 10,763.9	100	0
Furniture & home furnishings stores	442	\$ 1,876.1	\$ 2,033.4	-\$ 157.3	-4	8
Furniture stores	4421	\$ 1,173.0	\$ 283.1	\$ 889.9	61	1
Home furnishings stores	4422	\$ 703.1	\$ 1,750.3	-\$ 1,047.2	-43	7
Electronics & appliance stores	4431	\$ 1,688.5	\$ 403.9	\$ 1,284.6	61	2
Bldg materials, garden equip. & supply stores	444	\$ 2,274.3	\$ 3,208.3	-\$ 934.0	-17	13
Food & beverage stores	445	\$ 12,659.2	\$ 31,821.1	-\$ 19,161.9	-43	19
Health & personal care stores	446, 4461	\$ 2,630.4	\$ 3,244.5	-\$ 614.1	-11	3
Gasoline stations	447, 4471	\$ 8,029.0	\$ 2,884.0	\$ 5,144.9	47	1
Clothing & clothing accessories stores	448	\$ 2,793.8	\$ 6,911.5	-\$ 4,117.7	-42	27
Sporting goods, hobby, book & music stores	451	\$ 989.0	\$ 2,177.0	-\$ 1,188.0	-38	13
General merchandise stores	452	\$ 5,961.1	\$ 964.9	\$ 4,996.2	72	1
Miscellaneous store retailers	453	\$ 1,282.0	\$ 6,791.0	-\$ 5,508.9	-68	57
Food services & drinking places	722	\$ 9,489.2	\$ 17,751.6	-\$ 8,262.4	-30	34
Full-service restaurants	7221	\$ 4,776.9	\$ 15,307.6	-\$ 10,530.7	-52	25
Limited-service eating places	7222	\$ 3,703.0	\$ 2,278.3	\$ 1,424.8	24	8

Retail Demand, Supply, and Leakage – Immediate Market Area

Industry Group	NAICS	Demand (potential; \$000s)	Supply (sales; \$000s)	Retail gap (D – S) (\$000s)	Leakage/surplus factor*	No. of businesses
Motor vehicle & parts dealers	441	\$ 52,044.5	\$ 27,746.5	\$ 24,298.0	31	13
Automobile dealers	4411	\$ 43,849.0	\$ 25,910.7	\$ 17,938.3	26	6
Furniture & home furnishings stores	442	\$ 7,906.8	\$ 4,869.8	\$ 3,037.0	24	15
Furniture stores	4421	\$ 4,932.4	\$ 2,349.4	\$ 2,583.0	36	5
Home furnishings stores	4422	\$ 2,974.5	\$ 2,520.5	\$ 454.0	8	10
Electronics & appliance stores	4431	\$ 6,916.5	\$ 2,844.0	\$ 4,072.4	42	13
Bldg materials, garden equip. & supply stores	444	\$ 10,098.4	\$ 5,470.6	\$ 4,627.8	30	29
Food & beverage stores	445	\$ 49,189.1	\$ 98,947.7	-\$ 49,758.6	-34	56
Health & personal care stores	446, 4461	\$ 10,526.8	\$ 8,897.4	\$ 1,629.4	8	9
Gasoline stations	447, 4471	\$ 31,759.1	\$ 33,069.3	-\$ 1,310.2	-2	9
Clothing & clothing accessories stores	448	\$ 11,093.7	\$ 10,716.3	\$ 377.3	2	40
Sporting goods, hobby, book & music stores	451	\$ 4,014.0	\$ 2,391.3	\$ 1,622.8	25	18
General merchandise stores	452	\$ 23,623.2	\$ 1,929.8	\$ 21,693.4	85	2
Miscellaneous store retailers	453	\$ 5,358.6	\$ 11,511.0	-\$ 6,152.4	-37	87
Nonstore retailers	454	\$ 5,804.4	\$ 891.2	\$ 4,913.2	73	3
Food services & drinking places	722	\$ 37,368.7	\$ 53,210.4	-\$ 15,841.7	-18	84
Full-service restaurants	7221	\$ 18,858.6	\$ 40,824.2	-\$ 21,965.6	-37	58
Limited-service eating places	7222	\$ 14,560.7	\$ 10,908.8	\$ 3,651.9	14	21



City of Solvang

2010 Socioeconomic Profile

Retail Gap Comparison – City of Solvang vs. IMA

Industry Group	NAICS	City of Solvang retail gap (\$000s)	IMA retail gap (\$000s)	Solvang captures IMA leakage	IMA captures Solvang leakage	IMA spending leaking to outside
Motor vehicle & parts dealers	441	\$ 12,128.9	\$ 24,298.0			Yes
Automobile dealers	4411	\$ 10,763.9	\$ 17,938.3			Yes
Furniture & home furnishings stores	442	-\$ 157.3	\$ 3,037.0	Yes		Yes
Furniture stores	4421	\$ 889.9	\$ 2,583.0			Yes
Home furnishings stores	4422	-\$ 1,047.2	\$ 454.0	Yes		Yes
Electronics & appliance stores	4431	\$ 1,284.6	\$ 4,072.4			Yes
Bldg materials, garden equip. & supply stores	444	-\$ 934.0	\$ 4,627.8	Yes		Yes
Food & beverage stores	445	-\$ 19,161.9	-\$ 49,758.6			
Health & personal care stores	446, 4461	-\$ 614.1	\$ 1,629.4	Yes		Yes
Gasoline stations	447, 4471	\$ 5,144.9	-\$ 1,310.2		Yes	
Clothing & clothing accessories stores	448	-\$ 4,117.7	\$ 377.3	Yes		Yes
Sporting goods, hobby, book & music stores	451	-\$ 1,188.0	\$ 1,622.8	Yes		Yes
General merchandise stores	452	\$ 4,996.2	\$ 21,693.4			Yes
Miscellaneous store retailers	453	-\$ 5,508.9	-\$ 6,152.4			
Nonstore retailers	454	\$ 695.2	\$ 4,913.2			Yes
Food services & drinking places	722	-\$ 8,262.4	-\$ 15,841.7			
Full-service restaurants	7221	-\$ 10,530.7	-\$ 21,965.6			
Limited-service eating places	7222	\$ 1,424.8	\$ 3,651.9			Yes

Notes from Esri: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. For more information on the Retail MarketPlace data, please view the methodology statement at <http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>.