



SPECIAL CITY COUNCIL MEETING AGENDA

City Council Chambers
4381 Broadway, Suite 201, American Canyon
November 9, 2021
6:30 PM

Mayor/Chair: Leon Garcia
Vice Mayor/Vice Chair: Mark Joseph
Councilmembers/Board Members: Mariam Aboudamous, David Oro, Pierre Washington

ECONOMIC DEVELOPMENT FORUM

Participants:

Steve Brock, Land Value Investment
Buzz Butler, Lakestreet Ventures
Rick Hess, RH Hess Development
Ross Hillesheim, California Capital Group
Ernie Knodel, Orchard Partners
Terry McGrath, McGrath Properties
Valerie Zizak-Morais, American Canyon Chamber of Commerce

Consistent with Government Code Section 54953 and the American Canyon City Council Resolution Declaring the Existence of a Local Emergency due to the COVID-19 Pandemic, City Council, City Council and other public meetings are currently Teleconference Meetings Only to align with local and federal guidelines and social distancing recommendations for the containment of the coronavirus. This meeting will be broadcast live to residents on Napa Valley TV [here](#) and on YouTube [here](#).

You may submit public comments for any Agenda Item, Non-Agenda Item or make general public comments by one of the following methods:

Oral comments, during the meeting: A Zoom Webinar has been established for public participation during the meeting related to a specific agenda item, or matters not on the agenda. To give your public comment directly to the legislative body during the meeting, use the Register to Speak feature of [eComments](#) or connect via below Zoom link and follow the instructions or by calling 408-638-0968.

Zoom Meeting Link: [Click here](#)

Webinar ID: 889 1473 0404 **Passcode:** 751761

Written comments, Via eComments: The eComments link is located on the Meetings & Agendas page of our website [here](#). Comments received before the 3:00 p.m. day-of-meeting cutoff time will be routed to all Councilmembers at that time. eComments will remain open throughout the meeting, and all comments received will be posted online and become part of the meeting record.

The above-identified measures exceed all legal requirements for participation in public comment, including those imposed by the Ralph M. Brown Act. For more information, please call the Office of the City Clerk at (707) 647-4369 or email cityclerk@cityofamericancanyon.org.

AGENDA MATERIALS: City Council agenda materials are published 72 hours prior to the meeting, and are available to the public via the City's website at www.cityofamericancanyon.org.

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6:30 P.M. OPEN SESSION - SPECIAL MEETING

CALL TO ORDER

PLEDGE OF ALLEGIANCE

MEETING ANNOUNCEMENT

Pursuant to AB 361 this meeting will be held entirely virtually. All methods available for public participation are detailed on the first page of the agenda.

ROLL CALL

PUBLIC COMMENT

*This time is reserved for members of the public to address the City Council on items of interest that are not on the Agenda and are within the subject matter jurisdiction of the City Council. Comments are limited to 3 minutes. Comments for items on the Agenda will be taken when the item is called. The City Council is prohibited by law from taking any action on matters discussed that are not on the Agenda, and no adverse conclusions should be drawn if the City Council does not respond to public comment at this time. Speakers are asked to please speak clearly, and provide their name. Any handouts for distribution to the City Council must be emailed by 3:00 p.m. on meeting day. To comment via zoom during the meeting: click the "raise your hand" button if joining by computer, or press *9 if joining by phone, when the item is called. To avoid confusion, hands raised outside of Public Comment periods will be lowered.*

BUSINESS

1. **City Council Economic Development Forum**

Recommendation: Provide direction to staff regarding the completion of the draft Economic Development Plan.

ADJOURNMENT

CERTIFICATION

I, Taresa Geilfuss, City Clerk for the City of American Canyon, do hereby declare that the foregoing agenda of the City Council was posted in compliance with the Brown Act prior to the meeting date.

Taresa Geilfuss, City Clerk



TITLE

City Council Economic Development Forum

RECOMMENDATION

Provide direction to staff regarding the completion of the draft Economic Development Plan.

CONTACT

Jason Holley, City Manager

Brent Cooper, AICP, Community Development Director

BACKGROUND & ANALYSIS

From 2016-2017, prior City leadership and a team of consultants engaged the community in a brainstorming process resulting in drafting of a provocative and aspirational “Economic Development Plan” (Attachment 1). Ultimately, the Plan identifies numerous planning actions at a cost in excess of a million dollars – including hundreds of hours of new staff time.

Ultimately, the Plan was never adopted because it was overambitious and contained unrealistic expectations given the City’s limited financial resources. In addition, as we emerge from the COVID-19 Pandemic, there is uncertainty over the relevance of goals and strategies and the cost-effectiveness of many of the actions.

The Plan defines "Economic Development" as a “balanced local economy” and proposes a course of action to achieve this definition through the following Goals:

1. Create Opportunities for Residents to Earn Living Wage Jobs in American Canyon
2. Realign Retail Expectations
3. Capture More Tourism Dollars
4. Create a Business Environment that Retains and Attracts Desirable Business

While each of these 4 goals, their 12 strategies, the 110 actions are laudable, they also overstate the role the City plays in economic development. Many actions are better described as “quality of life” initiatives.

Even though the draft Plan was never adopted, more than \$300 million dollars of economic development has occurred since 2016 and comparable investments are currently underway.

Examples include:

- The Broadway District and Watson Ranch Specific Plans are complete.
- The City implemented the “Virtual City Hall” to facilitate online development processing.
- Thousands of new residential housing units are zoned and/or approved.
- The Napa Junction III mixed-use retail center is complete, including the North Bay Healthcare facility, Tractor Supply and Redwood Credit Union.
- Master Backbone Infrastructure in support of Watson Ranch and Napa Valley Ruins and Gardens Project is under construction.
- Construction of a new Circle K gas station and retail center is underway.
- The Home2Suites Hotel construction will begin soon and local tourism is rebounding with an additional Hampton Inn Hotel under review.
- Millions of square feet of industrial, e-commerce and warehousing space is entitled and/or constructed in the Green Island Industrial Area including, Wine Direct, Ikea and Amazon Fulfillment Centers.

This activity is noteworthy given the on-going global pandemic.

Post-Pandemic Perspectives

Current City management has the following perspectives:

1. Policy documents are only useful if they can be operationalized (instead of “gathering dust”).
2. American Canyon is intrinsically appealing and economic activity will continue regardless of whether the Plan is ever adopted because the City plays an important, yet modest role in commercial, residential, and industrial development.
3. The City does not engage in commercial (“for-profit”) activity.
4. "Quality of Life" issues are better addressed in other policy documents.
5. The pursuit of new businesses on existing developed properties is not cost-effective.
6. The Economic Development Plan should be revised to be more narrowly focused on increasing municipal revenue - specifically property tax, sales tax and transient occupancy tax – specifically through the development of raw land and redevelopment of underdeveloped properties.
7. Current City leadership – staff and Council – do not have land development experience.

Refined Focus

The draft Plan notes a four “catalyst sites”. Both the Watson Ranch Specific Plan and Broadway District Specific Plan do the same thing in different locations. In addition to these sites, there are a significant number of vacant and underutilized properties in prime locations in the City. Many of them have very low Assessed Value because of long-term ownership and Proposition 13. As a result, the City receives only a miniscule amount of property tax revenue from them. For example, along the Broadway corridor, the total assessed value is only \$281M, but with new development, it is estimated to have the potential to grow by more than 4x to more than \$1.1B.

Aggressively facilitating quality development/redevelopment of these properties will increase

property tax and other economic activity, such as additional sales tax and transient occupancy tax. This additional revenue will provide opportunity for additional public investments to improve quality of life for our residents and business community, such as improved park and road maintenance, emergency and other services to our community.

If the Council agrees to narrow the purpose of the Plan to focus only on land development activity, then given the dearth of City experience in this space, it is appropriate to convene outside assistance. This City is fortunate to have local land developers willing to lend their expertise. The panelists scheduled to speak tonight include:

Steven Brock: Developer of Wine Direct and many warehouses in the Green Island Industrial Area.

Buzz Butler: Developer of the Napa Junction Mixed Use Center Phases I – III.

Rick Hess: Developer of Canyon Plaza, Canyon Corners, & Oat Hill Residential.

Ross Hillesheim: Developer of the Circle K convenience store and gas station.

Ernie Knodel: Developer of the Napa Logistics Park.

Terry McGrath: Developer of the Watson Ranch and Napa Valley Ruins and Gardens.

Valerie Zizak-Morais: President of the American Canyon Chamber of Commerce.

Panel Discussion

Although the City does not undertake development directly, we know many factors inform decisions whether to engage in this commercial activity. With the development process, the City controls just one category: land use. Other categories such as investors standards, interest rates, market demand, demographic capture area, land availability, resource agency permitting, and supply chain limitations are outside the City's control.

As an example, the National Association of Home Builders published a Land Development Checklist (Attachment 2). This publication identifies the “municipal” factors (such as the City of American Canyon) and “non-municipal” factors that should be considered when evaluating property for development. The checklist identifies 100 factors, among these only 18 could be considered under control by the City regulations and the rest are outside the City’s control.

Question 1:

Besides the land-use factors under control by the City, what other factors must you consider when engaging in development in American Canyon?

Question 2

What portions of the Plan would you retain and are there any actions you would add?

NEXT STEPS

Staff recommends the Council consider the input from the Panel and then entertain public comment. Staff requests the Council then provide its own feedback/direction on revising/finishing the Plan.

COUNCIL PRIORITY PROGRAMS AND PROJECTS

Economic Development and Vitality: "Attract and expand diverse business and employment opportunities."

FISCAL IMPACT

N/A

ENVIRONMENTAL REVIEW

None

ATTACHMENTS:

1. [Admin Draft Economic Development Strategic Plan](#)
2. [Land-Development-Checklist](#)



Admin Draft Economic Development Strategic Plan

FY 2018 – FY 2022

January 2018



**TABLE OF
CONTENTS**

Introduction 2

Priority Economic Development Goals 3

Issues and Opportunities

 Goal #1: Create Opportunities for Residents to Earn Living Wage
 Jobs in American Canyon7

 Goal #2: Realign Retail Expectations12

 Goal #3: Capture More Tourism Dollars 17

 Goal #4: Create a Business Environment that Retains and
 Attract Desirable Business 23

Short-Term Strategies and Actions 28

Mid/Long-Term Strategies and Actions 43

About the Authors 56

Appendix 1: Public Workshop Comments57

Appendix 2: Persons Interviewed..... 65

SECTION 1 INTRODUCTION



This Economic Development Strategy presents strategies and actions the City of American Canyon (City) can undertake over the next five (5) years to advance its near-term priority economic development goals. The Economic Development Strategy seeks to facilitate economic growth in American Canyon in a manner consistent with the City's character and vision, support the City's long-term fiscal health, and enhance the City's business climate.

This Strategy document is the result of a multi-step process designed to create context-specific strategies that are appropriate for the economy, demographics, and visitation trends of American Canyon.

In June of 2017, the City Council selected four near-term economic development goals (see **Figure 1**).

Over the following six months, a consultant team retained by the City developed strategies and actions that could be undertaken by the City to advance these goals. This process initially included interviews with numerous local businesses, entities, and real estate professionals active in the area; analytics of the City's employment base, demographics, regulatory environment, and tourism amenities; and review of economic development best practices that could be appropriate for American Canyon.

In October of 2017, the consultant team synthesized the key findings from this research during a Community Workshop designed to share this information with the public and solicit ideas and input from the community.

Figure 1 | Priority Economic Development Goals

1. Create Opportunities for Residents to Earn Living Wage Jobs in American Canyon.
2. Realign Retail Expectations.
3. Capture More Tourism Revenues for the City.
4. Create a Business Environment that Retains and Attracts Desirable Business Activities.

Feedback from the Council and public was then integrated into an initial set of strategies and example actions presented to the City in December of 2017. Afterwards, the consultant team coordinated with City staff to refine the strategies and actions and create this Economic Development Strategy document, which:

- describes the City’s priority economic development goals (Section 2);
- presents a synopsis of opportunities and constraints surrounding each goal (Section 3); and
- identifies strategies and actions in the near term (Years 1-2), mid-term (Years 3-4), and long-term (Years 5+) for each goal (Section 4);

A technical appendix at the back of this document provides a list of persons interviewed and a matrix showing how public comments from the October 2017 Public Workshop were integrated into the Strategies and Actions matrices.

SECTION 2

PRIORITY ECONOMIC DEVELOPMENT GOALS

WHAT IS ECONOMIC DEVELOPMENT?

Economic development can encompass many different activities and programs, all of which strive to foster a balanced and vital local economy. For American Canyon, economic development includes:

- Ensuring that American Canyon can withstand a dip in any one industry.
- Supporting businesses that are excited to stay and grow in American Canyon, and new businesses that want to locate there.
- Facilitating an appropriate mix of land uses, such that new growth can be accommodated by transportation and utilities infrastructure.
- Providing a mix of housing choices for residents.
- Making sure that there are sufficient revenues for City services and programs.

To this end, economic development helps communities by increasing the local tax base, developing new jobs and retaining existing businesses, and diversifying the local economy. Economic development can also make communities more self-sufficient, maximize the use of property, provide needed infrastructure, improving the local quality of life, and celebrate local products.

HISTORIC ECONOMIC DEVELOPMENT IN AMERICAN CANYON

American Canyon, a small city that incorporated in 1992, has historically undertaken economic development activities as part of other city functions, including planning and public works. The City's Economic Development Committee, made up of two City Council members, has participated in efforts to foster economic growth for the City. Other entities actively involved in economic development include the Chamber of Commerce and Local Tourism Improvement District.

In 2017, the City Council expressed a desire to undertake more specialized and intensive economic development efforts. This Economic Development Strategy presents a framework for the City to pursue these efforts.

PRIORITY ECONOMIC DEVELOPMENT GOALS

The Council identified four priority economic development goals, described below.

Goal #1: Create Opportunities for Residents to Earn Living Wage Jobs in American Canyon

The City wants to retain existing jobs and help facilitate new jobs that pay a wage that enables workers to live in American Canyon. These types of jobs can reduce commute times and traffic, improve quality of life, and help businesses find workers in close proximity.

Goal #2: Realign Retail Expectations

Retail shopping trends are changing quickly, emphasizing experience and convenience. National brick-and-mortar retailers have achieved relatively flat sales (on a per square foot basis), and new retail supply is being added at a fraction of historic rates. At the same time, the share of retail sales captured by e-commerce has continued to increase (to about 10 percent in 2016). This economic development goal seeks to understand and promote an appropriate amount and mix of new retail development in American Canyon going forward.

Goal #3: Capture More Tourism Dollars

The City of American Canyon plays an important role in the future of Napa Valley because of its location at the hub of Highways 12, 37 and 29, and sites for new development. This economic goal strives to position American Canyon to take advantage of future hotel growth through targeted new hotel development, expanding “market” niche opportunities, increasing the number of destination events and access to amenities.

Goal #4: Create a Business Environment that Retains and Attracts Desirable Business

One of the best practices for economic development is to understand local market opportunities and determine the types of companies desired. American Canyon should further prioritize the businesses and developments it wants to attract and grow, develop incentive programs to secure them, and fund key infrastructure improvements. This goal focuses on strategies to assist American Canyon to expand governmental tools, planning documents, and Capital Improvement Programs to respond quickly to development opportunities.

SECTION 3
ISSUES AND
OPPORTUNITIES:
GOAL #1

Goal #1: Create Opportunities for Residents to Earn Living Wage Jobs in American Canyon

At present, nearly half of American Canyon’s labor force (about 4,400 workers) commutes beyond Napa County and Vallejo each day to work.¹ At the same time, 2,300 people working in the City (of a total 4,100 jobs) reside outside of Napa County, commuting into the City each day to work. This commute shuffle places additional pressure on the existing transportation system and contributes to relatively long commute times for City residents and workers.

The City has a desire to help provide a variety of living wage employment opportunities for local residents and others seeking jobs in the Napa Valley to improve the quality of life for its residents and workers, and help businesses find workers in close proximity. For purposes of this economic development strategy, Living Wage jobs are defined as jobs that pay enough to afford American Canyon’s housing costs and also facilitate reinvestment in the local economy. As of 2017, a Living Wage for American Canyon pays \$25 or more per hour, an amount that would enable households with 2 workers earning an average of \$25 each to afford rental and/or home ownership options in American Canyon.

Figure 2 | Wages & Occupations: AC Residents

% of Employed Residents:

| | 25.7% | 31% | 9.8% | 27.3% |
|------------------------------------|---------------|----------------------|---------------------------------|--------------------------|
| | Up to \$17/HR | \$17-\$25/HR | \$25-\$35/HR | \$35+/HR (77k+) |
| Transportation and Material Moving | | Sales and Related | Installation Maintenance Repair | Business/ Financial |
| Retail Sales | | Production | Education/ Training | Health Practitioner/Tech |
| Food Prep/ Serving | | Office/Admin Support | Construction/ Extraction | Management |
| Building Grounds Maintenance | | Healthcare Support | | Architect/ Engineer |
| Personal Care and Service | | | | |

Sources: Bureau of Labor Statistics, 2016; American Community Survey (2006-2010).

1. % figure from the American Community Survey for 2006-2010, applied to estimated 2015 City labor pool of 9,301 workers.

CITY LABOR FORCE AND QUALITY OF LIFE

Housing Costs and Quality of Life

American Canyon’s housing base consists largely of single-family homes that are particularly attractive to families. The City has approximately 4,700 detached single-family homes with a median sales price of \$520,000 in 2017. For-sale housing prices in the City are lower than many other areas, including elsewhere in the Napa Valley, the East Bay Area, and the North Bay Area. Vallejo and Fairfield, however, have less expensive housing options than American Canyon. Schools performance indicators suggest that schools in American Canyon outperform many schools in these other areas, as shown in **Figure 3**.

The City also has about 1,300 multifamily units, which mostly include apartments. Apartments in newer and larger apartment complexes rent for \$1,800 - \$2,700 per month.

Resident Incomes and Work Locations

American Canyon’s working residents earn a variety of incomes, with about half earning less than \$25 per hour and about one-fourth earning more than about \$35 per hour. 47% of the City’s labor force commutes out of the Napa Valley for work each day.

Figure 3 | School Performance Indicators

| | AMERICAN CANYON | VALLEJO | NAPA | FAIRFIELD | VACAVILLE |
|-------------------------------------------------------------------|-----------------|---------|------|-----------|-----------|
| High School Graduation Rate (Overall Rating) | | | | | |
| Total # of High Schools | 1 | 3 | 3 | 4 | 3 |
| Elementary Math/English Performance (Overall Rating) ¹ | | | | | |
| Total # of Elementary Schools | 4 | 20 | 21 | 18 | 14 |



Source: California School Dashboard, 2017. [1] Reflects 75% of ratings.

Occupations

Occupations for local residents include concentrations in a variety of fields. Some of the most common occupations include Office/Admin Support, Health Practitioners/Technology, Management, and Sales/Related (established in the City's PDA Profile Report dated 2015). **Figure 2** groups major occupations into pay rate categories based on 2016 wage data from the Bureau of Labor Statistics. When compared to occupations available at American Canyon jobs, it is clear that the most common occupations are not widely occurring in American Canyon but rather are located in other cities.

| ISSUES | OPPORTUNITIES |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> ■ Common occupations (such as Health Practitioners) held by residents are located outside the City. ■ The City imports about half of the workers from outside of Napa County, creating additional congestions and longer commute times. ■ Newer multifamily apartment rents are pricey. | <ul style="list-style-type: none"> ■ American Canyon provides the most affordable housing in Napa County and is more affordable than the North and East Bay Area. ■ American Canyon schools exhibit strong performance compared to other communities, which will attract more families and maintain/enhance home values. |

AMERICAN CANYON JOBS

Jobs Base and Current Wages

American Canyon is part of the larger Napa Valley's regional economy, whose primary industries (by number of jobs) include wineries, hotels, restaurants, education, and local government.² American Canyon's own jobs base is driven largely by industrial and retail businesses. Industrial jobs are concentrated in wine production related businesses, specialty trades, and food manufacturing. Retail businesses draw not only from local residents but also commuters and residents from other parts of the Valley.

The City currently has an estimated 4,100-5,200 jobs (depending on the data source used). The largest employers are Walmart, AmCan Beverages, Mezzetta, the Doubletree Hotel, and Ghilotti Construction. At a larger scale, the City has job concentrations in Retail Trade, Manufacturing, Accommodations & Food Services, and Construction.

.....
2. 2017 Regional Workforce Overview for Napa County.

Interviews with multiple business executives managing a variety of companies in American Canyon suggest that the majority of jobs pay less than \$25 per hour, and include occupations such as warehouse personnel, restaurant waiters and cooks, and truck drivers. Some jobs pay \$25-35 per hour and include occupations such as mechanics, technicians, managers, office workers, and medical assistants. Finally, relatively few jobs pay more than \$35 per hour; these jobs include highly-educated technology jobs, executive management, and journeymen and estimators in the specialty trades industry. **Figure 4** illustrates these occupations and wages.

Interviews also indicated that most high-tech and highly skilled workers and executives reside in the North and/or East Bay and commute into American Canyon each day. These employees tend not to relocate to American Canyon because there continues to be more job mobility in their home community. Moreover, lower skilled jobs command relatively low wages that do not provide the opportunity for those workers to live in American Canyon. However, unlike other Napa Valley communities, American Canyon has multiple areas (such as Watson Ranch and the Broadway Specific Plan area) that can provide a variety of housing options appealing to higher-income and lower-income households in the future.

In addition, Vallejo is actively recruiting new businesses and other entities to Mare Island, which is approximately 5 miles from American Canyon. Mare Island has more than 2,500 jobs and 100 businesses occupying 3.6 million square feet of

Figure 4 | Wages & Occupations: AC Jobs

| \$12-\$18/HR | \$20-\$25/HR | \$25-\$35/HR | \$35+ /HR (77k+) |
|---------------------|---------------------------------|--------------------|------------------------------|
| Warehouse Personnel | Warehouse Personnel | Mechanics | Highly Educated Tech Workers |
| Restaurant Waiters | Construction Trades Apprentices | Technicians | Executive Management |
| Truck Drivers | | Managers | Journeymen / Estimators |
| Restaurant Cooks | | Office Workers | |
| | | Medical Assistants | |

Source: Interviews with Local Businesses, Aug. – Sept. 2017

space. Mare Island’s ability to relocate businesses from the Bay Area and other regions in California can provide opportunities for American Canyon to capture spin-off business demand. These jobs also present a unique opportunity for the City to attract executive and/or high-tech workers seeking superior schools and/or a quality of life offered by the Napa Valley.

| ISSUES | OPPORTUNITIES |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> ■ Hard to attract Specialty Trades workers to Napa Valley jobs because pay is lower and jobs can be shorter term. More year-round opportunities in the Bay Area. ■ Less skilled paying jobs don’t pay workers enough to live in American Canyon. ■ High-tech workers who can afford American Canyon prefer North Bay/East Bay to maintain job mobility. | <ul style="list-style-type: none"> ■ Mare Island is actively attracting new jobs to the region, providing opportunities for future economic synergies and demand for more housing. ■ American Canyon provides most affordable housing in Napa County. ■ American Canyon has available land to build more housing overall and a variety of housing options. |

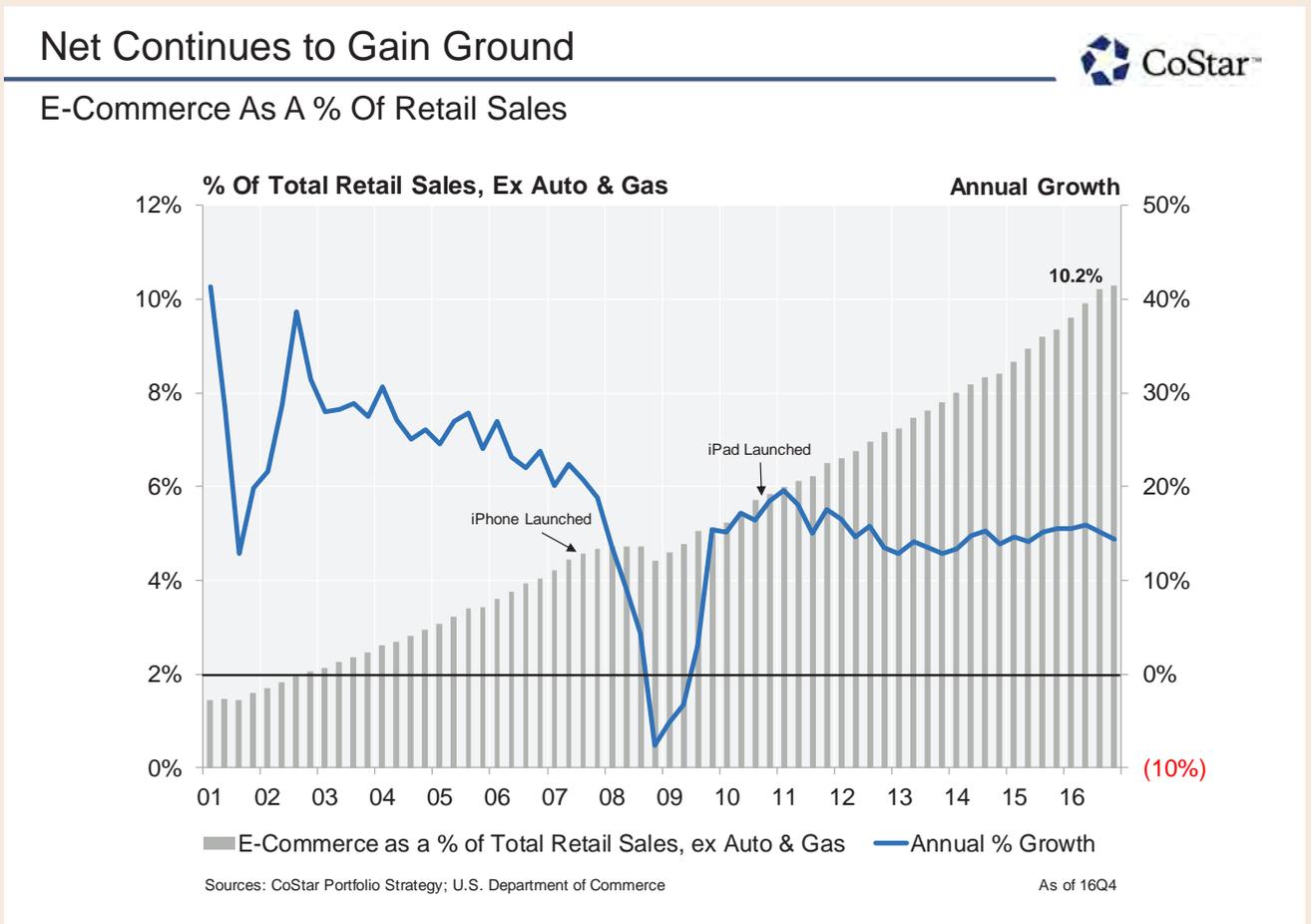
Goal #2: Realign Retail Expectations

Located at the entrance of the Napa Valley, thousands of people pass through the center of American Canyon on their way to work (in or out of the Valley), or to visit wineries and other special destinations in Napa Valley. In addition to these travelers, American Canyon’s residents and workers rely on local businesses for many retail goods and services. However, the retail landscape across the United States has been changing dramatically since the Great Recession. These changes were certainly shaped by the recession but also by shifts in local demographics and the rise of on-line shopping.

CHANGES IN RETAIL DYNAMICS

Advances in technology and logistics associated with on-line shopping trends, as well as demographic spending shifts, are changing the way people shop and the

Figure 5 | E-Commerce as a % of Retail Sales



level of demand for brick-and-mortar retail space. In recent years, these trends are impacting brick-and-mortar retail:

- Many national retailers have been achieving flat sales per square foot (after accounting for inflation);
- New retail space is being developed at a fraction of historic rates;
- On-line shopping is capturing an increasing share of total retail sales, reaching approximately 10 percent in 2016, excluding autos and gasoline (see **Figure 5**).
- New large-format retailer expansions have been concentrated in discount and grocery. Many other traditional large-format retailers are removing and/or shrinking their inventory and size of existing stores.
- On-line shopping has not yet made significant inroads into grocery or dining expenditures.
- Many segments of shoppers are increasingly choosing services over retail products (e.g. hiring landscapers instead of buying a lawnmower), and prioritizing experience (such as travel) over products (like new furniture or clothing).

These trends are reducing the amount of retail that has traditionally been supported on a per-person basis and may affect the City's ability to develop all of the retail identified in prior planning documents. New retail development that does proceed will seek higher density and household incomes within 3 miles compared to prior real estate cycles. Sustaining existing retail and/or facilitating new retail will likely require an ability to draw shoppers from a much larger area, including nearby communities (such as Vallejo, Fairfield, and Napa) as well as visitors to the Valley. The City can adapt to changes in the retail landscape by adopting flexible policies that allow alternative life style development proposals (including prototypes that have not yet been identified). Encouragement of local, unique, and/or destination retail presents one opportunity to expand the customer base for American Canyon.

ISSUES

- On-line shopping is eroding the need for many traditional hard good retail stores.
- Brick-and-mortar retail stores are closing, consolidating, and/or shrinking the footprints of existing and new stores.

OPPORTUNITIES

- Consumers have continued to buy food at grocery stores, and have continued to patronize restaurants and drinking establishments.
- In-person experiences accompanied by retail goods/ services have competed well against on-line shopping.
- Unique, local, and/or destination retail offerings can expand the City's existing retail customer base.

Figure 6 | Demand for Additional Retail in the Broadway District

| MAJOR RETAIL CATEGORY | ADDITIONAL SQ. FT. SUPPORTED BY EXISTING RESIDENTS | NEW SQ. FT. FROM POPULATION GROWTH | TOTAL NEW SUPPORTABLE SQ. FT. |
|---------------------------------------------------|----------------------------------------------------|------------------------------------|-------------------------------|
| Home Furnishings and Appliance Stores | 3,000 | 2,000 | 5,000 |
| Building Materials and Garden Equip. and Supplies | 0 | 18,000 | 18,000 |
| Food and Beverage Stores | 0 | 20,000 | 20,000 |
| Clothing | 11,000 | 3,000 | 14,000 |
| General Merchandise Stores | 0 | 22,000 | 22,000 |
| Food Services and Drinking Places | 10,000 | 12,000 | 22,000 |
| Other Retail Group | 6,000 | 12,000 | 18,000 |
| Total | 33,000 | 89,000 | 119,000 |
| City Households | 5,657 | 1,973 | 7,630 |

Source: PDA Profile Report, 2015

PROJECTED RETAIL DEVELOPMENT IN THE CITY

The City has several planning documents and reports that project future retail and related development. The City's 2015 PDA Profile Report, prepared for the Broadway District Specific Plan, projected a modest amount of retail for existing residents (30,000 square feet), as shown in **Figure 6**. This space would be in addition to the City's existing 605,000 square feet of retail space.

New City Projects

The Broadway District Specific Plan calls for a variety of higher intensity and mixed-use development that seeks to create a main street experience for local residents. This area can accommodate up to 840,000 square feet of new non-residential development, which would include a combination of retail, office, and hotel space.

Watson Ranch, a proposed development in the northeast area of the City, would add approximately 1,200 residential units and up to 200,000 square feet of commercial/retail space. This project includes a former cement plant site known as "the Ruins," which would be integrated into the land use plan as a unique destination combined with a boutique hotel and commercial space.

New Vallejo Projects

Finally, the City of Vallejo is undertaking a planning effort for its portion of Broadway Street (known as Sonoma Boulevard); a Northern Gateway District located at Vallejo's northern edge may include a corporate campus, hotel and/or high-density residential development. Development in this area presents a new opportunity for American Canyon to expand its retail customer base.

Impacts on New Retail

Together, these areas identify a significant scale of square footage of retail and commercial space that can be accommodated throughout the City. However, because of on-going changes in the retail marketplace, it is important for the City to pursue retail development in a strategic and phased manner, and continue to be cognizant of impacts caused by on-line shopping and demographic shifts.

ISSUES

- Existing leakage for retail is relatively modest overall.
- Future local demand is less than the total amount of potential new retail space identified in planning documents.

OPPORTUNITIES

- Highway 29 provides opportunity for regional retail, fast/convenient retail for drive-through traffic.
- City of Vallejo’s development of a Northern Gateway District on Sonoma Boulevard could provide new development that creates additional customers for American Canyon retailers.
- The Ruins offers unique site characteristics that could appeal to Valley residents and visitors.
- Strategic and/or phased development of new commercial space in the Broadway District can accommodate retail that will withstand shifts caused by on-line shopping and changes in demographic preferences.

Goal #3: Capture More Tourism Dollars

INTRODUCTION

Napa Valley is one of the premier tourism destinations in the world, capturing 3.5 million visitors a year, including overnight guests and day-trippers. The Napa Valley lodging market has 5,500 rooms generating over \$80.3 million in transient occupancy tax, sales tax, and property tax revenues. Over the last two years the Napa Valley has experienced a 6% annual increase in visitors with a growing international audience from China.

American Canyon has a small footprint in this market with only 313 of the 5,500 total rooms. **Figure 7** provides 2016 stats on the City’s tourism demographics. In comparison to the rest of Napa Valley, American Canyon hotels in 2017 have higher occupancy rates, between 79% and 89% depending on the day of the week, but a lower average daily rate (ADR) between \$169.00 and \$213.00, almost half of other Napa Valley hotels.

American Canyon can pursue a number of several market niche opportunities. With its quick access to Highway 12, Highway 29 and Highway 37, the City is able to draw a significant corporate, meeting and training business sector hub. The price point Average Daily Rate (ADR) supports this niche. It also supports “value” minded family, leisure visitors and sports tournaments. A wedding destination niche is a third niche market opportunity because of the overall lack of and access to other existing unique wedding venues in Napa Valley. American Canyon could create and support unique wedding destinations associated with the “Ruins,” golf courses, open spaces, parks and components of future lodging developments. All of these niche markets will assist the City in meeting the tourism capture opportunity. However, several other programs associated with expanding amenities for visitors will also need to be pursued.

OVERARCHING GOAL

Position American Canyon to take advantage of future hotel growth through targeted property development, creating a HUB “meeting market” niche, improving the image, and access to amenities.

Figure 7 | Data on American Canyon Lodging Market



Source: Visit Napa Valley and American Canyon FY16-17 Budget

TOPIC 1 – REGIONAL DEMAND FOR HOTEL ROOMS

American Canyon’s current lodging properties are operating at capacity. Additionally, American Canyon Broadway Specific Plan, Watson Ranch Master Plan, and proposed Clarke Ranch Master Plan have ideal locations for future lodging properties and visitor amenities. American Canyon has experienced increased Transient Occupancy Tax 106% since 2011. American Canyon should better understand the market needs and capacity, and build upon that by targeting catalyst sites for development, and identifying the right mix of hotel types.

| ISSUES | OPPORTUNITIES |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> American Canyon is not perceived as part of Napa Valley. American Canyon Lodging Market at over 80% occupancy most of the time. Need more facilities for corporate and other events to capture that market. | <ul style="list-style-type: none"> No clear indication that you have arrived in American Canyon, let alone Napa Valley. Need to tie into an image and branding strategy that embraces being part of Napa Valley. Need to add targeted new hotels with appropriate facilities and locations to capture market Future hotels should be required to have a certain SF of conference space per room. Parks & Rec Facilities should be upgraded to capture corporate and resident events. |

Figure 8 | The Napa Valley Hotel Guest Visitor



Source: Visit Napa Valley and American Canyon FY16-17 Budget

The tourism industry continues to strengthen and provide a significant positive impact to the Napa Valley economy. American Canyon has an opportunity to connect with Napa Valley visitors described in **Figure 8**. This visitor has a high income and education and is looking for unique destination opportunities. They stay an average of three days and have visited the Napa Valley 2.9 times in the past twelve months. In a survey conducted by Visit Napa Valley, nearly 30 percent of non-hotel stay visitors reported they would stay if prices were more affordable (19.6%), has balloon and hotel packages (4.3%) and to attend a special occasion or event (4.0%). Over 70% of visitors (hotel and non-hotel) surveyed were Gen Xers (42.5%) and Millennials (30.5%) providing an opportunity to connect with younger travelers.

TOPIC 2 – POTENTIAL HOTEL MARKET NICHES

American Canyon is well positioned, because of its location, value-priced hotels, and future land development opportunities, to play a key role in further diversifying the Napa Valley tourism market. American Canyon’s regional location can facilitate the creation of a “Hub” for corporate meetings, training, and incentive travel. American Canyon is home to many recreational opportunities, from the Napa River Bay Trail to the Newell Open Space Preserve to build upon these “ecotourism” venues. The City also participates in a large, active sports tournament market, which could be expanded with additional sports venues and improved relationships with existing venues. Finally, as the County of Napa continues to restrict “wedding” opportunities in unincorporated Napa Valley, American Canyon is well suited to broaden its base of unique wedding venues.

ISSUES

- Need a key destination associated with American Canyon to define brand image and wedding niche in Napa Valley.
- The City is uniquely located at the “HUB” of Hwy 37, Hwy 29, and Hwy 12, providing quick access for various corporate events, meetings, trainings, etc. The City has the right price, but needs more spaces.
- Unincorporated Napa Valley is a desirable place for weddings, but the County does not encourage weddings in the unincorporated County.
- The City has two adjacent golf courses with meeting and event spaces that are under utilized.
- Vallejo and Napa are beginning to build competitive price point hotels. American Canyon needs to secure the market niche now.

OPPORTUNITIES

- The “Ruins” should be a high priority and continued “interim use” should be facilitated to anchor future destination and brand image.
- Need to promote, as anchor and secure, Corporate meeting market HUB and ensure adequate facilities. The City should distinguish itself as the Meeting Center for Napa Valley.
- The City should take advantage of its unique recreational amenities for non-traditional wedding venues and develop new lodging properties and other venues to support destination weddings.
- Work with golf courses to use their assets for weddings and other events that will book room nights in American Canyon hotels. Expand golf education opportunities with local schools, visitors and residents.
- Begin to identify lodging sites, types and timing to continue to develop various market niches – corporate meeting, weddings, sports tourism, and family value.

TOPIC 3 –AMENITIES FOR RESIDENTS AND VISITORS

American Canyon should seize upon the opportunity to broaden its visitor and resident amenities to capture more of the regional tourism market. Continued efforts to fund and develop the Clarke Ranch Park complex, trail systems expansions along the Napa River Trail, and Newell Open Space Preserve. The City should also consider the Napa Junction sports complex expansion. As these facilities are developed, the City should keep an eye toward ancillary facility improvements such as directional signage, interpretive programs, maps, staging areas, overlooks, comfort stations, picnic areas, kayak launches, and bike rentals. The City has started many of these efforts and we encourage the City to continue on this path. These sites are directly related the community’s quality of life and provide eco-tourism, recreational, gathering venues, and other amenities to extend the stay of visitors.

Figure 9 Parks and Rec Trail / Open Space Map



| ISSUES | OPPORTUNITIES |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> ■ American Canyon does not have the ancillary services to extend visitor stays. ■ Additional public facilities are needed to provide more amenities for visitors to enjoy and reasons to stay longer. ■ Need events that extend the stay of visitors. ■ Need additional visitor materials to extend stays. ■ Coordinate marketing efforts of the Chamber, TID and the City to maximize opportunities and outreach efforts. | <ul style="list-style-type: none"> ■ Additional sit-down restaurants, retail shops for local items, and/or joint wine tasting rooms. ■ Upgrade and expand public facilities that can support visitor and resident activities. ■ Incorporate tourist/resident serving uses in the future developments. ■ Create destination events and activities that build brand awareness. ■ Create materials that extend the visitor stay, maps, interpretive programs, etc. ■ Coordinate marketing efforts between Chamber, TID and local businesses. |

American Canyon has unique Napa River wetlands frontage and access to regional trail systems that connect to the broader Bay Area that can anchor longer visitor stays and experiences. The City has a network of trails depicted on **Figure 9** that provide current recreational opportunities. With future improvements to the Newell Open Space preserve and Clarke Ranch, the City has an opportunity to anchor eco-tourism activities through facilities and events. Three hotels are located in close proximity to these amenities along Broadway and, through signage and maps, can easily connect to these amenities.

Goal #4: Create a Business Environment that Retains and Attracts Desirable Businesses

INTRODUCTION

American Canyon plays an important role in the future of the development of Napa Valley. American Canyon is uniquely situated at the hub of Highways 12, 29 and 37, has key parcels of land availability for development, and provides circulation access to the rest of Napa Valley. American Canyon should take advantage of this role by prioritizing the types of businesses and companies it wants to attract, target key locations, fund infrastructure improvements and quality of life upgrades, and take a pro-active leadership stance on Valley-wide circulation and housing issues. American Canyon should continue its efforts to improve its governmental tools, planning documents, and Capital Improvement Programs to respond quickly to development opportunities.

The City’s industrial market sets the stage of future growth. **Figure 10** provides an overview of industrial market trends comparing Quarter 4 of 2016 versus 2017. Although the vacancy rate is slightly higher in 2017, the total inventory also increased and there was an absorption of over 250,000 SF. Annual asking rents are also up to \$15.00/SF, showing strength in the market. IKEA announced they will occupy 646,000 SF of space for a distribution center. Additional projects in the Napa Logistics park have been approved, setting the stage for continued industrial space expansion. Other planning documents are setting the stage for commercial, residential and hospitality development.

Figure 10 | REAL ESTATE INDUSTRIAL MARKET TRENDS

| City of American Canyon Industrial Market | | Quarter 4 | |
|-------------------------------------------------------------------------------------|-----------------------------|-----------|-----------|
| | | 2016 | 2017 |
|  | Inventory SF | 7,191,954 | 7,459,954 |
|  | Overall Vacancy Rate | 9.1% | 9.9% |
|  | Net Absorption SF Total | 598 | 256,524 |
|  | Construction Completed SF | 0 | 0 |
|  | Under Construction SF | 268,000 | 120,080 |
|  | Overall Annual Asking Rents | \$8.15 | \$15.00 |

TOPIC 1 – AMERICAN CANYON – USING CITY TOOLS FOR NEW BUSINESS GROWTH

The City of American Canyon is well positioned to take advantage of this future through a number of planning efforts related to the Highway 29 corridor, Broadway Specific Plan, Clarke Ranch Master Plan, Newell Open Space Preserve, and Watson Ranch Specific Plan. The implementation of these planning documents and allocation of funding to develop needed public infrastructure connections like Devlin Road, Green Island Road, and Newell Drive will guide future development leading to the economic vitality of the City. The City needs to actively pursue the implementation of these tools and infrastructure improvements.

American Canyon has higher water and wastewater treatment fees than some competing jurisdictions in part because of the way the City calculates the fee, but also because of the cost to operate its newer facilities. The City has invested in new technology and infrastructure that will serve it well in the future, but is more costly to operate than in comparable cities. To maintain a competitive playing field the City may want to consider fee – financing, payments schedules, or other innovative ways to accommodate new development water and wastewater needs. The City has many competitive advantages and should maximize those in its marketing efforts.

| ISSUES | OPPORTUNITIES |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> ■ The City has a very low vacancy rate and limited available space. ■ Complete Broadway District Specific Plan and Watson Ranch Specific Plan and Development Agreement. ■ The City has some fees higher than some competing jurisdictions because of innovative water and wastewater systems. ■ Ensure ability to respond to future opportunities along Broadway Corridor and in Industrial areas. | <ul style="list-style-type: none"> ■ The City should use its tools to facilitate new development processing. ■ The City should fast track the Broadway Specific Plan and Watson Ranch Specific Plan projects as key future development opportunities and destinations for the City. ■ Consider financing fees overtime – see Fairfield Model, and develop model where infrastructure can be provided/facilitated to catalyst projects. ■ Update economic data and materials, and have economic liaison in place to respond to development proposals and economic cycles. |

TOPIC 2 – ECONOMIC DEVELOPMENT READINESS STRATEGIES

One of the best practices for economic development recruitment is to understand local market opportunities and determine the types of companies you want. The City needs to be clear on the types businesses (warehousing, distribution, manufacturing, office, etc.) and the reasons (employment, revenues, technology and sustainability). Target future development on specific sites that act as a catalyst for the type of economic growth that fits with American Canyon goals.

The City should identify the most advantageous sites and be selective about the type of development that occurs there (i.e. do not be afraid to turn down a company or incentivize another). A “one-size fits all” scenario will not work because American Canyon has a limited amount of land and should be strategic about development and use tools appropriately.

Figure 11 highlights four possible catalyst sites along the Broadway Corridor that could be positioned to continue the trend of high quality development. Napa Junction has set a tone for quality development that the City should build upon creating a new brand image for the City. The City should also pay attention to the relocation of key businesses currently located along the Broadway Corridor to other locations in American Canyon that may be more suitable industrial sites.

Figure 11 | BROADWAY CORRIDOR CATALYST SITES



Companies are going to look at American Canyon because of its location with Napa Valley, its access to Hwy 29, Hwy 80 and Hwy 37. American Canyon has the ability to develop speculative industrial space and built-to-suit space to respond to market changes.

In order to support business attraction and retention, an engaged economic development presence and leadership by the City Council is also needed.

| ISSUES | OPPORTUNITIES |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> ■ What type of development does the City want? ■ American Canyon has too many underutilized, obsolescent, or blighted property creating a negative view of the City and limiting development opportunities. ■ Is the City effectively using Economic Development Tools? | <ul style="list-style-type: none"> ■ American Canyon needs to guide development by determining the type of companies and businesses the City wants. ■ Developers want a clear path – identify catalyst sites where you want to guide new development. ■ Create a robust ED program with a designated ED liaison leadership position, tool box of programs, and updated economic development collateral materials. |

Figure 12 | Infrastructure Projects in Process

| Projects In Process | Construction | Cost |
|------------------------------------------------|--------------|--------------|
| Entry Improvement PG&E Substation | Jan-18 | \$113,000 |
| HWY 29 Interconnect Napa Junction to Am Can Rd | May-18 | \$600,000 |
| Devlin Road Segment E | 2019 | \$6,400,000 |
| Devlin Road Segment H | 2019 | \$9,000,000 |
| Green Island Road | 2019-2020 | \$11,000,000 |

TOPIC 3 - PRIORITIZE KEY CITY INFRASTRUCTURE AND UPGRADES

The City plays a role in defining the future of the Napa Valley because of its location, availability of land for industrial and residential development, and access to the greater Bay Area region.

The issues associated with image, traffic, quality of life attributes can all be addressed through the implementation of an aggressive infrastructure program, planning documents, and new development applications. The City will be challenged to ensure the expedited approval of some of these plans, prioritize funding for these infrastructure projects, and ensure adequate staffing to oversee implementation. **Figure 12** highlights some of these projects and City investment currently in process.

The City's continued quality of life efforts set the tone for the future of the City. American Canyon has high performing schools and is viewed as family friendly. The City has the capacity to provide housing types that are affordable to workers. The lack of housing mobility for worker is a key business retention issue.

| ISSUES | OPPORTUNITIES |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> ■ American Canyon's negative visual image. ■ Lack of knowledge of when and if infrastructure projects will occur. ■ Perception that little is being done to improve traffic congestion through the City. ■ Housing for employees is one of the key recruitment issues. ■ Define American Canyon's position within Napa Valley for its quality of life. | <ul style="list-style-type: none"> ■ Implement Broadway Corridor image improvements including key corridor landscaping plans, directional signage, and private property landscaping and façade incentives. ■ Prioritize timing and provide better information on infrastructure improvements schedule. Use informational signage to announce road improvements, future park sites/ improvements, etc. ■ Expedite Highway 29 Corridor Improvements, and other congestion management improvements. ■ Work with employers and housing developers to seek innovative and timely development of new housing. ■ Prioritize Quality of Life improvements that benefit the community – education, parks and open spaces, and destination locations. |

SECTION 4

DEVELOPMENT
STRATEGY AND
SHORT-TERM
ACTION MATRIX
(2 YEARS)

Development Strategy and SHORT-TERM Action Matrix (2 Years or Less)

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------------|-------------------------------------------|---------------------------------|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Staff Time | Other Cost | | |
| Goal 1 | | | | | | |
| STRATEGY 1: Retain and expand living wage jobs within existing businesses – SHORT-TERM 2 years or less | | | | | | |
| Action 1: Meet annually with 10 largest private sector employers in American Canyon. | 2018 | One-Time and Update Annually | 24 hours ¹ | N/A | | Determine current hiring and growth trends, training needs, and other potential issues the City could assist with. Retain 100% of the top 10 employers year-to-year. |
| Action 2: Meet with each business that closes or leaves American Canyon to learn from common issues. | 2018 | Ongoing | 16 hours | N/A | | Track top 5 reasons for closing or departure. |
| Action 3: Meet with a representative group of businesses that have opened in the last year. | 2018 | Ongoing | 16 hours ¹ | N/A | | Determine any positive or negative permitting or process issues and implement changes as needed. |
| | | | | | | Sub-total City Staff: 56 hours |
| Goal 1 | | | | | | |
| STRATEGY 2: Recruit and secure new businesses in priority locations/industries that include living wage jobs – SHORT-TERM 2 years or less | | | | | | |
| Action 1: Create an inventory of buildings and properties in American Canyon that have approved zoning and/or building space to accommodate new businesses. | 2018 | One Time and Update annually. | 24 hours ¹ | \$1,500 graphic and mapping | Local Brokers | 1) Inventory should Include: location, parcel size, allowable uses, existing or allowable building space, parking, rents, sales prices, etc. 2) Track number of inquiries and modify information as needed |
| Action 2: Create updated Community Profile for American Canyon that highlights target industries, demographics, and key quality of life amenities. | 2018 | Ongoing | 16 hours + data for profiles ¹ | \$3,000 - \$5,000 if consultant | Chamber, City of Vallejo, NVT, County, local colleges | 1) Integrate Community Profile into marketing materials for City and other key recruitment efforts by others. 2) Track changes in Community Profile metrics annually. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------|--------------------------------------------------|------------|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Staff Time | Other Cost | | |
| Action 3: Measure private and public investment in American Canyon on an annual basis. | 2019 | Ongoing | 24 hours to create (2016 base year) ¹ | N/A | | Monitor annual changes in building permit valuation data. |
| Action 4: Meet with the property owners of opportunity sites identified under to determine interest in developing or reasons for non-development or sale of the property. (See related Short-Term Goal #4, Strategy 2, Action 2) | 2019 | One Time | 16 hours ¹ | N/A | Local Brokers | Work with property owners and interested developers to understand the obstacles/ benefits to repositioning these sites. |
| Sub-total Hours: 80 hours + \$1,500 Graphic Design + up to \$5,000 Consultant | | | | | | |
| Goal 1 | | | | | | |
| STRATEGY 3: Support diversification and promotion of Quality of Life Attributes to Attract High Skilled Workers – SHORT-TERM 2 years or less | | | | | | |
| Action 1: Create program to expedite approval process new types of housing projects consistent with SB35 legislation. | 2018 | One Time | 80 hours | N/A | | 1) Identify inventory locations for expedited processing for alternative housing (i.e. other than single-family detached product) projects. 2) Track number of days from submittal to approval for alternative housing projects. |
| Action 2: Connect existing trails, parks, and open space systems as amenities for residents and employees (See related Short-Term Goal #3, Strategy 1, Action 6) | 2019 | One Time | 60 hours | N/A | | Develop connectivity plan, and prioritize key segments and potential development partners – “Adopt a Segment.” |
| Action 3: Implement Broadway Corridor Specific Plan. | 2019 | Ongoing | TBD | N/A | | Develop timetable for Specific Plan approval. |
| Sub-total City Staff: 140 hours | | | | | | |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|----------------------------------------|----------------------------------------------------------|------------------------------------------------------------------|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Staff Time | Other Cost | | |
| Goal 2 | | | | | | |
| STRATEGY 1: Support existing and new retailers and retail centers that can withstand e-commerce – SHORT-TERM 2 years or less | | | | | | |
| Action 1: Meet with top 10 sales tax generators in American Canyon. | 2019 | One Time and Update Annually | 20 hours ¹ | N/A | | 1) Determine any business trends or other potential issues the City may assist with. 2) Retain 100% of the top 25 industrial sales tax generators year-to-year. |
| Action 2: Meet with fastest-growing retailers to learn what type of complementary businesses and City support needed. | 2019 | Ongoing | 10 hours ¹ | N/A | | Identify fastest growing retailers by sales tax revenue and identify complementary or support business that could be recruited. |
| Action 3: Showcase local retailers in city social media. | 2018 | Ongoing | 20 hours | N/A | | Incorporate local retailers in TID Marketing and Branding Campaign. |
| Action 4: Purchase specific demographic and psychographic data about American Canyon consumers and share data with retailers (See related Short-term Goal# 2, Strategy 2, Action 4) | 2019 | One Time may be updated in later years | 12 hours – purchase, review, and distribute ¹ | \$1,500 data subscription. If Consultant performs work, \$2,500. | | Host an event to share key data with retailers. |
| Action 5: Determine the potential for eateries to provide catering for large group events (families, local events). | 2019 | One Time | 16 hours | N/A | | Inventory restaurant and catering businesses that serve American Canyon residents and can cater group venues. Consider varieties of food currently offered, price points, delivery options, etc. Study additional offerings currently available in Vallejo. |
| Sub-total City Staff: 78 hours + \$1,500 Data (+ \$2,500 Consultant Cost if desired) | | | | | | |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|--------------------------------------|-------------------------------|----------------------------------------------------------------------|------------------|--------------------------------------------------------------------------------------------------------------------------------|
| | | | Staff Time | Other Cost | | |
| Goal 2 | | | | | | |
| STRATEGY 2: Encourage new retail that serves American Canyon residents and improves local quality of life – SHORT-TERM 2 years or less | | | | | | |
| Action 1: Identify different ethnic groups shopping patterns and spending in American Canyon’s retail setting. | 2018 | One Time with Updates in Later Years | 12 hours ¹ | N/A | | Establish baseline spending patterns by ethnic groups in American Canyon to identify any retailing opportunities. |
| Action 2: Identify property owners of the catalyst sites in retail areas. (See related Short-term Goal # 1, Strategy 3 and Action 3) | 2018 | One Time | 16 hours ¹ | N/A | | Meet with property owners to discuss retail market opportunities and provide related information, to establish a relationship. |
| Action 3: Streamline and expedite permitting timeframes for targeted retail business types. | 2018 | One Time | 24 hours | N/A | | Determine expedited permit processing –to reduce number of days from application submittal to approval. |
| Action 4: Update psychographic data as population growth or economic changes occur. (See related Short-term Goal #2, Strategy 1, Action 4) | Annually or Semi-annually | One Time with Updates in Later Years | 6 hours – update ¹ | \$1,500 data subscription. If Consultant performing update, \$2,500. | | Track changes over time. |
| Action 5²: Ensure certain types of retailer centers provide publicly accessible gathering places or family-friendly group entertainment venues. | 2019 | Ongoing | 16 hours | N/A | | Develop specific criteria for spaces. |
| Sub-total City Staff: 74 hours + \$1,500 data | | | | | | |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------|-----------------------------------|-------------------------------------------------------------------|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Staff Time | Other Cost | | |
| Goal 2 | | | | | | |
| STRATEGY 3: Foster visitor-serving retail opportunities – SHORT-TERM 2 years or less | | | | | | |
| Action 1: Study visitor-serving retail in other similar communities to identify potential list of desired retail business types for visitors. | 2019 | One Time | 40 hours + data cost ¹ | Data Costs (up to \$5,000); or \$10,000 - \$15,000 if Consultant. | | 1) Assess visitation levels, store types and sizes, and other site characteristics. 2) Develop list of 5 – 10 targeted retail businesses. |
| Action 2: Support efforts to create and/or coordinate “destination events” at “The Ruins” and other locations in the City to promote future visitor-serving retail development. (See related Short-Terms Goal #3, Strategy 1, Action 5) | 2019 | Ongoing | 24 hours – events coordination | N/A | Chamber, other local organizations that want to host events there. | Develop criteria, and number of events, each year. |
| Action 3: Create collateral for local hotels that contains information and promotional coupons for restaurants and venues that visitors can patronize during their stay in American Canyon. | Semi-Annually | One Time | 16 hours ¹ | N/A | Hotels to disseminate information. | Track coupon use and effectiveness and distribution of material |
| Sub-total City Staff: 80 hours + \$5,000 data | | | | | | |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------------|--------------------------|-------------------|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Staff Time | Other Cost | | |
| Goal 3 STRATEGY 1: Create More Hotel Rooms in the City – SHORT-TERM 2 years or less | | | | | | |
| Action 1: Undertake a Hotel Market Capacity study to determine the current market capacity and absorption. | 2018 | One Time | 16 hours of coordination | \$15,000-\$20,000 | EDC Committee Review Brokers LNV (Legendary Napa Valley) | 1) Hotel Study should include the number of rooms and properties needed; level of hotel(s) – value – boutique – other; absorption and timing of development; amount of supportable meeting room/event space. 2) Determine if major brand affiliation-Hilton, Marriott, etc. affects property success in a competitive market. 3) Evaluate impact of short-term rentals (VRBO) on tourism market. |
| Action 2: Target future market capacity and growth by determining the most desirable locations for future hotel sites. | 2018 | One Time with updates in later years | 16 hours | N/A | PC Review Brokers LNV | 1) Map and list of three desirable sites, room capacity, and the timing of development to moderate absorption. 2) Determine the market segment or type of hotel preferred at each desirable location, value, business, boutique, etc. 3) Correlate this action with the Hotel Market Capacity Study. |
| Action 3: Develop an incentive program for hotels that deliver the market level, amenities, meeting spaces, preferred locations, and size desired by the City years. | 2019 | One Time | 40 hours | N/A | ED Committee Review | Establish Incentive program criteria and types of incentives. Incentives should be triggered by issuance of a Certificate of Occupancy within an agreed upon timeframe. |
| Action 4: Undertake a Parks and Recreation fee. | 2018 | One Time | 40 hours | \$15,000-\$30,000 | Parks and Community Services Commission Review | As part of the Fee Study consider nexus with lodging properties and possible extension of trails and facilities for us by employees in industrial and other major employment areas to facilitate and new industrial/ commercial development contribution. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------|--------------------------------------------------------|----------------------------------------------------------|------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Staff Time | Other Cost | | |
| Action 5²: Begin to brand American Canyon destination project the “Ruins” through interim special events and use. Expedite Development Agreement negotiations, environmental analysis and project entitlements. (See related Short-Term Goal #2, Strategy, Action 2) | 2019 | Ongoing | TBD - City – Developer Term Sheet – CC approval 8/2018 | N/A | Parks and Community Services Commission and PC Review WR Developers | Target 2-4 interim events each year, increasing as desirable. |
| Action 6: Develop a map of missing connectivity locations between hotels and park and open space locations. (See related Short-Term Goal #1, Strategy 3, Action 2) | 2019 | One Time | See Goal #1, Strategy 3, Action 2 | N/A | Parks and Community Services Commission Review | Map and guidelines and encourage hotels to extend physical (sidewalks), visual (signage), and connections to Open Space and Park areas where appropriate and feasible for the benefit of their clients. |
| Action 7²: Pursue grant and other funding opportunities to fill gaps in pedestrian connectivity links, trail interpretive programs, and visitor information materials – maps, brochures, etc. | 2019 | Ongoing | 16 hours ¹ | \$20,000 Grant consultant services to identify and apply | TID | Review grant opportunity matches and apply for 1-2 grants per year. |
| Action 8: Pursue grants, donations, and loans to encourage the implementation of Public Art through the Public Art Master Plan. | 2019 | On-going | 40 hours ¹ | \$10,000 grants consultant to draft grants | | Review grant opportunity matches and apply for 1-2 grants per year. Document the public and private commercial locations accessible to the public. |
| Sub-total City Staff: 168 hours + \$60,000-\$90,000 consultant costs | | | | | | |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------|--------------------------|------------------------------------|-----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Staff Time | Other Cost | | |
| Goal 3 | | | | | | |
| STRATEGY 2: Develop Market Niches with New Lodging Properties – SHORT-TERM 2 years or less | | | | | | |
| Action 1: Undertake a Cost – Benefit Study to determine the economics associated with development of additional sports and tournament facilities at Napa Junction School site or other location. | 2018 | One Time | 32 hours of coordination | Consultant Study \$20,000-\$30,000 | Parks and Community Services Committee Review | Study results should include: size, fields, ancillary facilities, programs, operations features, projected construction cost, operating costs, tournament and other revenues, financing options, etc. |
| Action 2: Undertake a local resident survey to better understand the resident meeting and facility use needs. | 2018 | One Time | 32 hours ¹ | N/A | ED Committee | Survey Results should include types for family events- reunions, birthdays, anniversaries, showers, receptions, etc. and frequency of use, and types of facilities. |
| Action 3: Embrace the “sports tourism” market segment by continuing to develop the relationship with Infineon Raceway, sports tournaments through local schools- American Canyon High School, and Napa Valley College. | 2018 | On-going | 40 hours ¹ | N/A | ED Committee, Chamber & TID | Compile list of sports tourism events and other opportunities. Develop marketing program in-conjunction with TID Branding and Marketing Campaign. |
| Sub-total City Staff: 104 hours + \$20,000-\$30,000 Consultant Costs | | | | | | |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------|----------------------------------------|--------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Staff Time | Other Cost | | |
| Goal 3 | | | | | | |
| STRATEGY 3: Expand Amenities for Visitors – SHORT-TERM 2 years or less | | | | | | |
| Action 1: Create (or co-coordinate or co-fund) Key Destination Events that build brand awareness. | 2019 | On-going | 40 hours | N/A | TID | Develop event criteria and portfolio of events that build brand destination such as: BBQ, Birding, Off- Road Biking, triathlons, storytelling festival, etc. Could be in conjunction with the Chamber, TID and other Napa Valley organizations. Target - 1 new event and grow 2 on-going events in Year 1. |
| Action 2: Review the Visit Napa Valley Visitor demographics to determine if there is a subset of demographics – millennial, young adults, Gen X, LGBTQ – that would be a good target audience for American Canyon. | 2018 | One Time | 16 hours | N/A | TID, VNV | Determine events and/or programs and marketing plan to entice particular market segments. |
| Action 3: In conjunction with the TID/Chamber of Commerce Marketing and Branding campaign develop collateral marketing materials. | 2019 | One Time | 24 hours | If vendor/consultant, cost TBD | TID, Chamber | Portfolio of materials that include: directional maps to AC locations, visitor maps with AC businesses, calendar listing of AC events, etc. |
| Action 4²: Provide “Interpretive Signage” programs along trails. | 2019 | One Time | 80 hours (design - locations, content) | If vendor, cost TBD | Parks and Community Services Committee and Open Space Committee Review | Develop Interpretive Signage Program Plan and CIP Funding. |
| Sub-total City Staff: 160 hours + Vendor Costs TBD | | | | | | |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------|------------------------|------------|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Staff Time | Other Cost | | |
| Goal 4 | | | | | | |
| STRATEGY 1: Use City Tools for New Business Growth – SHORT-TERM 2 years or less | | | | | | |
| Action 1: City Council defines the term “business friendly” to create a consistent business mission statement for the City. | 2018 | One Time | 16 hours | N/A | | 1) Adopt a “Business Friendly Mission Statement.” 2) Prepare messaging materials consistent with the Business Friendly Mission Statement. |
| Action 2: Maintain priority to complete key planning documents currently in process – Broadway Specific Plan EIR and document approval, Watson Ranch Master Plan, Highway 29 Corridor Study, etc. | 2018 | One Time | TBD | N/A | | Develop quarterly schedule for key projects – review milestones semi-annually. |
| NEW Action 3: Review development impact fees and update as needed. | 2018 | Ongoing | 60 hours | N/A | | Ensure new development is paying its “fair-share” or pre-funding projects to ensure timely completion of needed infrastructure and public facilities. |
| Action 4: Continue to monitor the timely processing of discretionary development applications. | 2019 | Ongoing | 40 hours | N/A | | 1) Prepare documentation of permit processing timeframes. 2) Set a goal of First year 80% targeted timeframes met, Second year 100%. 3) Explore opportunities to streamline ministerial and discretionary permits. 4) Explore greater use of master environmental assessments to streamline development projects. |
| Action 5: Provide “concierge” assistance to businesses interested in locating and expanding in American Canyon. | 2019 | Ongoing | 120 hours ¹ | N/A | | 1) List Streamline Permitting programs and projects utilized such as: pre-application meetings, quick response team meetings and fast-track permitting. 2) Provide annual report on streamline permitting procedures. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|--------------------------------------------------------------------------------------------------------------------|-----------------------|------------|---------------------------------------------------------------------------|---------------------|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Staff Time | Other Cost | | |
| Action 6: Embrace American Canyon as a “Smart City” by optimizing on-line technologies and other tools. | 2019 | One Time | 80 hours+ software | If vendor, cost TBD | | 1) Digitize as much of the development review process as possible, such as online business licenses, ministerial, discretionary, and encroachment permits, will serve requests, etc. 2) Explore opportunities for improving internet speed in American Canyon and other Smart Cities endeavors. |
| Action 7²: Ensure key policy documents related to the development review process are up to date. | 2019 | Ongoing | 24 hours – determine and review documents + Identify timeline for updates | N/A | | 1) Develop a long-term multi-year schedule to review and update key policy documents, such as the General Plan, Zoning Ordinance, Engineering and impact fees. 2) Monitor new State legislation and its impact on local ordinances. |

Sub-total: 340 hours + TBD Software Costs

Goal 4

STRATEGY 2: Undertake Economic Development Readiness Strategies – SHORT-TERM 2 years or less

| | | | | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|--------------------------------------|--------------------------------|----------|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Action 1: Conduct a marketing study to determine the type of companies and business that are a good fit for American Canyon and where there is unmet market demand for their services and products. | 2018 | One Time with updates in later years | 24 hours of staff coordination | \$45,000 | | List of 10 target companies. |
| Action 2: Identify of 3-4 key sites along the Broadway Corridor that need revitalization and can serve as Catalyst Sites for others to revitalize their underutilized sites. (See Short-Term Goal #1, Strategy 2, Action 4) | 2018 | One Time | 32 hours | N/A | | Map of catalyst sites and related data. Work with property owners and interested developers to understand the obstacles/ benefits to repositioning these sites. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------------|-------------------------------------------------|--------------------------------------------------------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Staff Time | Other Cost | | |
| Action 3²: Assist key economic businesses located on redevelopment sites such as Adobe Lumber, relocate to a new site in American Canyon. | 2019 | One Time | 60 hours ¹ | N/A | | 1) List and create a map of redevelopment and relocation opportunities. 2) Outreach on 1-2 by end of year. Actively work with key property owners to facilitate relocation. |
| Action 4: Develop work program for the Economic Development Committee and coordinate certain programs and activities with Chamber Government Affairs, GRID and CORE committees. | 2018 | One Time with updates in later years | 120 hours ¹ | N/A | ED Committee and Chamber Committees | Develop work program provide annual report to City Council. |
| Action 5²: Engage in the Tourism Business Improvement District (TBID) Marketing and Branding Campaign in conjunction with the Chamber of Commerce. | 2019 | One Time with updates in later years | 48 hours | \$10,000 for new promotional/ collateral materials | TBID and Chamber | 1) Develop a “brand” for American Canyon. 2) Develop economic development collateral materials for use in tourism and business recruitment, and City information pieces. |
| Action 6²: Provide up-to-date economic development data on the City website. | 2019 | Ongoing | 80 hours to create and update data ¹ | If economic consultant, \$5,000; if IT consultant, costs TBD | | Develop comprehensive list of materials and update key pieces annually. City “tool kit” items may include: City Profiles, demographics, business lists, list of public private investment, City metrics report card, available space inventory, City business liaison contact, incentive and fee abatement/timing programs. |
| Sub-total City Staff: 364 hours + \$45,000-\$50,000 Consultant Costs + \$10,000+ Graphic Design/IT costs | | | | | | |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
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| | | | Staff Time | Other Cost | | |
| Goal 4 STRATEGY 3: Prioritize Key City Infrastructure – SHORT-TERM 2 years or less | | | | | | |
| Action 1²: Request State funding for Highway 29 Corridor Improvements, and other congestion management improvements – such as signal timing – to improve flow and timing. | 2018 | One Time | 16 hours staff over-sight current project | CIP Funding | NVTA | Develop master list of Hwy 29 Improvements + congestion mgmt. efforts needed, and funding timing. |
| Action 2²: Prioritize funding, timing and ensure signage and communication (“Construction Coming”) on key circulation improvements – Devlin Road, Green Island Road, and future Newell Road connections. | 2018 | One Time | 24 hours | TBD CIP Engineering and funding plan + signs | | List CIP projects and schedule. Signage, City Website, and other outreach methods. |
| Action 3²: Actively pursue continued Broadway Corridor image improvements. | 2019 | Ongoing | 60 hours | TBD consultant land-scape plans for certain locations | | 1)List of key gateway public and private locations, such as PG&E site landscaping, that function as gateways for the City to specific destinations – Watson Ranch, parks, etc. 2) Target one location per year. 3) Consider native landscaping or other demonstration projects. |
| Action 4²: Prioritize City CIP projects with a critical look at infrastructure (deficiencies) in Industrial areas. | 2019 | Ongoing | 40 hours | TBD CIP engineering and funding plan | | Prioritize infrastructure in industrial areas every two years to ensure projects are funded and remain on schedule. |
| Action 5²: Encourage Napa Valley jurisdictions pay their “proportionate share” toward circulation impacts on regional facilities in American Canyon. | 2019 | Ongoing | 32 hours | N/A | NV Jurisdictions and agencies such as NVTA | 1) Monitor regional projects. 2) Participate in NVTA Board meetings related to infrastructure funding decisions. 3) Develop working relationships with neighboring jurisdictions to obtain cooperation on fair share funding. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------|------------|------------|------------------|----------------------------------------------------------------------------------------------------------|
| | | | Staff Time | Other Cost | | |
| Action 6²: Consider the use of various types of Improvement Districts – Business Improvement Districts, Lighting and Landscaping Districts, Infrastructure Improvement Districts to fund critical CIP projects. | 2019 | One Time | 60 hours | N/A | | List of Current Districts – summary of other possible districts and CIP projects that could be targeted. |
| Sub-total City Staff: 232 hours + CIP Funding | | | | | | |

STAFFING COSTS (2 Year Period)

Option 1: = \$105,000 ED Staff Costs plus other department costs. Includes 1,876 Staff Hours over 2 years= 1 Part-time ED Coordinator + 796 hours of staff time across multiple departments. Estimated cost is \$3,500 per month plus 25% fully-loaded cost factor for ED Coordinator (2-3 yrs experience) each year.

Option 2: Contract Staff* = \$60,000 annually or scale-able. Assumes \$125 per hour (assumes consultant with significant ED experience) and 10 hours per week (48 weeks/year).

DATA COSTS: \$8,000 for 2 Year Period includes demographic data, psychographic data, hotel data, and visitor data.

ECONOMIC CONSULTANT COSTS: \$125,000-\$177,500 for 2 Year Period includes preparation of Community Profile and psychographic trends, visitor case studies, hotel market capacity study, park fee nexus update, grant writing support, sports tournament market study, business recruitment study, and/or ED data on City website.

OTHER VENDOR COSTS (Graphic Design, IT, etc.): TBD for property inventory, marketing collateral, website support, etc.

LEGEND

- 1. Denotes an activity that could be done by contract economic development staff.
- 2. Denotes ongoing City staff activity.

City Department/Agency Acronyms – ED: Economic Development; WIB: Workforce Investment Board; AC: American Canyon; NV: Napa Valley; NVUSD: Napa Valley Unified School District; NVT: Napa Valley Tourism; PW: Public Works; SCC: Solano Community College; SBDC: Small Business Development Center.

SECTION 4

DEVELOPMENT STRATEGY AND MID/LONG- TERM ACTION MATRIX (3+ YEARS)

Development Strategy and MID/LONG-TERM Action Matrix (3+ Years)

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------------|------------------------------------------------------------------------|---------------------------------------------|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Role | Cost | | |
| Goal 1 | | | | | | |
| STRATEGY 1: Retain and expand living wage jobs within existing businesses – MID-TERM 3– 4 years | | | | | | |
| Action 1: Complete an inventory of living wage jobs skills currently used in American Canyon businesses. | 2020 | One Time with Updates in Later Years | ED Staff | ED Staff Time | WIB, NVC, American Canyon HS | Develop list of skills and workforce needs achievable through training, apprentice journeymen, and other programs. Track survey results, including number of living wage jobs. |
| Action 2: Monitor the small business community to identify “gazelles,” (small businesses that display significant growth in revenue and headcount). | 2021 | One Time and Update Annually | ED Staff | ED Staff Time | Napa Lake WIB, SBDC, NVUSD | Once identified, nurture these businesses with the assistance of other training organizations for continued growth and retention in American Canyon. Track growth in employment and/or space by gazelle firms. Also, track retention of these firms. |
| Action 3: Monitor growth in businesses and employment in American Canyon. | 2021 | One Time and Update Annually | ED, Planning, and Finance Staff | ED Staff Time | | Through business license, sales tax, and other data points create a “report card “of business growth and annually report increase businesses, jobs, and public revenues. |
| Action 4: Design and launch an annual Career Day at American Canyon High School (and other education institutions) that highlights the skills needed to work in American Canyon industries. | 2021 | One Time and Annually Thereafter | ED Staff | ED Staff Time | NVUSD | Track participation by local businesses and/or residents. |
| Goal 1 | | | | | | |
| STRATEGY 1: Retain and expand living wage jobs within existing businesses – LONG-TERM 5 years or more | | | | | | |
| Action 1: Support annual career workshops that maximize retention and facilitate recruitment of high-skilled workers for local businesses. | 2022 | Ongoing | ED Staff oversee Consultant-led workshops; market to local businesses. | \$2,500-3,000 per workshop (2-4 hours each) | WIB, NVC, Chamber, etc. | Track participation by local businesses and conduct post-workshop survey. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------------|-------------------------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| | | | Role | Cost | | |
| Action 2: Coordinate with local apprentice programs (IBEW Local Union 180, Plumbers and Stream-fitters Local Union No. 343 and others), recruitment and training opportunities. | 2022 | Ongoing | ED Staff | ED Staff Time | | Track participation by local businesses and/or residents. |
| Action 3: Market local education and training opportunities provided by local colleges and educational entities to businesses and residents. | 2022 | Ongoing | ED Staff | ED Staff Time | NVC, (incl. Economic Workforce Development, SBDC), Napa Valley Adult Education Consortium, SCC, International School of Nursing, etc. | Track participation by local businesses and/or residents. |
| Goal 1 STRATEGY 2: Recruit and secure new businesses in priority locations/industries that include living wage jobs – MID-TERM 3 – 4 years | | | | | | |
| Action 1: Identify opportunities to leverage existing specializations in wine industry logistics and food manufacturing to recruit complementary new companies related to these industries. | 2020 | One Time | ED Staff or Retain Consultant | ED Staff Time or Create RFP to set budget. | | Track number of inquiries from potential businesses. |
| Action 2: Coordinate with Mare Island economic development efforts and meet with Mare Island entities (universities, businesses) to understand existing and future spin-off opportunities. | 2021 | One Time and Update Annually | EDC and City ED staff. | ED Staff Time | | Track number of inquiries from potential businesses. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------------|------------------------|-------------------------------------|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Role | Cost | | |
| Action 3: Meet annually with businesses located in or near Airport Business Park to identify expansion and/or spin-off business opportunities for American Canyon. | 2021 | One Time and Update Annually | EDC and City ED staff. | ED Staff Time | Local Brokers | Track recommended spin-off and expansion businesses for follow-up. |
| Action 4: Identify 1-2 growing industries not already in American Canyon (e.g. medical, high tech manufacturing, high-tech housing). | 2021 | One Time with Updates in Later Years | ED Staff or Consultant | \$20,000 per industry if Consultant | | Analyze the City's demographics, regional labor pool, available sites, and utilities to attract businesses. Work with local brokers to co-market available sites. Track number of inquiries from businesses in target industries. |
| Action 5: Determine if timing is right for a Napa Valley Incubator and/or entrepreneurship mentoring space for start-up businesses in American Canyon. | 2021 | One Time | ED Staff | ED Staff Time | | Review past Napa County Incubator Study and inventory other existing small or shared space opportunities. Work with property owners to consider which option is right for American Canyon. |
| Action 6: Amend zoning, as needed, to allow preferred business types. | 2021 | One Time | ED, Planning Staff | ED, Planning Staff Time | | Determine if all preferred business are allowed in appropriate locations. Ensure Zoning for opportunity sites is appropriate for desired uses 100% of the time. |
| Goal 1 STRATEGY 2: Recruit and secure new businesses in priority locations/industries that include living wage jobs – LONG-TERM 5 years or more | | | | | | |
| Action 1: Work with business owners to encourage new industrial/office businesses that have living wage jobs (\$25+ per hour). | 2022 | Ongoing | ED Staff | ED Staff Time | | Provide assistance, such as business license relief based on employment levels and employment and training programs offered through regional agencies. Track number of new living wage jobs. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------|------------------------|----------------------|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Role | Cost | | |
| Goal 1 | | | | | | |
| STRATEGY 3: Support diversification and promotion of Quality of Life Attributes to Attract High Skilled Workers – MID-TERM 3 – 4 years | | | | | | |
| Action 1: Inventory and map parcels in the City that can accommodate new housing other than detached single-family (e.g. attached homes, townhouses, apartments, and condos). | 2020 | One Time | Planning Staff | Planning Staff Time | Local Brokers | Include location, parcel size, allowable density, infrastructure provided and/or project obligations, estimated fee structure, etc. Track number of inquiries by housing developers and/or builders. |
| Action 2: Actively encourage the development of diverse housing opportunities, particularly near the core. | 2020 | One Time | Planning Staff | Planning Staff Time. | | Identify incentives for high-density housing that meets higher quality, innovative use, or other features that distinguish from traditional housing types. |
| Action 3: Identify retail builders and retail center owners to support efforts to expand and recruit retailers that improve the quality of life for local employees and residents. (See related Short-Term Goal #2, Strategy 1, Action 2) | 2020 | Ongoing | ED, Planning, PW Staff | Staff Time | | Identify qualified retail builders and retail center owners to develop catalyst retail sites. |
| Action 4: Market AC as a viable residential community for Mare Island Employers. | 2020 | Ongoing | ED Staff | Staff Time | Local residential brokers | Develop list of key employers and employee outreach information package. Track changes in commute times and locations. |
| Action 5: Engage residents to upgrade and maintain their properties. | 2021 | Ongoing | PW Staff | Staff Time | | Implement “Neighborhood Pride” contests, recognition and prizes to foster neighborhood pride. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------|------------------------|-------------------------------------|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Role | Cost | | |
| Action 6: Pursue jobs with higher wages and more affordable/ workforce housing opportunities for residents. (See <i>Medium/Long Term Goal #1, Strategy #2, Action #1; see Goal 1, Strategy 3, Action #2 above also</i>) | 2020 | Ongoing | ED, Planning, PW | Staff Time | | Provide assistance, such as business license relief based on employment levels and employment and training programs offered through regional agencies. Track number of new living wage jobs. Identify incentives for high-density housing that meets higher quality, innovative use, or other features that distinguish from traditional housing types. |
| Goal 2 STRATEGY 1: Support existing and new retailers and retail centers that can withstand e-commerce – MID-TERM 3 – 4 years | | | | | | |
| Action 1: Study approaches and success rates of Shop Local and other types of campaigns in similar communities to determine whether similar efforts would be appropriate for American Canyon. | 2020 | One Time | ED Staff or Consultant | Staff Time or \$7,500 if Consultant | | Work with Chamber to evaluate their Shop Locally campaigns. Report outcomes and design campaign to increases to Retail Sales linked to campaign. |
| Action 2: Connect local retailers with local job training agencies who can provide personnel assistance, workshops, education and training resources. | 2020 | Ongoing | ED Staff | Staff Time | Napa Lake WIB, NVC, SBDC. | Track participation by local businesses. |
| Goal 2 STRATEGY 2: Encourage new retail that serves American Canyon residents and improves local quality of life – MID-TERM 3 – 4 years | | | | | | |
| Action 1: Develop a list of desired retail business types that cater to residents. | 2020 | One Time | ED Staff or Consultant | \$15,00-\$20,000 if Consultant | | Identify growing retailers in those sectors, analyze local demographics to determine recruitment potential. Implement recruitment outreach to 2-4 retailers to reduce sales tax leakage year over year in each retail category. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------------|---------------------------|--------------------------------------------------------------------------------------|------------------|-------------------------------------------------------------------------------------------------------------------------------|
| | | | Role | Cost | | |
| Action 2: Develop recruitment packets for desired retail types that cater to residents, including drive time populations (daytime and nighttime), demographic data, traffic counts, locations of competitors, and portfolio of available “shovel-ready” sites. | 2020 | One Time with updates in later years | ED Staff or Consultant | \$5,000-\$10,000 if consultant | Local Brokers | Track inquiries to brokers and city. |
| Action 3: Attend targeted economic development events to promote American Canyon for new retail development (ICSC, other). | 2020 | On-going | 1 ED Staff, 2 EDC members | \$8,000 for annual industry membership and associated costs for 2 annual conferences | | Track number of potential and secured retailers. |
| Action 4: Design and offer incentives to targeted new retail businesses, such as fee reductions, deferrals, and/or guaranteed expedited project review timeframes. | 2020 | One Time with Updates in Later Years | ED, CD, PW Staff | Staff Time | | 90% of businesses receiving incentives indicate that they would not have located in American Canyon without the incentive(s). |
| Goal 2 STRATEGY 3: Foster visitor-serving retail opportunities – MID-TERM 3 – 4 years | | | | | | |
| Action 1: Finalize list of desired retail business types that cater to visitors by considering overlap with desired retail business types for residents (See Goal #2, Strategy 2, Action 1) and unique features (e.g. demographics) of American Canyon and Napa Valley. | 2020 | One Time with Updates in Later Years | ED Staff | Staff Time | | Increase in year-over-year visitation and retail spending by visitors. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------|---------------------------|----------------------------------|------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Role | Cost | | |
| Action 2: Identify 2-3 growing retailers in targeted sectors; and analyze visitation trends to determine recruitment potential. | 2021 | One Time | 1 ED Staff, 2 EDC members | Included in Strategy 2, Action 7 | Regional & National Brokers and retailer reps | Develop list of retail recruitment events, and other solicitation methods such as attending select recruitment events to meet with targeted retailers (See above, Mid-Term Goal 2, Strategy 2, Action 3) and other outreach/ solicitation activities. |
| Goal 2 STRATEGY 3: Foster visitor-serving retail opportunities – LONG-TERM 5 years or more | | | | | | |
| Action 1: Research and develop a local hire program for Napa Valley College and American Canyon High School students. | 2022 | One Time | Ed Staff | Staff Time | NVC, AC High School, WIB for training, Chamber | Track placement opportunities and interest. |
| Action 2: Highlight American Canyon and Carneros AVA through a joint Tasting Room with wines from the area. (See related Mid-Term Goal #3 Strategy 3, Action 3) | 2022 | One Time | Planning and ED | Staff time | Business owners in wine industry | Opening of Tasting Room in American Canyon. |
| Goal 3 STRATEGY 1: Create More Hotel Rooms in the City – MID-TERM 3 – 4 years | | | | | | |
| Action 1: Fund Holiday decorations and lighting along Broadway to brighten/ enliven the city’s appearance and encourage visitors and residents to shop locally. | 2020 | One Time | | | | Possible TID program. |
| Goal 3 STRATEGY 2: Develop Market Niches with New Lodging Properties – MID-TERM 3 – 4 years | | | | | | |
| Action 2: Embrace the “value” position of properties and market this segment to families. | 2020 | Ongoing | ED | Staff Time | Chamber & TID | Compile list of family oriented surrounding destinations - Six Flags, Jelly Belly Factory, trails, Napa River opportunities, etc., community events, and develop marketing materials. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
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| | | | Role | Cost | | |
| Action 3: Anchor the Regional HUB Corporate Meeting market between Sacramento, Oakland, San Francisco and Santa Rosa. | 2020 | Ongoing | ED | Staff Time | Chamber, TID, Hotel property General Manager and Director of Sales, Concierge and Meeting Planner Groups, VNV | Meet with Director of Sales of existing lodging properties, VNV Sales Team, and “concierge and meeting planners” to understand market needs and trends. Increase Corp Meeting Bookings by 2% a year when additional capacity exists. |
| Action 4: Meet with the operators of Eagle Vines and Chardonnay Golf courses to develop a working relationship to understand their market opportunities and needs. | 2020 | Ongoing | ED | Staff Time | ED Committee, TID, Chamber | Develop ways to support their marketing efforts through regional tournaments and educational programs. Increase golf related events, youth programs, other venue activities up 5% first year. |
| Action 5: Research the “eco tourism” market and determine how American Canyon regional open space and recreational can be promoted with materials and events. | 2020 | One Time | ED | Staff Time | ED Committee, TID | List of Eco-Tourism locations- hiking, mountain and road biking, canoeing and kayaking, birding, etc. - and develop maps, future interpretive signage/brochures. |
| Goal 3 STRATEGY 2: Develop Market Niches with New Lodging Properties – LONG-TERM 5 years or more | | | | | | |
| Action 1: Broaden “Wedding” venue opportunities in American Canyon by encouraging the development of non-traditional destinations. | 2022 | One Time | ED, Parks and Planning | Staff Time | Parks and Community Services, and PC review, | List of potential new wedding venues such as: the “Ruins”; park facilities such as Newel Open Space – Barn; Napa River Bay Trail – rest/overlook areas – Gazebo opportunities; Clarkes Ranch; Oat Hill, etc.. Target 1-2 new wedding venues in CIP. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------|-------------------------|--------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Role | Cost | | |
| Goal 3 STRATEGY 3: Expand Amenities for Visitors – MID-TERM 3 – 4 years | | | | | | |
| Action 1: Make American Canyon more visitor-friendly by providing Vehicular Directional or Way Finding Signage Program to Parks, Trails and Open Spaces. (See related Mid-Term Goal #4, Strategy 3, Action 2) | 2020 | One Time | ED, Planning, PW, Parks | Staff Time for locations, messages, and sign engineering+ consultant design of Directional Sign design | Parks and Community Services Committee and Open Space Committee Review | Develop Directional Sign Program that incorporates location signage and maps at trail heads/staging areas. Issue RFP for consultant design and develop CIP funding program/schedule. |
| Goal 3 STRATEGY 3: Expand Amenities for Visitors – LONG-TERM 5 years or more | | | | | | |
| Action 1: Undertake Public Facilities renovations and redevelopment plan that supports visitor and resident activities such as park improvements at Clarke Ranch, Newell Open Space, etc. and extension of trail systems to link with regional trail systems. | 2022 | One Time | Parks | Staff Time + CIP allocation | CC | CIP List of Improvements and Funding. |
| Action 2: Expand bike and kayak opportunities through rental purveyors and designating future Kayak launch locations and improvements. | 2022 | Ongoing | Parks and PW | Staff Time – potential revenue source | Parks and Community Services Committee and Open Space Committee Review | Determine kayak and Bike locations – and purveyors in Year 1. Begin improvements and contracts following years. |
| Action 3: Highlight American Canyon and Carneros AVA through a joint Tasting Room with wines from the area. (See related Mid-Term Goal #2, Strategy 3, Action 2) | 2022 | One Time | Planning and ED | Staff time | | Opening of Tasting Room. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------|-----------------|------------|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Role | Cost | | |
| Action 4: Review the Public Art Master Plan and its implementation process. | 2022 | Ongoing | Planning | Staff Time | TID, Chamber, Napa Valley Arts Council | Determine if a public art development ordinance is appropriate to fund public art. Consider a juried temporary public art program until permanent public art installations are in place. Target 1-3 public art locations every 2 years. |
| Goal 4 STRATEGY 1: Using City Tools for New Business Growth – MID-TERM 3 – 4 years | | | | | | |
| Action 1: Prioritize Economic Development efforts by hiring a full time Economic Development coordinator/ manager to act as a City Ombudsman and provide needed liaison. | 2021 | One Time | CM | TBD | | ED would oversee the implementation of the ED Action Plan, market the City, work with businesses owners on key projects, negotiate agreements, design incentive programs, act as project manager on key projects. |
| Action 2: Use targeted investment strategies to foster the high-quality developments desired by the community. | On-going | Ongoing | ED and CM | TBD | | Create toolbox of City investment strategies such as: Development Agreements, development fee abatements, development fee loans, expedited processing, improvement districts, and other programs. Track and Review Agreements, etc. annually. |
| Goal 4 STRATEGY 1: Using City Tools for New Business Growth – LONG-TERM More than 5 years | | | | | | |
| Action 1: Develop a landscape and façade “match” incentive program for designated blighted properties along Broadway Corridor to encourage visual upgrade. | 2022 | Ongoing | ED and Planning | TBD | | Develop program criteria and funding. Track projects and investment impact. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------------|-----------------|---------------------------------------------------------------------------------------------|------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Role | Cost | | |
| Goal 4 | | | | | | |
| STRATEGY 2: Economic Development Readiness Strategies – MID-TERM 3 – 4 years | | | | | | |
| Action 1: Develop a targeted recruitment plan for desired companies and businesses. | 2020 | One Time with updates in later years | ED and Planning | Staff Time | | Recruitment Plan should include: ED materials, conference attendance, targeted solicitations, etc. and outreach to 5 companies. |
| Action 2: Document public and private investment in the community. | 2020 | Ongoing | Planning | Staff Time | | Keep on-going list of public and private investment such as: List public infrastructure, parks, and other improvements. List private investment through building permits and report annually to City Council. |
| Action 3: Create an available space inventory for recruitment and retention purposes. | 2020 | Ongoing | ED and IT | Staff Time | Brokers | Work with Brokers to update information, provide links to marketing materials, maps, etc. Update on a quarterly basis. |
| Goal 4 | | | | | | |
| STRATEGY 3: Prioritize Key City Infrastructure – MID-TERM 3 – 4 years | | | | | | |
| Action 1: Install temporary Hwy 29 street lighting along the Broadway Corridor for visual connectivity and safety turning the evening and overnight area. | 2020 | One Time | PW | Staff time | Caltrans | Develop target locations and CIP. |
| Action 2: Prioritize and fund Directional/Way Finding signage throughout the community to key locations within parks, public facilities, private destinations, etc. Coordinate with TID/ Chamber Marketing and Branding program. (See related Mid-Term Goal #3, Strategy 3, Action 1) | 2020 | One Time | ED and PW | Staff Time for sites, messages, and sign engineering+ consultant design of Directional Sign | Parks and Community Services Committee and Open Space Committee Review | List of Directional Sign locations + RFP for consultant design + CIP Funding. |

| Strategy | Timeframe to Complete | Recurrence | City | | Stakeholder Role | Metrics/Tracking |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------|------------------------------|------------|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Role | Cost | | |
| Action 3: Increase pro-active Code Enforcement efforts around catalyst sites and other highly visible sites in the community. | 2020 | Ongoing | ED, Code Enforcement, and PW | Staff Time | | Develop list of other blighted areas and implement neighborhood improvement projects – cleanup days; extension of lighting and sidewalks; offer to assist low-income seniors with property maintenance programs. |
| Goal 4 STRATEGY 3: Prioritize Key City Infrastructure – LONG-TERM More than 5 years | | | | | | |
| Action 1: Form a Housing Committee with major employers to meet on housing issues and workforce housing needs. | 2022 | Ongoing | ED and Housing | Staff Time | Chambers, other NV Housing Advocates | Develop list of Major Employers, background info – location, housing types, financing, etc., and lead consensus and implementation efforts. |

LEGEND

*Denotes ongoing City staff activity.

City Department/Agency Acronyms – ED: Economic Development; WIB: Workforce Investment Board; AC: American Canyon; NV: Napa Valley; NVUSD: Napa Valley Unified School District; NVT: Napa Valley Tourism; PW: Public Works; SCC: Solano Community College; SBDC: Small Business Development Center.

SECTION 5

ABOUT THE STUDY AUTHORS

ABOUT NEW ECONOMICS & ADVISORY

Founded in 2011, New Economics & Advisory is a boutique economic consulting firm that provides economic analysis for planners, developers, and government officials to inform intelligent and financially sustainable land-use planning. Analytics used by New Economics are shaped by the latest market trends, economic dynamics, and best financial practices. New Economics serves Northern California and Northern Nevada, and has offices in Roseville, CA and South Lake Tahoe, CA.

ABOUT CASS WALKER CONSULTING

Cassandra Walker led the redevelopment efforts in downtown Napa for 16 years as the City of Napa's Community Development Director. Currently, she consults with public, private and non-profit agencies on economic development, affordable housing and government-relations matters. With over 30 years of public and private planning and development experience, Cassandra brings expertise working with diverse communities and entities to achieve their economic goals, through creating strategies and policies, engaging in community outreach, and managing complex projects. She is well versed in all aspects of community engagement, planning, affordable housing and economic development. Over the years she has negotiated various types of real estate agreements, public-private joint venture projects, affordable housing projects, and collaborated with organizations to implement projects and initiatives.

NEW ECONOMICS & ADVISORY®

APPENDIX 1

PUBLIC WORKSHOP COMMENTS

AMERICAN CANYON PUBLIC WORKSHOP COMMENTS

Goal #1 Retain/Create Living Wage Jobs

| Comment | Emphasis ¹ | ED Strategy | Example Action | Specific Language (if just one Action) |
|----------------------------------------------------|-----------------------|--------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Look at jobs through partnerships | | Long Term 1 | 2 | Coordinate with local apprentice programs (IBEW Local Union 180, Plumbers and Stream-fitters Local Union No. 343 and others), recruitment and training opportunities. |
| NVUSD/NVSC-WIB-Local Apprentice Programs/Craftsmen | ★ | Long Term 1 | 3 | Market local education and training opportunities provided by local colleges and educational entities to businesses and residents. |
| Match local resident skills to job | | Long Term 1 | 3 | Market local education and training opportunities provided by local colleges and educational entities to businesses and residents. |
| Diversity | | Mid Term 2 | 2 | Coordinate with Mare Island economic development efforts and meet with Mare Island entities (universities, businesses) to understand existing and future spin-off opportunities. |
| Medical/Clinic/Offices | | Mid Term 2 | 4 | Identify 1-2 growing industries not already in American Canyon (e.g. medical, high tech manufacturing, high-tech housing). |
| Fire Recovery Rebuilding | | Mid Term 2 | 4 | See above. |
| Opportunity for highly skilled | | Long Term 2 | 1 | Work with business owners to encourage new industrial/office businesses that have living wage jobs (\$25+ per hour). |
| F-OS Mare Islands Modular Homes | | Mid Term 2 | 2 | Coordinate with Mare Island economic development efforts and meet with Mare Island entities (universities, businesses) to understand existing and future spin-off opportunities. |
| High Tech Wine Processing, e-commece | | Mid Term 2 | 1 | Identify opportunities to leverage existing specializations in wine industry logistics and food manufacturing to recruit complementary new companies related to these industries. |
| Wine related-Unique Manufacturing | | Mid Term 2 | 4 | Identify 1-2 growing industries not already in American Canyon (e.g. medical, high tech manufacturing, high-tech housing). |
| Entrepreneurship Jobs/ Business | | Mid Term 2 | 5 | Determine if timing is right for a Napa Valley Incubator and/or entrepreneurship mentoring space for start-up businesses in American Canyon. |
| Focus on existing skilled workers | | Long Term 1 | 1 | Support annual career workshops that maximize retention and facilitate recruitment of high-skilled workers for local businesses. |
| Excellent quality of life | | Short Term 3 | 3 | Implement Broadway Corridor Specific Plan. |

| Comment | Emphasis ¹ | ED Strategy | Example Action | Specific Language (if just one Action) |
|-------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Success brings success | | Mid Term 2 | 1 | Study opportunities to leverage existing specializations in wine industry logistics and food manufacturing to recruit complementary new companies related to these industries. |
| Make Hwy 29 attractive | | Short Term 3 | 3 | Support efforts to implement Broadway Corridor Specific Plan, including beautification of Highway 29. |
| Bring housing costs and wages closer in balance | ★ | Mid Term 3 | 2 | Actively encourage the development of diverse housing opportunities, particularly near the core. |
| Need to work with existing businesses to discover how we can enhance and expand Food & Beverages; and Warehousing & Logistics | | Mid Term 2 | 1 | Identify opportunities to leverage existing specializations in wine industry logistics and food manufacturing to recruit complementary new companies related to these industries. |
| Consider one “stretch” industry such as health related fields or R&D | | Mid Term 2 | 4 | Identify 1-2 growing industries not already in American Canyon (e.g. medical, high tech manufacturing, high-tech housing). |
| Need to pursue affordable housing as rigorously as better paying jobs | | Mid Term 3 | 2 | Actively encourage the development of diverse housing opportunities, particularly near the core. |
| Increase hourly wages in town | | Long Term 1 | 3 | Market local education and training opportunities provided by local colleges and educational entities to businesses and residents. |

1. ★ means a second person had the same comment.

Prepared by New Economics & Advisory, October 2017.

AMERICAN CANYON PUBLIC WORKSHOP COMMENTS

Goal #2 Strategic Retail

| Comment | Emphasis ¹ | ED Strategy | Example Action | Specific Language (if just one Action) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Catering for large groups/ local families | | Mid Term 2 | 1 | Develop a list of desired retail business types that cater to residents. |
| Residential Serving Retail: Ethnic, shoes, soft goods, grocery, specialty stores | | Mid Term 2 | 1 | Develop a list of desired retail business types that cater to residents. |
| Smaller SF Stores-Boutique/G Food/Wine (Consumer demographics) | ★ | Mid Term 1 | 1 | Study approaches and success rates of Shop Local and other types of campaigns in similar communities to determine whether similar efforts would be appropriate for American Canyon. |
| Proximity to existing stores-Issue sit down restaurant to fast casual trend. Also need is based on existing demographics. Competition in Vallejo/Napa. | | Mid Term 2 | 1 | Assess the existing potential for existing eateries to provide catering for large group events (families, local events). Consider varieties of food currently offered, price points, delivery options, etc. Study additional offerings currently available in Vallejo. |
| Sprouts/Specialty Grocery | | Mid Term 2 | 1 | Develop a list of desired retail business types that cater to residents. |
| Co-office space location | Goal 1 | Mid Term 2 | 5 | Determine if timing is right for a Napa Valley Incubator and/or entrepreneurship mentoring space for start-up businesses in American Canyon. |
| Local driven-local population-children | | Mid Term 2 | 4 | Design and offer incentives to targeted new retail businesses, such as fee reductions, deferrals, and/or guaranteed expedited project review timeframes. |
| 3 new local (Paris Bakery Crepes/Florist) | | Mid Term 2 | 1 | Develop a list of desired retail business types that cater to residents. |
| Buy local/shop local rest. | | Mid Term 1 | 1 | Study approaches and success rates of Shop Local and other types of campaigns in similar communities to determine whether similar efforts would be appropriate for American Canyon. |
| Our customer base extends beyond the city limits | | Mid Term 2 | 1 | Develop a list of desired retail business types that cater to residents. |
| Put more effort into neighborhood retail and visitor-serving retail, rather than regional shopping centers | | Mid Term 2 | 1 | Develop a list of desired retail business types that cater to residents. |

1. ★ means a second person had the same comment.

AMERICAN CANYON PUBLIC WORKSHOP COMMENTS

Goal #3 Tourism

| Comment | Emphasis ¹ | ED Strategy | Example Action | Specific Language (if just one Action) |
|-----------------------------------------------------------------------------------|-----------------------|--------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Chamber hiring visitor coordination position | | | | Chamber action, not part of the City ED Strategy. |
| Ruins provides unique character and destination, attracts unique shops | | Short Term 1 | 5 | Begin to brand American Canyon destination project the “Ruins” through interim special events and use. Expedite Development Agreement negotiations, environmental analysis and project entitlements. (See related Short-Term Goal #2, Strategy, Action 2) |
| Sports tournaments (Near Newell Park?). Also attracted by affordable hotel prices | ★ | Short Term 2 | 3 | Embrace the “sports tourism” market segment by continuing to develop the relationship with Infineon Raceway, sports tournaments through local schools- American Canyon High School, and Napa Valley College. |
| Sidewalks, accessibility, bicycle | ★ | Long Term 3 | 6 | Undertake Public Facilities renovations and redevelopment plan that supports visitor and resident activities such as park improvements at - Clarke Ranch, Newell Open Space, etc. and extension of trail systems to link with regional trail systems. |
| Sports complex + hotel rooms | ★ | Short Term 2 | 1 | Undertake a Cost – Benefit Study to determine the economics associated with development of additional sports and tournament facilities at Napa Junction School site or other location. |
| What are millennial demographics | | Short Term 3 | 2 | Review the Visit Napa Valley Visitor demographics to determine if there is a subset of demographics – millennial, young adults, Gen X, LGBTQ – that would be a good target audience for American Canyon. |
| More hiking trails (& signage/ way finding) | ★ | Mid Term 3 | 1 | Make American Canyon more visitor-friendly by providing Vehicular Directional or Way Finding Signage Program to Parks, Trails and Open Spaces. (See related Mid-Term Goal #4, Strategy 3, Action 2) |
| AC as triathlon location | | Short Term 3 | 1 | Create (or co-coordinate or co-fund) Key Destination Events that build brand awareness. |
| After dark retail/activities need to expand maps | ★ | Short Term 3 | 3 | In conjunction with the TID/Chamber of Commerce Marketing and Branding campaign develop collateral marketing materials. |
| Eagle Vines weddings-what other activities | | Mid Term 2 | 4 | Meet with the operators of Eagle Vines and Chardonnay Golf courses to develop a working relationship to understand their market opportunities and needs. |
| What about Air B/B, VRBO | | Short Term 1 | 1 | Undertake a Hotel Market Capacity study to determine the current market capacity and absorption. |

| Comment | Emphasis ¹ | ED Strategy | Example Action | Specific Language (if just one Action) |
|-------------------------------------------------------------------------------------|-----------------------|----------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| No downtown | | Short Term 1 | 5 | Begin to brand American Canyon destination project the “Ruins” through interim special events and use. Expedite Development Agreement negotiations, environmental analysis and project entitlements. (See related Short-Term Goal #2, Strategy, Action 2) |
| Cycling trails-connect to regional trails | | Long Term 3 | 6 | Undertake Public Facilities renovations and redevelopment plan that supports visitor and resident activities such as park improvements at - Clarke Ranch, Newell Open Space, etc. and extension of trail systems to link with regional trail systems. |
| Woodland, Suisun City recent sports complex facilities | | Short Term 2 | 1 | Undertake a Cost – Benefit Study to determine the economics associated with development of additional sports and tournament facilities at Napa Junction School site or other location. |
| There is demand for more hotel rooms | | Short Term 1 | 1 | Undertake a Hotel Market Capacity study to determine the current market capacity and absorption. |
| Need to be careful that tourism doesn’t become the dominant source of general taxes | | Staff and City Council oversight | | |
| Don’t overlook the need to expand our local restaurants. | Goal #2 | Mid Term 2 | 1 | Develop a list of desired retail business types that cater to residents. |

1. ★ means a second person had the same comment.

Prepared by New Economics & Advisory, October 2017.

AMERICAN CANYON PUBLIC WORKSHOP COMMENTS

Goal #4 Business Environment

| Comment | Emphasis ¹ | ED Strategy | Example Action | Specific Language (if just one Action) |
|---------------------------------------------------------------------------------------------------------|-----------------------|-------------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Big vision | | Short Term 1 | 1 | City Council defines the term “business friendly” to create a consistent business mission statement for the City. |
| Fees (prior fee reduction 50%) over time for desired/targeted businesses/activities (eg sports complex) | | Mid Term 1 | 2 | Use targeted investment strategies s to foster the high-quality developments desired by the community. |
| ED and Chamber Committee coordination | | Short Term 2 | 4 | Develop work program for the Economic Development Committee and coordinate certain programs and activities with Chamber Government Affairs, GRID and CORE committees. |
| Two items - components | | | | |
| 1) Development: how to make it easier to bring in targets | | Short Term 1 and Mid Term 1 | 4 and 5 | #4 Continue to monitor the timely processing of discretionary development applications. #5 Prioritize Economic Development efforts by hiring a full time Economic Development coordinator/manager to act as a City Ombudsman and provide needed liaison. |
| 2) Existing spaces: break into smaller spaces, help entrepreneurs/younger workers | Goal #1 | Mid Term 2 | 5 | Determine if timing is right for a Napa Valley Incubator and/or entrepreneurship mentoring space for start-up businesses in American Canyon. |
| Roads, infrastructure (most important priority) | | Mid Term 3 | 2 | Prioritize and fund Directional/Way Finding signage throughout the community to key locations within parks, public facilities, private destinations, etc. Coordinate with TID/Chamber Marketing and Branding program. (See related Mid-Term Goal #3, Strategy 3, Action 1) |
| Watson Ranch entrance (Adobe site) | | Short Term 3 and Short Term 2 | 3 and 4 | #3 Actively pursue continued Broadway Corridor image improvements. #4 - Assist key economic businesses located on redevelopment sites such as Adobe Lumber, relocate to a new site in American Canyon. |
| Contract services vs. employee services | | | | City Management position to determine how best to implement ED activities |
| Chamber Govt. Affairs committee | | Short Term 2 | 4 | Develop work program for the Economic Development Committee and coordinate certain programs and activities with Chamber Government Affairs, GRID and CORE committees. |
| Business Toolkit is of interest to the Chamber | | Short Term 2 | 6 | Provide up-to-date economic development data on the City website. |

| Comment | Emphasis ¹ | ED Strategy | Example Action | Specific Language (if just one Action) |
|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Rendering/vision for Broadway Specific Plan | | Short Term 1 | 2 | Maintain priority to complete key planning documents currently in process – Broadway Specific Plan EIR and document approval, Watson Ranch Master Plan, Highway 29 Corridor Study, etc. |
| Cannabis? How to treat? | | 2 | 7 | City Staff eliminated corresponding draft action. |
| Highway 29 LLD (because Caltrans is inconsistent) | | Short Term 3 | 1 | Request State funding for Highway 29 Corridor Improvements, and other congestion management improvements – such as signal timing – to improve flow and timing. |
| Complete Broadway EIR | | Short Term 1 | 2 | Maintain priority to complete key planning documents currently in process – Broadway Specific Plan EIR and document approval, Watson Ranch Master Plan, Highway 29 Corridor Study, etc. |
| Council Education on incentives | | Mid Term 1 | 2 | Use targeted investment strategies s to foster the high-quality developments desired by the community. |
| It is easier to emphasize the simpler concept of being “Business Friendly.” | | Short Term 1 | 1 | City Council defines the term “business friendly” to create a consistent business mission statement for the City. |
| Streamline the permitting process is most important but also need to track processing times and compare our numbers to other jurisdictions | | Short Term 1 | 4 | Continue to monitor the timely processing of discretionary development applications. |
| Encourage a positive attitude—how can we work with prospective businesses to achieve success | | Short Term 1 | 1 | City Council defines the term “business friendly” to create a consistent business mission statement for the City. |
| Need to identify the types of businesses we want to encourage | | Short Term 2 and Mid Term 2 | 1 and 1 | #1 Conduct a marketing study to determine the type of companies and business that are a good fit for American Canyon and where there is unmet market demand for their services and products. #1 Develop a targeted recruitment plan for desired companies and businesses. |

1. ★ means a second person had the same comment.

Prepared by New Economics & Advisory, October 2017.

APPENDIX 2

PERSONS INTERVIEWED

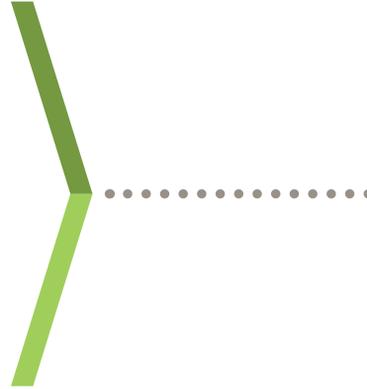
Persons Interviewed

| Company | Name | Position | Date |
|------------------------------------------|-----------------------|------------------------|-----------|
| Am Can Chamber | Mandy Le | Chamber Staff | 8/21/2017 |
| American Canyon Flat Land Company | Steve Brock | President | 8/30/2017 |
| American Canyon Orthodontics | Jeffrey Nichelini | Owner | 8/22/2017 |
| CDI Office Space | Harry Price | Owner | 8/22/2017 |
| City of American Canyon | Brent Cooper | Comm Dev Director | 8/21/2017 |
| City of American Canyon | Jason Holley | Public Works Director | 8/30/2017 |
| City of American Canyon | Creighton Wright | Parks and Rec Director | 8/21/2017 |
| Colliers | Bill Kampton | Realtor | 8/17/2017 |
| Double Tree | Erik Burrows | GM | 8/30/2017 |
| Eagle Vines Golf Course | Andy Tittle | Interim GM | 8/31/2017 |
| Eagle Vines Realty | Nelia Medeiros | Realtor | 9/11/2017 |
| FRG Waste Resource | Tim Shea | President | 8/22/2017 |
| Holiday Inn | Kenta Kamahara | GM | 8/31/2017 |
| Holiday Inn | Grace Carranza | Director of Sales | 8/23/2017 |
| Kreysler & Associates (fiberglass manuf) | Bill Kreysler | Owner | 8/21/2017 |
| La Strada | Brenda Martinez | Manager | 8/22/2017 |
| Lake Street Ventures | Vincent "Buzz" Butler | Principal/Realtor | 8/22/2017 |
| McGrath Properties | Terry McGrath | Owner | 8/21/2017 |
| Mezzetta | Joe Kidd | Senior VP | 8/22/2017 |
| Strong - Heyden | Michael Holcomb | Realtor | 9/14/2017 |
| Visit Napa Valley | Teresa Savage | Sales Director | 8/31/2017 |
| ZECO Electric | Jess Zuniga | President | 8/21/2017 |

Prepared by New Economics & Advisory, 2017.



Land Development Checklist



Land Development Checklist

This checklist outlines the typical process developers should go through, from looking at a property prior to purchase to evaluating the site potential, obtaining development approvals, and preparing finished lots for sale to builders. Land development today involves a rigorous, comprehensive set of evaluations and approvals involving multiple parties in both the private and public sectors. This resource will help both developers and public officials better understand the many steps in the land development process, the timeline, likely costs, and required due diligence associated with residential development.



Site Constraints and Opportunities

I FOUND A PROPERTY FOR SALE, NOW WHAT DO I DO?

- What is the reason for interest in this piece of land?
- What governmental entities have jurisdiction over this property?
- Has the property been recently surveyed?
- What is the gross and net size of the property (developable area)?
- What is the price of the property and requirements of the transaction?
- Are there any physical improvements? What is the condition and approximate value?
- What is the zoning for this property?
- What is the zoning/land use of the surrounding properties?
- Are there any physical encroachments from neighboring properties?
- Are there existing easements or covenants on this property?
- Has the owner put any other conditions on the land?
- Will there be right-of-way dedication required?
- Are there power lines or transmission lines crossing the property?
- Are utilities available from government entities?
- Do utilities serve the property or do they need to be extended?
- How would you rate the location for the intended market segment?
- What is the highest and best use of the property?
- Is the land owner willing to sign an option agreement?



Site Constraints and Opportunities (cont'd)

STILL INTERESTED IN THE PROPERTY? CONTINUE YOUR RESEARCH....

- Perform American Land Title Association (ALTA) land title survey
- Walk the property and take site photos
- Consider the following:
 - Rock outcroppings
 - Low areas
 - Slopes
 - Floodplains
 - Wetlands
 - Water elements
 - High points and ridgelines
 - Land forms/unique natural features
 - Views and vistas
 - Sounds and smells
 - Cultural and historic resources
- Is the land characterized by or exposed to:
 - Poor soils
 - Soil erosion
 - Subsidence
 - Geologic hazards
 - Unusual noise, vibration or smells
 - Ingress and egress limitations
 - Poor surface drainage
 - High water table
 - Proximity to industrial facilities
 - Unsightly views
 - Upstream dam
 - Railroad tracks
 - Heavy air traffic
 - Heavy vehicular traffic
 - Any other actual or apparent safety concerns?
 - Are special consultants needed?
- Inventory natural resources
- Topography
- Forest cover
- Natural or man-made bodies of water
- Wetlands delineation
- Floodplains
- Wildlife
- Soils and rock
- Steep slopes
- Plant communities and species



ADDITIONAL INVESTIGATIONS

- Are there any waters of the U.S. on the site or running through the site?
- Have soil borings been conducted to determine depth?
- What are the potential access points or routes?
- What is the frontage and depth relative to the roads?
- Are there adequate stormwater outfalls?
- Has an Environmental Phase I Assessment been conducted?
- Are there any hazardous materials that will require clean-up/disposal?
- Have preliminary perc tests been conducted?
- Is there utility capacity available to serve the property?
- Will utility relocation be required?
- Are there wells on the land? Well depth?
- Will the property require septic? Will a community septic tank work on the site?
- Police and fire services provided?
- Trash pick-up?
- Are there any special local environmental regulations (ex: critical area, water quality protection area)?
- Is the property subject to Fish and Game regulations?
- Are there any threatened or endangered species on the site?
- Has any portion of the site been classified as historically or archeologically significant?

Development requirements come in many forms and can be imposed on this process by governments at different levels. At the local level, jurisdictions may charge permit, utility hook-up, and impact fees and establish development and construction standards that either directly increase costs or builders and developers or cause delays that translate to higher costs.

Source: Paul Emrath, Ph.D. "Government Regulation in the Price of a New Home." *Housing Economics*, 2016.

Government Constraints and Opportunities

WHAT CAN BE DONE ON THIS PROPERTY?

- What are the development review and approval procedures in this community?
- What is the local attitude towards new development?
- Is there a Comprehensive Plan? Master Plan? Growth Management Plan? Neighborhood Plan? What is the future community vision for this area?
- Have we obtained all of the relevant codes and ordinances (subdivision, zoning, energy, building)?
- What is the existing zoning for this property? Does the existing zoning align with the comprehensive plan?
- Is there an overlay district over this property?
- What is the time table for subdivision approval?
- Will the municipality require a donation of land or fee-in-lieu for open space, parks, schools, etc?
- Does the municipality have inclusionary zoning or other special requirements?
- Will an Archeological study be required?
- Will a Threatened and Endangered Species study be required?
- Will a traffic capacity or impact study need to be conducted?
- Are there natural or historic protected areas?
- Considering the net buildable area, how many units can I build on this property? Can I still make a profit?

TYPES OF COSTS INCURRED DURING DEVELOPMENT

- Pure cost of delays in process
- Cost of applying for zoning/subdivision approval
- Costs incurred after approval/before construction (impact fees, environmental mitigation, etc.)
- Value of land dedicated/left unbuilt
- Costs of complying with changes in development standards (setbacks, road widths, etc.)



Project Financing

WILL THIS PROJECT PENCIL OUT?

- ❑ Run a cash flow for the intended use
- ❑ Assess lot sales prices and pace, total development cost and timing, other project costs, soft costs, and fees and determine land prices
- ❑ Calculate the loan-to-value ratios
- ❑ Know the various lending guidelines and parameters
- ❑ Gather thorough documentation to prove financial capacity and project feasibility
- ❑ Is AD&C financing available? Gap financing? Permanent mortgage loans?
- ❑ Does the municipality require performance guarantees? Bond? Cash? Letter of credit? Escrow?
- ❑ What municipal financing options are available in this community (ex: TIFs)?
- ❑ Has a market analysis been conducted?
- ❑ Has a feasibility study been conducted?



TYPES OF COSTS INCURRED DURING CONSTRUCTION

- Pure cost of delays in process
- Added cost due to changes in construction codes and standards over the past 10 years
- Permit, hook-up, impact, or other fees paid by builder

Source: Paul Emrath, Ph.D. "Government Regulation in the Price of a New Home." *Housing Economics*, 2016.

Typical Development Approval Process

DESIGN CONCEPT

STEP 1

STEP 2

DO YOU REQUIRE FEDERAL PERMITS?

NO

APPROVALS

YES



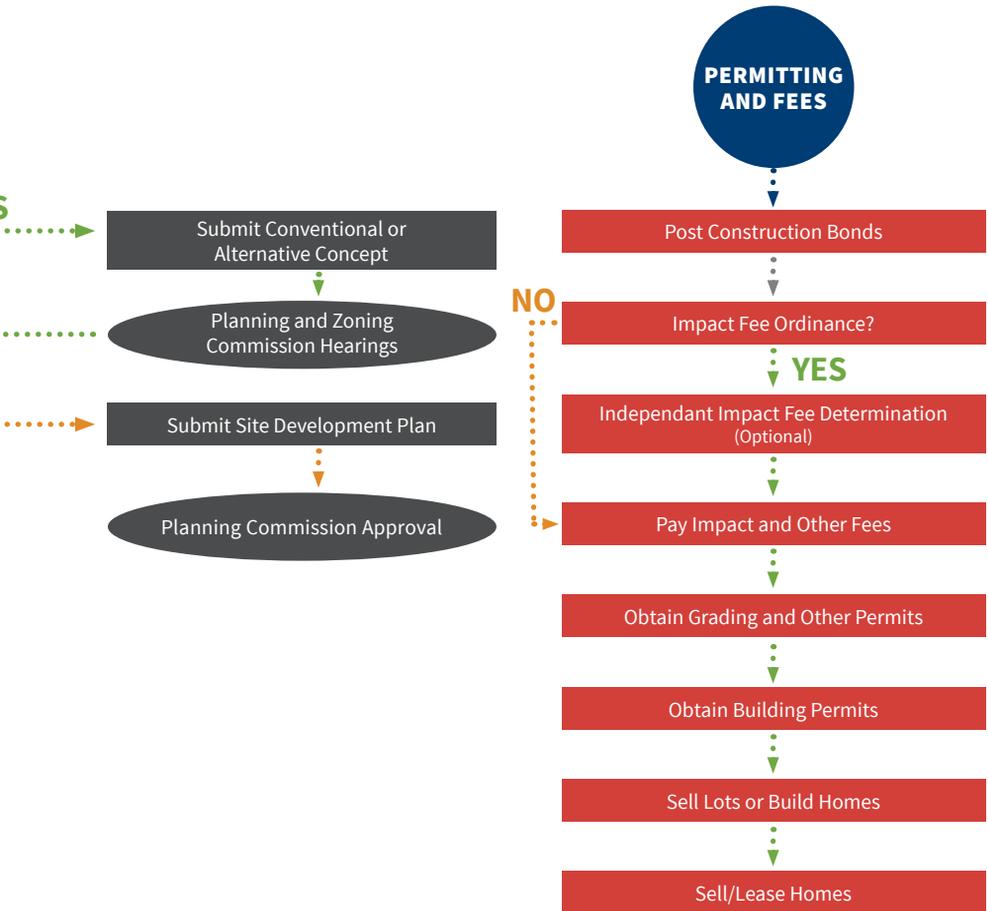
*Although the development approval process is typically local, there are an increasing number of federal permits that may need to be obtained.

The development approval process varies greatly from one place to another, and many require several layers of local, state, and federal permits and approvals. This flow chart includes steps that are common to the development approval process in many jurisdictions. The time needed to obtain all of the approvals and permits necessary to begin development ranges from several months to many years.



STEP 3

PERMITTING AND FEES



Subdivision Costs Worksheet

| | | | |
|---------------------------------------------------------------|----------|--------------------------|----------|
| Engineering and surveying | \$ _____ | Fire hydrants | \$ _____ |
| Soil tests | \$ _____ | Landscaping | \$ _____ |
| Rock removal | \$ _____ | Trees | \$ _____ |
| Structure and debris removal | \$ _____ | Walls or fences | \$ _____ |
| Movement of water lines | \$ _____ | Trails and bike paths | \$ _____ |
| Removal of hazardous, expansive, and otherwise defective soil | \$ _____ | Park dedication | \$ _____ |
| Hard soil removal | \$ _____ | • Land/cash equivalent | \$ _____ |
| Soil import/export \$ | | • Park improvements | \$ _____ |
| Grading | \$ _____ | Electricity | \$ _____ |
| Drainage lines | \$ _____ | Phone/cable/internet | \$ _____ |
| Slope control | \$ _____ | Undergrounding utilities | \$ _____ |
| Retaining walls | \$ _____ | Gas | \$ _____ |
| Structures (bridges, culverts, etc.) | \$ _____ | Water connection fees | \$ _____ |
| Curbs and gutters | \$ _____ | Sewer | \$ _____ |
| Pavings | \$ _____ | Sewer connection fees | \$ _____ |
| Sidewalks | \$ _____ | Sewer treatment fees | \$ _____ |
| Driveways | \$ _____ | Septic tanks | \$ _____ |
| Median islands | \$ _____ | Pumping plants | \$ _____ |
| Street lights | \$ _____ | Sanitation district | \$ _____ |
| Street signs | \$ _____ | Storm drain | \$ _____ |
| Traffic signals | \$ _____ | Storm drain fees | \$ _____ |
| Water meters | \$ _____ | Off-tract costs – water | \$ _____ |
| | | Off-tract costs – sewer | \$ _____ |
| | | Off-tract costs – other | \$ _____ |

Permits and plan checks \$ _____

Inspection fees \$ _____

Growth management \$ _____

School fees \$ _____

Capital facilities fees \$ _____

Environmental assessments \$ _____

Development taxes \$ _____

Other fees \$ _____

Bond premium \$ _____

Property taxes \$ _____

Home Owners Association (HOA) fees \$ _____

Interest \$ _____

Overhead \$ _____

Miscellaneous \$ _____

Total subdivision costs \$ _____

- Less projected refund advances \$ _____
- Cost benefiting other land or later units \$ _____

Actual subdivision costs \$ _____

Total raw land cost \$ _____

Estimated number of lots _____

Raw lot costs (total raw land cost divided by estimated number of lots) \$ _____

Total land and subdivision costs \$ _____

Estimated number of lots _____

Finished lot cost (total land and subdivision cost divided by estimated number of lots) \$ _____

Estimated retail value of finished lot \$ _____

Re-run project cash flow based on subdivision cost worksheet



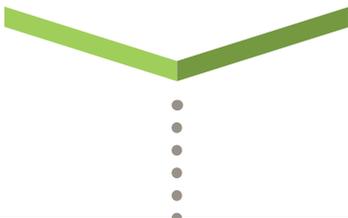
Site Plan

I HAVE DECIDED TO PURCHASE THE PROPERTY. NOW WHAT?

- Know the rules but be creative and innovative
- Will the site design require a zoning change? Special exception? Variance?
- Does the design need to be reviewed by a design or architectural review board in addition to the planning board? Fire District? Public Works?
- Create conceptual layouts
 - What is the vision and overall design concept?
 - Product types?
 - Lot sizes?
 - Amenities?
 - Green space requirements?
 - Considering National Green Building Standard Certification for land development?
 - Have I contacted the local planning department for early meetings?
 - What is my public outreach plan? What are the notification requirements?
 - Have I engaged and met with:
 - Civic associations, neighborhood groups
 - Surrounding home owners associations
 - Adjacent property owners
 - Outline benefits but understand local issues and concerns

On average, regulations imposed by government at all levels account for 24.3 percent of the final price of a new single-family home built for sale. Sixty percent of this—14.6 percent of the final house price—results from regulations imposed during the lot’s development. On average, regulation accounts for almost 55 percent of the price of a developed lot sold to a builder. The remaining 40 percent—9.7 percent of the final house price—is the result of costs incurred but he builder after purchasing the finished lot.

Source: Paul Emrath, Ph.D. “Government Regulation in the Price of a New Home.” *Housing Economics*, 2016.





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Construction Sequencing

ONCE YOUR PLAN IS APPROVED MAKE SURE TO PULL THE APPROPRIATE PERMITS

- Land use, zoning and subdivision
- Wetlands
- Demolition
- Grading
- Right-of-Way (ROW) grading and sediment control
- Stormwater management
- National Pollutant Discharge Elimination System (NPDES)
- Storm drain and paving
- Tree removal and protection
- Sanitary sewer main construction
- Maintenance of traffic – construction in ROW
- Construction and sales trailer
- Model homes
- Driveway
- Temporary construction access
- Signage and marketing
- Install construction entrances
- Sediment control installation
- Clearing and demolition
- Topsoil removal
- Utility relocation and offsite water and sewer extension
- Earthwork operations – cut and fill
- Interim grading for future roads and lots
- Sanitary sewer install
- Storm drain install
- Water system install
- Curb and gutter
- Installation of streets, parking and sidewalks
- Dry utilities
- Street lights
- Trees and landscaping

READY TO SELL FINISHED LOTS!



IF SELLING LOTS TO A BUILDER:

- ❑ Sign Letter of Intent and contract for sale before construction of project starts
- ❑ Create contract clause obligating builder to protect existing subdivision infrastructure improvements, tree conservation areas and stormwater Best Management Practices (BMP) from damage during house construction
- ❑ Review architectural guidelines with the Builder
- ❑ Transfer liability for governmental and regulatory obligations
- ❑ Transfer Use of Developers Grading and Sediment Control Permits
- ❑ Performance Guarantees:
 - Perform a site inspection and obtain partial or final release of the performance guarantee from the municipality
 - Obtain a replacement bond or Letter of Credit for builder related items
- ❑ Transfer NPDES, DNR and EPA Land Disturbance permits only after all lots are developed
- ❑ Provide homeowner or HOA transition and education documents



Debra Bassert



For more information on state and local housing affordability strategies, visit [nahb.org/lu101](https://www.nahb.org/lu101) or [nahb.org/housingforall](https://www.nahb.org/housingforall).

Related NAHB Resources:

- Diversifying Housing Options with Smaller Lots and Smaller Homes, 2019
- Inclusionary Zoning Primer, updated 2019
- Smart Codes, Smart Process Checklist, 2017
- How Did They Do It: Discovering New Opportunities for Affordable Housing, 2016
- Development Process Efficiency: Cutting Through the Red Tape, 2015

The National Association of Home Builders (NAHB) is a Washington-based trade association representing more than 140,000 members involved in home building, remodeling, multifamily construction, property management, subcontracting, design, housing finance, building product manufacturing and other aspects of residential and light commercial construction. NAHB is affiliated with 800 state and local home builders associations around the country. NAHB's builder members will construct about 80 percent of the new housing units this year.