

City of Salinas

ECONOMIC DEVELOPMENT ELEMENT



...Building a United, Safe, Prosperous, and Healthy Community.

VOLUME II: APPENDICES



City of Salinas
Community and Economic Development Department
65 West Alisal Street, 2nd Floor
Salinas, CA 93901

CITY OF SALINAS GENERAL PLAN

ECONOMIC DEVELOPMENT ELEMENT

VOLUME II: APPENDICES

PREPARED FOR

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April 2014

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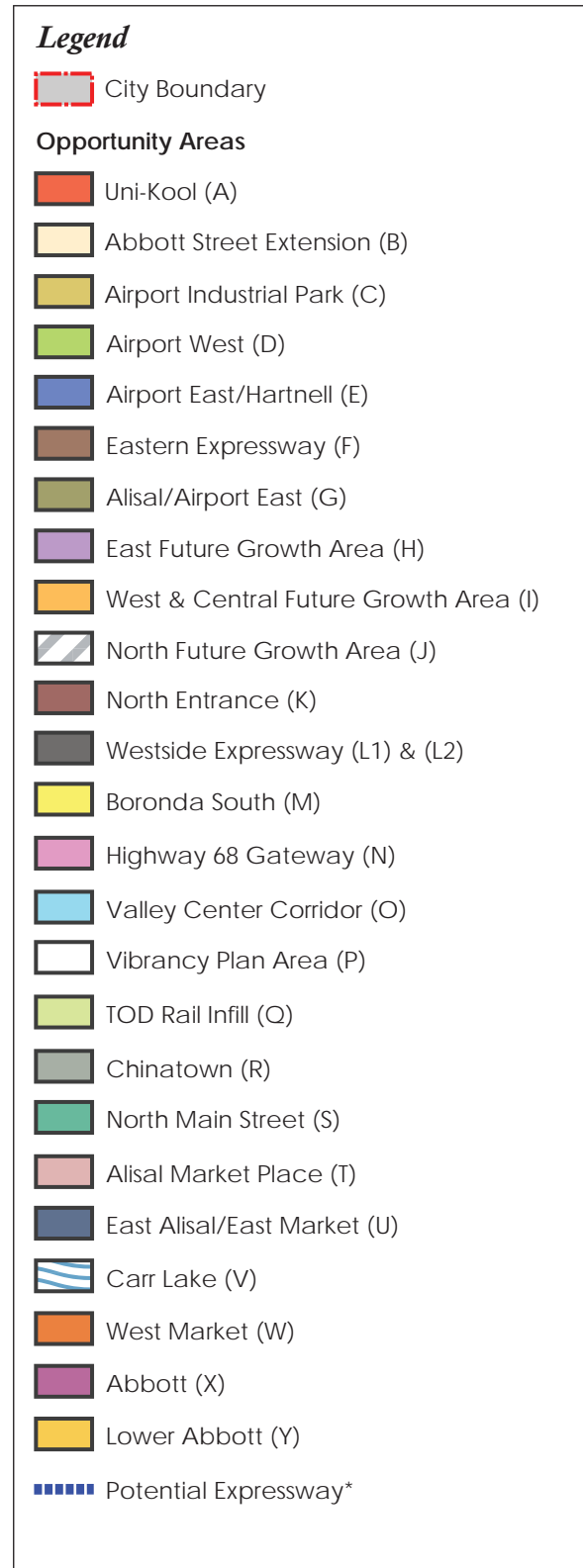
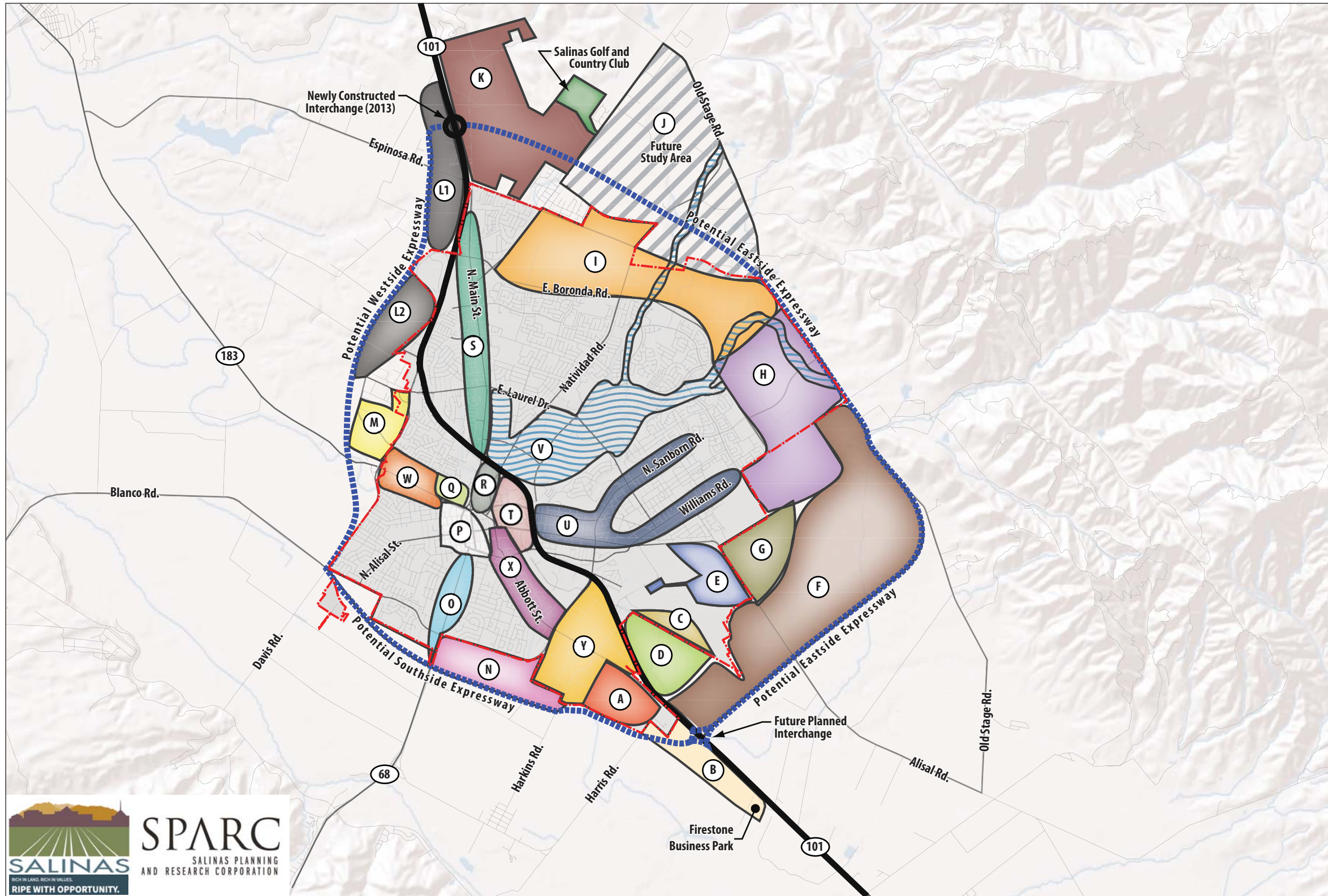
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Economic Opportunity Areas Map and
Development Constraints Matrix

A

APPENDIX



*Note: Locations of potential expressways are approximate and subject to further study
 Source: City of Salinas 2012, ESRI 2010

(Presented as Figure 3 in Volume I: Economic Development Element)
Economic Opportunity Areas
 Salinas Economic Development Element



Table 1 Growth Opportunity Areas Resource/Infrastructure Issues

#	Area	Acres	Jurisdiction	General Plan Land Use Designation	Zoning Designation	Williamson Act	Important Farmland	Flood Zone	Critical Habitat	Water	Waste-water	Storm-water	Access	Notes	Infrastructure Investment Need
A	Uni-Kool	244	City	General Industrial	IG	-	Yes	-	-	-2	-2	-2	1	<ul style="list-style-type: none"> - Harris frontage recently paved - No infrastructure available - Tie-in to industrial wastewater system is entitled 	High
B	Abbott Street Extension	231	County	<i>Farmland, Industrial</i>	<i>F, HI</i>	Yes*	Yes	-	-	-2	-2	-2	1	<ul style="list-style-type: none"> - County area infrastructure unknown - Nearest water at Harris Road 	High
C	Airport Industrial Park	102	City	Business Park, Public/Semi	IBP, PS	-	Yes*	Yes*	-	2	1	2	2	<ul style="list-style-type: none"> - Some wastewater capacity issues - Good access - Mofflett street recently paved - Airport Interchange also improved - Access to future East Side Bypass 	Low
D	Airport West	342	County	General Industrial	<i>F, UR</i>	-	Yes	Yes*	-	-2	-2	-2	2	<ul style="list-style-type: none"> - Good access from interchange configuration - Half of property in floodplain - No known infrastructure available - Airport overlay conditions apply - May require further U.S 101 improvements 	High
E	Airport East/Hartnell	170	City	Public/Semi	PS	-	Yes	-	-	2	1	2	2	<ul style="list-style-type: none"> - Infrastructure stops at the East Hartnell Campus - No water or sewer extend beyond that point into proposed development areas south of Hartnell or on east side of the airport - Access via Alisal Road 	Low

SALINAS ECONOMIC DEVELOPMENT ELEMENT

#	Area	Acres	Jurisdiction	General Plan Land Use Designation	Zoning Designation	Williamson Act	Important Farmland	Flood Zone	Critical Habitat	Water	Waste-water	Storm-water	Access	Notes	Infrastructure Investment Need
F	Eastern Expressway	2,220	County	Farmland	F	Yes*	Yes	Yes*	-	-1	-3	-2	2	<ul style="list-style-type: none"> - Largely undeveloped, limited infrastructure - Some irrigation water for farming - Access is available from Alisal Road and Bardin - Some infrastructure and stormwater assets are available from Bardin School Area and Montebella Subdivision 	High
G	Alisal/Airport East	365	County	General Industrial	F	-	Yes	-	-	-1	-3	-1	2	<ul style="list-style-type: none"> - Sewer stops at Bardin and Alisal - Stormwater retention on site - Reasonable access via Alisal and Bardin - City traffic program includes widening of Alisal Road to four lanes 	High
H	East Future Growth Area	1,351	City & County	Residential (various), Park, Mixed Use, Public/Semi, Open Space, Farmland	NI, F	-	Yes	Yes*	-	-1	-2	-1	1	<ul style="list-style-type: none"> - Sanitary sewer on septic - Limited well water - Access from perimeter roads only - Planned as future growth area 	High
I	West & Central Future Growth Area	1,566	City	Residential (various densities), Park, Mixed Use, Public/Semi, Open Space	NI, F	-	Yes	Yes*	Steelhead	-1	-2	-1	1	<ul style="list-style-type: none"> - No sanitary sewer - Limited irrigation water - Access from perimeter roads only - Planned as future growth area 	High
J	North Future Growth Area	2,201	County	Farmland, Residential Rural, Residential Low, Public/Quasi	F	Yes*	Yes	Yes*	Steelhead	1	1	-1	1	<ul style="list-style-type: none"> - Sanitary sewer to Bolsa Knolls Middle School and La Joya Elementary School - limited capacity for expansion - Bolsa Knolls subdivision on septic with limited stormwater utility - Access from perimeter roads 	Medium

SALINAS ECONOMIC DEVELOPMENT ELEMENT

#	Area	Acres	Jurisdiction	General Plan Land Use Designation	Zoning Designation	Williamson Act	Important Farmland	Flood Zone	Critical Habitat	Water	Waste-water	Storm-water	Access	Notes	Infrastructure Investment Need
K	North Entrance	875	County	<i>Farmlands, Permanent Grazing, Commercial</i>	<i>LC, HC, F</i>	-	Yes	Yes*	-	-2	-3	-2	2	- Access from San Juan Grade Road/Access to US 101, Espinosa and Russell - No sanitary sewer - Limited irrigation water	High
L	Westside Expressway	342	County	<i>Farmland</i>	<i>F</i>	-	Yes	-	-	1	1	1	-1	- Utilities available from Westridge and Boronda Crossing development - Limited traffic access - Development expected to trigger significant traffic improvements (West Bypass, Alvin Extension, and widening of U.S. 101)	Medium
M	Boronda South	218	County	General Industrial, General Commercial, Open Space, Retail, Public/Semi, Medium Density Residential	CR, PS, R, M	-	Yes*	Yes*	Steelhead	1	2	1	-1	- Significant issues with development including, reclamation ditch, flood plain, wetlands, and railroad tracks - Requires Rossi Road Extension	Medium
N	Highway 68 Gateway	250	County	<i>Farmland</i>	<i>F</i>	-	Yes	-	-	-1	-2	-1	1	- No sanitary sewer - Limited irrigation water - Access from perimeter roads only	High
O	Valley Center Corridor	170	City	Mixed Use, Retail Office, Public/Semi, Residential (various)	MX, CR, PS, R-L, CO/R	-	-	-	-	2	2	2	2	- Focused growth area in general plan - Poor pedestrian access - Caltrans' State Route 68 (good access/improvements will require Caltrans oversight (cost and delay issues) - Parking not conducive to retail uses	Low

SALINAS ECONOMIC DEVELOPMENT ELEMENT

#	Area	Acres	Jurisdiction	General Plan Land Use Designation	Zoning Designation	Williamson Act	Important Farmland	Flood Zone	Critical Habitat	Water	Waste-water	Storm-water	Access	Notes	Infrastructure Investment Need
P	Vibrancy Plan Area	135	City	Mixed Use, Office, Public/Semi, Residential (Med, High)	MX, PS, CO, CO/R, R-M	-	-	-	-	2	1	2	2	- Pedestrian and traffic constraints caused by arterial couplets - Aging though serviceable (Old Town needs work) infrastructure - Parking and traffic issues to be discussed via Vibrancy Study	Low
Q	TOD Rail Infill	90	City	General Commercial, Business Park, Retail, Arterial Frontage, Public/Semi	IGC, MAF, PS, CR, IBP	-	Yes*	Steelhead	2	2	2	2	2	- Should be extended to Davis Street to align with redevelopment studies - Currently planned for development as Intermodal Transportation Center- Poor pedestrian access- Caltrans' State Route 183/good access but improvements will have Caltrans oversight (cost and delay issues)	Low
R	Chinatown	91	City	Mixed Use, General Commercial, Public/Semi	MX, PS, MAF	-	Yes	Steelhead	1	1	1	1	3	- Significant needs for access and public safety improvements - PG&E substation comprises largest portion of property	Medium
S	North Main Street	480	City	Retail, Residential (various), Mixed Use, Office, Arterial Frontage, Park	CR, R-H, MX, PS, R-M, CO	-	-	-	-	2	2	2	2	- Focused growth area in general plan - Significant work completed on traffic - Pedestrian crossing issues - Utilities are serviceable	Low
T	Alisal Market Place	165	City	General Commercial, General Industrial, Retail, Mixed Use, Arterial Frontage, Park, High Density Residential	IGC, IG, MX, CR, MAF, P, R-H	-	Yes*	-	-	1	1	1	2	- Aging infrastructure primarily for commercial, retail and industrial - Utilities underground on Alisal and Market - Several incompatible uses	Medium

SALINAS ECONOMIC DEVELOPMENT ELEMENT

#	Area	Acres	Jurisdiction	General Plan Land Use Designation	Zoning Designation	Williamson Act	Important Farmland	Flood Zone	Critical Habitat	Water	Waste-water	Storm-water	Access	Notes	Infrastructure Investment Need
U	East Alisal/East Market	193	City	Residential (various), Arterial Frontage, Retail, Office	R-M, CR, MAF, R-L	-	-	-	-	1	1	1	2	- Focused growth improvement area - Aging infrastructure - Lack of parking - Significant improvements made to Market Street in recent years including sanitary sewer	Medium
V	Carr Lake	900	City	Park, Public/Semi	A, FS	Yes*	Yes	Yes	Steelhead	-1	1	1	2	- Most of the land is within the floodplain and floodway boundaries - A previous DBO development was not pursued because of the floodplain challenges - City general plan and TFO indicate the need for a 4-lane arterial street running through the site and a connector street to Kern/Madeira - A sizable sanitary sewer runs through Carr Lake that serves the Northeast and Future Growth areas	Medium
W	West Market	94	City	Business Park, General Industrial, General Commercial/Light Industrial	IBP, IGC	-	-	Yes*	-	-	-	-	-	-	-
X	West Abbott	215	City	General Industrial, General Commercial/Light Industrial	MX, CO, IGC	-	-	-	-	-	-	-	-	-	-
Y	East Abbott	625	City	General Industrial, Business Park	IG, IBP, IGC	-	-	-	-	-	-	-	-	-	-

Zoning Key (City)

- A Agriculture
- R-L Residential Low Density
- R-M Residential Medium Density
- R-H Residential High Density
- CO/R Commercial Office/Residential
- CO Commercial Office
- CR Commercial Retail
- CT Commercial Thoroughfare
- MX Mixed Use
- MAF Mixed Arterial Frontage
- IGC Industrial – General Commercial
- IBP Industrial – Business Park
- IG Industrial – General
- PS Public/Semipublic
- P Parks
- OS Open Space
- Ni New Urbanism Interim

Zoning Key (County)

- F* Farmlands (40 Acres Min.)
- UR* Urban Reserve
- LC* Light Commercial
- HC* Heavy Commercial
- HI* Heavy Industrial

Note: County Zoning and GP Land Use in the table is denoted in italics (i.e., *F, LC, Farmland*, etc.)

Sources:

- City of Salinas GIS 2010
- Important Farmland & Williamson Act - California Department of Conservation, Division of Land Resource Protection (2012)
- FEMA National Flood Hazard Layer 2013
- National Marine Fisheries Service, 2005
- Monterey County, Countywide GIS Online Mapper, accessed 8-21-2013
- City of Salinas Public Works Department, 2013

Resource Constraints Explanation

- Williamson Act - Conversion to Urban Use may Require Mitigation
- Important Farmland - Conversion to Urban Use may Require Mitigation
- Flood Zone - Development Regulations Apply
- Critical Habitat - Development Regulations Apply

Infrastructure Constraints Ranking Key

- 3 = No Constraints
- 3 = Major Constraints

Investment Need

Relative ranking of cost to serve area with infrastructure

Resource Constraints Key

- Yes = The resource constrains the area
- Yes* = The resource constrains a portion of the area
- Hash (-) = Not Applicable/No Constraint
- Steelhead habitat occurs only along stream corridors

Salinas Retail Analysis

B

APPENDIX



August 28, 2013

SALINAS RETAIL ANALYSIS

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SUMMARY

The retail market analysis has been prepared as part of the process to develop an Economic Development Element (EDE) for the Salinas General Plan. This report, and a companion report entitled *Salinas Target Industry Analysis*, provides market demand projections for business growth in Salinas. Further analysis will identify potential sites for this business development to occur and the EDE will contain strategies and action steps to implement the City's vision for economic development in the future.

This report is focused solely on the demand for retail types of businesses and it relies on a report the City commissioned from the Buxton Corporation in 2008, which analyzes the existing retail market and potential new store development opportunities. The present report adds to that analysis by forecasting additional retail demand from future growth in Salinas and the surrounding market area. The findings of the study are summarized below.

- Salinas serves as a significant regional retail provider. The community has an especially strong *net capture*¹ of retail spending in store types that carry broad categories of products. The store categories that attract net spending capture for Salinas include home improvement, department and discount stores, drug stores, and full-service restaurants.
- Among the retail categories identified in the Buxton retail study as having existing leakage, Salinas has potential business attraction opportunities in the following categories:
 - Auto parts
 - Appliance/electronics stores
 - Furniture stores
 - Grocery and convenience stores
 - Liquor/wine stores
 - Other health and personal care stores
 - Women's clothing stores
 - Children's clothing stores
 - Family clothing stores
 - Shoe stores
 - Jewelry stores
 - Luggage and leather goods stores
 - Specialty retail stores
 - Misc. general merchandise stores
 - Limited-service eating places

¹ The term *net capture* refers to the situation where retail stores in Salinas have higher sales than would be expected based on the purchasing power of Salinas residents alone. This means that these stores are "*capturing*" sales from residents of other communities, probably mainly elsewhere in the Salinas valley. If a store type in Salinas is not capturing all the potential sales from City of Salinas households, the lost sales are referred to as "*leakage*".

- It should be noted that the attraction opportunities for many of these categories, especially those in specialty retail categories, are potentially negated by Salinas' net capture of sales in other large format store categories such as department and discount stores.
- Salinas' existing retail attraction opportunities would potentially support between 487,200 and 689,900 square feet of commercial building space, or 45 to 63 acres of new retail development.
- Salinas' 2010 population was just over 150,000 residents and 40,400 households, with an average household income of about \$63,500.
- Within the regional market area that includes the Salinas Valley (101 corridor from Prunedale to King City), Salinas' average household income was comparable to the other incorporated communities, but lower than the average for the unincorporated areas (\$93,200).
- The regional market area had a total 2010 population of nearly 258,000 and 66,500 households, with an average household income of about \$69,700.
- Projecting forward to 2035, Salinas is expected to only grow by 14.7 percent, which is significantly lower than the other incorporated communities in the Salinas Valley.
- By 2035, Salinas will add another 5,900 households, while the market area as a whole will add 12,200 households.
- This household growth will potentially support \$115.0 million in new retail spending in Salinas, and \$264.4 million in the market area as a whole.
- Much of Salinas' growth potential from future household expansion depends on attracting shoppers from throughout the Salinas Valley. When only accounting for the household growth within Salinas, the retail attraction potential totals about 130,400 square feet of commercial building space.
- Accounting for those categories with enough spending support to support new retail stores, the market growth in the Salinas Valley can potentially support 424,600 square feet; however, about 255,769 square feet could potentially be attracted to Salinas, including the 130,400 square feet mentioned above. Therefore, the maximum retail development scenario for Salinas due to new growth out to 2035 would be about 23 acres of retail development, in addition to the 63 acres currently supportable.
- The retail store categories that can potentially support new business attraction, based solely on residential growth include the following categories:
 - Women's clothing stores
 - Family clothing stores
 - Shoe stores

- Misc. general merchandise stores
 - Drug stores/pharmacies
 - Specialty retail stores
 - Grocery and convenience stores
 - Specialty food stores
 - Liquor/wine stores
 - Eating places (full-service and limited-service)
 - Furniture and home furnishings stores
 - Appliance/electronics stores
 - Home improvement
 - Gasoline service stations
 - Auto parts stores
- The buildout population for Salinas is substantially greater than the projected 2035 population. At buildout, the supportable retail attraction potential totals over 557,700 square feet, of which 427,291 square feet, or 39 acres, would be above and beyond the 2035 projection.
 - The cumulative maximum supportable retail development to accommodate current demand, year 2035 demand and buildout demand is 125 acres.

SALINAS RETAIL MARKET ANALYSIS

INTRODUCTION

The City of Salinas has long served as a primary commercial center for residents not only in Salinas, but throughout the entire Salinas Valley. The local market has expanded for many years, and gone through multiple transitions as retail trends and consumer preferences evolve. This section will review the existing retail market opportunities for Salinas, and project how future growth in Salinas and the entire Salinas Valley will create additional demand for new retail services.

EXISTING RETAIL ATTRACTION OPPORTUNITIES

Retail leakage occurs when existing household demand for specific retail store types is not met by local stores in that category, and those shoppers go to stores located outside of their local market area instead. This happens when local stores do not meet the needs of shoppers, whether that results from an insufficient quantity of stores in a particular category, or existing stores otherwise not sufficiently attracting spending from local shoppers. Concurrently, net capture occurs when retail stores (within a specific category) attract shoppers from neighboring communities, and the store sales exceed the local demand.

Retail leakage represents both a shortcoming and an opportunity, because the unmet retail demand that currently goes elsewhere can potentially be recaptured within a local market area by establishing new stores (or expanding existing businesses) that do a better job at capturing household spending. In general, if the leakage in a particular retail category is high enough, then it can potentially support a new retail store of that type.

In 2008, the City hired Buxton Company to conduct a retail leakage and surplus analysis. This study focused on three potential commercial development sites in Salinas, and identified potential retail tenants for those sites.

The methodology for the study used several different secondary data sources to make an estimate of “potential” sales versus “actual” sales. In cases where the potential sales exceeded the actual sales, the analysis identified this category as having retail leakage, while cases where the actual sales exceeded potential sales were identified as having surplus.

The analysis identified a 20-minute drive time as the basis for defining the market areas for these three sites, which are located in different areas within Salinas. Even though the three sites have different coverage areas for the 20-minute drive radius, they are located close enough together such that the general conclusions for the types of retail tenants that Salinas can attract are very similar in nearly all cases. In other words, each of the three sites represents a different perspective on **total retail market potential for the City of Salinas**. The three sites analyzed for the Buxton study are listed below.

- Site 1: Boronda Highway and Highway 101
- Site 2: East Laurel Drive and Sanborn Road
- Site 3: South Main and Blanco Road

As shown in Table 1, Salinas' market area (as defined using the 20-minute drive time) encompasses a mix of different store types. Salinas' strengths are reflected in those categories that currently have a surplus or net capture of retail sales (represented by negative numbers in the table). The categories that currently have a net capture of retail sales generally include the home improvement/building materials, pharmacy, department store, and miscellaneous retail categories.

The net capture of retail sales for department stores is particularly notable because this category includes both traditional and discount department stores, both of which sell a broad range of products and potentially negate demand for more specialized retail stores.

Other categories that show retail leakage generally include motor vehicle and parts dealers, electronics and appliance stores, clothing stores, food stores, clothing stores, sporting goods/hobby/book/music stores, and food service establishments. The potential for attracting new retail businesses will depend on whether the leakage is sufficient to support the sales generally required for stores of that type.

**TABLE 1:
SUMMARY OF NET RETAIL LEAKAGE BY STORE CATEGORY
SALINAS RETAIL SITES, 2008**

Store Type	Net Leakage		
	Site 1 (20 Min. Drive Time)	Site 2 (20 Min. Drive Time)	Site 3 (20 Min. Drive Time)
Motor Vehicles and Parts Dealers			
Automotive Dealers	\$29,481,666	\$29,106,999	\$19,504,083
Other Motor Vehicle Dealers	\$16,132,310	\$17,195,847	\$20,974,096
Automotive Parts, Accessories, and Tire Stores	\$2,155,073	\$1,344,232	\$3,914,684
Motor Vehicle and Parts Dealers	\$47,769,049	\$47,647,078	\$44,392,863
Electronics and Appliance Stores			
Appliance, Television, and Other Electronics Stores	\$26,991,757	\$27,009,855	\$28,658,320
Computer and Software Stores	\$12,323,315	\$11,949,928	\$12,464,451
Camera and Photographic Equipment Stores	\$2,654,270	\$2,648,569	\$3,084,531
Electronics and Appliance Stores	\$41,969,342	\$41,608,351	\$44,207,301
Furniture and Home Furnishings Stores			
Furniture Stores	\$11,313,359	\$11,166,490	\$15,646,821
Home Furnishings Stores	-\$6,584,194	-\$6,397,001	-\$5,561,670
Furniture and Home Furnishings Stores	\$4,729,165	\$4,769,489	\$10,085,150
Building Material, Garden Equipment and Supply Dealers			
Building Material and Supply Dealers	-\$56,369,048	-\$62,367,875	-\$45,767,369
Lawn and Garden Equipment and Supplies Stores	-\$75,468,231	-\$80,982,258	-\$78,872,265
Building Material and Garden Equipment & Supply Dealers	-\$131,837,278	-\$143,350,133	-\$124,639,635
Food and Beverage Stores			
Supermarkets and Other Grocery Stores	\$23,578,140	\$19,817,848	\$29,083,378
Convenience Stores	\$13,321,015	\$214,569	-\$3,471,300
Specialty Food Stores	-\$11,070,213	-\$14,110,376	-\$12,243,769
Beer, Wine, and Liquor Stores	\$9,295,921	\$8,583,681	\$9,544,376
Food and Beverage Stores	\$22,016,988	\$14,505,721	\$25,912,686

TABLE 1: CONTINUED

Health and Personal Care Stores			
Pharmacies and Drug Stores	-\$100,501,223	-\$105,754,742	-\$104,509,322
Cosmetics, Beauty Supplies and Perfume Stores	\$102,266	\$115,511	\$687,058
Optical Goods Stores	-\$903,650	-\$932,631	-\$63,839
Other Health and Personal Care Stores	\$3,494,614	\$3,515,299	\$4,756,959
Health and Personal Care Stores	-\$97,807,993	-\$103,056,563	-\$99,129,144
Clothing and Clothing Accessories Stores			
Mens Clothing Stores	-\$2,377,333	-\$2,524,682	-\$1,472,143
Womens Clothing Stores	\$4,407,867	\$3,993,768	\$7,076,916
Childrens and Infants clothing Stores	\$4,400,194	\$4,476,738	\$5,469,200
Family Clothing Stores	\$7,310,674	\$7,469,585	\$16,106,621
Clothing Accessories Stores	-\$2,438,092	-\$2,439,516	-\$2,127,855
Other Clothing Stores	-\$2,042,736	-\$2,092,129	-\$2,179,191
Shoe Stores	\$3,302,217	\$4,267,193	\$5,524,520
Jewelry Stores	-\$599,433	-\$692,610	\$1,823,815
Luggage and Leather Goods Stores	\$1,156,499	\$1,151,985	\$1,409,781
Clothing and Clothing Accessories Stores	\$13,119,856	\$13,610,333	\$31,631,663
Sporting Goods, Hobby, Book, and Music Stores			
Sporting Goods Stores	\$9,459,035	\$9,752,382	\$9,382,595
Hobby, Toys, and Games Stores	\$2,053,369	\$2,082,639	\$3,767,563
Sew/Needlework/Piece Goods Stores	\$270,603	\$288,321	\$643,738
Musician Instrument and Supplies Stores	\$3,402,665	\$3,368,719	\$4,020,341
Book Stores and News Dealers	\$5,663,012	\$5,849,901	\$7,493,047
Prerecorded Tape, Compact Disc, and Record Stores	\$828,181	\$821,121	\$784,426
Sporting Goods, Hobby, Book, and Music Stores	\$21,676,865	\$22,163,080	\$26,091,710
General Merchandise Stores			
Department Stores	-\$89,441,491	-\$88,020,663	-\$67,103,769
Warehouse Clubs and Super Stores	\$26,125,228	\$26,387,271	\$47,365,636
All Other General Merchandise Stores	\$8,610,093	\$9,223,976	\$13,145,277
General Merchandise Stores	-\$54,696,170	-\$52,409,415	-\$6,591,857
Miscellaneous Store Retailers			
Florists	-\$2,362,703	-\$26,297	\$926,628
Office Supplies and Stationery Stores	-\$4,090,405	-\$4,183,953	-\$2,719,368
Gift, Novelty, and Souvenir Stores	\$890,768	\$946,054	\$1,737,207
Used Merchandise Stores	-\$3,670,465	-\$2,775,113	-\$3,933,228
Other Miscellaneous Store Retailers	-\$5,566,491	-\$8,200,022	-\$8,194,674
Miscellaneous Store Retailers	-\$14,799,296	-\$14,239,331	-\$11,883,434
Foodservice and Drinking Places			
Eating Places	\$11,600,370	\$9,661,750	\$14,885,326
Special Foodservices	\$17,041,232	\$17,444,925	\$19,884,293
Drinking Places	\$7,983,222	\$7,869,438	\$9,840,922
Foodservice and Drinking Places	\$36,624,823	\$34,966,114	\$44,610,541

Source: Data from Buxton Company.

Notes: The leakage/surplus was measured by estimating the potential retail sales compared to the actual sales. A net leakage indicates that the potential sales were greater than the actual sales.

As shown in Table 2, the retail leakage identified Buxton study can potentially support up to 689,864 square feet of retail space. In order to identify the potential for new store attraction or expansion, the analysis compared the sales potential with the average sales per store for each retail leakage category. Table 2 shows the number of supportable establishments within each category. Many store categories do not have sufficient levels of leakage/unmet demand to support the revenue level for an average retail store of that type. The unmet demand for these categories could potentially be met by either establishing smaller scale stores or through expanding and upgrading existing stores. The sections below discuss each retail group in more detail.

MOTOR VEHICLES AND PARTS DEALERS

All of the individual business categories in the Motor Vehicles and Parts Dealers group showed sufficient retail leakage to support new business attraction. It should be noted that the attraction potential for motor vehicle dealers is tempered by the reductions in dealership franchises that occurred during the recession. Even if this potential limitation did not exist, the attraction potential still represents less than two new establishments. In addition, over 94 percent of the existing demand within the Salinas market area is currently met by Salinas establishments.

For other vehicles, the new business attraction potential can potentially include motorcycle, RV, and boat dealers. In addition, Salinas has the potential to support up to 21,260 square feet of space for auto parts stores.

ELECTRONICS/APPLIANCE AND FURNITURE/HOME FURNISHINGS STORES

The appliance/other electronics stores and furniture store categories broadly represent two of the larger categories with potentially supportable new retail establishments. Even though both categories could potentially each support more than 10 average sized stores, the unmet demand for both of these categories could also support larger format stores in these categories.

FOOD AND BEVERAGE STORES

The leakage data indicates that the unmet demand in Salinas could potentially support up to four new grocery stores, with up to 56,220 square feet of building space. However, for general line supermarkets, some of the newer stores are much larger. This means that the grocery store demand in Salinas would potentially be better suited to a more specialized grocery establishment, such as an ethnic food store or store that specializes in organic or natural grocery lines.

CLOTHING AND CLOTHING ACCESSORIES STORES

Even though Salinas is already served by a shopping mall, the Buxton retail study indicated that clothing stores are largely underrepresented in Salinas. Many of the store categories in this retail group can potentially support more than 20,000 square feet of space.

GENERAL MERCHANDISE STORES

The general merchandise store category is dominated by department stores and warehouse clubs. However, the only store category in this group with potential support for new retail establishments is the miscellaneous general merchandise category that generally includes smaller scale variety stores and dollar stores. This category has the potential for up to nine new establishments and about 87,268 square feet of space.

The department store category in Salinas has a very large net capture of retail sales that totals more than \$67 million, while warehouse clubs have a leakage of up to \$47.4 million. It should be noted that the warehouse club category will generally capture a significant percentage of sales from wholesale and business-to-business transactions, which is not included in the demand analysis.

SPECIALTY RETAIL STORES

This category broadly combines several different store types that provide specialized product lines. These categories were also combined because specific store types, such as computer stores, camera stores, book stores, and music stores have broadly declined over the decade as demand shifts to digital formats and direct sales vendors. In general, the data shows specialty retail categories such as Computer and Software Stores; Camera and Photographic Equipment Stores; Sporting Goods, Hobby, Toy, and Book Stores; Florists; and Gift, Novelty, and Souvenir Stores with high enough unmet demand to potentially support up to 36 stores and over 107,800 square feet of space.

However, a portion of the current demand for these types of specialized product lines is likely met by department stores and drug stores that stock many of the same products. Moreover, the uncertain business climate for those store categories that have declined due to competition from online and direct sales vendors has also reduced the number of national and regional chain stores that might be looking for new space in an underserved market such as Salinas.

FOODSERVICE AND DRINKING PLACES

The foodservice category presented a very mixed trend for Salinas. The Buxton study indicated that full-service restaurants currently have a net capture of retail sales, while limited-service restaurants are currently underserved. In order to prevent overstating the attraction potential for restaurants, both of these categories were combined. The net result shows that the Salinas has a net leakage of restaurant demand with potential support for up to 18 restaurant establishments and over 50,200 square feet of space. The other categories in this group with potential support for new establishments include special foodservices (which includes catering services), and drinking places (which include bars and clubs).

**TABLE 2:
SUMMARY OF SUPPORTABLE NEW RETAIL ESTABLISHMENTS AND SQUARE FOOTAGE
SALINAS RETAIL SITES, 2008**

Store Type	Supportable Establishments			Supportable Square Footage		
	Site 1 (20 Min. Drive time)	Site 2 (20 Min. Drive time)	Site 3 (20 Min. Drive Time)	Site 1 (20 Min. Drive Time)	Site 2 (20 Min. Drive Time)	Site 3 (20 Min. Drive Time)
Motor Vehicles and Parts Dealers						
Automotive Dealers	1.8	1.8	1.2	n/a	n/a	n/a
Other Vehicle Dealers	5.1	5.4	6.6	n/a	n/a	n/a
Auto Parts, Accessories, & Tire Store	1.5	0.9	2.7	11,704	0.0	21,260
Electronics and Appliance Stores						
Appliance/Other Electronics Stores	11.8	11.8	12.5	83,868	83,924	89,046
Furniture and Home Furnishings Stores						
Furniture Stores	8.2	8.1	11.3	67,922	67,041	93,939
Food and Beverage Stores						
Supermarkets & Other Grocery Store	3.3	2.8	4.1	45,578	38,309	56,220
Convenience Stores	12.5	0.2	0.0	n/a	n/a	n/a
Beer, Wine, and Liquor Stores	12.5	11.6	12.9	22,027	20,340	22,616
Health and Personal Care Stores						
Other Health/Personal Care Store	7.9	7.9	10.7	11,315	11,382	15,402
Clothing and Clothing Accessories Stores						
Womens Clothing Stores	4.3	3.9	6.9	18,744	16,983	30,094
Childrens Clothing Stores	3.2	3.3	4.0	17,189	17,488	21,365
Family Clothing Stores	3.8	3.8	8.3	25,547	26,102	56,283
Shoe Stores	3.7	4.8	6.3	16,339	21,114	27,335
Jewelry Stores	0.0	0.0	1.7	0	0	5,645
Luggage & Leather Goods Stores	1.5	1.5	1.9	4,420	4,403	5,388
General Merchandise Stores						
All Other Gen. Merchandise Store	6.0	6.4	9.2	57,160	61,236	87,268
Specialty Retail Stores						
Specialty Retail Stores*	30.5	30.8	36.9	83,855	86,268	107,802
Foodservice and Drinking Places						
Limited-service Eating Places	14.6	12.1	18.7	39,123	32,585	50,201
Special Foodservices	14.1	14.5	16.5	n/a	n/a	n/a
Drinking Places	20.6	20.3	25.3	n/a	n/a	n/a
Total				504,791	487,173	689,864

Source: ADE, Inc.; data from Buxton Company, U.S. Economic Census, and the Urban Land Institute.

Notes: "Specialty Retail Stores" combine the following store categories: Computer and Software Stores; Camera and Photographic Equipment Stores; Sporting Goods, Hobby, Toy, and Book Stores; Florists; and Gift, Novelty, and Souvenir Stores. The store categories identified as supportable for retail business attraction are those categories in which the net leakage exceeds the average sales per establishment in Monterey County for a given retail category. In cases where the average sales data for Monterey County is not available, the analysis used the average for California or the United States. The supportable square footage calculation is base on benchmark sales per square foot data from the Urban Land Institute.

FUTURE RETAIL ATTRACTION OPPORTUNITIES

In order to assess the future retail attraction opportunities for Salinas, ADE broadly defined a larger market area that includes the communities in the Salinas Valley. Salinas serves as a primary retail center for these communities because they lack many of the retail stores and services that exist in Salinas. As shown in Figure 1, this market area covers the 101 corridor from Prunedale to King City, and includes the incorporated cities of Gonzales, Greenfield, and Soledad.

FIGURE 1:
SALINAS VALLEY MARKET AREA MAP



Source: ADE, Inc.; map data from ArcMap and U.S. Census.

HOUSEHOLD CHARACTERISTICS

Within the Salinas Valley, the City of Salinas accounts for the majority of the households and the majority of the aggregate income in the region, as shown in Table 3. The incorporated communities in the Salinas Valley have similar average household incomes, while the unincorporated areas have higher average incomes.

TABLE 3: POPULATION AND HOUSEHOLD INCOME CHARACTERISTICS SALINAS VALLEY, 2010				
	2010 Population	2010 Households	2010 Aggregate Income	Average Household Income 2010
Salinas	150,441	40,387	\$2,563,416,100	\$63,471
Gonzales	8,187	1,906	\$130,070,100	\$68,242
Greenfield	16,330	3,460	\$225,539,000	\$65,185
King City	12,874	3,008	\$170,597,900	\$56,715
Soledad	25,738	3,664	\$233,603,700	\$63,756
Salinas Valley Incorporated Total	213,570	52,425	\$3,323,226,800	\$63,390
Market Area Unincorporated Total	44,428	14,031	\$1,307,994,300	\$93,222
Total Excluding Salinas	107,557	26,069	\$2,067,805,000	\$79,320
Market Area Total	257,998	66,456	\$4,631,221,100	\$69,689

Source: ADE, Inc.; data from U.S. Census.

As shown in Table 4, the income distribution in Salinas has a significant concentration of households (29 percent) that earn less than \$30,000 annually. This concentration of lower income households is similar to the pattern in King City and Soledad, but higher than the concentration in Gonzales, Greenfield, and the unincorporated areas of the Salinas Valley.

The majority of households in Salinas (52 percent) earn between \$30,000 and \$100,000 annually. Again, this pattern is similar to King City and Soledad, but differs from Gonzales and Greenfield, which has a larger majority of households in this income range.

With the upper income ranges, the unincorporated areas have a much higher concentration of households earning over \$100,000 (36 percent) than the incorporated communities in the Salinas Valley (18 percent).

**TABLE 4:
SALINAS VALLEY INCOME DISTRIBUTION, 2010**

Household Income Range	Salinas	Gonzales	Greenfield	King City	Soledad	Salinas Valley Incorporated Total	Market Area Unincorporated Total	Market Area Total
Total Households	40,685	1,989	3,378	2,742	3,602	52,396	13,918	67,859
Less than \$10,000	4.4%	2.0%	2.0%	3.1%	2.1%	3.9%	2.9%	3.7%
\$10,000 to \$14,999	5.8%	6.7%	1.9%	5.2%	5.7%	5.5%	2.8%	4.9%
\$15,000 to \$19,999	6.4%	2.0%	5.0%	6.2%	4.2%	6.0%	4.0%	5.4%
\$20,000 to \$24,999	6.0%	5.9%	5.6%	3.9%	7.6%	6.0%	3.3%	5.3%
\$25,000 to \$29,999	6.4%	2.3%	5.4%	7.3%	7.0%	6.2%	3.4%	5.6%
\$30,000 to \$34,999	5.6%	3.7%	7.3%	4.6%	5.2%	5.5%	4.2%	5.2%
\$35,000 to \$39,999	4.9%	6.8%	6.2%	3.7%	4.9%	5.0%	4.3%	4.7%
\$40,000 to \$44,999	5.6%	7.6%	4.4%	5.2%	7.1%	5.6%	4.9%	5.4%
\$45,000 to \$49,999	4.3%	9.8%	3.7%	9.4%	3.1%	4.7%	3.4%	4.4%
\$50,000 to \$59,999	10.0%	10.6%	11.0%	11.2%	9.9%	10.1%	8.0%	9.5%
\$60,000 to \$74,999	10.0%	9.4%	15.5%	13.2%	7.8%	10.3%	9.4%	10.0%
\$75,000 to \$99,999	12.4%	12.4%	15.8%	11.6%	14.2%	12.7%	13.1%	12.8%
\$100,000 to \$124,999	8.0%	9.9%	5.5%	6.1%	10.4%	8.0%	10.8%	8.7%
\$125,000 to \$149,999	4.7%	5.4%	4.2%	4.4%	6.6%	4.8%	9.4%	5.8%
\$150,000 to \$199,999	3.8%	5.4%	5.0%	1.8%	2.6%	3.8%	9.2%	5.2%
\$200,000 or more	1.7%	0.0%	1.6%	3.2%	1.6%	1.7%	6.9%	3.5%

Source: ADE, Inc.; data from U.S. Census.

PROJECTED HOUSEHOLD GROWTH

Between 2010 and 2035, Salinas expects to add more than 5,900 new households (15 percent increase), based on current population projections from AMBAG. While Salinas will still comprise the majority of the households in the Salinas Valley market area, the other incorporated communities in the area will grow at a much faster rate, with each of them growing by more than 30 percent between 2010 and 2035. The growth rate for the unincorporated areas uses the “balance of county” projection from AMBAG, which projects a growth rate less than 14 percent.

**TABLE 5:
PROJECTED HOUSEHOLD GROWTH SALINAS VALLEY, 2010 TO 2035**

	2010 Households	Growth Projection 2010 to 2035	2035 Households	2010 to 2035 Household Growth
Salinas	40,387	14.7%	46,308	5,921
Gonzales	1,906	38.4%	2,638	732
Greenfield	3,460	44.6%	5,002	1,542
King City	3,008	33.0%	4,000	992
Soledad	3,664	30.7%	4,787	1,123
Salinas Valley Incorporated Total	52,425	19.7%	62,736	10,311
Market Area Unincorporated Total	14,031	13.6%	15,934	1,903
Total Excluding Salinas	26,069	3.7%	32,361	6,292
Market Area Total	66,456	18.4%	78,669	12,213

Source: ADE, Inc.; data from U.S. Census and AMBAG.

PROJECTED HOUSEHOLD RETAIL SPENDING GROWTH

Based on the projected growth between 2010 through 2035, ADE calculated the incremental change in household spending during this period. This calculation was done using ADE's retail demand model, which estimates the household demand for more than 50 individual store categories and accounts for how different income groups differ in their retail spending patterns.

As shown in Table 6, the projected 5,921 new households in Salinas will account for about \$115.0 million in new retail spending. After accounting for the entire Salinas Valley market area, the projected spending growth will total \$264.4 million by 2035, including the \$115 million from Salinas. Even though Salinas contributes about 48 percent of projected new households for the Salinas Valley, it will contribute about 43 percent of the retail spending growth. This is due to the lower average income of Salinas households. This projected trend could potentially change if the new households attracted to Salinas have a significantly higher income than the existing population.

In general, the largest spending categories are in the General Merchandise; Food, Eating, and Drinking; and Automotive Groups. Together, these groups account for more than 80 percent of the total retail store spending.

TABLE 6: PROJECTED HOUSEHOLD SPENDING GROWTH SALINAS AND SALINAS VALLEY, 2010 TO 2035		
Retail Group	Salinas Household Spending Growth 2010 to 2035	Market Area Household Spending Growth 2010 to 2035
Total	\$114,973,695	\$264,419,556
Apparel Store Group	\$4,979,903	\$11,533,481
Women's Apparel	\$1,285,047	\$3,010,051
Men's Apparel	\$359,471	\$840,957
Family Clothing	\$2,303,191	\$5,350,910
Shoe Stores	\$1,032,195	\$2,331,564
General Merchandise Group	\$21,633,269	\$49,315,109
Department Stores/Other General Merch.	\$10,088,010	\$23,454,071
Discount Stores	\$6,437,876	\$14,922,699
Department Stores	\$3,650,059	\$8,531,197
Other General Merchandise	\$6,441,656	\$14,604,047
Warehouse Clubs and Superstores	\$5,005,103	\$11,269,458
Misc. General Merchandise	\$1,436,553	\$3,334,588
Drug & Proprietary Stores	\$5,103,603	\$11,256,992
Specialty Retail Group	\$6,600,891	\$15,355,949
Gifts & Novelties	\$443,780	\$1,038,811
Sporting Goods	\$800,303	\$1,794,716
Florists	\$162,463	\$390,221
Photographic Equipment	\$84,007	\$203,056
Records & Music	\$327,178	\$770,376
Books & Stationery	\$781,897	\$1,828,504
Office Supplies/Computer Equipment	\$910,733	\$2,159,038
Jewelry	\$588,317	\$1,464,816
Misc. Specialty Retail	\$2,502,213	\$5,706,411
Cosmetics/Beauty Supply	\$222,826	\$491,452
Optical Goods	\$558,638	\$1,294,294

TABLE 6: CONTINUED

Retail Group	Salinas Household Spending Growth 2010 to 2035	Market Area Household Spending Growth 2010 to 2035
<i>Specialty Retail Group (Continued)</i>		
Other Health/Personal Care Stores	\$415,229	\$911,549
Toys & Hobbies	\$435,157	\$1,024,114
Pet Stores	\$375,201	\$856,354
Other Misc. Specialty Stores	\$495,161	\$1,128,648
Food, Eating and Drinking Group	\$32,985,107	\$75,150,595
Grocery Stores	\$15,642,080	\$34,989,943
Supermarkets	\$14,951,847	\$33,455,747
Convenience Stores	\$690,225	\$1,534,179
Specialty Food Stores	\$446,906	\$997,727
Liquor/Wine Stores	\$708,348	\$1,628,226
Eating Places	\$16,187,773	\$37,534,699
Full-Service Restaurants	\$8,221,075	\$19,078,954
Other Eating Places	\$7,966,699	\$18,455,745
Drinking Places	\$513,786	\$1,201,999
Building Materials & Homefurnishings Group	\$10,143,045	\$24,136,084
Furniture & Home Furnishings	\$2,857,508	\$6,933,791
Furniture Stores	\$1,838,416	\$4,525,859
Other Home Furnishings Stores	\$1,019,092	\$2,407,932
Household Appliances & Electronics	\$2,138,573	\$5,056,249
Used Merchandise	\$202,155	\$476,135
Nurseries & Garden Supply Stores	\$988,717	\$2,339,580
Lumber & Other Building Materials	\$2,419,059	\$5,687,312
Home Centers and Hardware Stores	\$1,399,383	\$3,324,090
Paint & Wallpaper	\$137,651	\$318,926
Automotive Group	\$38,631,480	\$88,928,338
New Cars & RVs	\$16,117,213	\$38,321,577
Used Car Dealers	\$1,182,033	\$2,813,157
Gasoline Service Stations	\$19,549,748	\$43,754,060
Mobile Homes & Trailers	\$9,071	\$20,384
Auto Parts & Accessories	\$1,103,390	\$2,494,351
Other Vehicles	\$670,025	\$1,524,809

Source: ADE, Inc.; data from AMBAG. ADE retail demand model developed using data from the U.S. Economic Census, and U.S. Department of Labor Consumer Expenditure Surveys.

RETAIL ATTRACTION POTENTIAL FROM NEW HOUSEHOLD GROWTH

Table 7 identifies Salinas' retail attraction opportunities related to projected household growth within the city limits. The number of supportable new retail stores totals about 30 establishments, with about 130,400 square feet of space, much this projected new store demand occurring in the food and restaurant category. One particularly notable outcome that projected new households in Salinas alone cannot support any new specialty retail stores. The Buxton study estimated a large enough existing retail leakage in many specialty retail store categories to support a substantial amount of retail space; however, as noted, at least some of that demand occurred in categories that are transitioning away from supporting retail storefronts.

In general, Salinas' local population base will support a more limited range of retail store types, and expanding beyond the store categories shown in Table 7 will require continuing to attract shoppers from elsewhere in the Salinas Valley, as discussed below.

**TABLE 7:
SUPPORTABLE NEW RETAIL ESTABLISHMENTS AND SQUARE FOOTAGE
BASED ON SALINAS CITY HOUSEHOLD GROWTH,
2010 TO 2035**

Retail Group	Salinas Supportable New Stores (2010 to 2035 Growth)	Salinas Supportable Square Footage (2010 to 2035 Growth)
Total	30.7	130,422
Apparel Store Group	3.6	18,620
Women's Apparel	1.2	5,465
Family Clothing	1.2	8,048
Shoe Stores	1.2	5,107
General Merchandise Group	1.0	9,537
Misc. General Merchandise	1.0	9,537
Specialty Retail Group	0.0	0
Food, Eating and Drinking Group	20.8	77,335
Supermarkets	2.1	28,903
Eating Places	18.7	48,432
Full-Service Restaurants	8.7	21,564
Other Eating Places	10.0	26,868
Drinking Places		
Bldg Materials & Homefurnishings Grp	1.3	11,037
Furniture Stores	1.3	11,037
Automotive Group	3.9	13,893
Gasoline Service Stations	3.9	13,893

Source: ADE, Inc.; data from AMBAG, Urban Land Institute, and U.S. Economic Census. ADE retail demand model developed using data from the U.S. Economic Census, and U.S. Department of Labor Consumer Expenditure Surveys.

Based on the projected growth for the Salinas Valley market area as a whole and the average sales per retail establishment by category, the growth in household spending would be expected to support about 97 retail establishments (Table 8). This works out to about 424,500 square feet of retail space; however, much of this is local-serving retail that would occur in the other Salinas Valley cities, not in Salinas itself.

Much of this new supportable retail space is in the food store and restaurants categories. In addition, the supportable retail stores encompass a broad range of different retail categories. This assumes that the growth in household spending will translate into demand for new local-serving business establishments. However, at least some portion of this demand would also potentially expand sales

revenues for existing local businesses. In addition, the retail attraction potential would be on top of the existing unmet demand that was estimated in the Buxton retail study.

As noted above, some retail categories with a more local orientation such as grocery stores, drug stores, and small-scale miscellaneous general merchandise stores rely more on local shoppers. In other words, many households living elsewhere in the Salinas Valley are likelier to shop in a store located closer to where they live than to travel make long shopping trips to Salinas.

The remaining regional level retail demand that may be captured in Salinas would include the following:

- Apparel: 43,055 sq.ft.
- General Merchandise: 46,772 sq.ft.
- Sporting Goods: 7,630 sq.ft.
- Building Materials and Home Furnishings: 67,084 sq.ft.

These categories overlap with the store types in table 7 above for the City of Salinas. The remaining additional potential for Salinas would include the food and eating group (77,335 sq.ft.) and the automotive group (13,893 sq.ft.). This results in a total potential retail expansion for Salinas of 255,769 sq.ft. from the 2010-2035 growth projections.

In the short-term, the larger concentration of stores and the greater variety of product lines available in Salinas means that the community will continue to serve as a regional retail hub for residents in the Salinas Valley. However, in the long-term, Salinas' position could be diminished if a retail center with large format retail anchors were to open elsewhere along the 101 corridor in southern Monterey County. Indeed, other communities south of Salinas have been looking into developing this type of retail center for more than a decade. If this type of development comes to fruition, then it would potentially curtail a significant portion of the spending potential away from Salinas.

**TABLE 8:
SUPPORTABLE NEW RETAIL ESTABLISHMENTS AND SQUARE FOOTAGE
BASED ON SALINAS VALLEY MARKET AREA HOUSEHOLD GROWTH, 2010
TO 2035**

Retail Group	Total Market Area Supportable New Stores (2010 to 2035 Growth)	Total Market Area Supportable Square Footage (2010 to 2035 Growth)
Total	97.2	424,555
Apparel Store Group	8.3	43,035
Women's Apparel	2.9	12,800
Family Clothing	2.7	18,698
Shoe Stores	2.6	11,537
General Merchandise Group	3.8	46,772
Misc. General Merchandise	2.3	22,137
Drug & Proprietary Stores	1.5	24,635
Specialty Retail Group	12.4	34,376
Gifts & Novelties	1.5	6,430
Sporting Goods	1.9	7,630
Records & Music	1.7	2,480
Books & Stationery	1.8	6,979
Jewelry	1.3	4,534
Misc. Specialty Retail	4.2	6,324
Optical Goods	2.1	3,373
Other Health/Personal Care Stores	2.1	2,951
Food, Eating and Drinking Group	53.1	188,646
Grocery Stores	6.2	67,638
Supermarkets	4.7	64,672
Convenience Stores	1.4	2,966
Specialty Food Stores	1.3	4,864
Liquor/Wine Stores	2.2	3,858
Eating Places	43.4	112,287
Full-Service Restaurants	20.3	50,044
Other Eating Places	23.2	62,243
Drinking Places		
Bldg Materials & Homefurnishings Grp	8.9	67,084
Furniture & Home Furnishings	5.2	37,633
Furniture Stores	3.3	27,172
Other Home Furnishings Stores	1.9	10,461
Household Appliances & Electronics	2.2	15,711
Home Improvement	1.6	13,741
Automotive Group	10.6	44,640
Gasoline Service Stations	8.7	31,094
Auto Parts & Accessories	1.9	13,546

Source: ADE, Inc.; data from AMBAG, Urban Land Institute, and U.S. Economic Census. ADE retail demand model developed using data from the U.S. Economic Census, and U.S. Department of Labor Consumer Expenditure Surveys.

SALINAS RETAIL SPENDING GROWTH AT BUILDOUT

Projecting beyond 2035, Salinas currently has a projected buildout population of about 213,063. This equates to a growth rate of about 41.6 percent, and an incremental growth of 16,811 households (assuming a base year of 2010). By comparison, the projected growth rate for the period between 2010 to 2013 comes out to about 14.7 percent, so the buildout scenario will not occur for a very long time unless growth accelerates.

This substantially higher growth rate for the buildout scenario has implications for the projected retail demand growth. As shown in Table 9, the new household demand at buildout will total \$326.4 million. This higher household demand also creates a substantially higher retail attraction potential, as it expands the number of store types that the Salinas population alone can now support. At buildout, the household growth in Salinas can potentially support about 122 new retail establishments, with demand for 557,743 square feet of building space (Table 10).

To some degree, this projections overlaps with the 2010-2035 projection of 130,422 square feet, but in other cases it create sufficient demand to make other stores viable that would not be possible under the 2035 projections. The net increase in supportable demand, therefore, is 427,291 square feet, or 39 acres, as indicated below.

- Apparel: 34,219 sq.ft.
General Merchandise: 49,254 sq.ft.
- Specialty Retail: 50,101
Food and Restaurants: 156.985 sq.ft.
- Building Materials &
Home Furnishings: 94,164 sq.ft.
- Automotive: 42,568 sq.ft.

TABLE 9: PROJECTED HOUSEHOLD SPENDING GROWTH SALINAS CITY AT BUILDOUT	
Retail Group	Salinas Household Spending Growth at Buildout
Total	\$326,449,849
Apparel Store Group	\$14,139,656
Women's Apparel	\$3,648,689
Men's Apparel	\$1,020,661
Family Clothing	\$6,539,551
Shoe Stores	\$2,930,755
General Merchandise Group	\$61,424,288
Department Stores/Other General Merch.	\$28,643,330
Discount Stores	\$18,279,344
Department Stores	\$10,363,772
Other General Merchandise	\$18,290,075
Warehouse Clubs and Superstores	\$14,211,208
Misc. General Merchandise	\$4,078,867
Drug & Proprietary Stores	\$14,490,883

TABLE 9: CONTINUED

Retail Group	Salinas Household Spending Growth at Buildout
Specialty Retail Group	\$18,742,198
Gifts & Novelties	\$1,260,044
Sporting Goods	\$2,272,336
Florists	\$461,289
Photographic Equipment	\$238,526
Records & Music	\$928,970
Books & Stationery	\$2,220,075
Office Supplies/Computer Equipment	\$2,585,883
Office Supplies	\$881,811
Computer Equipment	\$1,704,072
Jewelry	\$1,670,433
Misc. Specialty Retail	\$7,104,642
Cosmetics/Beauty Supply	\$632,680
Optical Goods	\$1,586,165
Other Health/Personal Care Stores	\$1,178,979
Toys & Hobbies	\$1,235,561
Pet Stores	\$1,065,325
Other Misc. Specialty Stores	\$1,405,932
Food, Eating and Drinking Group	\$93,656,060
Grocery Stores	\$44,413,243
Supermarkets	\$42,453,436
Convenience Stores	\$1,959,787
Specialty Food Stores	\$1,268,919
Liquor Stores	\$2,011,244
Eating Places	\$45,962,654
Full-Service Restaurants	\$23,342,458
Other Eating Places	\$22,620,196
Drinking Places	\$1,458,815
Bldg Materials & Homefurnishings Grp	\$28,799,593
Furniture & Home Furnishings	\$8,113,446
Furniture Stores	\$5,219,894
Other Home Furnishings Stores	\$2,893,552
Household Appliances & Electronics	\$6,072,143
Used Merchandise	\$573,988
Nurseries & Garden Supply Stores	\$2,807,307
Lumber & Other Building Materials	\$6,868,540
Home Centers and Hardware Stores	\$3,973,330
Paint & Wallpaper	\$390,839
Automotive Group	\$109,688,054
New Cars & RVs	\$45,762,309
Used Car Dealers	\$3,356,199
Gasoline Service Stations	\$55,508,456
Mobile Homes & Trailers	\$25,755
Auto Parts & Accessories	\$3,132,902
Other Vehicles	\$1,902,433

Source: ADE, Inc.; data from City of Salinas. ADE retail demand model developed using data from the U.S. Economic Census, and U.S. Department of Labor Consumer Expenditure Surveys.

**TABLE 10:
SUPPORTABLE NEW RETAIL ESTABLISHMENTS AND SQUARE FOOTAGE
BASED ON SALINAS CITY HOUSEHOLD GROWTH AT BUILDOUT**

Retail Group	Supportable Establishments	Supportable Square Footage
Total	122.9	557,743
Apparel Store Group	10.2	52,869
Women's Apparel	3.5	15,516
Family Clothing	3.4	22,852
Shoe Stores	3.3	14,501
General Merchandise Group	4.8	58,791
Other General Merchandise	2.8	27,079
Misc. General Merchandise	2.8	27,079
Drug & Proprietary Stores	1.9	31,712
Specialty Retail Group	17.5	50,101
Gifts & Novelties	1.8	7,799
Sporting Goods	2.4	9,660
Florists	1.1	1,637
Records & Music	2.1	2,990
Books & Stationery	2.2	8,473
Jewelry	1.5	5,170
Misc. Specialty Retail	6.4	14,370
Optical Goods	2.6	4,133
Other Health/Personal Care Stores	2.7	3,817
Other Misc. Specialty Stores	1.1	6,420
Food, Eating and Drinking Group	65.4	234,320
Grocery Stores	7.8	85,853
Supermarkets	6.0	82,065
Convenience Stores	1.8	3,788
Specialty Food Stores	1.6	6,186
Liquor Stores	2.7	4,766
Eating Places	53.2	137,515
Full-Service Restaurants	24.8	61,227
Other Eating Places	28.4	76,287
Bldg Materials & Homefurnishings Grp	11.7	105,201
Furniture & Home Furnishings	6.0	43,910
Furniture Stores	3.8	31,339
Other Home Furnishings Stores	2.3	12,571
Household Appliances & Electronics	2.7	18,867
Lumber & Other Building Materials	1.9	16,594
Home Centers and Hardware Stores	1.1	25,830
Automotive Group	13.4	56,461
Gasoline Service Stations	11.0	39,447
Auto Parts & Accessories	2.4	17,014

Salinas Economic Development Element
Target Industry Analysis

C

APPENDIX



August 28 , 2013

SALINAS ECONOMIC DEVELOPMENT ELEMENT TARGET INDUSTRY ANALYSIS

Prepared for:

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SUMMARY

This report has been prepared as part of the process to develop an Economic Development Element (EDE) for the City of Salinas General Plan. Together with a companion report entitled, *Salinas Retail Analysis*, this report discusses business growth opportunities in Salinas. Further analysis will identify potential sites for this business development to occur and the EDE will contain strategies and action steps to implement the City's vision for economic development in the future. The findings of the present report are summarized below.

- Salinas had about 53,500 jobs in 2002, which increased to 56,650 by 2005. However, as the recession hit, the City has lost 2,600 jobs to reach 54,100 by 2011. During this time, the City's population grew from 145,700 to about 151,000 and the labor force increased by more than 7,000 workers, leaving many without job opportunities in Salinas.
- This has resulted in a 15.9% unemployment rate for Salinas (2012 annual average), compared to 11.4% for Monterey County and 10.5% for the State of California.
- Looking at individual business sectors, agricultural employment increased over the past decade but industrial and finance jobs declined. In the industrial sector, manufacturing jobs declined from 4,639 in 2002 to 1,211 in 2011. In addition, construction jobs declined due to the recession, but have started to rebound again more recently.
- Among office sectors, the finance industry lost about 1,000 jobs with the closure of Capital One. This sector had been hard hit in the recession in many communities through the nation.
- Retail jobs also declined from 5,825 in 2001 to 5,536 in 2011, but as with construction, this represents a modest rebound over the lower levels in 2009 and 2010.
- The visitor-serving sector recouped its jobs to remain at exactly the level it was in 2002, mainly due to small increases in lodging and restaurant trade in Salinas.
- Aside from agriculture, the biggest job growth was in the health care sector, increasing from 5,726 jobs in 2002 to 6,437 jobs in 2011. This sector did not appear to lose any jobs through the recession.
- More than half the workers who live in Salinas commute out of the City to work. These workers tend to be younger than the workers who have jobs in Salinas, and are employed more often in trade and transportation businesses. The workers who both live and work in Salinas tend to be employed more in service industries. Workers that drive into the City for work tend to be hired more often in manufacturing industries.
- ADE projects a growth of about 23,400 jobs between 2010 and 2035, while at the same time AMBAG projects the number of households would grow by about 4,200. In Salinas, there are about 1.5 workers per household, so this ratio of jobs to housing growth would help to balance out the lack of job growth during the past decade. However, in order to achieve these

projections, the City would need to be successful with an aggressive economic development program.

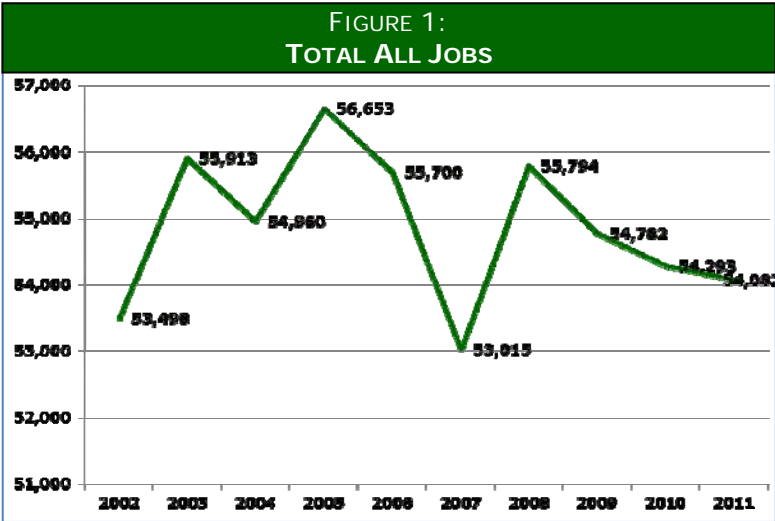
- The Steinbeck Innovation Cluster is dedicated to fostering new businesses and job growth in technological fields that can support the agricultural industry. This would be a very beneficial blending of business opportunities within in the main Salinas economic sector of agriculture with the high technology research and development in Silicon Valley. In the short term this would lead to new business start-ups and demand for business incubator spaces and small expansion locations. Over the longer term, this would help bolster the City's attractiveness for larger businesses seeking business park locations.

- Other major potential job generators would be the health care and education sectors.

- In addition, there is an opportunity to increase the visitor serving sector in Salinas, through development of additional lodging to serve business travel and also through the development of a regional sports facility that would attract youth and/or minor league sports events and tournaments.

EMPLOYMENT AND LABOR FORCE TRENDS

This chapter describes the employment and labor force trends in the City of Salinas over the past ten years. The recession had an early effect in Salinas as the total number of jobs began to decline in 2006. The major loss of employment in 2007 was due to a one-year reduction in agricultural employment, which may not have been directly caused by the recession. However, the longer term trend for Salinas has been continued employment decline well beyond the point where County employment has started to recover (Figure 1).



Source: LED

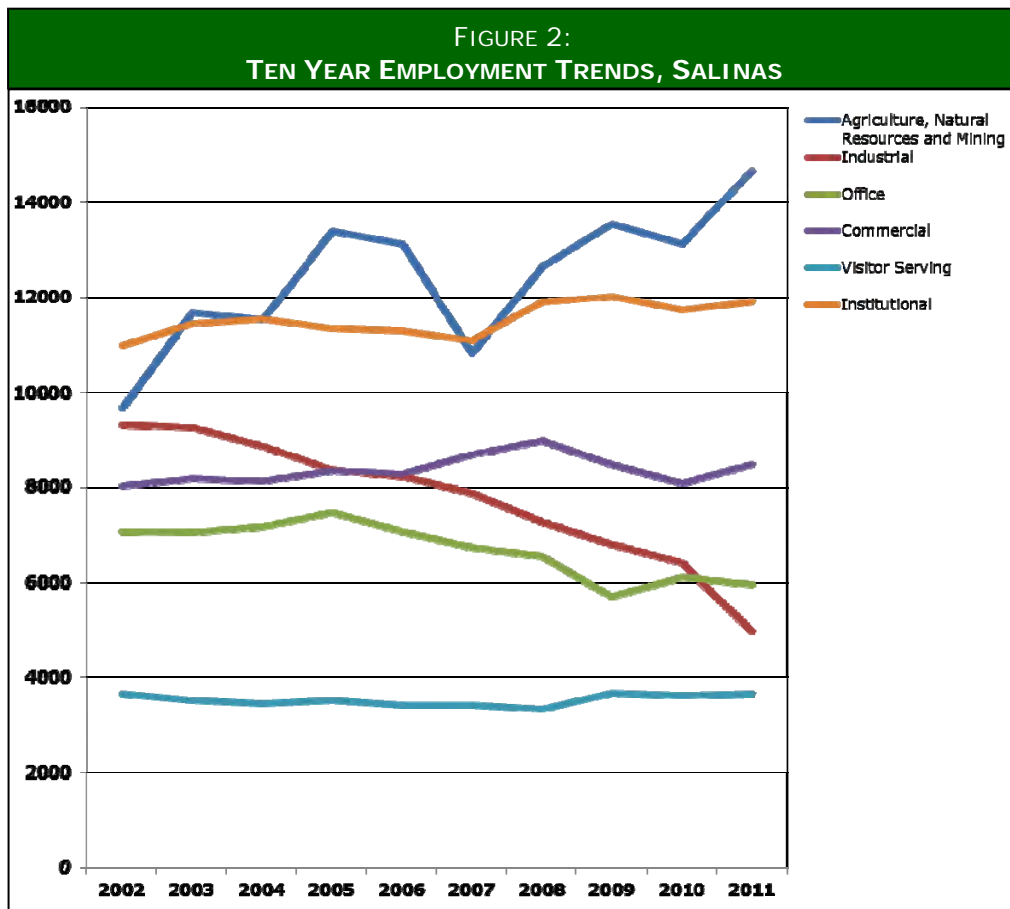
Table 1 and Figure 2 provide more detailed employment trends and organize the main business types into major land use categories. For most of the county economy, the construction, retail and financial services sectors were most hard hit by the recession. These sectors also declined in Salinas, but the City experienced even worse employment trends in manufacturing industries. While agriculture showed an unusual dip in 2007, it ended the decade with substantially more jobs in 2011 than in 2002, posting a 50 percent increase during that time. The industrial category, in contrast, lost 46 percent of its jobs during the same period.

Office-based businesses lost about 16 percent of their jobs, but this was mainly concentrated in the financial services sector. The closure of the Capital One office in Salinas resulted in the loss of about 1,000 jobs. The commercial (retail/services) sector had begun to recover by 2011 and was back to nearly 95 percent of its peak employment level from 2008. The visitor serving sector remained remarkably stable through out the decade and did not seem to be significantly affected in Salinas by the recession. The institutional category also generally increased during the decade, mainly on the strength of growth in the health care sector and despite some losses of employment in the government sector.

**TABLE 1:
TEN-YEAR EMPLOYMENT TRENDS BY MAJOR INDUSTRY GROUP IN SALINAS, CA**

AGRICULTURE, NATURAL RESOURCES AND MINING										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Agriculture, Forestry, Fishing and Hunting	9,686	11,660	11,508	13,396	13,118	10,809	12,643	13,533	13,119	14,658
Total	9,686	11,660	11,521	13,398	13,119	10,815	12,647	13,539	13,125	14,658
INDUSTRIAL										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Utilities	197	174	166	157	168	175	159	170	175	188
Construction	1,466	1,563	1,654	1,336	1,453	1,606	1,227	993	978	881
Manufacturing	4,639	4,493	4,076	3,890	3,648	3,021	2,997	2,858	2,591	1,211
Wholesale Trade	2,005	2,134	2,041	2,039	2,083	2,210	2,016	1,871	1,807	1,840
Transportation and Warehousing	1,008	902	934	937	870	861	861	897	864	857
Total Industrial	9,315	9,266	8,871	8,359	8,222	7,873	7,260	6,789	6,415	4,977
OFFICE										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Information	657	681	668	676	625	574	632	576	621	660
Finance and Insurance	2,261	2,237	2,160	2,113	1,903	2,054	1,989	1,606	1,133	1,036
Real Estate & Rental & Leasing	565	507	529	539	470	464	488	411	359	434
Professional, Scientific, & Technical Services	1,214	1,255	1,299	1,494	1,400	1,405	1,342	1,358	1,278	1,335
Mgmt. of Companies & Enterprises	741	650	698	783	726	489	493	467	631	792
Admin & Support, Waste Mgmt & Remediation	1,624	1,715	1,810	1,857	1,942	1,746	1,605	1,296	2,084	1,695
Total	7,062	7,045	7,164	7,462	7,066	6,732	6,549	5,714	6,106	5,952
COMMERCIAL										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Retail Trade	5,825	5,778	5,757	5,891	5,967	5,987	5,939	5,514	5,274	5,536
Other Svcs (excluding Public Administration)	2,184	2,383	2,363	2,444	2,298	2,704	3,045	2,952	2,792	2,934
Total	8,009	8,161	8,120	8,335	8,265	8,691	8,984	8,466	8,066	8,470
VISITOR SERVING										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Arts, Entert. & Rec.	540	425	427	417	400	330	344	425	409	408
Accomm. & Food Svcs.	3,125	3,102	3,033	3,111	3,028	3,102	2,995	3,257	3,228	3,256
Total	3665	3527	3460	3528	3428	3432	3339	3682	3637	3664
INSTITUTIONAL										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Educational Services	5,246	5,620	5,581	5,384	5,221	5,208	5,524	5,574	5,286	5,457
Health Care & Social Assistance	5,726	5,815	5,954	5,942	6,058	5,864	6,379	6,446	6,454	6,437
Public	4,789	4,819	4,289	4,245	4,321	4,400	5,112	4,572	5,204	4,467
Total	15,761	16,254	15,824	15,571	15,600	15,472	17,015	16,592	16,944	16,361

Source: LED



Source: LED

Employment in Monterey County peaked in 2008 and began its recovery as early as 2010 from the precipitous drop that occurred in 2009. However, this overall trend was really driven by farm employment, as non-farm jobs continued to decline until 2012 (Table 2).

**TABLE 2:
EMPLOYMENT CHANGE BY MAJOR INDUSTRY GROUP IN MONTEREY COUNTY, CA**

Monterey County	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Agriculture	38,600	38,300	41,600	42,100	42,600	40,600	41,800	43,500	43,000	45,300	46,500	51,200
Industrial	24,300	23,300	22,300	21,900	21,600	21,700	21,600	20,900	18,600	17,900	17,700	18,400
Commercial	21,400	21,500	21,600	21,900	21,400	21,300	21,600	21,300	19,700	19,800	20,300	20,400
Office	52,200	52,500	51,800	50,300	51,300	51,400	51,500	51,300	49,900	50,100	48,900	48,300
Visitor Serving	20,400	20,100	19,700	20,300	20,800	20,700	21,100	21,400	20,300	20,000	20,200	21,100
Institutional	52,100	53,500	54,000	53,100	53,000	53,800	55,100	56,500	57,600	57,400	56,800	56,900
Total	211,001	211,202	213,003	211,604	212,705	211,506	214,707	216,908	211,109	212,510	212,411	218,312

Source: EDD

Overall, jobs in Salinas represent about 25 percent of total jobs in Monterey County. However, for certain business sectors, this percentage is much higher. Table 4 and Figure 3 show the percentage of jobs in Salinas from the total in the county based on the six job categories presented in Table 1. Salinas has a higher than average share of county jobs in agricultural, commercial and institutional categories. It has below average shares in office development and visitor serving employment. Industrial employment is about average but has declined dramatically since 2002.

**TABLE 4:
SALINAS EMPLOYMENT SHARE OF THE TOTAL EMPLOYMENT IN MONTEREY COUNTY, CA**

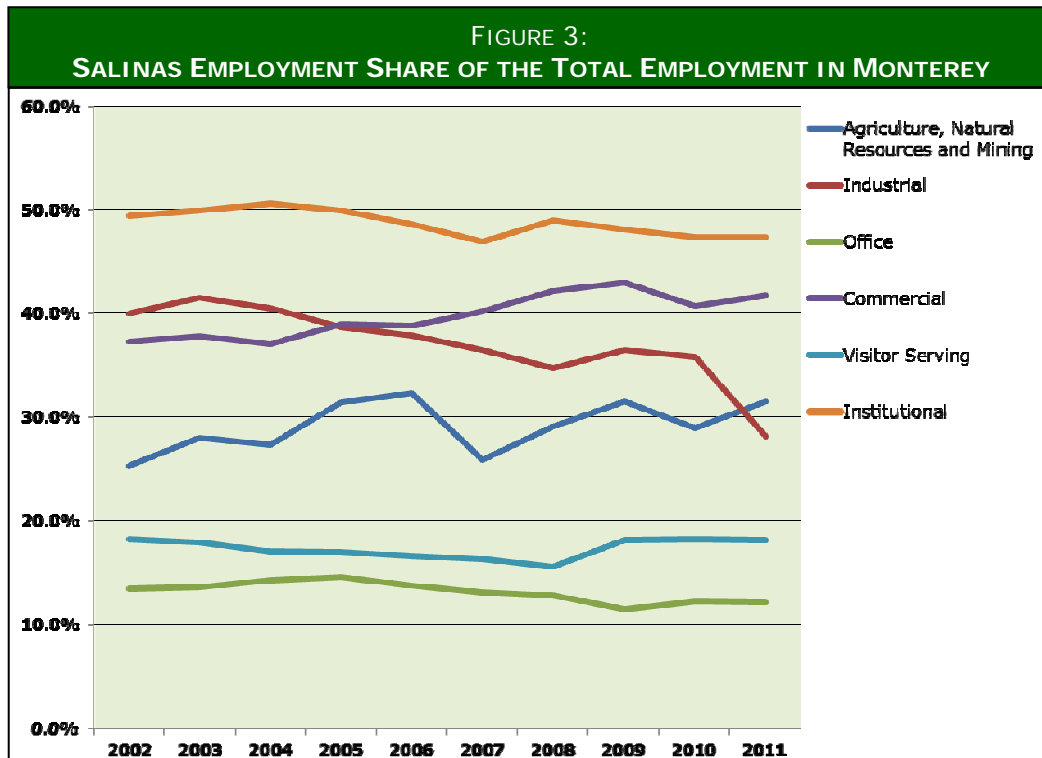
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
AGRICULTURE, NATURAL RESOURCES AND MINING										
Salinas	9,686	11,660	11,521	13,398	13,119	10,815	12,647	13,539	13,125	14,658
Monterey	38,300	41,600	42,100	42,600	40,600	41,800	43,500	43,000	45,300	46,500
Total	25.3%	28.0%	27.4%	31.5%	32.3%	25.9%	29.1%	31.5%	29.0%	31.5%
INDUSTRIAL										
Salinas	9,315	9,266	8,871	8,359	8,222	7,873	7,260	6,789	6,415	4,977
Monterey	23,300	22,300	21,900	21,600	21,700	21,600	20,900	18,600	17,900	17,700
Total	40.0%	41.6%	40.5%	38.7%	37.9%	36.4%	34.7%	36.5%	35.8%	28.1%
OFFICE										
Salinas	7,062	7,045	7,164	7,462	7,066	6,732	6,549	5,714	6,106	5,952
Monterey	52,500	51,800	50,300	51,300	51,400	51,500	51,300	49,900	50,100	48,900
Total	13.5%	13.6%	14.2%	14.5%	13.7%	13.1%	12.8%	11.5%	12.2%	12.2%
COMMERCIAL										
Salinas	8,009	8,161	8,120	8,335	8,265	8,691	8,984	8,466	8,066	8,470
Monterey	21,500	21,600	21,900	21,400	21,300	21,600	21,300	19,700	19,800	20,300
Total	37.3%	37.8%	37.1%	38.9%	38.8%	40.2%	42.2%	43.0%	40.7%	41.7%
VISITOR SERVING										
Salinas	3,665	3,527	3,460	3,528	3,428	3,432	3,339	3,682	3,637	3,664
Monterey	20,100	19,700	20,300	20,800	20,700	21,100	21,400	20,300	20,000	20,200
Total	18.2%	17.9%	17.0%	17.0%	16.6%	16.3%	15.6%	18.1%	18.2%	18.1%
INSTITUTIONAL										
Salinas	10,972	11,435	11,535	11,326	11,279	11,072	11,903	12,020	11,740	11,894
Monterey	22,200	22,900	22,800	22,700	23,200	23,600	24,300	25,000	24,800	25,100
Total	49.4%	49.9%	50.6%	49.9%	48.6%	46.9%	49.0%	48.1%	47.3%	47.4%

Source: ADE, based on data from LED and EDD.

The institutional job category includes educational services, health care and social assistance establishments as well as government. Figure 3 demonstrates that this group of establishments in Salinas includes nearly 50 percent of the county's job share. This is consistent with Salinas' role as the County seat and the site of two major hospitals and related medical offices. Salinas has kept a fairly constant share of jobs in this category since 2002; however, from Figure 3 we can see a slight decrease in the city's job share for these industries by 2011. The commercial group, on the other hand, shows an increase from 37 percent to 41 percent between 2002 and 2011. The industrial group, including establishments that provide utilities, construction, manufacturing, wholesale trade, and

transportation and warehousing services have decreased from 40 percent of county industrial jobs since 2001, ending up at less than 5,000 jobs or 28 percent of county's industrial employment share.

The agriculture, natural resources and mining job count increased between 2002 and 2007 and dropped in 2007. However Figure 3 shows an increase of 5 percent between 2008 and 2011 from 26 percent to 31 percent. Visitor serving and office related industries maintained their share at less than 20 percent of county office and visitor serving employment between 2002 and 2011.

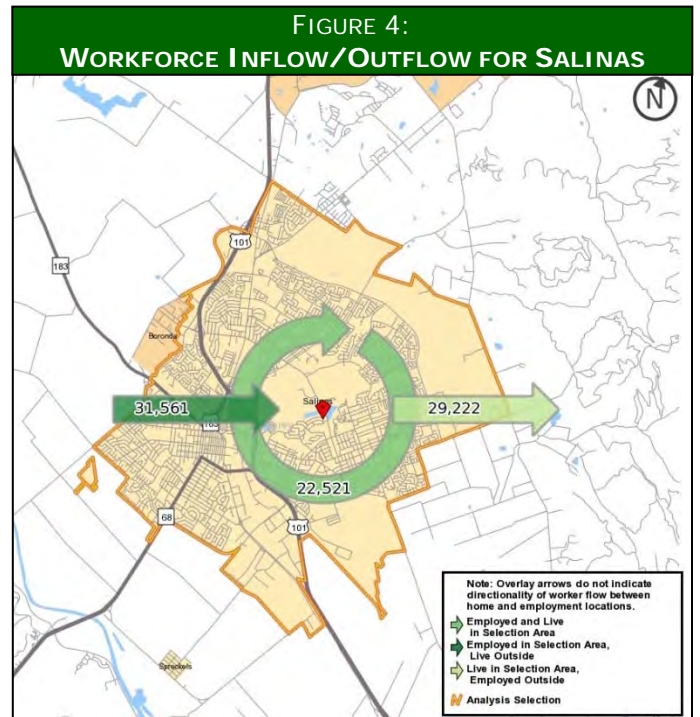


LABOR FORCE

WORKFORCE INFLOW/OUTFLOW FOR SALINAS

More than 40 percent of Salinas employed residents (25 years and older) both live and work in Salinas. As shown in Figure 4, 22,521 of Salinas's residents work in the city, while 29,222 residents commute to other cities. In addition, LED reports 31,561 workers from other cities commute to Salinas for employment purposes.

The commute data also classifies commuters based on three major industry categories of Goods Producing, Trade and Transportation, and All Other Services. The Goods Producing super sector includes agriculture, fishing and hunting (NAICS 11), mining, quarrying, and oil and gas extraction (NAICS 21), construction (NAICS 23), and manufacturing (NAICS 31-33.) Table (5) shows 30 percent of out-commute residents work in the Good Producing sector, 20 percent work in the Trade, Transportation and Utilities sector, and the remaining 50 percent work in All Other Services sector. In-bound workers tend to be slightly more concentrated in industrial categories while workers who live and work in Salinas are more often engaged in service industries.

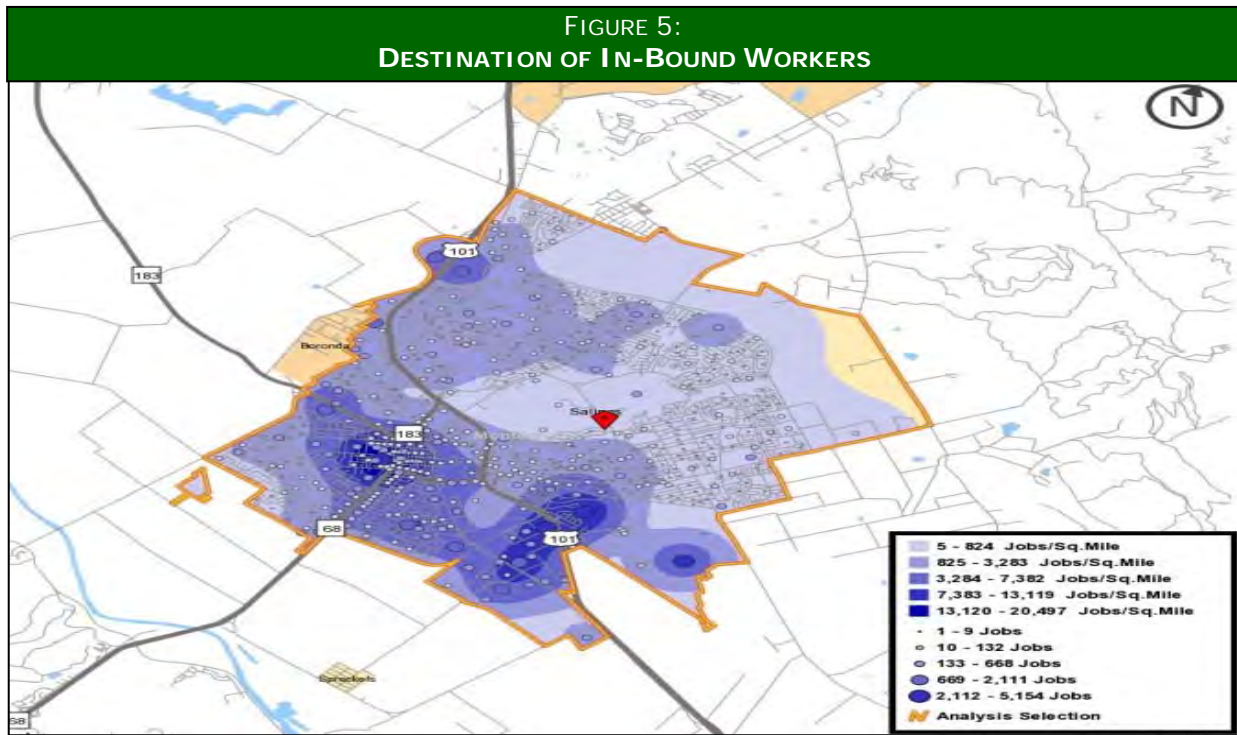


**TABLE 5:
Industry Distribution for Commuters and Non-Commuters, 2011**

Outflow Job Characteristics	Workers	Percent
External Jobs Filled by Residents	29,222	100.0%
Workers in the "Goods Producing" Industry Class	8,588	29.4%
Workers in the "Trade, Transportation, and Utilities" Industry Class	5,888	20.1%
Workers in the "All Other Services" Industry Class	14,746	50.5%
Interior Flow Job Characteristics	Workers	Percent
Internal Jobs Filled by Outside Workers	22,521	100.0%
Workers in the "Goods Producing" Industry Class	6,611	29.4%
Workers in the "Trade, Transportation, and Utilities" Industry Class	2,642	11.7%
Workers in the "All Other Services" Industry Class	13,268	58.9%
Inflow Job Characteristics	Workers	Percent
Internal Jobs Filled by Outside Workers	31,561	100.0%
Workers in the "Goods Producing" Industry Class	10,139	32.1%
Workers in the "Trade, Transportation, and Utilities" Industry Class	5,779	18.3%
Workers in the "All Other Services" Industry Class	15,643	49.6%

Source: LED

Figure 5 is a density map showing where in-bound commuters have their workplace. Out of town commuters are generally concentrated in the downtown and in the industrial areas in the southern part of town, as well as at the airport business park.



Source: LED

The labor force in the City of Salinas has experienced some shifts in the last ten years, with increasing growth in professional and technical workers as well as employees in health care and education (Table 6). Total growth in the labor force was about 14.9 percent, but workers employed in these higher skilled industries grew nearly twice as fast. Workers in agricultural industries seem to also grow substantially, however, there was a large drop in wholesale trade workers, which may have also been engaged in agricultural industries and is perhaps a data classification issue rather than an actual business trend.

**TABLE 6:
LABOR FORCE EMPLOYMENT BY INDUSTRY, 2000 AND 2010**

Industry	2000		2010		Change	
Agricultural	8,370	15.2%	12,340	19.6%	3,970	47.4%
Construction	3,648	6.6%	3,841	6.1%	193	5.3%
Manufacturing	3,629	6.6%	4,001	6.3%	372	10.3%
Wholesale	4,771	8.7%	2,364	3.7%	-2,407	-50.5%
Retail	6,077	11.1%	7,589	12.0%	1,512	24.9%
Transp./Warehouse	2,014	3.7%	2,288	3.6%	274	13.6%
Information	793	1.4%	898	1.4%	105	13.2%
FIRE	2,508	4.6%	2,346	3.7%	-162	-6.5%
Prof/Sci/Tech. Services	4,122	7.5%	5,284	8.4%	1,162	28.2%
Educ/Health	8,904	16.3%	11,297	18.1%	2,393	26.9%
Arts/ Enter	4,266	7.8%	4,870	7.7%	604	14.2%
Other serv	2,545	4.6%	2,896	4.6%	351	13.8%
Pub Admin	3,255	5.9%	3,048	4.8%	-207	-6.4%
Total	54,902	100.0%	63,062	100.0%	8,160	14.9%

Source: US Census 2000 and 2010.

INDUSTRY GROWTH PROJECTIONS

In the AMBAG region, Monterey County has seen a slower recovery than either Santa Cruz or San Benito counties. In a recent analysis of job growth prospects for the AMBAG region, the Center for the Continuing Study of the California Economy highlighted several considerations, including the fact that the region has a below average share of high growth and high wage sectors.

- A below average share of the fastest growing high wage sectors – information and professional and business services.
- A below average share of high wage finance and manufacturing jobs.
- An above average share in agriculture, government, leisure and hospitality and self-employment.
- The region’s economic base suggests below average future job growth relative to California.

These indicators certainly affect the short term opportunities for Salinas and Monterey County, but are not as limiting over the longer term as City economic development programs and policies work to diversify the job mix. The Steinbeck Innovation Cluster in particular is designed to increase the competitiveness of the City for higher technology, higher wage jobs, which may migrate down from Santa Clara County as businesses begin to recognize the City’s attractive labor force characteristics and market expansion opportunities.

Therefore, the projections of future jobs growth and business development are segmented into short term and long term time frames, with the recommendation that the City’s land use plan accommodate the longer term projections to allow for the transition from an agricultural economy to a more diversified, technologically based business mix.

COUNTY LEADING INDUSTRY PROJECTIONS

This section provides projections of economic trends between 2012 and 2017 for Monterey and Santa Clara counties. It analyzes employment trends at the regional level to highlight the major industry clusters that have an increase or decrease in their actual employment between 2012 and 2017.

Monterey County

Table 7 shows projected employment changes between 2012 and 2017 in Monterey County. The Agriculture, Forestry, Fishing and Hunting sector (NAICS code 11) is projected as the largest employment generator in 2017 with 52,116 total employees. According to EMSI, this industry remains the primary source of new employment with 4,548 new jobs projected. The table also identifies three other primary industries that play a major role in the county’s employment growth. The Tourism industry includes accommodation and food services (NAICS 72) and arts, entertainment and recreation (NAICS 71) and in the county of Monterey the latter sub-industry is estimated to add 1,528 jobs by 2017. Retail Trade businesses (NAICS 44-45) are also expected to have considerable job growth as they continue to recover from the recession, with 1,395 jobs between 2012 and 2017. On the contrary, the Information sector (NAICS 51), Finance and Insurance (NAICS 52) and Management of Companies and Enterprises (NAICS 55) have the largest projected employment losses by 2017. Establishments related to these three mentioned sectors are under the Office land use category.

**TABLE 7:
MONTEREY COUNTY EMPLOYMENT PROJECTIONS, 2012 TO 2017**

NAICS Code	Description	2012 Jobs	2017 Jobs (Projected)	Employment Change 2012-2017
11	Agriculture, Forestry, Fishing and Hunting	47,568	52,116	4,548
72	Accommodation and Food Services	18,863	20,391	1,528
62	Health Care and Social Assistance	12,070	13,465	1,395
81	Other Services (except Public Administration)	6,538	7,407	869
44-45	Retail Trade	16,261	16,935	674
54	Professional, Scientific, and Technical Services	5,786	6,312	526
42	Wholesale Trade	5,150	5,625	475
61	Educational Services (Private)	2,119	2,474	355
56	Administrative and Support and Waste Management and Remediation Services	5,261	5,588	327
48-49	Transportation and Warehousing	2,639	2,959	320
71	Arts, Entertainment, and Recreation	2,302	2,331	29
21	Mining, Quarrying, and Oil and Gas Extraction	204	192	-12
31-33	Manufacturing	5,437	5,410	-27
53	Real Estate and Rental and Leasing	1,715	1,688	-27
22	Utilities	622	436	-186
23	Construction	3,849	3,550	-299
51	Information	1,596	1,286	-310
52	Finance and Insurance	2,621	2,266	-355
55	Management of Companies and Enterprises	1,355	486	-869

Source: ADE, EMSI Employment projections 2012_2017, Monterey County, California

Table 8 provides a more detailed image of employment projections for the anticipated top performing industries in Monterey County. The individual industries are widely distributed among the various land use categories, but much of the employment growth remains concentrated in agricultural related industries. Farm Labor Contractors and Crew Leaders (NAICS 115115) with 1,916 jobs has the highest estimated job growth. Crop Production (NAICS 111000) with 1,877 jobs and Postharvest Crop Activities (NAICS 115114) with 1,165 jobs are the second and third growing sectors. The industrial category shows wineries as a short term growth business but also includes a number of wholesale, packaging and transportation industries.

The Office/Service Commercial category includes some higher technology opportunities such as Scientific and Technical Consulting Services (NAICS 541690) and Custom Computer Programming Services (NAICS 541511). As mentioned above, the Steinbeck Innovation Cluster is designed to help foster these kinds of businesses in Salinas. However, jurisdictions on the Monterey Peninsula and at former Fort Ord are also pursuing this strategy.

The projections also indicate steady growth in the hospitality and institutional categories. Salinas has seen increasing interest among hotel companies and is also well positioned for further growth in health care, education and government facilities.

**TABLE 8:
Top 50 Detailed Monterey County Employment Projections, 2012 to 2017**

NAICS Code	Description	2012 Jobs	2017 Jobs	Change	% Change
Agriculture, Natural Resources, Mining					
115115	Farm Labor Contractors and Crew Leaders	19,718	21,634	1,916	10%
111000	Crop Production	20,437	22,314	1,877	9%
115114	Postharvest Crop Activities (except Cotton Ginning)	6,808	7,973	1,165	17%
211111	Crude Petroleum and Natural Gas Extraction	545	714	169	31%
Industrial					
236118	Residential Remodelers	917	1,181	264	29%
312130	Wineries	824	1,014	190	23%
424910	Farm Supplies Merchant Wholesalers	482	652	170	35%
424490	Other Grocery and Related Products Merchant Wholesalers	502	644	142	28%
484110	General Freight Trucking, Local	542	675	133	25%
322211	Corrugated and Solid Fiber Box Manufacturing	427	557	130	30%
423430	Computer Equipment & Software Merchant Wholesalers	388	509	121	31%
485113	Bus and Other Motor Vehicle Transit Systems	91	183	92	101%
Office/Service Commercial					
531110	Lessors of Residential Buildings and Dwellings	1,804	2,102	298	17%
541690	Other Scientific and Technical Consulting Services	983	1,277	294	30%
523930	Investment Advice	968	1,245	277	29%
541511	Custom Computer Programming Services	850	1,086	236	28%
561311	Employment Placement Agencies	508	730	222	44%
523920	Portfolio Management	892	1,083	191	21%
561720	Janitorial Services	1,923	2,070	147	8%
531130	Lessors of Miniwarehouses and Self-Storage Units	539	671	132	24%
561110	Office Administrative Services	1,083	1,215	132	12%
531120	Lessors of Nonresidential Buildings (except Miniwarehouses)	718	848	130	18%
561730	Landscaping Services	1,558	1,668	110	7%
531311	Residential Property Managers	834	936	102	12%
522110	Commercial Banking	888	989	101	11%
541930	Translation and Interpretation Services	1,137	1,235	98	9%
531190	Lessors of Other Real Estate Property	491	584	93	19%
515120	Television Broadcasting	217	307	90	41%
Visitor Serving/Hospitality					
722110	Full-Service Restaurants	6,428	6,532	104	2%
722212	Cafeterias, Grill Buffets, and Buffets	191	295	104	54%
722310	Food Service Contractors	613	809	196	32%
722211	Limited-Service Restaurants	4,224	4,844	620	15%
712130	Zoos and Botanical Gardens	469	586	117	25%
721110	Hotels (except Casino Hotels) and Motels	6,871	7,180	309	4%
722213	Snack and Nonalcoholic Beverage Bars	737	832	95	13%
Institutional					
623312	Homes for the Elderly	534	710	176	33%
621910	Ambulance Services	294	466	172	59%
624190	Other Individual and Family Services	387	558	171	44%
621610	Home Health Care Services	1,382	1,595	213	15%
611310	Colleges, Universities, and Professional Schools (Private)	835	1,041	206	25%
903611	Elementary and Secondary Schools (Local Government)	8,087	8,284	197	2%
624310	Vocational Rehabilitation Services	367	512	145	40%
623311	Continuing Care Retirement Communities	326	470	144	44%

**TABLE 8: (CONTINUED)
TOP 50 DETAILED MONTEREY COUNTY EMPLOYMENT PROJECTIONS, 2012 TO 2017**

903622	Hospitals (Local Government)	2,621	2,765	144	5%
621111	Offices of Physicians (except Mental Health Specialists)	2,720	2,827	107	4%
611430	Professional & Management Development Training (Private)	135	240	105	78%
624120	Service for the Elderly and Persons with Disabilities	441	535	94	21%
623210	Residential Mental Health Facilities	207	324	117	57%
903999	Local Government, Excluding Education and Hospitals	7,584	8,038	454	6%
902999	State Government, Excluding Education and Hospitals	3,576	3,688	112	3%

Source: ADE, EMSI Employment projections 2012_2017, Monterey County, California

Santa Clara County

The ability of Salinas and Monterey County to diversify the local economy will depend to some extent on attracting interest from technology firms in Silicon Valley. According to EMSI, projected employment between 2012 and 2017 will add 63,159 jobs in Santa Clara County. As Table 9 demonstrates, the Professional, Scientific, and Technical Services (NAICS 54) would be the largest source of employment growth with 15,257 new jobs between 2012 and 2017. Health Care and Social Assistance (NAICS 62) is estimated to add 8,970 jobs by 2017, and will be the second highest growing job sector. Information (NAICS 51), Accommodation and Food Services (NAICS 72), and Educational

**TABLE 9:
SANTA CLARA EMPLOYMENT PROJECTIONS, 2012 TO 2017**

NAICS Code	Description	2012 Jobs	2017 Jobs (Projected)	Employment Change 2012-2017
54	Professional, Scientific, and Technical Services	115,489	130,846	15,357
62	Health Care and Social Assistance	78,851	87,821	8,970
51	Information	49,904	58,278	8,374
72	Accommodation and Food Services	67,873	74,137	6,264
61	Educational Services (Private)	33,034	37,934	4,900
23	Construction	33,131	37,808	4,677
44-45	Retail Trade	82,348	86,883	4,535
56	Administrative and Support and Waste Management and Remediation Services	50,564	54,581	4,017
71	Arts, Entertainment, and Recreation	11,653	15,110	3,457
81	Other Services (except Public Administration)	33,088	36,439	3,351
42	Wholesale Trade	34,740	37,600	2,860
52	Finance and Insurance	19,788	21,219	1,431
99	Unclassified Industry	3,777	4,796	1,019
48	Transportation and Warehousing	10,457	10,930	473
21	Mining, Quarrying, and Oil and Gas Extraction	201	197	-4
22	Utilities	1,606	1,517	-89
53	Real Estate and Rental and Leasing	13,308	13,211	-97
11	Agriculture, Forestry, Fishing and Hunting	3,380	3,022	-358
90	Government	81,908	81,453	-455
55	Management of Companies and Enterprises	10,288	9,105	-1,183
31-33	Manufacturing	154,769	150,429	-4,340

Source: ADE, EMSI Employment projections 2012_2017, Santa Clara County, California

Services (NAICS 61) with 8,374 jobs, 6,264 jobs, and 4,900 jobs, respectively, are also projected to show strong employment growth. Interestingly, manufacturing is projected to show the largest employment decline in Santa Clara County, yet, as shown in Table 10, a number of specific manufacturing industries are projected to be among the top 50 growth industries over the next five years.

In contrast to the distribution of fast growing industries in Monterey County, in Santa Clara County the top 50 are almost all concentrated in industrial and office categories (Table 10). This is a strong indication of the importance of Silicon Valley as an economic base region, that export industries will well outpace local serving business for job growth. The industrial category is a combination of manufacturing, wholesale and construction industries. Electronic Computer Manufacturing (NAICS 334111) with 6,311 jobs is the highest growing job sector. For the Office category, as Table 9 showed, Information and Professional and Technical Services are among the top five highest growing sectors. This trend is also apparent at the more detailed industry level, with Internet Publishing and Broadcasting and Web Search Portals and Custom Computer Programming as the top two growing industries in this category.

**TABLE 10:
Detailed Santa Clara County Employment Projections, 2012 to 2017**

NAICS Code	Description	2012 Jobs	2017 Jobs	Change 2012-17
Agriculture, Natural Resources, Mining				
115114	Postharvest Crop Activities (except Cotton Ginning)	732	1,041	309
Industrial				
334111	Electronic Computer Manufacturing	34,360	40,671	6,311
423430	Computer Equipment and Software Merchant Wholesalers	8,374	9,920	1,546
454112	Electronic Auctions	2,856	4,074	1,218
334220	Radio/Television Broadcasting & Wireless Comm. Equip Mfg	5,521	6,677	1,156
238210	Electrical Contractors & Wiring Installation Contractors	6,344	7,416	1,072
425120	Wholesale Trade Agents and Brokers	4,129	5,110	981
238390	Other Building Finishing Contractors	678	1,392	714
334613	Magnetic and Optical Recording Media Manufacturing	2,489	3,176	687
334290	Other Communications Equipment Manufacturing	2,046	2,724	678
484230	Specialized Freight Trucking, Long-Distance	1,260	1,928	668
238320	Painting and Wall Covering Contractors	1,590	2,235	645
238110	Poured Concrete Foundation and Structure Contractors	1,364	1,999	635
335999	All Other Misc. Electrical Equipment & Component Mfg	1,672	2,296	624
236118	Residential Remodelers	2,039	2,629	590
238320	Painting and Wall Covering Contractors	1,590	2,235	645
238110	Poured Concrete Foundation and Structure Contractors	1,364	1,999	635
236220	Commercial and Institutional Building Construction	2,349	2,879	530
334413	Semiconductor and Related Device Manufacturing	30,111	30,640	529
238220	Plumbing, Heating, and Air-Conditioning Contractors	5,046	5,531	485
423450	Medical, Dental, Hospital Equip. & Supplies Wholesalers	1,650	2,125	475
334519	Other Measuring and Controlling Device Manufacturing	920	1,390	470
334418	Printed Circuit Assembly (Electronic Assembly) Mfg.	1,931	2,357	426
238160	Roofing Contractors	1,376	1,786	410
332322	Sheet Metal Work Manufacturing	1,398	1,693	295
339999	All Other Miscellaneous Manufacturing	530	821	291
423930	Recyclable Material Merchant Wholesalers	700	986	286

TABLE 10: (CONTINUED)
DETAILED SANTA CLARA COUNTY EMPLOYMENT PROJECTIONS, 2012 TO 2017

Office				
519130	Internet Publishing, Broadcasting and Web Search Portals	20,572	25,907	5,335
541511	Custom Computer Programming Services	30,159	35,214	5,055
541512	Computer Systems Design Services	20,685	24,489	3,804
511210	Software Publishers	13,824	17,422	3,598
541690	Other Scientific and Technical Consulting Services	4,984	7,767	2,783
541712	R&D in the Physical and Engineering and Life Sciences	17,476	18,898	1,422
522320	Financial Transaction Processing, Reserve, & Clearinghouse	2,423	3,736	1,313
561110	Office Administrative Services	3,992	5,288	1,296
541211	Offices of Certified Public Accountants	5,575	6,853	1,278
561720	Janitorial Services	8,935	10,151	1,216
518210	Data Processing, Hosting, and Related Services	5,081	6,253	1,172
517210	Wireless Telecommunications Carriers (except Satellite)	984	2,112	1,128
561311	Employment Placement Agencies	2,548	3,438	890
541330	Engineering Services	8,058	8,917	859
541611	Admin. Mgmt & General Management Consulting Svcs	1,640	2,260	620
561612	Security Guards and Patrol Services	5,275	5,764	489
541613	Marketing Consulting Services	1,227	1,696	469
512110	Motion Picture and Video Production	793	1,222	429
561730	Landscaping Services	4,275	4,677	402
541370	Surveying and Mapping (except Geophysical) Services	560	928	368
522291	Consumer Lending	514	873	359
813410	Civic and Social Organizations	2,783	3,108	325
531210	Offices of Real Estate Agents and Brokers	2,049	2,361	312
561320	Temporary Help Services	16,505	16,787	282

Source: EMSI

LONG TERM EMPLOYMENT NEEDS

AMBAG has prepared preliminary population, housing and employment projections for Salinas and is in the process of finalizing projections for all the jurisdictions in Monterey County. These projections are not final yet and may be subject to change, but they provide an indication of the anticipated level of growth in the medium term time frame, out to 2035.

**TABLE: 11
PRELIMINARY AMBAG PROJECTIONS FOR SALINAS**

Employment Category	2010	2035	Change
Agricultural	9,830	10,651	821
Construction	922	1,335	413
Industrial	2,114	2,173	59
Retail	7,270	9,643	2,373
Service	17,149	23,231	6,082
Public	17,217	19,850	2,633
TOTAL	54,502	66,883	12,381
Population and Housing	2010	2035	Change
Population	150,441	172,499	22,058
Housing	42,651	46,883	4,232
Households	40,387	45,104	4,717

Source: AMBAG

One consideration in viewing projections of population and employment is how many jobs are needed to employ the additional workforce as the City grows. In 2000, the Census reports that 43% of the City population was in the civilian labor force, but by 2010 that figure had risen to 47%. In 2010, there were 71,245 Salinas residents in the labor force of which 63,062 were employed.¹ Based on these figures, Salinas is 8,500 jobs short of meeting the needs of employed residents and 16,700 jobs short for full employment for its resident labor force.

The AMBAG projections would help correct that imbalance to a degree, adding nearly 12,400 jobs and an estimated 10,600 new resident workers (at a 47% labor force participation rate). However, the current Salinas General Plan anticipates a buildout population of 213,063, which would indicate a need for 100,000 jobs by that time (the future buildout timeframe). That would require a growth of 45,500 jobs from the total in 2010.

ADE has prepared alternate projections based on the non-residential land use categories analyzed in the previous section. These projections reflect independent economic projections from Woods and Poole and also are consistent with the retail analysis ADE performed under separate cover. In addition, the projections reflect an increasing share of lodging and visitors services in Salinas. In the short term, the employment growth is similar to that shown in the AMBAG projections, but over time the projections reflect a more robust economic growth in Monterey County and in Salinas. For the buildout scenario, the projections reflect more of an ideal vision of the number and distribution of jobs to

¹ The earlier discussion of labor force commute patterns related to workers 25 years and older, while the figures on labor force participation rates are based on the worker segment that is 16 years or older.

represent a mature City economy with a full range of services and job opportunities. This would require a substantial increase in jobs in the industrial and office categories to provide career opportunities for the labor force.

**TABLE: 12
DETAILED EMPLOYMENT PROJECTIONS FOR SALINAS**

Land Use	2010	2015	2020	2025	2030	2035	2010 – 2035 Change	Acres	2035-Buildout Change	Acres
Agricultural	13,125	13,713	14,319	14,931	15,557	16,197	3,072	w/ind	2,892	
Industrial	6,415	6,641	6,865	7,091	7,319	7,545	1,130	241.2	3,193	349.2
Office	6,106	6,452	6,802	7,146	7,486	7,821	1,715	47.2	4,856	133.8
Commercial	8,066	8,725	8,735	9,409	10,115	10,856	2,790	140.9	1,195	60.4
Visitor Serving	3,637	4,447	5,337	6,322	7,392	8,558	4,921	497.1	2,758	278.6
Institutional	17,153	18,866	20,698	22,650	24,714	26,960	9,807	450.3	7,171	329.2
TOTAL	54,502	58,843	62,757	67,550	72,583	77,938	23,436	1,377	22,064	1,151

Source: ADE, Inc.

The following sections discuss preliminary economic development considerations for selected job sectors.

Agricultural Industry

Increased consumer demand for value-added packaging of salad products and other vegetable crops grown in the Salinas Valley has fueled an expansion of packing facilities in the Salinas Valley over the past number of years. More recently, there are indications that the major companies are planning to extend the packaging season to year round as a way of meeting this demand. This will add service demands to City infrastructure and services; however, it is not clear whether this will result in substantial additional industrial development.

The City has approved the Uni-Kool Agricultural Industry Specific Plan, which includes about 257 acres devoted to this type of industry. While there are substantial infrastructure costs associated with developing this property, the size of the project is well suited to absorb the industrial demand projected above, which combines the agricultural and industrial jobs.

Business Incubator/Infill

The Steinbeck Innovation Cluster is devoted to fostering business opportunities related to the increasing technological needs of agricultural industries. The Cluster is working on a variety of fronts, including youth education in computer coding, entrepreneurial development, collaboration with major research universities and corporate sponsorship from Silicon Valley. In the short term, success of this enterprise would create demand for business incubator spaces and small to medium sized business expansion locations. Initially, there are likely to be locations for this near Old Town and along the South Main Corridor. Over the longer term, other business park locations will be needed to support larger business attraction and expansion.

Business Park/Office Development

Although office and business park development is an important aspect of the City's long term economic development strategy, it is difficult to project the timing of demand for these uses. The construction of a major office building in Old Town by Taylor Farms could have a significant catalyst effect on other properties in this part of town, which will be evaluated in further detail as part of the upcoming Downtown Vibrancy Plan. However, at the same time, the former Capital One office space is available on the market and Salinas does not yet have market momentum for office based businesses from out of county, which would also be considering locations at former Fort Ord and elsewhere on the Monterey Peninsula. The projections above suggest that ultimately the City could see 180 acre of new business park development, but the growth in this market may be slow.

It should be noted, also, that about 65 percent of the demand in the commercial category is related to retail growth, which is discussed in the separate Retail Market Analysis report. The remaining 35 percent may include a segment of demand for other local serving office space as well service commercial locations.

Visitor Services and Regional Recreation

The lodging and visitor service sector in Salinas is under-developed for the size of its economy and the volume of visitors to other parts of Monterey County. The projections above assume a substantial effort to increase the number and variety of lodging facilities as well as attractions for visitors. Along these lines, community leaders have discussed the potential for a regional sports facility in Salinas, perhaps in proximity to the Rodeo site. Efforts are already underway to expand the soccer facilities near the Carr Lake area, which should not only serve Salinas youth and adults but also attract regional tournaments and competitions. Such facilities and activities can have a significant positive economic impact, as they draw many visitors with commensurate increases in demand for lodging and restaurants. The acreage projection for this land use in Table 12 above anticipates development of some kind of regional sports facility with this market opportunity in mind.

City of Salinas Economic Development:
Site Opportunities and Constraints Analysis

D

APPENDIX

The Economics of Land Use



Report

City of Salinas Economic Development: Site Opportunities and Constraints Analysis

Prepared for:

City of Salinas

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November 5, 2013

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CITY OF SALINAS SITE OPPORTUNITIES AND CONSTRAINTS

Introduction

Desirable development opportunity sites can be positioned to act as a catalyst for economic development by attracting desired employment-generating uses. Economic development policy should focus on those development opportunity sites over which the City of Salinas (City) can exert control to position the site for development, largely by avoiding major constraints such as ownership/land assembly and policy complications.

The City is undertaking an update of the Economic Development Element (EDE), which will be incorporated into a future General Plan Element. Key components of understanding economic development opportunities and priorities include understanding the economic context of the City, projected industry growth, and the challenge of identifying and making available critical land resources to meet the growth demands of targeted industry sectors. In this regard, the most important objective is to understand how the land assets surrounding the City play into the City's growth and development, with reference to using scarce City resources as little as possible, as efforts to use these land assets are made.

The frame of reference used in this analysis is whether development sites in the City can meet the demands of growing and targeted industry sectors that are essential to attracting 15,000 jobs in the office, research and development (R&D), industrial, and regional retail categories though buildout, as identified by Applied Development Economics, Inc. (ADE)'s target industry and retail demand analyses.¹

The ability to capture documented market demand in Salinas depends on whether viable land resources and supporting policies are in place to facilitate a fast and easy development approval and physical development process. Of primary importance are efforts related to the growth and diversification of the agricultural cluster, a unique specialization of the City. The needs of this sector and related industries that comprise its "cluster" can be met in a range of geographic areas and building types. Prospects for attracting and accommodating additional knowledge intensive occupations in this and other clusters depend on creating a sense of place, requiring successful approaches to infill development in this post-redevelopment environment.

In addition to a need for revitalization and infill in downtown and close-in neighborhoods, the lion's share of new jobs in Salinas are tied to the industrial, manufacturing, packaging, and distribution functions directly tied to the agricultural commodities produced in the Salinas Valley. Periodically, large owner-users present themselves in the Salinas area, sometimes finding that adequate sites are not "shovel-ready" for various reasons, including insufficient infrastructure or zoning. While the City is understandably reticent to apply large and unsubstantiated sums to

¹ Administrative Draft Salinas Economic Development Element Target Industry Analysis, August 28, 2013. It should be noted that the cited job total reflects a subset of overall job growth projected for the City through 2035.

remedy these issues, given other needs for public resources, in some cases it appears that relatively modest quantities of strategically combined public and private resources may be applied to facilitate private-sector investment as market forces continue to strengthen and evolve.

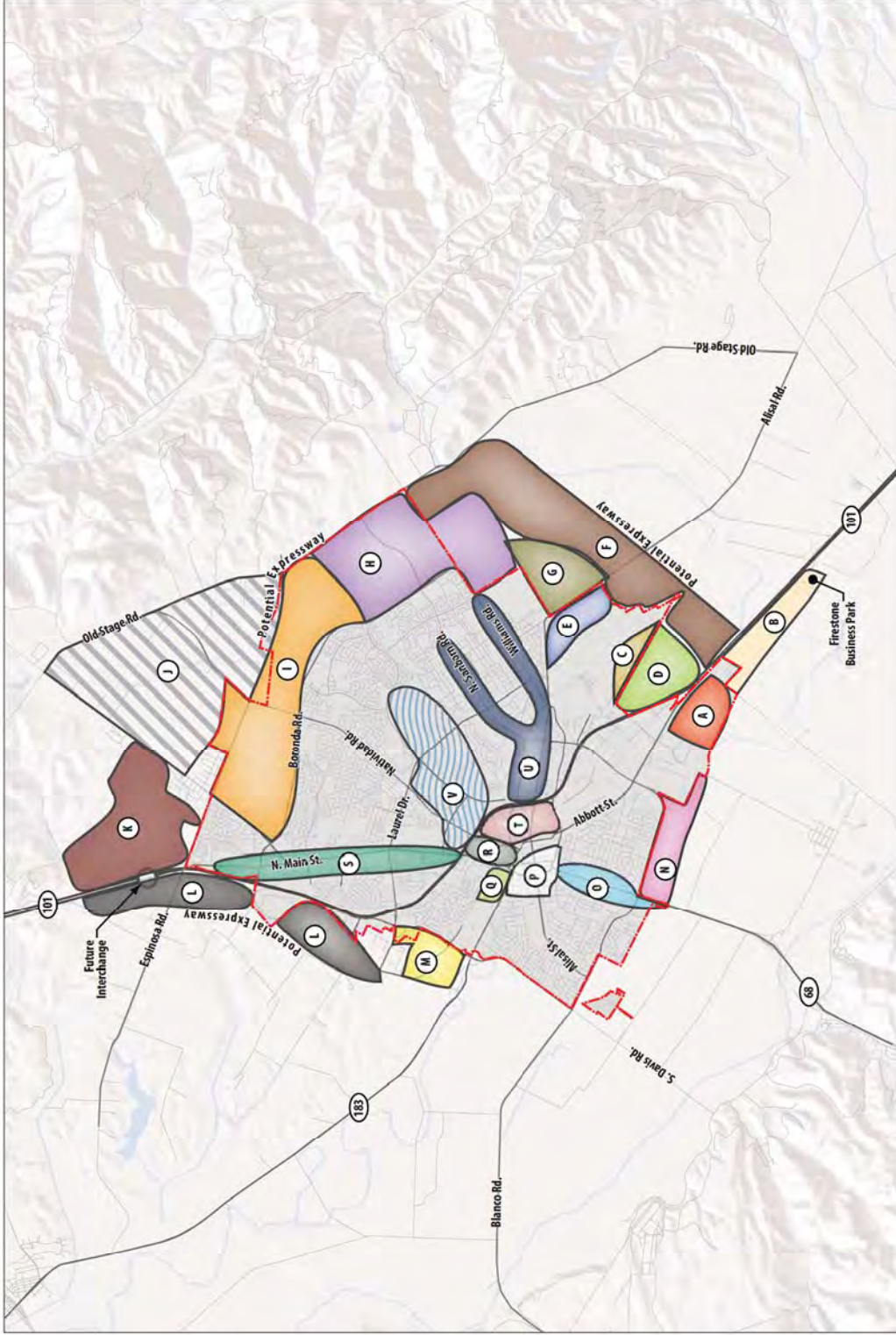
In this analysis, this latter class of industrial, office, and R&D properties appropriate for large-scale development on the periphery of the City is evaluated, including conceptual approaches toward successfully activating them. It is understood that the City's Vibrancy Plan is directly addressing opportunities and constraints around improving the City's core areas, an area of extreme importance for attracting investment.

Emphasis also is placed on defining the approximate amount of private investment in required infrastructure. This exercise highlights situations where larger, systematic strategies for investing may be needed to upgrade and expand the working land base available to accommodate export industry in Salinas. In this regard, the concept of "infrastructure cost burden" is introduced and used as a "barometer" for feasibility, where an acceptable backbone infrastructure cost burden funded by the private sector is within 10 to 15 percent of total asset value (land and buildings).

This discussion is offered as one of multiple perspectives on the future jobs-oriented land base needed to accommodate projected demand. It is not intended to diminish other perspectives that may be grounded in social equity, urban form, and other criteria having substantial additional importance. It also should be noted that this report primarily is based on a combination of site visits, interviews, review of available information, expert opinion, and the Team's experience and knowledge regarding Salinas and its environs. No formal or detailed analysis has been conducted regarding infrastructure conditions and required costs.

Overview of Land Supply

EMC Planning Group, Inc. (EMC), prepared the attached **Figure 1**, which identifies 22 development opportunity areas as identified by City staff and the EDE Consultant Team. EMC also prepared **Figure 2**, which offers a preliminary evaluation of each opportunity area in terms of acreage, zoning, natural resource constraints, and infrastructure constraints/investment requirements. The site opportunities and constraints analysis relies upon this background information as well as targeted industry and land demand analysis completed by ADE and summarized below. Ultimately, the opportunity areas targeted by the EDE should reflect the targeted growth industries, match existing employment and labor force capacity, fulfill identified economic development goals (i.e., economic and industry diversification), and should take public and stakeholder input into consideration. This analysis offers preliminary insight and analysis to be further shaped by the remainder of the EDE process and public input and will provide a baseline to develop key economic development strategies.



Legend

City Boundary

Growth Opportunity Areas

- Uni-Kool (A)
- Abbott Street Extension (B)
- Airport Industrial Park (C)
- Airport West (D)
- Airport East/Harnell (E)
- Eastern Expressway (F)
- Alsai/Airport East (G)
- East Future Growth Area (H)
- West & Central Future Growth Area (I)
- North Future Growth Area (J)
- North Entrance (K)
- Westside Expressway (L)
- Baronda South (M)
- Highway 68 Gateway (N)
- Valley Center Corridor (O)
- Vibrancy Plan Area (P)
- TOD Rail Infill (Q)
- Chinatown (R)
- North Main Street (S)
- Alsai Market Place (T)
- East Alsai/East Market (U)
- Carr Lake (V)



Source: City of Salinas 2012, ESRI 2010

Figure 1
Economic Opportunity Areas
 Salinas Economic Development Element



Figure 2

City of Salinas Economic Development Element
GROWTH OPPORTUNITY AREAS - RESOURCE/INFRASTRUCTURE INFORMATION*

#	Area	Acres	Jurisdiction	General Plan Land Use Designation	Zoning Designation	Williamson Act	Important Farmland	Flood Zone	Critical Habitat	Water	Waste-water	Storm-water	Access	Notes	Infrastructure Investment Need
A	Uni-Kool	244	City	General Industrial	IG	-	Yes	-	-	-2	-2	-2	1	- Harris frontage recently paved - No infrastructure available - Tie-in to industrial wastewater system is entitled	High
B	Abbott Street Extension	231	County	<i>Farmland, Industrial</i>	<i>F, HI</i>	Yes*	Yes	-	-	-2	-2	-2	1	- County area infrastructure unknown - Nearest water at Harris Road	High
C	Airport Industrial Park	102	City	Business Park, Public/Semi	IBP, PS	-	Yes*	Yes*	-	2	1	2	2	- Some wastewater capacity issues - Good access - Moffett street recently paved - Airport Interchange also improved - Access to future East Side Bypass	Low
D	Airport West	342	County	General Industrial	<i>F, UR</i>	-	Yes	Yes*	-	-2	-2	-2	2	- Good access from interchange configuration - Half of property in floodplain - No known infrastructure available - Airport overlay conditions apply - May require further U.S 101 improvements	High
E	Airport East/Hartnell	213	City	Public/Semi	PS	-	Yes	-	-	2	1	2	2	- Infrastructure stops at the East Hartnell Campus - No water or sewer extend beyond that point into proposed development areas south of Hartnell or on east side of the airport - Access via Alisal Road	Low

* See last page for zoning designations, footnotes and infrastructure rating scale



Figure 2

#	Area	Acres	Jurisdiction	General Plan Land Use Designation	Zoning Designation	Williamson Act	Important Farmland	Flood Zone	Critical Habitat	Water	Waste-water	Storm-water	Access	Notes	Infrastructure Investment Need
F	Eastern Bypass	3,822	County	Farmland	F	Yes*	Yes	Yes*	-	-1	-3	-2	2	- Largely undeveloped, limited infrastructure - Some irrigation water for farming - Access is available from Alisal Road and Bardin - Some infrastructure and stormwater assets are available from Bardin School Area and Montebella Subdivision	High
G	Alisal/Airport East	365	County	General Industrial	F	-	Yes	-	-	-1	-3	-1	2	- Sewer stops at Bardin and Alisal - Stormwater retention on site - Reasonable access via Alisal and Bardin - City traffic program includes widening of Alisal Road to four lanes	High
H	East Future Growth Area	1,351	City & County	Residential (various), Park, Mixed Use, Public/Semi, Open Space, Farmland	NI, F	-	Yes	Yes*	-	-1	-2	-1	1	- Sanitary sewer on septic - Limited well water - Access from perimeter roads only - Planned as future growth area	High
I	West & Central Future Growth Area	1,566	City	Residential (various densities), Park, Mixed Use, Public/Semi, Open Space	NI, F	-	Yes	Yes*	Steelhead	-1	-2	-1	1	- No sanitary sewer - Limited irrigation water - Access from perimeter roads only - Planned as future growth area	High
J	North Future Growth Area	2,201	County	Farmland, Residential Rural, Residential Low, Public/Quasi	F	Yes*	Yes	Yes*	Steelhead	1	1	-1	1	- Sanitary sewer to Bolsa Knolls Middle School and La Joya Elementary School - limited capacity for expansion - Bolsa Knolls subdivision on septic with limited stormwater utility - Access from perimeter roads	Medium
K	North Entrance	933	County	Farmlands, Permanent Grazing, Commercial	LC, HC, F	-	Yes	Yes*	-	-2	-3	-2	2	- Access from San Juan Grade Road/Access to US 101, Espinosa and Russell - No sanitary sewer - Limited irrigation water	High

* See last page for zoning designations, footnotes and infrastructure rating scale



Figure 2

#	Area	Acres	Jurisdiction	General Plan Land Use Designation	Zoning Designation	Williamson Act	Important: Farmland	Flood Zone	Critical Habitat	Water	Waste-water	Storm-water	Access	Notes	Infrastructure Investment Need
L	Westside Bypass	342	County	Farmland	F	-	Yes	-	-	1	1	1	-1	- Utilities available from Westridge and Boronda Crossing development - Limited traffic access - Development expected to trigger significant traffic improvements (West Bypass, Alvin Extension, and widening of U.S. 101)	Medium
M	Boronda South	218	County	General Industrial, General Commercial, Open Space, Retail, Public/Semi, Medium Density Residential	CR, PS, R-M	-	Yes*	Yes*	Steelhead	1	2	1	-1	- Significant issues with development including, reclamation ditch, flood plain, wetlands, and railroad tracks - Requires Rossi Road Extension	Medium
N	Highway 68 Gateway	285	County	Farmland	F	-	Yes	-	-	-1	-2	-1	1	- No sanitary sewer - Limited irrigation water - Access from perimeter roads only	High
O	Valley Center Corridor	170	City	Mixed Use, Retail Office, Public/Semi, Residential (various)	MX, CR, PS, R-L, CO/R	-	-	-	-	2	2	2	2	- Focused growth area in general plan - Poor pedestrian access - Caltrans' State Route 68 (good access/improvements will require Caltrans oversight (cost and delay issues) - Parking not conducive to retail uses	Low
P	Vibrancy Plan Area	135	City	Mixed Use, Office, Public/Semi, Residential (Med, High)	MX, PS, CO, CO/R, R-M	-	-	-	-	2	1	2	2	- Pedestrian and traffic constraints caused by arterial couplets - Aging though serviceable (Old Town needs work) infrastructure - Parking and traffic issues to be discussed via Vibrancy Study	Low
Q	TOD Rail Infill	90	City	General Commercial, Business Park, Retail, Arterial Frontage, Public/Semi	IGC, MAF, PS, CR, IBP	-	-	Yes*	Steelhead	2	2	2	2	- Extend to Davis Street to align with redevelopment studies - planned for Intermodal Transport Center - Poor pedestrian access - Caltrans Route 183 - good access but improvements will have Caltrans oversight (cost and delay issues)	Low

* See last page for zoning designations, footnotes and infrastructure rating scale



Figure 2

#	Area	Acres	Jurisdiction	General Plan Land Use Designation	Zoning Designation	Williamson Act	Important Farmland	Flood Zone	Critical Habitat	Water	Waste-water	Storm-water	Access	Notes	Infrastructure Investment Need
R	Chinatown	92	City	Mixed Use, General Commercial, Public/Semi	MX, PS, MAF	-	-	Yes	Steelhead	1	1	1	3	- Significant needs for access and public safety improvements - PG&E substation comprises largest portion of property	Medium
S	North Main Street	480	City	Retail, Residential (various), Mixed Use, Office, Arterial Frontage, Park	CR, R-H, MX, PS, R-M, CO	-	-	-	-	2	2	2	2	- Focused growth area in general plan - Significant work completed on traffic - Pedestrian crossing issues - Utilities are serviceable	Low
T	Alisal Market Place	165	City	General Commercial, General Industrial, Retail, Mixed Use, Arterial Frontage, Park, High Density Residential	IGC, IG, MX, CR, MAF, P, R-H	-	-	Yes*	-	1	1	1	2	- Aging infrastructure primarily for commercial, retail and industrial - Utilities underground on Alisal and Market - Several incompatible uses	Medium
U	East Alisal/East Market	193	City	Residential (various), Arterial Frontage, Retail, Office	R-M, CR, MAF, R-L	-	-	-	-	1	1	1	2	- Focused growth improvement area - Aging infrastructure - Lack of parking - Significant improvements made to Market Street in recent years including sanitary sewer	Medium
V	Carr Lake	475	City	Park, Public/Semi	A, FS	Yes*	Yes	Yes	Steelhead	-1	1	1	2	- Most of the land is within the floodplain and floodway boundaries - A previous DBO development was not pursued because of the floodplain challenges - City general plan and TFO indicate the need for a 4-lane arterial street running through the site and a connector street to Kern/Madeira - A sizable sanitary sewer runs through Carr Lake that serves the Northeast and Future Growth areas	Medium

* See last page for zoning designations, footnotes and infrastructure rating scale



Figure 2

Zoning Key (County)

F
UR
LC
HC
HI

Resource Constraints Explanation

Williamson Act - Conversion to Urban Use may Require Mitigation
Important Farmland - Conversion to Urban Use may Require Mitigation
Flood Zone - Development Regulations Apply
Critical Habitat - Development Regulations Apply

Infrastructure Constraints Ranking Key

3 = No Constraints
-3 = Major Constraints

Investment Need

Relative ranking of cost to serve area with infrastructure

Note: County Zoning and GP Land Use in the table is denoted in italics (i.e., F, LC, Farmland, etc.)

Resource Constraints Key

Yes = the resource constrains the area
Yes* = the resource constrains a portion of the area
Hash (-) = Not Applicable/No Constraint
Steelhead habitat occurs only along stream corridors

Sources:

City of Salinas GIS 2010
Important Farmland & Williamson Act - California Department of Conservation, Division of Land Resource Protection (2012)
FEMA National Flood Hazard Layer 2013
National Marine Fisheries Service, 2005
Monterey County, Countywide GIS Online Mapper, accessed 8-21-2013
City of Salinas Public Works Department, 2013

Summary of Target Industries

ADE completed a Target Industry Analysis that identifies several key industry trends and industry sectors that will be critical to meeting the City's economic development and diversification goals. It is critical that opportunity sites targeted by the EDE are evaluated in the context of these key target industries and that they possess site characteristics suitable to accommodate the needs of those industries. The ADE report and EPS's independent research have identified the following key industry trends and developments:

- **Agriculture Industry.** The agriculture industry is the mainstay of the Salinas economy and is expected to remain the major source of employment and economic growth. Agriculture industry expansion is focused on the value-added packaging of salad products and other crops grown in Salinas Valley. This trend is reflected in increased demand for packing and similar facilities throughout the Salinas Valley.
- **Agriculture Technology.** Ongoing efforts to foster entrepreneurial opportunities for technological developments related to agriculture production require space suitable for business incubation, start up, and expansion opportunities.
- **Current Demand for Office Space is Limited.** With the recent closure of the Capitol One offices, the finance industry and office real estate market has suffered major declines. Taylor Farms is constructing a major office building in Downtown Salinas, but few other substantial drivers of office development currently exist.
- **Healthcare and Education Sectors.** Over the next several decades, the Healthcare and Education Sectors are projected to be key drivers of economic growth in Salinas.
- **Visitor-Serving Sector.** Significant interest has been expressed in developing a regional sports facility to attract youth or minor league sports events and tournaments, as well as other efforts to bolster tourism and the associated visitor-serving industry sectors. It is important to note, however, that employment opportunities associated with tourism are predominantly low-paying jobs.
- **Regional Retail Opportunities.** The City has long been considered a major regional retail destination, and opportunities to capture further regional retail development may exist, based on ADE's analysis of retail sales leakage.

In general, uses providing either a point of sale or major plant and equipment capital requirements tend to be better revenue producers. However, it can be misleading to identify certain uses over others based solely on these criteria, as employment and other factors (e.g., support of a critical sector) may be equally important to the City's fiscal health and economic diversification. Overall, when confronted with choices among uses, uses offering higher employment densities and providing maximum value-added activities should be favored over storage and other low investment, low employment uses (e.g., uses involving assembly of components, packaging, labeling, and other value-added operations may be more beneficial than warehousing on average).

The Salinas area offers the greatest inventory of industrial space in the Monterey County Region, with much of the existing space dedicated to food processing, agriculture, or distribution uses.

Current vacancy rates are relatively low (around 7 percent) and the inventory of quality vacant space is quite low.²

This opportunity site analysis focuses on key job-generating land uses that have special site requirements over which the City may be able to exert control (e.g., create development-ready sites to attract catalytic development opportunities). The ultimate objectives are to identify those industries/development opportunities that might otherwise locate elsewhere and develop strategies to position the City to capitalize on those opportunities. To that end, this analysis focuses primarily on industrial, R&D/flexible (R&D/Flex) space, office, and regional retail land uses and seeks to identify the appropriate geographic location for associated development opportunities.

These prototypes are briefly profiled here, from a vertical development standpoint:

- **Industrial and Manufacturing.** Includes owner-user-designed manufacturing facilities, standardized manufacturing, assembly, distribution, and other uses. Floor-to-Area Ratios (FARs) typically are 20 to 40 percent, depending on employee density. Tends to be a “greenfield” use appealing to owner-users, especially as pertains to agriculture. This category includes specialized manufacturing, where the form and function varies by subsector such as heavy industry, food processing, and biotech/technology.

As discussed previously, the expansion of value-added packaging facilities in the Salinas Valley is creating additional demand for industrial land uses. Industrial land use development can include a wide variety of uses ranging from highly intensive heavy manufacturing uses to R&D/Flex space accommodating a variety of research, technology, and office or service uses.

Warehouse Distribution facilities are used for storage and handling of goods and materials, with very little office space. These types of industrial uses require easy transportation access for trucks and may require significant land area for equipment yards, production facilities, etc.

Figure 3: Range of Industrial Configurations



Manufacturing and industrial uses can successfully expand and diversify local communities, provided the correct “fit” can be achieved in the local economy and alongside other uses. Other uses, such as mixed-use and retail, tend to have stronger performance as real estate

² Cassidy Turley Commercial Real Estate Market Services, Industrial Market Snapshot, Monterey County, Midyear 2013.

ventures than manufacturing and industrial, often requiring well-informed public policies to facilitate development.

- **Office, R&D/Flex, and Light Industrial.** Suburban “greenfield” development includes a wide range of uses, from pure office to “flex” space—that blends with or into the light industrial category and is characterized by one-story space with glass-glazed storefronts and roll-up doors—facilitating a broad range of activities, including sales-service. In the infill setting, a range of industries and occupations are gravitating to downtown and other highly amenitized areas, based on walkability and quality-of-life factors. The transit-oriented development (TOD) area may have the ability to become such an area in the future, as does the south 68 corridor. Densities are typically in the range of 0.25 to 0.35 in suburban settings and more dense in infill areas.

Office and Business Park uses primarily are occupied by tenants in the services and information sectors (e.g., finance and insurance services, real estate, legal services, etc.). Much of the demand for office/business park uses may overlap with the market for R&D/Flex space discussed earlier. To accommodate a wide range of tenants, office development offers significant variance in terms of building class (quality), features and amenities, geographic location, size and flexibility, and use and ownership.

R&D/Flex industrial land uses generally are lighter, cleaner, and more technology-intensive uses. This type of space is used for developing new technologies or designing, manufacturing, and testing new products. The wide variety of user activities for this type of space means that tenant improvement requirements also will be user-specific. These spaces typically offer a much higher degree of finish than traditional manufacturing or distribution facilities, including landscaped grounds and finished office/service space to complement the R&D/Flex activities. The higher end value real estate product can accommodate somewhat higher infrastructure cost burdens than traditional industrial uses.

These uses can be referred to as “commodity industrial,” whereby development often is built on a speculative basis for multiple users as a real estate investment, including these:

- R&D/Testing (“Flex Space”)
- Warehousing/Small-Scale Assembly
- Light Industrial and Sales Service
- Campus-Scale Users

Figure 4: Images of Office/R&D Space



An overall depiction of industrial uses that may be applicable to Salinas are as follows:

Manufacturing	FAR Range: 0.30–0.40 Typically co-located with cluster specialization incl. suppliers Compatibility w/ adjacent land use Proximity to end user Linkages to specialized inputs Local jurisdiction fiscal and economic motivation
R&D/Flex	FAR Range: 0.30–0.70+ Proximately to university or specialized industry research (intellectual capital) Labor force is critical (unique and demanding skill sets) Importance of quality-of-life More amenity-driven than other industrial uses
Warehouse/ Distribution	FAR Range: 0.35–0.70 Low tax base, employment Decreasing employment densities (>20,000 SF/employee becoming more prevalent) High land consumption Provides necessary support for retail/other sectors
Light Industrial/Flex	FAR Range: 0.15–0.35 Trades need yard space Strong connection to local economy Often 'speculative' multi-tenant product
Campus-Scale	FAR Range: 0.25–0.50 Single firm with multiple functions 50 to 75 acres (usually in business park) Mixed commercial uses: administration, R&D/testing, distribution, other

- **Regional Retail.** Regional retail can occur in both Downtown Salinas, as well as large-format areas located near freeway interchanges with good visibility and access. FARs for surface-parked regional retail are typically in the range of 0.20 to 0.25, depending on the composition of retail on a given site.

Summary of Land Demands

As part of the Target Industry Analysis, ADE also detailed projected employment growth by industry sector and translated that projected employment growth into demand for developable land in the Salinas market area. **Table 1** summarizes the result of land demands for industrial, office, and commercial land—key land use categories that will be critical to meeting the City's economic development objectives.

Table 1
Salinas Economic Development Strategy
Site Opportunities and Constraints Analysis
Summary of Land Demand at General Plan Buildout

Land Use	FAR	New Employees (2010 - Buildout)	Additional Acres Required (2010 - Buildout)	Building Square Feet
Industrial	0.30	4,323	590.4	7,715,347
Office/R&D	0.25	6,571	181.0	1,971,090
Commercial	0.2	3,985	201.3	1,753,726
Total		14,879	972.7	11,440,163

demand

Source: Administrative Draft Salinas Economic Development Element Target Industry Analysis,
 completed by Applied Development Economics, Inc., August 28, 2013.

The land demand analysis in **Table 1** estimates the total acres required to meet projected employment growth through buildout of the City's General Plan. Note that as stated in the ADE Target Industry Analysis, "the projections reflect...an ideal vision of the number and distribution of jobs to represent a mature City economy with a full range of services and job opportunities." Note that nearer term employment projections result in lower employment projections and associated land demand and may generate a different mix of land uses necessary to meet employment demands.

According to the ADE analysis, meeting the employment demand associated with buildout population levels will require approximately 590 acres of land suitable for industrial uses, 180 acres of office/business park land, and approximately 200 acres of commercial land to accommodate retail uses. It is important to note that the demand for commercial land includes all categories of retail development, including neighborhood-serving commercial. Taking into account the notion that as land supply tightens, prices increase, and overall market dynamics begin to break down, a 20-percent "buffer" pertaining to estimated acreage can help to ensure market efficiency, suggesting the following needs in regards to long-term acreage (expressed in generalized, rounded terms):

- Industrial land 700 acres
- Office/Business Park/R&D land 215 acres

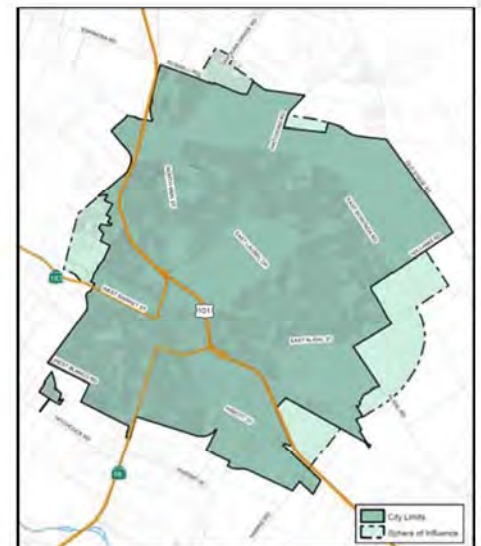
Regional retail is not expressed in the same manner, based on the potential ability to incorporate space into Downtown Salinas in a more intensive manner, indicating that the estimated 200-acre figure for this use is likely adequate without an additional land supply buffer.

As discussed below, there are several major, easily identified land areas that are contiguous to the City and provide excellent expansion opportunities exceeding the acreage identified above. As such, the challenge confronting the City, as it seeks to grow and diversify its employment base, is less about settling on the appropriate expansion areas and more related to arriving at an effective strategy for ensuring these parcels are positioned for development when market opportunities arrive.

Site Characteristics Criteria

Economic development efforts should focus on areas of the City that possess certain characteristics that enable the City to facilitate economic catalyst activities and to attract those desired job-generating land uses and industries. Key site characteristics that will accommodate the City's economic development goals include the following qualities:

- **Located with the City or the City's existing sphere of influence.** An important factor in identifying opportunity sites is the City's ability to take the appropriate actions to facilitate development activity. Sites located in the City fall under the City's land use authority, facilitating the City's ability to accommodate the desired uses through zoning and other land use planning initiatives. Infrastructure extension



to these areas can be accommodated through updates to the City's Capital Improvement Programs. Finally, attempts to annex new areas into the City require Local Agency Formation Commission (LAFCO) approval and can be politically challenging as they may face public opposition. However, in some cases viable sites outside the SOI may serve the market well and can be considered despite these hurdles.

- **Proximity to existing infrastructure systems.** A key constraint to the City's ability to offer development-ready sites is the cost associated with extending the necessary infrastructure systems (e.g., roads, sewer, water, drainage) to the property. Targeted opportunity areas should therefore be near developed areas or areas to which infrastructure already has been extended.
- **Minimal infrastructure constraints.** Similarly, minimizing any other topographical, natural resources, access, or other constraints to extending existing infrastructure systems should be a key element of determining targeted opportunity areas. In addition, the costs of installing on-site infrastructure needed to tie into existing infrastructure systems also must be considered. Attracting desired industries may be hampered by infrastructure cost burdens exceeding feasible ranges.
- **Minimal natural resource constraints.** Costs of mitigating or avoiding areas constrained by natural resources (e.g., critical habitat, important farmland, flood zone) can have a significant impact on the viability of development. Avoiding and minimizing natural resource constraints should be a key element of determining which opportunity sites should be targeted.
- **Of sufficient scale to attract desired industries.** Targeted opportunity areas must offer sufficient developable area to accommodate the facility requirements of the specific industries the City intends to attract. In many cases, this means the targeted opportunity areas must offer a significant amount of raw land (e.g., 50 to 100 acres), limiting the ability of infill and smaller sites to meet demand.
- **Adjacent to complementary land uses.** Development in targeted opportunity areas should take into consideration adjacent land uses and seek to maximize any associated synergies and minimize any conflicts.

The site opportunities analysis described below takes these key elements into consideration, recognizing that tradeoffs between key criteria are likely to occur.

Recommended Opportunity Sites: Industrial and Business Park Uses

EPS's preliminary analysis is based on the information, analysis, and criteria described in the preceding sections. **Table 2** summarizes the opportunity areas EPS believes are best positioned to capture the demand generated by key growth industries and to catalyze further economic development activity. The sections to follow offer a summary-level evaluation of each opportunity area.

Table 2
Salinas Economic Development Strategy
Site Opportunities and Constraints Analysis
Available Industrial, Office, Regional Retail Land - Select Opportunity Sites

Area	Total Site Acreage	Estimated Net Developable Acreage	Assumed FAR	Estimated Building Square Feet
<i>Efficiency Factor [1]</i>		65%		
Industrial Opportunity Sites				
A Uni-Kool	244	159	0.30	2,072,585
C Airport Industrial Park	102	66	0.30	866,408
D Airport West [2]	171	111	0.30	1,452,508
E Airport East/Hartnell	213	138	0.30	1,809,265
G Alisal/Airport East	365	237	0.30	3,100,383
Subtotal Industrial	1,095	712		9,301,149
Office/Business Park Opportunity Sites				
K North Entrance	933	606	0.25	6,604,241
Regional Retail Opportunity Sites				
L Westside Bypass	342	222	0.2	1,936,678
Total	2,370	1,541		17,842,067

supply

Source: City of Salinas and EMC Planning Group.

[1] Reduces developable acreage based on allowances for parcel configuration, infrastructure, open space, or other accommodations.

[2] Available acreage reduced by 50% to reflect that approximately half of this property is located in a floodplain.

Based on the preliminary site analysis completed by EMC and the targeted industry analysis presented by ADE, as well as EPS's independent research and evaluation, EPS has identified a variety of sites that may be suitable to fulfill future industrial demand (not expressed in order of priority):

- Area A: Uni-Kool Site (Salinas Ag-Industrial Specific Plan Area).
- Area C: Airport Industrial Park.
- Area D: Airport West.
- Area E: Airport East/Hartnell.
- Area G: Alisal/Airport East.

These five areas offer a total of approximately 1,095 acres, of which EPS estimates 657 acres would be developable. Assuming an average FAR of 0.30, this developable acreage would generate about 9.3 million square feet of industrial space (see **Table 2**), which would meet the estimated buildout demand identified in **Table 1**, using very conservative assumptions regarding development efficiency and density.³

Tables 3 and 4 present a "cost burden analysis," whereby industry development assumptions are used to estimate total asset value among key use types. Based on industry-standard relationships, typically, infrastructure costs (all categories including development impact fees) serving the parcels described below should not exceed 10 to 15 percent of total asset value. It is important to note that the infrastructure cost burden test is used as an indicator to examine financial feasibility.

The cost burden measure is provided as baseline information and guidance to City officials, property owners, and others interested in understanding the level of private sector investment in infrastructure that may be possible. Because detailed infrastructure cost estimates have not been developed, this information is provided simply to allow the reader to "gauge" the approximate level of improvement that might be feasible. In some cases, if major new roadways and other improvements are required that would exceed manageable cost burdens, a variety of funding techniques will be required to supplement those provided by the private sector.

Because this financial feasibility tool is based on several reasonable assumptions regarding infrastructure costs, existing and proposed taxes and assessments, and market pricing, they are not intended to provide an absolute answer regarding a project's likely financial feasibility. Rather, the indicators provide guidance to property owners, land use regulators, and public service providers about the likelihood that a project can be successfully implemented, given the facilities requirements identified for a development project. These indicators should be combined and evaluated with additional market data when evaluating financial feasibility. Ultimately, the public agency decision makers must use their best judgment to decide if a particular project can feasibly afford the estimated infrastructure burden, taxes, and assessments, and these benchmarks are two tools to assist those decision makers in making that determination.

³ A typical net-to-gross ratio for commercial land might be in the range of 0.85, indicating 15 percent of raw land may be needed for infrastructure, habitat, and other easements. In this case, as detailed evaluation of the land supply has not been conducted, a more conservative figure of 65 percent is used throughout the analysis.

Table 3
Salinas Economic Development Strategy
Site Opportunities and Constraints Analysis
Estimated Finished Real Estate Values by Land Use

Item	Industrial		R&D/Flex		Office		Retail	
	Assumption	Amount	Assumption	Amount	Assumption	Amount	Assumption	Amount
DEVELOPMENT PROGRAM ASSUMPTIONS								
Site Area (Acres)		10.00		10.00		10.00		10.00
Land Square Feet		435,600		435,600		435,600		435,600
Assumed FAR		0.35		0.30		0.30		0.20
Gross Building Square Feet		152,460		130,680		130,680		87,120
Net Leasable Area (Sq. Ft.)		121,968		104,544		104,544		69,696
Rent per Sq. Ft.		\$4.50		\$8.00		\$19.00		\$20.00
REVENUE ASSUMPTIONS								
Gross Lease Revenue (Weighted Average)		\$415,758		\$633,537		\$1,504,650		\$1,055,894
(less) Vacancy		(\$27,442.80)		(\$41,818)		(\$99,317)		(\$69,696)
(less) Leasing Commissions		(\$78,212)		(\$119,180)		(\$283,053)		(\$198,634)
(less) Replacement/Reserve		(\$27,442.80)		(\$41,818)		(\$99,316.80)		(\$69,696)
Subtotal, Annual Net Operating Income		\$415,758		\$633,537		\$1,504,650		\$1,055,894
Capitalized Value		\$5,196,980		\$7,919,208		\$18,808,119		\$13,198,680
Finished Value per Gross Bldg. Sq. Ft.		\$34		\$61		\$144		\$152

continues

Source: Cassidy Turley, LoopNet, and EPS

Table 4
Salinas Economic Development Strategy
Site Opportunities and Constraints Analysis
Estimated Supportable Infrastructure Burden by Land Use

Item	Industrial	R&D/Flex	Office	Retail
Estimated Value per Square Foot	\$34	\$61	\$144	\$152
Supportable Infrastructure Cost Burden per Building Sq. Ft.				
10% Finished Real Estate Value	\$3.41	\$6.06	\$14.39	\$15.15
15% Finished Real Estate Value	\$5.11	\$9.09	\$21.59	\$22.73
Supportable Infrastructure Cost Burden per Land Sq. Ft.				
10% Finished Real Estate Value	\$1.19	\$1.82	\$4.32	\$3.03
15% Finished Real Estate Value	\$1.79	\$2.73	\$6.48	\$4.55
Supportable Infrastructure Burden per Acre				
10% Finished Real Estate Value	\$51,970	\$79,192	\$188,081	\$131,987
15% Finished Real Estate Value	\$77,955	\$118,788	\$282,122	\$197,980

Source: EPS.

supp

EPS identified selected sites as key opportunity areas based on the contiguity of the sites, their proximate location to compatible existing development, access to infrastructure, and their ability to fulfill key economic development objectives.

Given their location and proximity to other manufacturing- and distribution-oriented industrial land uses, EPS anticipates Areas A, C, and D would be most suitable for traditional industrial uses targeted at value-added agricultural packaging and distribution. Areas E and G are anticipated to provide suitable space for R&D/Flex uses associated with the targeted growth in agricultural technology and the attendant business incubation, manufacturing, and expansion needs.

Site A: Uni-Kool

This site is located at the southern quadrant of the City along U.S. Highway 101 and consists of 244 acres. If 65 percent of the site may be usable as net developable acreage, yielding about 159 acres of usable area net of infrastructure and other set-aside areas. Zoned General Industrial, this site is located in the City and is fully entitled through the existing Salinas Ag-Industrial Center Specific Plan but does not have an executed development agreement. Entitlements for this property were approved to accommodate value-added packaging facilities and similar agricultural industry activities.

Despite having the advantage of an approved specific plan and ideally zoned for general industrial development, development of this site has not proceeded. Infrastructure costs related to flood, access, and other issues may be a significant constraint on development of this property. Estimated cost burdens for this area, assuming supportable burdens of 15 percent for the site, may be approximately \$50,000 to \$80,000 per acre, supporting a total investment of \$8 million to \$13 million, assuming a 159-acre project, including impact fees and all other categories of infrastructure costs. Generally cited infrastructure cost estimates quoted by the City exceed this amount at capacity and indicate a significant constraint on the ultimate use of this site that may require a larger strategy to activate use of this site.

Site C: Airport Industrial Park

In the existing City limits, the Airport Industrial Park offers a little more than 100 acres of land designated for industrial business park, public, and semi-public uses. The site is contiguous to existing City infrastructure systems and benefits from transportation access offered by Moffet Street improvements and U.S. Highway 101/Airport Boulevard interchange improvements. Future Eastside Bypass improvements, if developed, may offer additional access opportunities and improvements. In general, this site is minimally constrained by required infrastructure improvements and benefits from its proximity to other industrial and airport users. Although the land could accommodate a wide range of uses, its potential colocation with other nearby sites oriented to heavy industry and manufacturing may argue for more of the same, perhaps tempered with higher finish uses to have more compatibility with the airport. Using the cost burden methodology, it appears a project at 65-percent efficiency could yield about 66 acres at buildout and support infrastructure investment of \$3 million to \$5 million.

Site D: Airport West

The Airport West property is located in the City's existing Sphere of Influence, thereby limiting issues associated with annexation of this site into the City. This site also benefits from the U.S.

Highway 101/Airport Boulevard interchange, providing critical truck transportation access. Designated for general industrial development, this property is subject to airport overlay conditions, which limit the level of development intensity and indicate that this area is most suited for the types of agricultural processing uses targeted by the City.

The site is, however, severely constrained by much of the area's location within a floodplain. Assuming only half of the property is available, and further applying a 65-percent net-to-gross ratio used in **Table 2**, industrial use of 111 acres of Site D may suggest a feasible infrastructure cost burden of \$5 million to \$9 million. To the extent that the cost of extending infrastructure down Abbot Street to serve this site may contribute to a higher cost incidence, other sources of funds may be necessary to facilitate development at this location.

Site E: Airport East/Hartnell College



This opportunity area includes the Hartnell College Campus expansion, which includes 47 acres for campus uses and an additional 80 acres identified for business park uses. Given its proximity to the airport, other industrial uses, and Hartnell College, this site is ideal for R&D/Flex uses. The site is zoned for Public/Semi Public uses, necessitating a zoning amendment.

While this site is accessible from the existing Alisal Road, additional transportation improvements may be required, including completion of the Eastern bypass facility. Infrastructure has been extended to the East Hartnell Campus, but water and sewer infrastructure would require further extension to the other proposed development areas. The overall anticipated infrastructure investment required, however, is low and may comport within the \$80,000 to \$120,000-per-acre cost burden estimate for R&D/Flex space, or \$11 million to \$16.5 million for 138 acres of development. One caveat to Site E is the potential requirement to enter into ground leases, which could have additional feasibility affects and requires additional consideration as a next step.

Site G: Alisal/Airport East

Currently located in Monterey County's jurisdiction, southeast of the City and opposite Alisal Road from Site E, this site is in the City's sphere of influence and is designated for general industrial uses. This large (365-acre) and well-configured site is similarly well suited for R&D/Flex development but may face additional infrastructure costs constraining the viability of new development. Using a 65-percent efficiency factor, effective development capacity may be in the range of 237 acres. Existing road infrastructure may not be sufficient; therefore, this site may also stand to benefit if the Eastern bypass facility is constructed. Using the cost burden methodology, assuming R&D/Flex uses, supportable infrastructure for the site might be in the range of \$19 million to \$28.5 million, which may be insufficient depending on whether the Eastern Bypass is required and the cost allocations made to various sites as a part of the Eastern Bypass project.

Area P (Vibrancy Plan Area)

In the short term, demand for new office space in Salinas may be accommodated in the existing market, which is demonstrating significant existing vacancies (13.6 percent), driven by the recent departure of Capitol One and the resulting vacancy of 202,000 square feet of office space.⁴ Given these market conditions, short-term economic development opportunities should focus on infill development in the Downtown Vibrancy Plan Area and other areas poised for revitalization and reuse. These areas present significant opportunities for public/private partnerships through the use of City-owned sites and surface parking lots that may be developed for new job-generating uses. Construction of the downtown Taylor Farms office building is a key example of the type of short-term economic development opportunities that both facilitate quality employment opportunities and contribute to the revitalization of the Downtown area. Planning efforts related to the Downtown Vibrancy Plan should fully evaluate the scope of other such opportunities, and the EDE should include strategies to position the City to take full advantage of these opportunities. As a complex, infill environment, the cost burden methodology would need to be replaced with case-by-case pro forma analyses of specific projects.

Area K (North Entrance)

Longer term employment growth may be facilitated by targeting growth opportunity areas well positioned for larger scale office and business park uses. Area K (North Entrance) offers a key site opportunity in this regard. This 933-acre site (estimated to be about 606 acres net, using a 65-percent net-to-gross ratio) could accommodate approximately 6 million square feet of office/business park development, well beyond the estimated buildout office demand level. This area will benefit from the infrastructure extended by the neighboring new growth areas (Areas H, I, and J) and will benefit from improved U.S. Highway 101 access resulting from construction of the Russell Road interchange. This site also may offer opportunities for R&D/Flex uses and therefore may be an appropriate substitute for Areas E and G (previously discussed), if necessary. Assuming office uses, the area should be capable of supporting total infrastructure costs ranging from \$114 million to \$170 million, assuming market forces are strong and the project is broken down into reasonable phases. Assuming R&D/Flex uses, supportable infrastructure costs would be lower at \$50 million to \$70 million.

While currently located in Monterey County, this site offers the further advantage of being located at the north end of the City, avoiding prime farm land. However, the fact that this parcel lies outside the SOI brings likely political challenges associated with annexation. Moreover, uses bringing substantial employment density should be considered within locations closer to (or in) the Downtown Area to establish complementary economies of scale between the two areas. The potential lack of connections to retail opportunities and other land use types could be a significant constraint facing development of Area K as a major economic development catalyst site. Therefore the site represents a longer-term target for economic development, unless major campus or other users find it to be attractive and are willing to fund significant up-front entitlement and infrastructure costs.

⁴ Cassidy Turley Commercial Real Estate Services, Office Market Snapshot, Monterey County, Midyear 2013.

Recommended Opportunity Sites: Regional Retail

Retail centers generally are defined by their size and the predominant type of goods and services sold. Types of retail centers include neighborhood, community, and regional (or super regional) retail centers. The site opportunities analysis does not evaluate neighborhood and community retail centers, as this type of population-serving retail development will occur as additional housing stock is developed and will be suitably sited to serve that new population. Instead, this analysis focuses on the potential to add additional regional retail to capture existing retail sales leakage and projected growth in consumer demand, as set forth in the ADE analysis.



Regional retail centers provide a variety of shopping goods, including general merchandise, apparel, furniture, and home furnishings. Typically, these types of centers are built around at least 2 full-line department stores with a

minimum gross leasable area of 400,000 square feet and acreage of 40 acres. Regional retail centers generally serve a trade area of roughly 5 to 25 miles, which can vary based on population, land use patterns, and the location of competitive supply of other retail. Because of the need to attract regional users, access and visibility to major transportation corridors are a critical element to locating regional retail centers.

Area L (Westside Bypass)

EPS's analysis suggests that Area L (Westside Bypass) presents a key site opportunity that could be targeted for additional retail development. With total acreage of 342 acres, reduced to 222 acres at 65-percent efficiency, the site could accommodate an estimated 1.9 million square feet of development located between the existing Walmart/Costco shopping destination and the Salinas Automall. Of the opportunity sites evaluated, this is the only site that offers the requisite access to and visibility from U.S. Highway 101.

The estimated infrastructure cost burden capacity for this area is \$132,000 to \$198,000 per acre, or about \$30 million to \$45 million for 222 acres of development.

Development of this site may be constrained, however, by infrastructure construction requirements. The City anticipates that full buildout of this site will trigger significant traffic improvements, including the Westside Bypass, the extension of Alvin Drive, and the widening of U.S. Highway 101. The costs of such improvements may be prohibitive. One possible alternative that should be further evaluated is the degree to which smaller scale development could be targeted for this area that would not trigger overly burdensome transportation system improvements.

Area O (South Main Street)

Other retail and commercial development opportunities exist in the South Main Street Area (Area O). It has been suggested that this area could be repositioned to capture more State

Route 68 (Highway 68) traffic generated by the population in the unincorporated areas south of the City limits.

EPS concurs there are significant retail and commercial development opportunities along the South Main Street corridor, offering a longer-term prospect for capturing the types of regional retail envisioned as part of the economic development strategy. Significant challenges associated with parcel ownership indicate it will be difficult to assemble acreage at a sufficient scale to accommodate regional retail development opportunities. In addition, potential competitive supply planned for the Corral de Tierra area likely would capture much of the existing demand from the unincorporated population, limiting the potential of the South Main Street Area to capitalize on this consumer demand. If the above-referenced project does not move forward, prospects for developing this area to a higher level of intensity are much improved.

In any case, the area offers an intriguing potential with great long-term promise. In this post-redevelopment era, every effort will need to be made to find resources and employ strategies for systematic upgrade and intensification.⁵

However, the reality imposed by discounted cash flow analysis can thwart investment/intensification strategies. Many existing buildings are physically obsolescent but offer limited utility for small scale and low users (storage, auto repair services, etc.). Simply put, the low risk of continuing operations involving assets that are fully amortized is very low, and even modest cash flows may be viewed as superior to prospective larger cash flows involving tear-down of existing buildings and development of new structures. To counter this dynamic, priorities for infill areas include the following steps to reduce costs and risks to infill developers:

- Assist in assembling parcels to create development sites with sufficient scale and good configuration.
- Assist in developing viable parking solutions, including shared parking between uses.
- Evaluate zoning and other regulations to facilitate higher densities (may rely on new parking approaches).
- Consider improvement of corridors through implementation of “complete street” concepts providing wider sidewalks, plaza amenities, and other elements improving the look and feel of strategic corridors.

Area N (Highway 68 Gateway)

Another retail site alternative is the Highway 68 Gateway property (Area N). Located on the southwest edge of Salinas, this area also appears to be well positioned to capture unmet unincorporated population demand. This site is of sufficient scale for regional retail development (285 acres) and would be suitably situated to attract Highway 68 travelers. However, this site

⁵ Please note that in this and other built-out areas, existing infrastructure needs to be evaluated for applicability for future development. In these cases, the standard cost burden methodology used for “greenfield” sites should be replaced with a case by case evaluation of development and required infrastructure prospects.

would face similar issues relative to competition from other Corral de Tierra retail development. More importantly in terms of site constraints, however, is potential difficulty associated with annexing this site into the City, given its current location in Monterey County and its importance as highly productive farmland.⁶

Capital Funding and Policy Implications

Overall, there are several sites that have excellent position to accommodate demand. Depending on subsequent evaluations, in some cases, the cost of infrastructure needed to bring them up to par may exceed that which the private sector may be willing to bear. In this regard, a citywide or even regional approach to infrastructure may be appropriate, such as in the case of the proposed Eastern Bypass, which would improve most of the major sites identified on the southeast side of Salinas, and open additional land (such as Area F) for future urban expansion, if and when needed.

Based on industry best practices, the following section identifies overall principles for land investment in infrastructure and discusses potential techniques that have particular potential applicability in Salinas. Based on this discussion, after review and discussion with City and other stakeholders, these principles and techniques may lend themselves to future economic development policy.

This section describes funding sources and financing methods available to the City for funding municipal infrastructure; specifically, funding and financing methods that can be integrated with existing (or updated) development-based funding sources as part of an overall financing strategy for meeting economic development opportunities. These key elements are central to this notion:

- Managing infrastructure requirements and costs.
- Applying supporting funding and financing methods.
- Updating and realigning development impact fees.

The following sections identify measures and financial mechanisms to help assure adequate funding for infrastructure and services, given the constraints described above.

Infrastructure Cost Management Principles

Beyond identifying and leveraging new sources and techniques of funding, there are several policies and actions that Salinas can use to control and manage capital costs. Successful cost management, in turn, reduces the funding necessary from development impact fees and other funding sources that would otherwise be necessary. Cost management activities include review of policies that influence costs (in context of comprehensive and area planning), capital

⁶ Given the substantial unknowns relative to this site, particularly its status as productive farmland, it is difficult to assess the scale that may be converted to urban uses. Using the same density and cost criteria applied to Area L, the area may be able to support between \$24 million and \$37 million in private infrastructure investment if fully developed.

improvement programming, and project-level cost management efforts. Key aspects of cost management include the following techniques and lend themselves to future land supply–related economic development policies:

1. Review level-of-service policies and facility commitments

The City’s infrastructure cost obligations derive from the need to provide new infrastructure and public facilities to serve new development and maintain service levels, to improve facilities pursuant to State and federal mandates, to improve existing levels of service throughout the City, and, last but not least, to maintain (repair and replace) existing capital assets.

The provision and cost of infrastructure to new developing areas is influenced by City policy in a variety of ways, including setting “level-of-service” standards in the General Plan, developing facility master plans that contain actual or de facto standards, and creating specific plans that contain specific infrastructure and public facility commitments. It is important that such service-level policies and programs consider long-range cost implications and funding constraints.

2. Account for capital assets’ “life-cycle” costs in the Capital Improvement Plan

The City’s capital assets, buildings, roads, parks, water and sewer utility infrastructure, drainage facilities, and other capital equipment is in continual need of repair and replacement. The cost of such repairs and replacement are commonly referred to as “depreciation”—the value or utility of an asset deteriorates with time and use. One of the key coping mechanisms commonly deployed by organizations, including cities, under financial stress is to defer maintenance and replacement of capital assets, thus creating a long-term liability and perhaps even higher costs than would otherwise be the case.

3. Clarify how Capital Improvement Plan investments can contribute to revitalization and economic development

City and other project stakeholders have articulated a preference for additional focus on revitalization and redevelopment of existing urbanized areas. This policy suggests that some City investment in infrastructure for desired economic development uses should be considered in a variety of areas within the City. One excellent example, discussed earlier, is the Uni-Kool site. Other projects, specifically those that trigger the Eastside Bypass or new interchanges, also are implicated.

Such investment may involve the collection and use of development impact fees, but the precise nature of this interaction should be defined. This effort also could include prioritization of available grant funding (e.g., State and federal transportation grant programs) to support revitalization efforts and a recognition of the linkage of broad community, fiscal, and economic benefits derived from targeted infrastructure investments. Other resources and concepts are discussed in the balance of this report.

4. Appropriate spatial allocation of costs

A “spatial” component of the Capital Improvement Plan can consider how individual infrastructure projects differentially benefit subareas of Salinas as a matter of policy, as well as technical analysis. Such policy and technical analysis, combined with other policies (e.g.,

those contained in the General Plan or Specific Plans), can provide a key input to developing impact fees and subarea financing programs and can “spread” costs in an efficient manner.

5. Enhance project cost management

Beyond identifying needed or desired capital improvements and identifying funding sources typically reflected in the Capital Improvement Plan, the actual cost of individual capital improvement items can be influenced by a variety of factors:

- “Right-sizing” the project.
- Phasing the project.
- Prioritizing and linking with funding availability.
- Value-engineering (conscious efforts to reduce costs through design and engineering efforts and innovations).

A sound capital improvement programming effort will engage all of these techniques to assure that infrastructure will be constructed in a timely and cost-effective manner. Because of the scale of the various opportunity areas, phasing concepts will be very important considerations.

Supporting Funding and Financing Methods

Economic Factors and Objectives

There are several specific economic considerations of Improving Infrastructure:

- The effects of fees and other private sector-borne costs on the financial feasibility of new development and the potential to deter otherwise desirable development.
- The competitive effects of higher development costs (compared to neighboring jurisdictions) leading to dislocation of desired development.
- Understanding the positive economic effects, including economic development, of building necessary infrastructure and sustaining desired levels of municipal service and related quality of life.
- Understanding the contribution of new development, particularly the types of development that generate economic activity, employment, and retail sales, and create amenities that attract economic activity (e.g., tourist expenditures at local businesses). Effectively planned new development can help Salinas to achieve economic development goals and improve fiscal conditions, as well as provide the economic base to enhance the ability to fund services and infrastructure.

The methods discussed below are all available and are being used in jurisdictions around the State as part of overall capital financing strategies.

Development-based funding, including citywide and area development impact fees, will remain the primary method of paying for new development-required infrastructure. However, in this new economic climate, it is important to assure that necessary and desired infrastructure gets constructed and maintained, while at the same time not impeding the growth and development envisioned in the General Plan and Specific Plans consistent with revitalization and economic development objectives. The following discussion provides an overview of development impact fees and related developer-based funding and financing methods.

Development Impact Fees

A development impact fee is an ordinance-based, one-time charge on new development designed to cover a "proportional share" of the total capital cost of necessary public infrastructure and facilities. Creating and collecting impact fees are allowed under California Assembly Bill (AB) 1600, as codified in California Government Code Section 66000, known as the Mitigation Fee Act. This law allows a levy of one-time fees to be charged on new development to cover the cost of constructing the infrastructure needed to serve the demands created by new growth. To the extent that required improvements are needed to address both "existing deficiencies," as well as projected impacts from growth, only the portion of costs attributable to new development can be included in the fee. Consequently, impact fees frequently are just one of many sources used to finance a city's needed infrastructure improvements:

- **Establishment.** Development impact fees can be imposed through adoption of a City enabling ordinance supported by a technical analysis showing a "nexus" between the fee and infrastructure demands of new development. A development impact fee may be levied over an entire jurisdiction or a geographic subarea. Fees also may be charged for a particular improvement (e.g., transportation improvements) or include two or more infrastructure improvement categories in a comprehensive program. Impact fee programs must be reviewed annually and periodically updated to assure adequate funding and proper allocation of fee revenues to the infrastructure for which the fees are collected.
- **Role in Financing Strategy.** While it is important to consider options and augmentation for the City's existing infrastructure financing methods, the first step recognizes that a technically sound development impact fee program can provide the most comprehensive, robust, and administratively efficient basis for assuring appropriate development-based infrastructure funding. Development impact fees provide a rational accounting of costs, a rational "nexus" (who benefits) allocation of all development-related infrastructure costs and a comprehensive obligation to pay for these costs, and a legally mandated reporting system that promotes transparency.
- **Who Pays?** The incidence of fee burden is on the developers and builders who pay the fees; fees are a cost of development and are "internalized" into project costs in the same manner as all other costs. There is no direct effect of fees on development pricing because markets set prices, independent of costs. However, when costs are too high for the "market to bear," development may be deterred until such time as prices justify costs. All costs will influence land value, so it is often the case that landowners bear a portion of the cost of fees through lower land values (prices paid by developers or builders). While individual circumstances will vary, industry experience has shown that aggregate costs for off-site infrastructure should not exceed approximately 10 to 15 percent of total development sale value.

- **Limitations.** The key limitation of development impact fees (in addition to the burden limit) is the timing of funding set against the need for funding—infrastructure is often needed “up-front,” while fees are paid over time as development occurs. This means that other funding or financing methods are needed to close the “timing gap” between the need for infrastructure investment and the flow of development impact fees. Also, fees are irregular, as they depend on development activity that varies with economic trends and conditions. During the Great Recession, when development around the State ground to a near halt, fee programs were directly affected. Fees also require ongoing management, including the need for annual review, fund accounting and monitoring, and updating to assure the efficacy and transparency of the fee program.
- **Integration with other development-based funding.** Land-secured financing, developer advances (credit and reimbursement programs), and City general or special fund underwriting are all methods that can be used to reduce fees or close the temporal funding gap that may occur in fee-funded programs. Other related development-based funding methods typically used in combination with fee programs are described below:
 - Developer (Project-Specific) Conditions and Exactions. Before the advent of ordinance-based development impact fees, it was common for infrastructure to be funded by project-specific “exactions”—payments or construction of infrastructure required as condition of subdivision or project approval. While development impact fees have reduced the use of exactions, they remain an important part of development-based infrastructure financing because often there are infrastructure requirements of a new project that are not included in the applicable fee programs. Determining the need for such additional infrastructure often is derived from California Environmental Quality Act (CEQA)-based mitigation measures.
 - Development Agreements. A development agreement (DA) is a legally binding agreement between a local government and a developer, authorized by State statute (Government Code Section 65864 et. seq.). A DA is a means for a developer to secure existing regulations or a development entitlement for a particular development project for an agreed-on period in exchange for special considerations for the city (or county), generally including infrastructure improvements or amenities that cannot be obtained through the normal conditions applicable to the project. DAs are entirely discretionary on the part of local government and must be individually adopted by local ordinance. Cities often establish their own policies and procedures for considering DAs.
 - Developer Funding Secured with Fee Credits and Exactions. Pursuant to terms of a development impact fee, a specific development exaction, or a DA, a developer may build or directly fund infrastructure improvements and thus receive a credit against any formal fees or charges otherwise due. A developer also may receive reimbursement when the amount expended exceeds any fees or charges otherwise due. Such agreements effectively make use of private credit available to the developer to fund municipal infrastructure, subject to repayment from one or another municipal source of funding. Typically, repayment of reimbursable investments made by a developer is derived from future development impact fee revenue derived from other benefitting landowners or developers.

- **Integration with other City funding.** Impact fee revenues are commonly combined with other funding sources to fund infrastructure, particularly where an improvement provides benefit to both existing residents and businesses and new development.

Methods for Moderating or Deferring Fees

While considering alternatives and options for augmenting development impact fees, it is important to assure that the individual development impact fee ordinances are consistently applied and coordinated and that they contain features that can reduce potential negative economic effects and, thus, not unnecessarily inhibit otherwise desirable development. Also, there can be features of development impact fees that address economic concerns generally or on a case-by-case basis.

Fee Deferrals

While the statute allows a levy of fees at issuance of building permit, many development impact fee ordinances allow a deferral until the "certificate of occupancy" (CO) is issued.

Fee Waivers or Categorical Exemptions

Fee waivers provide the local government the ability to waive the fee for a particular project when it is determined that, without such reduced costs, a project that has substantial public benefit may not otherwise occur. Examples of such partial or total waiver include projects with the potential to generate substantial municipal revenue or amenities, affordable housing projects, and employment-generating uses. Fee waivers or categorical exemptions reduce funding in a fee program proportional to the aggregate amount of waivers or exemptions granted. Such revenue reductions must be "made up" by the City from other funding sources, or the City risks not being able to build the infrastructure for which the fee was levied.

Credits and Reimbursements

Credits and reimbursements are mechanisms that allow developers subject to an impact fee to build infrastructure in lieu of paying the fee and receiving a proportional credit for the value of that construction against the fee obligation. Reimbursement would occur in the case where construction value actually exceeded the particular developer's fee obligation.

Short-Term Fee Financing (Interest-Bearing Installment Payments)

Ordinances can provide for a developer to pay fee obligations over a period of time subject to an interest bearing and secured note payable.

Land-Secured Financing Options

There is a long history in California and elsewhere in the United States of using land-secured financing methods to fund local infrastructure that benefits a particular area. Traditionally, special assessment bonds as authorized in the 1913 Municipal Improvement Act and other related legislation were issued and funded by annual property tax assessments from benefitting properties:

- **Establishment.** California's land-secured funding districts require (resident) voter or landowner approval. In the case of a Community Facilities District, a two-thirds voter approval is needed in all areas that have more than 12 residents (landowners can approve special taxes in areas with 12 or fewer residents).
- **Role in Financing Strategy.** Land-secured financing districts can be used as a replacement or an alternative for funding costs otherwise included in development impact fees. This could be done by including a single large cost item or category of items (e.g., a highway or bridge improvement, or all park and recreation improvements) in a financing district that encompasses the benefitting properties. Or, developers could choose to fund their total City fee obligations with a land-secured district (e.g., as is required by the Statewide Community Infrastructure Program [SCIP]).
- **Who Pays?** The economic effect of land-secured financing is to shift the incidence of burden from the developer or builder to the future tax or assessment payer. This shift may affect the price a buyer is willing to pay for a home or commercial property, but experience suggests there is a discount (i.e., less than 100 percent of additional infrastructure financing burden cost is recognized by the future buyer).
- **Limitations.** Land-secured financing faces limits similar to impact fees because the financing capacity of a district is a function of its potential tax revenue at a given point in time, and of course, at the beginning of development or in the early phases, tax revenue (and related funding capacity) will be proportionately limited. This is why it may be necessary to rely on other sources of funding in initial years until special tax- or assessment-based funding capacity is adequate to support a bond issue or otherwise pay for needed infrastructure.
- **Integration with other Components.** State loans (SCIP), developer advances (credit and reimbursement programs), and City general or special fund underwriting are methods used to close the temporal funding gap that may exist in land-secured financing districts.

Special Benefit Assessment Districts

Special benefit assessment districts are a way of creating a property-based assessment on properties benefiting from a specific public improvement. Formation of assessment districts requires majority approval of the affected property owners. Such benefit assessments can fund a wide range of infrastructure improvements, as long as a direct and measurable benefit can be identified for the benefitting properties. There are numerous forms of special benefit assessments in the California Statutes, including the Municipal Improvement Act of 1913, Lighting and Landscape Maintenance Districts, and many others. Recent court rulings have tightened the requirements for demonstration of "special benefit," thus reducing the flexibility and utility of assessment districts. And even before these rulings, the administrative requirements of assessment districts limited their flexibility and shifted most land-secured financings toward Mello-Roos Community Facilities Districts.

Community Facilities District Act

The Mello-Roos Community Facilities Act of 1982 (authorized by Section 53311 et. seq. of the Government Code) enables the formation of a Community Facilities District (CFD) by local agencies, with two-thirds voter approval (or landowner approval when there are fewer than

12 registered voters in the proposed district), for the purpose of imposing special taxes on property owners. The resulting special tax revenue can be used to fund capital costs or operations and maintenance expenses directly or to secure a bond issuance, which proceeds are used for funding capital costs. Because the levy is a tax rather than an assessment, the standard of benefit received is lower, thus creating more flexibility. CFDs have become the most common form of land-secured financing in California and have been paired, in other jurisdictions, with development impact fee programs as part of area-specific infrastructure financing.

As special taxes and tax overrides approach 50 percent or more compared to the basic 1-percent property tax rate, there is a risk of impacts on land and home prices that would offset any financing benefit associated with the additional special taxes. Cities using CFDs often adopt policies that regulate how they are used and the various limits and considerations to be applied in creating CFDs.

Statewide Community Infrastructure Program

The SCIP is a program of the California Statewide Communities Development Authority (Authority). The Authority is a joint powers authority sponsored by the League of California Cities (League of Cities) and the California State Association of Counties (CSAC). Membership in the Authority is open to every California city and county, and most are members. SCIP financing is available for development projects (Projects) situated in cities or counties that have elected to become SCIP participants (Local Agency). Eligibility to become a Local Agency requires only (a) membership in the League of Cities or CSAC, as the case may be, (b) membership in the Authority, and (c) adoption of a resolution making the election (SCIP Resolution).

Participation in SCIP entails submission of an application by the property owner of the project for which development entitlements either have been obtained or are being obtained from a Local Agency. For Projects determined to be qualified, SCIP provides non-recourse financing of either (a) eligible development impact fees payable to the Local Agency (Fees) or (b) eligible public capital improvements (Improvements) or both. Under certain circumstances, to be determined on a case-by-case basis, development impact fees payable to local agencies other than the Local Agency can be used as repayment for up-front funding.

Applicants benefit from SCIP because it allows them to obtain low-cost, long-term financing of fees and improvements, which can otherwise entail substantial cash outlays. A Local Agency benefits from SCIP because it encourages developers to pay fees sooner and in larger blocks than they would otherwise. The availability of low-cost, long-term financing also softens the burden of rising Fees amounts and Improvements costs, benefiting both the applicants and the Local Agency.

Upon receipt of a completed application, the SCIP team reviews it to determine (a) eligibility of the fees and improvements for which the applicant seeks financing and (b) creditworthiness of the applicant and the Project. Once approved by the SCIP team, the application is countersigned by the Local Agency. Approved applications are aggregated for inclusion in the next round of financing authorization. Periodically, as warranted by the accumulation of approved applications, the Authority issues tax-exempt revenue bonds (Bonds). The proceeds from the Bonds are used to finance fees or improvements for qualifying Projects located throughout the state. For projects involving a sufficient amount of financing (generally \$5 million or more), a special series

of bonds may be issued to fund the project separately if the timing of issuance of a pooled financing does not suit the project, subject to approval of the Authority.

Revenues to pay debt service on the Bonds are derived by the Authority in one of two ways: (1) through the levy of special assessments on the parcels comprising the participating Projects by establishing one or more assessment districts pursuant to the Municipal Improvement Act of 1913 or (2) through the levy of special taxes on the Project parcels by establishing a CFD pursuant to the Mello-Roos Community Facilities Act of 1982. Absent circumstances which warrant a CFD, the Assessment District format has been and is expected to continue to be the customary basis for SCIP financing.

Municipal Credit and Financing Programs

In addition to land-secured financing districts, which derive funding exclusively from area-specific special assessments or special taxes, local governments may use a variety of more broadly based financing methods that can fund infrastructure directly or provide a basis of financing developer-based obligations. The City also can use its existing or new general or special taxes or service charges to fund infrastructure in one manner or another:

- **Establishment.** Creating new general or special revenues and any related issuance of bonds are limited by State Constitutional requirements and statutes that require voter approval of more than 50 percent for general taxes and two-thirds approval for special taxes (those earmarked for particular uses).
- **Role in Financing Strategy.** Citywide-based funding (and related bond issues) can be used to fund infrastructure pay-as-you-go, as a source of reimbursement, or to support a municipal bond issue to fund infrastructure or to close the initial funding gaps associated with development impact fee programs or land-secured financing programs.
- **Who Pays?** The incidence of burden of taxes or rates is on those paying; for example, sales taxes are paid by residents, businesses, and visitors to the City; transient-occupancy taxes are paid by visitors; rates are paid by those receiving utility services, etc. The rationale for the investment and general funding is that these households, visitors, and businesses will benefit from the investments made in infrastructure and the related economic development that is expected to ensue.
- **Limitations.** Use of existing general fund revenues is limited by existing demands to support municipal operations. Capitalizing general or special taxes (i.e., issuing bonds) typically involves voter approval for any "multi-year" funding obligation. Certificates of Participation (described below) offer a means for raising capital without creating such a multi-year obligation or voter requirement.
- **Integration with other Components.** Allocation of existing General Fund revenues or the creation of new general or special taxes can be integrated with fee and other developer-based financing efforts as a source of paying directly for a particular infrastructure item or class of items. These revenues and taxes also can provide "bridge" financing to fee programs or land-secured financing districts where there is a temporal funding gap anticipated. In such cases, the City's investment would be repaid with subsequent development impact fee or other project-based revenue sources.

General Obligation Bonds

A general obligation bond is a common type of municipal bond in the United States that is secured by a state's or local government's pledge to use legally available resources, including tax revenues, to repay bond holders. General obligation bonds are restricted to defined capital improvements. Most general obligation bonds at the local-government level include a pledge to levy a property tax to meet debt service requirements, in which case, holders of general obligation bonds have a right to compel the borrowing government to levy that tax to satisfy the local government's obligation. Because property owners usually are reluctant to risk losses because of unpaid property tax bills, credit rating agencies often consider a general obligation pledge to have very strong credit quality and frequently assign them investment grade ratings. If local property owners do not pay their property taxes on time in any given year, a government entity is required to increase its property tax rate by as much as is legally allowable in a following year to make up for any delinquencies. In the interim between the taxpayer delinquency and the higher property tax rate in the following year, the general obligation pledge requires the local government to pay debt service coming due with its available resources. In California, cities must secure a two-thirds voter approval to issue general obligation bonds.

Revenue Bonds

Cities and other local governments typically issue revenue bonds when they have access to a stable source of revenue such as municipal utility rates. Revenue bond funding is commonly paired with "connection charges" (a form of development impact fee) charged to new customers as they connect to the sewer or water utility service. Utility rates that fund revenue bonds can vary in a given jurisdiction if there are substantial differences in the costs of providing services to subareas of the City. Also, there can be rate surcharges to a given area if unique improvements are needed to serve the area.

Certificates of Participation

Government agencies acquire needed capital assets in one of two ways: (1) by purchasing the asset either in cash or through a bond financing arrangement or (2) entering into a rental agreement to obtain use, but not ownership of the asset, or to obtain use and ownership. Leasing, the most malleable of financing tools, can accommodate both options, without the requirement of voter approval. A common form of leasing, Certificates of Participation (COPs) offer a way to pay capital improvements and assets with a long-term lease-purchase agreement with a third-party leasing entity. Cities regularly enter into operating leases, or *true* leases, to rent property such as equipment and office space. And agencies execute lease-purchase agreements, or *tax-exempt* leases, to finance not only minor equipment procurements, but also the construction or acquisition costs of major capital projects, such as schools and courthouses. Tax-exempt leasing, often involving the sale of COPs, serves as an alternative to issuing municipal bonds. As new financing needs emerge and market conditions change, government agencies often find that their leasing powers provide more expedient access to the capital markets than their more limited powers to incur debt.

Private Placement

"Private placement" is the sale of securities (revenue bonds or COPs) to a relatively small number of select investors as a way of raising capital. Given current financial markets, municipal financial advisors have found that structuring private placement municipal debt is competitive

with more traditional municipal bond offerings. Investors involved in private placements are usually large banks, mutual funds, insurance companies, and pension funds. Private placement is the opposite of a public issue, in which securities are made available for sale on the open market. Because a private placement is offered to a few, select individuals, the placement does not have to be registered with the Securities and Exchange Commission. In many cases, detailed financial information is not disclosed and the need for a prospectus is waived. Finally, because the placements are private rather than public, the average investor is only made aware of the placement after it has occurred. As several potentially powerful industry groups are involved in Salinas' economic development, further exploration of this concept, in conjunction with the Community Development Corporation's concept discussed below, may have particular applicability in Salinas.

Infrastructure Financing Districts

Local agencies can establish an Infrastructure Financing District (IFD) (authorized by the Infrastructure Financing District Act, Government Code Section 53395, et. seq.) for a given project or geographic area of the jurisdiction. The IFD "captures" incremental increases of property tax revenues from future development that can be used for funding project-related infrastructure. Establishing an IFD can be rather complicated and requires approval by every local taxing entity that will contribute its property tax increment AND requires two-thirds voter approval to form the IFD and issue bonds. Only public capital facilities of communitywide significance may be financed; an IFD cannot be used to finance operations and maintenance expenses. Unlike former redevelopment tax increment funding, IFDs can use only the City's share of property tax increment (and any other agencies who agree to forego their share of tax increment). However, pending legislation (SB 33) seeks to modify current restrictive provisions of IFD law. IFDs could become a more viable funding and financing mechanism in the future, particularly if interagency partnerships can improve the amount of increment financing available.

State Infrastructure Bank

The California Infrastructure and Economic Development Bank (I-Bank) was created in 1994 to finance public infrastructure and private development that promote a healthy climate for jobs, contribute to a strong economy, and improve the quality of life in California communities. The I-Bank operates pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (Government Code Sections 63000 et. seq.). The I-Bank is located in the Governor's Office of Business and Economic Development and is governed by a five-member Board of Directors.

The I-Bank has broad authority to issue tax-exempt and taxable revenue bonds, provide financing to public agencies, provide credit enhancements, acquire or lease facilities, and leverage State and Federal funds. The I-Bank's current programs include the Infrastructure State Revolving Fund (ISRF) Program, 501(c)(3) Revenue Bond Program, Industrial Development Revenue Bond Program, Exempt Facility Revenue Bond Program, and Governmental Bond Program. The I-Bank operates the ISRF Program, which is a statewide program that provides low-cost loans up to \$10 million per project to municipal governments for a wide variety of municipal infrastructure, including infrastructure needed to serve new development. An application is required for these loans, and loans require a stable and reliable source of repayment. If approved, loan repayment can be funded through a commitment of general fund revenues or a pledge of a particular revenue source, including citywide taxes or land-secured assessments or special taxes.

Community Development Corporation

As pertains to the loss of redevelopment, many cities are evaluating options for improving downtown and infill districts in lieu of tax increment financing. One recent trend that might be worthy of further exploration is a Community Development Corporation (CDC). CDCs in San Diego, Roseville, and other California cities have been structured as 501(c)(3) organizations with a Board of Directors independent of the City Council. In many cases, the organization's charter includes authorized activities, investment targets, criteria for investment, and other pertinent elements. However, seed funding may need to be at least partially derived from available City General Funds, which may be a difficult challenge as such resources are scarce in Salinas. Other funding sources may include private sources, such as a consortium of agri-industrial interests or other groups (e.g., the noted Irish Technology contingent).

Summary: Financial Levers Controlled by Jurisdictions

The table is set for the City to formulate a series of economic development policies that will encourage near-term investment to create additional jobs and local wealth in the City and region. These are some candidate strategies suggested by the available "tool kit" to be further developed by the City/consultant team:

- Fee waivers and deferrals with strategic use of land-secured debt, as described in detail in the preceding discussion.
- Reinvestment of project-related benefits (e.g., sales tax, property tax) can be a strong inducement to sought-after development, as long as proper analysis is conducted to ensure that all things considered, the City realizes fiscal benefits within a defined period of time.
- Inclusion of off-site improvements in the Capital Improvement Program. Where a larger project such as the Eastside Bypass has benefit throughout the City, consider inclusion as a broadly funded project in the City's Capital Improvement Program.
- Public/Private Partnerships. Particularly in infill locations, evaluate strategic and creative arrangements to fully use the public-sector toolkit (such as the techniques suggested above) to reduce risk and front-end costs to effectuate near-term development.
- Emerging funding techniques. For example, many major institutional investors such as CalPERS are engaged in "impact investing," where the notion of investing for economic, as well as societal, returns are key criteria. In some cases, it may make sense to evaluate a creative partnership between the public sector, private sector industry consortia, and a range of available grant and loan sources to capitalize a CDC or other entity that is related to but distinct from the City to help target strategic investments in Salinas that deliver maximum "bang for the buck."

Community Outreach Summary

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APPENDIX

To: Doug Yount, Project Manager- City of Salinas General Plan Economic Development Element

CC: EMC Planning Group

From: Kristina Chavez Wyatt, President- Farmhouse Communications

Subject: Community Outreach and Engagement Update- November 5, 2013

Per your request, the following is a top-line summary of the community outreach and engagement efforts completed to date in support of the City of Salinas General Plan Economic Development Element (EDE) as conducted by Farmhouse Communications and the EDE Outreach & Engagement Team including project staff, the Salinas Planning & Research Corporation (SPARC), Communities Organized for Relational Power in Action (COPA) and Building Healthy Communities.

The goal of the community outreach component of the City of Salinas Economic Development Element is to reach and effectively engage the diverse Salinas community via council member district and neighborhood leadership, stakeholder organizations and the community at large. Critical to this work has been the collaboration with internal and external stakeholders to maximize impact and utilization of time, energy and resources.

Summary and detailed description of the process to date:

- Developed a strategy and mechanisms for the organization of a grassroots, community wide outreach program including key stakeholders within the Salinas region, City board, committees, committees, Latino/Spanish speaking community, public agencies, business and community organizations.
 - Developed and managed of a custom stakeholder contact and analysis database of 659 individuals, representing nearly 341 agencies/interests.
 - Coordinated efforts of the Salinas General Plan Economic Development Element Project Community Outreach & Engagement Team including City Staff, Project Manager Doug Yount, Peter Kasavan, representing the Salinas Planning and Research Corporation (SPARC), Kristina Chavez Wyatt of Farmhouse Communications and Joaquin Sanchez for Communities Organized for Relational Power in Action (COPA).
- Mobilized the key stakeholders- community leaders, neighborhood groups, organizations, faith, education and business communities.
 - Working with City staff and project team to orient the Mayor and Council and work to engage their constituencies utilizing various communications tools and relational connections.
 - Identifying key leaders and stakeholders in the diverse Salinas community and the various mechanisms to orient and engage them in the project.
 - Accounting for contact, response and engagement via database management.
 - Facilitated the development and distribution of project information and communications in English and Spanish.
 - Coordinated presentations and focused interview sessions
- Presentations given to:
 - Salinas United Business Association (SUBA)
 - Salinas Valley Chamber of Commerce
 - Oldtown Salinas Association
 - Rotary Clubs of Salinas and Salinas, Alisal
 - City of Salinas Department Directors
 - Chinatown Community Board
 - Monterey County Association of Realtors- Local Government Relations Committee
 - Monterey County Farm Bureau Board of Directors
 - Grower-Shipper Association & Monterey County Farm Bureau Land Use Committees (11/6)

- Interview Sessions- Individual and Focused Groups
 - Oldtown Salinas Association Board of Directors/staff
 - Land Owners, developers, representatives- future growth area, Brian Finegan, Richland Communities, Chris Steinbruner, Mark Kelton, Ray Harrod, Jr., Thrust IV, Andrew Ausonio
 - Monterey County- Resource Management, Ag Commissioner & Economic Development Departments
 - Organized Labor- Building & Construction Trades, IBEW, Carpenters, Central Labor Council
 - Affordable housing, land use and healthy communities- CHISPA, Monterey County Health Department, Center for Community Advocacy (CCA), Building Healthy Communities/California Endowment, Action Council, Central Coast Center for Independent Living, Community Foundation for Monterey County, Salinas LULAC
 - Sustainability/environment/conservation- LandWatch, Ag Land Trust, Big Sur Land Trust
 - Safety & jobs- Rancho Cielo, Monterey County Hospitality Association, Monterey County Joint Gang Task Force
 - Agriculture / Land Owners- Taylor Farms, Monterey County Farm Bureau, wineries, Ag Against Hunger, California Women for Agriculture- Salinas Valley Chapter
 - Business- Steinbeck Innovation Cluster (represented by Dennis Donohue), Salinas Valley Chamber of Commerce
 - SUBA board of directors, staff
 - Education- Salinas High School District, Hartnell College, CSUMB
 - Retail- Harden Ranch, Northridge Mall, Shaw Development, Auto Center
 - Construction- Belli Architectural Group, Kleinfelder, Graniterock, Don Chapin Company, Ausonio Construction, American Institute of Architects- Monterey Bay Chapter, Salinas Valley Chamber of Commerce Business Development Task Force, Monterey County Permit Streamlining Committee
 - Salinas Valley Memorial & Natividad Hospitals
 - Public agencies- LAFCO, TAMC
 - Planned:
 - St. Mary of the Nativity Catholic Church
 - Sacred Heart catholic Church
 - CSUMB Service Learning Institute
 - Salinas Soccer Leagues
 - St. George's Episcopal Church
 - Grower Shipper Association & Monterey County Farm Bureau Land Use Committees
 - Central Coast Young Farmers and Ranchers
 - Salinas LULAC & LULAC Youth
 - Groups of high school and college students

- A Ciclovía outreach, engagement & activity booth was coordinated by Building Healthy Communities on Sunday, October 6 10AM-2PM

- Hosted 4 large group committee and public workshops
 - Drafting and circulating press release, social media announcements.
 - Placing meeting notices & information in organizational and community newsletters (Salinas Valley Chamber of Commerce, SUBA, Monterey County Farm Bureau, etc.)
 - Designing, distributing and posting flyers to encourage participation in workshops.
 - Identifying what communications require distribution in Spanish, managing the development and distribution of such communications.
 - Coordinating meeting facilities throughout the City- equipment, refreshments, sign in

- Resource Group #1 Wednesday, August 28 630-9PM National Steinbeck Center
 - 57 Attendees, 305 direct invitees (via email, organizational announcements)
 - Representing: City of Salinas, Salinas Valley Chamber of Commerce, SUBA, Oldtown Salinas, Salinas Planning & Research Corporation (SPARC), Faith Community, Developers, Regulators- MBUAPD, Monterey County Business Council, Public interest- COPA, CHISPA, CCA, CA Endowment, Mo Co Health & RMA Salinas Neighborhood Association, Salinas Downtown Community Board / Chinatown renewal, Sustainable Salinas, Arts, Business owners/managers, Education, Agriculture, Labor, Utilities- CalWater, SVSWA, Republic Services, Representative for Assemblymember Alejo, Finance, Real Estate, Construction, Bill Carrothers, Council member Tony Barrera

- Resource Group #2 Monday, September 23 6:30pm-9pm Cesar Chavez Library
 - 54 Attendees, 388 direct invitees (via email, organizational announcements)
 - Representing: City of Salinas, COTR, Comunidad Cristiana, Landwatch Monterey County, Building Healthy Communities, Police Advisory Committee, California Rural Legal Assistance, Poder Popular, L+G Attorneys, Salinas Valley Chamber of Commerce, Salinas Planning & Research Corporation (SPARC), Oldtown Salinas Association, Redevelopment Advisory Committee, Airport Commission, County Health Department, Historic Resource Board, Realtor, Monterey County Business Council, Blue Ribbon Task Force, Center for Community Advocacy, Dorothy's Place/Chinatown, Northridge Mall, Measure V Oversight Committee, Library & Community Services Association, Salinas Neighborhood Association, Farm Bureau, Design Review Board, Salinas Valley Memorial Hospital, SVSWA, US Green Building Council- Monterey Bay Chapter, Hartnell College, Bill Carrothers, Council Member Tony Barrera.

- Resource Group #3 / Public Workshop
 - 72 attendees, 457 direct invitees, publicly noticed and promoted(via email, organizational announcements, social and traditional media outlets)
 - Representing: City of Salinas, residents and business owners, commercial property brokers & owners, planning/engineering consultant, land use attorney, Traffic & Transportation Committee, construction, developers, agriculture, SVSWA, Center for Community Advocacy, Salinas Planning & Research Corporation (SPARC), Monterey County Business Council, US Green Building Council- Monterey Bay Chapter, Buddhist Temple of Salinas, Northridge Mall, Cooley Development, Shaw Development, Sustainable Salinas, realtor, bank, Bill Carrothers, Joe Vierra, Hans Jongens, Univision, The Salinas Californian, Council Members Kimbley Craig and Steve McShane.

- Resource Group #4 planned for Wednesday, December 11 6:30PM-9PM Northridge Mall Community Meeting Room- to be catered by BJs Restaurant & Brewhouse

- Ensured consistency with new City branding- Logo, Taglines, Storyline Development-
 - Building on PR branding and marketing work conducted for the City by consultants including Avant Marketing, Boots Road Communications, Development Counsellors International and the Steinbeck Innovation Cluster.

- Coordinated, organized and supported EDE team, SPARC, COPA efforts with the City Council, leadership, staff-
 - Compiled general information and disseminate to community, targeted constituencies via- traditional (print, radio) and social media, City website, email newsletters & notices, utility billings, word-of-mouth, direct mailings, flyers, community bulletins, meeting announcements etc.
 - Developed comprehensive information kit materials in English & Spanish

- Conducted media orientation, editorial coordination with local and regional media outlets (SPARC, consultants, City staff and leadership). Development and distribution of press releases, media advisories and calendar alerts with direct contact follow-ups.
 - Salinas Californian & El Sol
 - Monterey County Herald
 - Monterey County Weekly
 - English TV- KION/KCBA, KSBW
 - Spanish TV- Univision & Telemundo
 - English Radio- KION 1460AM, NPR/KAZU 90.3FM
 - Spanish Radio- KHDC Radio Bilingue, La Preciosa

- Generating social media activity- Facebook notices, event promotion, proposal discussion
 - Developing, monitoring and managing of a Facebook event page, driving interest to the City website.
 - Cross-posting to:
 - City of Salinas Facebook (unknown administrator/owner)
 - Salinas Valley Chamber of Commerce
 - Salinas Neighborhood Watch
 - Rotary Club of Salinas
 - Salinas Valley Democrats
 - Monterey County Young Professionals Group
 - Monterey County Farm Bureau
 - Salinas Valley Business Women's Network
 - Salinas LULAC

- Launched a Constant Contact (online mass email marketing program) email newsletter event invite development and distribution program- securing online account, acquiring contact data, developing and designing content for distribution, tracking open rates, etc.
 - Worked with city IT staff to ensure distributions sourced from City staff email address and safe delivery to City email addresses

- Coordinated web presence/page- Collaborated with the project team and city staff (IT & Planning) to develop a project and community engagement page on the City economic development website BusinessinSalinas.com.
 - Teamed with City contractor Boots Road Communications to develop and manage a project information page

- Circulated community survey instrument, inspire and coordinate response.
 - Worked with the project team to refine interview/survey instrumentation and Spanish translation.
 - Working through various communications avenues to distribute surveys.
 - Tracked response, encouraged completion and facilitated submission

Salinas EDE Media Summary

Spanish TV

KSMS TV 67 Univision October 15 6:05PM <http://www.ksmstv.com/2013/10/17/desarrollo-economico/>
(Entravisión) Salinas, CA., La municipalidad de Salinas organizó reunión comunitaria para invitar a la población en general para participar en el proceso del plan de desarrollo económico.

Telemundo 23 <http://www.telemundo23.com/story/23365389/city-wants-salinas-to-prosper-with-economic-plan>

Spanish Radio

Erica Padilla-Chavez was interviewed Tuesday, October 15 from 10:30am-11am on KHDC 90.9 FM Radio Bilingue where she promoted the workshop, encouraged participation and fielded calls from community members and business owners.

English TV

TV KION 46/KCBA 35

<http://www.kionrightnow.com/global/video/flash/popupplayer.asp?vt1=v&clipFormat=flv&clipId1=9420983&at1=News&h1=SALINAS%20ECONOMIC%20DEVELOPMENT&flvUri=&partnerclipid=&rnd=27483060>

<http://m.kionrightnow.com/w/localnews/story/99233292/>

<http://www.kionrightnow.com/Global/story.asp?S=23365389>

English Print

Monterey County Herald: Salinas looking for public input on economic development

Goal is to gain input on strategy By JIM JOHNSON

Posted: 10/15/2013 05:30:15 PM PDT

http://www.montereyherald.com/localnews/ci_24317522/salinas-looking-public-input-economic-development#

With creation of a "roadmap for the future prosperity" of the city well under way, Salinas residents will get a chance to have their say.

The city and its consulting team will host a public workshop Wednesday to solicit community input on the city's draft economic development element, which will precede a planned update of the Salinas city general plan. The workshop is 6:30 to 9 p.m. in the Santa Lucia Room of the Salinas Community Center at Sherwood Hall, 940 North Main St. in Salinas. Doug Yount, the city's economic development element project manager, said the goal is to get input on a strategy for "sustainable prosperity, based on our natural strengths and future opportunities to ensure a healthy and safe community." Yount, a former Marina city official, was hired as an independent consultant by the city earlier this year to guide the \$300,000 planning effort. It is being funded by a combination of Capital One funds and city general fund money.

The workshop will feature an update from the city's economic development element team of city staff, consultants led by the EMC Planning Group, resource group participants and the community sponsor — the Salinas Planning and Research Corporation (SPARC).

Wednesday's workshop is the only one scheduled as part of a broader public outreach effort aimed at developing a vision to guide the city's economic development strategy. That includes future city council public hearings, meetings of city committees, commissions and boards, and community group presentations and other public events.

Yount said the draft is expected to be a comprehensive strategy designed to guide the full range of city policies. Rather than simply a policy document, Yount said, the element will include economic development plans that implement its core strategies, goals and priorities, as well as a set of key economic indicators to gauge progress.

"What's really important is this is not a plan that will be put on the shelf," public outreach consultant Kristina Chavez Wyatt said. "This is going to directly affect (the city)."

A focus of the economic development process has been on developing agricultural technology to diversify the city's economy, as well as improving the city's business atmosphere through efforts to create a healthier and safer community. The goal is to approve a draft element by the spring, about a year after the process began, followed by a required full environmental impact report, which has not been paid for.

For information, see www.businessinsalinas.com/About-Us/City-of-Salinas-General-Plan-Economic-Development.aspx.

Salinas Californian: Salinas seeks public's input for economic future
Written by D.L. Taylor
Oct. 15, 2013 | thecalifornian.com
<http://www.thecalifornian.com/apps/pbcs.dll/article?AID=2013310150015>

Economic experts have their vision of a future Salinas, now it's the public's turn. Leaders from an ambitious project to create more jobs, lure more businesses to Salinas and set the foundation for sustainable economic growth for decades to come will turn to the public Wednesday for its views and suggestions on the best ways to capture and grow the city's natural economic drivers. The city of Salinas will host the workshop on the proposed Economic Development Element of the city's General Plan – or EDE – from 6:30 p.m. to 9 p.m. Wednesday in the Santa Lucia Room of the Salinas Community Center/Sherwood Hall, 940 North Main Street. Attendees will receive a project update from city staff, consultants and the sponsor, the Salinas Planning and Research Corporation, or SPARC. The project includes economic attributes not often associated with business development, such as creating a sense of well-being and prosperity among residents of Salinas. In that vein, attendees will participate in exercises to help define what constitutes well-being and prosperity among workers.

Spanish translation services will be available.

"We are seeking input on sustainable prosperity, based on our natural strengths and future opportunities to ensure a healthy and safe community," said Doug Yount, the project manager and a consultant with the city.

So while avenues such as agriculture technology will be explored, so will public safety and health of the workforce and the families of workers that will be at the heart of any sustainable economic growth. The plan will eventually be a "chapter" or element in the city's updated General Plan, which directs everything from growth and zoning to investments and land use. General Plans are typically updated every 10 years, and Salinas' plan was last updated in 2002.

That aspect of the project is important because once it becomes part of the General Plan, it will carry the weight of written policy that will direct current and future elected officials. In addition to SPARC and Yount, other regional consultants include EMC Planning Group; Applied Development Economics; Economic and Planning Systems, Inc.; Farmhouse Communications; and City Design Collective.

Salinas Californian: An ambitious economic project
Salinas is driving foundation of written policies to carry it forward for decades
Written by D.L. Taylor
September 4
(See attached)

Calendar listings

Monterey County Weekly

http://www.montereycountyweekly.com/calendar/event_6a274e2c-3106-11e3-9d4b-0019bb30f31a.html

Salinas Californian

<http://search.thecalifornian.com/localevents/event/100/39387-Salinas-Public-Workshop-Proposed-General-Plan-Economic-Development>

KAZU NPR 90.3 FM

<http://events.publicbroadcasting.net/kazu/events.eventsmain?action=showEvent&eventID=1433960>

Facebook

<https://www.facebook.com/events/241688195980899/>



PRESS RELEASE

FOR IMMEDIATE RELEASE

DATE OF RELEASE: October 2, 2013

CONTACT NAME: Doug Yount

CONTACT TITLE: Project Manager, General Plan Economic Development Element

CONTACT INFORMATION: 65 W. Alisal Street, Salinas, CA 831.775.4246 doug.yount@ci.salinas.ca.us

SUBJECT: Salinas to Hold Public Workshop on Economic Development October 16

Salinas, California – The City of Salinas will hold a public workshop on the City's proposed General Plan Economic Development Element (EDE) on Wednesday, October 16 from 6:30 pm to 9:00 pm in the Santa Lucia Room of the Salinas Community Center/Sherwood Hall at 940 North Main Street.

The workshop will feature an update from the EDE team of City staff, consultants, EDE Resource Group participants and the community sponsor, Salinas Planning and Research Corporation (SPARC). Attendees will also engage in exercises to help define community wellbeing and prosperity.

Spanish translation services will be available.

“We are seeking input on sustainable prosperity, based on our natural strengths and future opportunities to ensure a healthy and safe community,” said Project Manager Doug Yount.

The proposed EDE is an integrated strategy to achieve those results. The strategy will identify policies, goals and objectives necessary to guide future public sector and private sector actions, and will contain a vision, land use map and list of recommended actions to ensure that vision becomes reality. The EDE is also a tool to better understand and define the baseline economic conditions from which to build.

A critical aspect of the development of the EDE is extensive community and public agency outreach and engagement, aimed at developing a united vision to guide strategy. Participants in the process will include the City of Salinas, public agencies, community leaders, interest groups and members of the public.

“The City Council is committed to working with the community in planning for our city’s future,” said Mayor Joe Gunter. “We want to make sure people have every opportunity to get involved and help us all succeed together.”

Future outreach and engagement activities will include meetings of the City Council, City committees, the EDE Resource Group, commissions and boards, along with community group presentations and other public gatherings.

The proposed EDE is being prepared in advance of a future City General Plan Update, and is subject to the requirements of the California Environmental Quality Act (CEQA), public participation and City approval processes.

Additional information can be found on the City’s Economic Development Element webpage at <http://www.businessinsalinas.com/About-Us/City-of-Salinas-General-Plan-Economic-Development.aspx>.

Disabled persons requiring accommodation in order to participate in the meeting may contact Community and Economic Development Department, City of Salinas, 65 West Alisal Street, Salinas, CA 93901, (831) 758-7206. Hearing impaired or TTY/TDD text telephone users may contact the City by dialing 711 for the California Relay Service (CRS) or by telephoning any other service providers' CRS telephone number.

AVISO IMPORTANTE, SI DESEA UNA TRADUCCION DE ESTE AVISO, FAVOR DE LLAMAR AL NUMERO (831) 758-7206 DENTRO LAS HORAS DE 7:30 a.m. Y 5:30 p.m., DE LUNES A JUEVES.



COMUNICADO DE PRENSA

PARA DISTRIBUCIÓN INMEDIATA

FECHA DE LA PUBLICACIÓN: 7 de octubre de 2013

NOMBRE DEL CONTACTO: Doug Yount

CARGO DEL CONTACTO: Administrador del Proyecto, Elemento de Desarrollo Económico del Plan General

INFORMACIÓN DEL CONTACTO: 65 W. Alisal Street, Salinas, CA 831.775.424 doug.yount@ci.salinas.ca.us

TEMA: Salinas celebrará el 16 de octubre un taller público sobre el desarrollo económico

Salinas, California – La Municipalidad de Salinas celebrará un taller público sobre el Elemento de Desarrollo Económico (EDE) del Plan General de la Municipalidad el miércoles, 16 de octubre de 6:30 a 9:30 p.m. en la sala Santa Lucía de Salinas Community Center/Sherwood Hall en el 940 North Main Street.

En el taller se presentarán las últimas novedades del equipo del EDE compuesto por el personal de la Municipalidad, asesores, integrantes del grupo de especialistas del EDE y el patrocinador de la comunidad, la Sociedad Anónima de Planeación e Investigación de Salinas (Salinas Planning and Research Corporation - SPARC). Los asistentes también participarán en ejercicios para ayudar a definir el bienestar y la prosperidad de la comunidad.

Se ofrecerán servicios de interpretación al español.

“Buscamos la opinión sobre la prosperidad sostenible basada en nuestras fortalezas naturales y oportunidades futuras a fin de garantizar una comunidad saludable y segura” señaló el Administrador de Proyecto, Doug Yount.

El EDE propuesto consiste en una estrategia integrada para lograr dichos resultados. La estrategia identificará políticas, metas y objetivos necesarios para guiar las medidas que los sectores público y privado tomen en el futuro, y contendrá una visión, un mapa de la utilización de las tierras y una lista de las medidas recomendadas para garantizar que dicha visión se convierta en realidad. El EDE constituye también una herramienta para entender mejor y definir las condiciones económicas básicas sobre las cuales se trabajará.

Un aspecto crítico del desarrollo del EDE consiste en extensos alcances exteriores y participación en la comunidad y en organismos públicos, con el objetivo de crear una visión unificada para guiar la estrategia. Los participantes del proceso serán la Municipalidad de Salinas, organismos públicos, líderes de la comunidad, grupos de intereses y miembros del público.

“El Consejo Municipal promete trabajar con la comunidad en la planeación del futuro de nuestra ciudad” acotó el alcalde, Joe Gunter. “Deseamos cerciorarnos de que la gente tenga la oportunidad de participar y de ayudarnos a triunfar juntos”.

En el futuro, las actividades de alcance exterior y participación incluirán reuniones del Consejo Municipal, de los comités municipales, del grupo de especialistas del EDE, de comisiones y de juntas directivas, conjuntamente con ponencias colectivas y demás reuniones públicas.

El EDE propuesto se está preparando antes de una futura Actualización del Plan General Municipal, y está sujeto a los requisitos de la Ley de Calidad Ambiental de California (California Environmental Quality Act - CEQA), de la participación del público y de los procesos de aprobación de la Municipalidad.

En la página electrónica del Elemento de Desarrollo Económico de la Municipalidad se encuentra información adicional:

<http://www.businessinsalinas.com/About-Us/City-of-Salinas-General-Plan-Economic-Development.aspx>.

Las personas minusválidas que necesiten modificaciones para participar en la reunión, pueden comunicarse con el Departamento de Desarrollo Económico y Municipal (Community and Economic Development Department) de la Municipalidad de Salinas, 65 West Alisal Street, Salinas, CA 93901, (831) 758-7206. Las personas con problemas de audición o los usuarios de teléfonos de texto o dispositivos de telecomunicación para sordos pueden llamar a la Municipalidad marcando el 711 para recibir el Servicio de Relevo de California (California Relay Service - CRS), o bien, llamar al número telefónico de cualquier otro proveedor de servicios de relevo.

**AVISO IMPORTANTE: SI DESEA UNA TRADUCCIÓN DE ESTE AVISO, POR FAVOR LLAME AL (831) 758-7206
DE 7:30 a.m. a 5:30 p.m., DE LUNES A JUEVES.**



General Plan Economic Development Element PUBLIC WORKSHOP

**6:30pm – 9:00pm Wednesday, October 16
Salinas Community Center / Sherwood Hall Santa Lucia Room
940 North Main Street, Salinas**

Receive an update on work-to-date the City leadership and the EDE team of staff, consultants, Resource Group subcommittee leadership and community sponsor, Salinas Planning and Research Corporation (SPARC) on preparation of the proposed Salinas General Plan Economic Development Element.

Engage in exercises to help define community wellbeing, prosperity and land use vision map based on our natural strengths and future opportunities to ensure a healthy and safe community.

Elemento de Desarrollo Económico del Plan General TALLER PÚBLICO

**de 6:30 a 9:00 p.m. miércoles, 16 de octubre
Centro Comunitario de Salinas / Sherwood Hall, Sala Santa Lucía
940 North Main Street, Salinas**

Reciba las últimas novedades sobre el trabajo que hasta la fecha los dirigentes municipales y el equipo del EDE, compuesto por el personal, asesores, dirigentes del subcomité del grupo de especialistas y el patrocinador de la comunidad, la Sociedad Anónima de Planeación e Investigación de Salinas (Salinas Planning and Research Corporation - SPARC), han realizado para preparar el Elemento de Desarrollo Económico del Plan General.

Participe en ejercicios para ayudar a definir el bienestar, la prosperidad y el mapa de visión de utilización de tierras de la comunidad, basado en nuestras fortalezas naturales y oportunidades futuras, para garantizar una comunidad saludable y segura.

AVISO IMPORTANTE, SI DESEA UNA TRADUCCION DE ESTE AVISO, FAVOR DE LLAMAR AL
NUMERO (831) 758-7241

DENTRO LAS HORAS DE 7:30 a.m. Y 5:30 p.m. DE LUNES A JUEVES.

Disabled persons requiring accommodation in order to participate in the meeting may contact Community and Economic Development Department, City of Salinas, 65 West Alisal Street, Salinas, CA 93901, (831) 758-7206. Hearing impaired or TTY/TDD text telephone users may contact the City by dialing 711 for the California Relay Service (CRS) or by telephoning any other service providers' CRS telephone number.





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#PositiveSalinas: City Wants Salinas to Prosper With Economic Plan

Posted: Sep 06, 2013 7:06 PM PDT

Updated: Sep 06, 2013 7:40 PM PDT

By Cassandra Arsenault - [email](#)

SALINAS, Calif - The Economic Development Element Plan has been in the works since June. The main focus of the plan is safety, jobs, and health. These three areas are the ingredients for a recipe of success for Salinas. Peter Kassavan and Doug Yount, both heavily involved in the project, say this program is unlike past economic plans because they encourage public participation.

Doug Yount says, "We want to get as many viewpoints, interest, and opinions surveyed so that we can put those into the plan. This plan will rely heavily on what the community needs and wants."

This plan is different because they want to focus on every corner of Salinas, so that every area is being used to it's full potential. In the past, Salinas has had opportunities slip through it's fingertips.

"An Ag-Tech company looked into coming to Salinas, and this is where they wanted to be, but Salinas couldn't accommodate them, so they moved to Gilroy", says Kassavan.

Kassavan says this plan will help regulate land use policies to attract more business so that Salinas economy will prosper.

If you want to give your input, or be a part of the discussion [click here.](#)

Advertisement



The FDA has approved a solution for snoring & sleep apnea that does not require a cumbersome CPAP.



Hollister arrest records. Who do you know? You may be surprised! Search anyone!



How Seniors Can Scoop Up Free \$20,500 Checks (See If You Qualify)



New Rule in California: If you pay for car insurance you better read this...



What happens to your body when you take a free testosterone supplement?



Homeowners in California may be eligible for 2.75%(2.86% APR) refinance rate for most credit tynes

Event Details

Salinas Public Workshop: Proposed General Plan Economic Development

Avg. Rating:

Sherwood Hall

940 N Main St., Salinas, CA 93906
Santa Lucia Room
Phone: 831.775.4246

Wednesday, Oct. 16 6:30 p.m. - 9:00 p.m.



[Add to my calendar](#)

Ticket Pricing: Complimentary

The workshop will feature an update from the team of City staff, consultants, EDE Resource Group participants and the community sponsor, Salinas Planning and Research Corporation (SPARC). Attendees will also engage in exercises to help define community wellbeing and prosperity. Spanish translation services will be available. We are seeking input on sustainable prosperity, based on our natural strengths and future opportunities to ensure a healthy and safe community.

[visit website](#)

Additional links: <http://www.businessinsalinas.com/About-Us/City-of-Salinas-General-Plan-Economic-Development.aspx>

Category(ies): [Business](#) ,23 [Community](#) ,23 [Neighborhoods](#) ,23 [Speakers](#) ,23 [Agriculture](#) ,23 [Meetings](#) ,23 [Public Safety](#) ,23 [Wellness](#) ,23 [Public Affairs](#) ,23 [Government](#)

North Salinas Family Friendly: Yes **Ages:** All Ages

Parking: Parking is available in the Community Center Parking lot.

Registration: No registration is required.

Sponsors: The workshop is sponsored by the City of Salinas, the Salinas Economic Development Element Resource Group subcommittee, the non-profit Salinas Planning and Research Corporation (SPARC), EMC Planning Group (EMC), Applied Development Economics (ADE), Economic and Planning Systems, Inc. (EPS), Farmhouse Communications, City Design Collective (CDC), and Communities Organized for Relational Power in Action (COPA) as well as City staff and Doug Yount, a project management consultant in the Community and Economic Development Department. A critical aspect of the development of the element includes a rigorous community and public agency outreach and engagement process aimed at developing a united vision for a prosperous, healthy community to guide the preparation of the Element. Participants in the process will include

THE SALINAS A GANNETT COMPANY

Californian

Today's
forecast, 16A

72°
High
Low
55°

theCalifornian.com

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NEWS, 3A

Local anti-war
group plans
Syria protest



SPORTS, 13A

Hartnell
football
tackles 2013

LIVING, 1B

Mirror image
binds mothers
& daughters

September 4, 2013

Wednesday

Serving Monterey County Since 1871

An ambitious economic project

Salinas is driving foundation of written policies to carry it forward for decades

By D.L. Taylor

dtaylor@thecalifornian.com

An ambitious project with a lofty goal of creating more jobs and luring more businesses is underway in the city of Salinas, a project that will not just set

goals, but carry the weight of written policy.

Called the Economic Development Element, the plan will eventually be a "chapter" or element in the city's updated General Plan, which directs everything from growth and zoning to

investments and land use. General Plans are typically updated every 10 years, and Salinas' plan was last updated in 2002.

"It will be a set of policies and actions that are designed to ensure the future prosperity of Salinas," said Doug Yount, the pro-

ject manager and a consultant for the city.

Last week the group devising the element sat down on back-to-back days to interview "resource groups" – representatives from a number of facets of the broader Salinas community.

Education, youth programs, public safety, business, labor, housing, public health and the environment are among the interests the group is seeking input from. Yount said the more than 300 invitations were sent out to a diverse group of commu-

See PROJECT, Page 3A

Project

Continued from Page 1A

nity leaders and advocates.

The need for an economic development element in the General Plan has been championed by Salinas City Manager Ray Corpuz.

"Salinas has a city manager who understands and has been successful in economic development in other communities," Yount said.

Corpuz has gathered together a team composed of Yount and Ian Wolfe Ross, principal of City Design Collective in Oakland, an urban design firm that assists cities in developing a vision of their futures based on their physical, economic and cultural assets. The firm also prepares policies and regulations city councils can adopt to implement the visions.

"We are looking at the region and seeing what economic trends can position the city well in these trends," Ross said. "The agricultural base is the driving the economic force, so we would want to maximize the role of

Salinas in that strategic position."

Also on the development team is Erica Padilla Chavez, who heads up outreach, collaboration, health elements and policy development for the Monterey County Health Department; Michael Groves, principal of EMC Planning in Monterey; Joaquin Sanchez, lead organizer for Communities Organized for Relational Power in Action; Alfred Diaz-Infante, president of CHISPA, the Salinas affordable housing organization, and Peter Kasavan, a Salinas architect representing the Salinas Planning and Research Corporation.

As an example of how the process incorporates the various elements of the community, Padilla Chavez notes that economics play a key role and is a determinant of the health and well being of a community.

"Research shows that when a community has a strong, diverse economy, opportunities present themselves to live a healthy life," she said. "When you bring a strong economy to a household, you increase access to health services. Econom-

ic opportunity is a determinant of health."

The development group will continue to hold resource group meeting through September and October, while also developing a preliminary "vision map." By November a final draft of the vision plan will be in place and a month later a draft Economic Development Element will be ready to put out for public review. Comments and concerns will be gathered and put in a final draft by March that will be ready to put in front of the City Council, which will provide direction for a final document.

Of course, all the various stakeholders have their own priorities and visions of how to develop, sustain and revitalize the Salinas economy. But Yount noted that common themes tend to come out in the planning process.

"Our hope is that the themes will lead to consensus," he said.

Dennis L. Taylor writes about economic issues for The Californian. Follow him on Twitter @taylor_salnews.

leadership of the City of Salinas (elected and appointed officials, staff), regional regulators and public agencies, community leaders and community members.

Organizations: City of Salinas



Speakers: Doug Young, Project Manager, Pam Ross, City Design Collective, Peter Kasavan, SPARC Joaquin Sanchez, COPA Doug Svensson, ADE

Detailed Agenda: The workshop will feature an update from the EDE team of City staff, consultants, EDE Resource Group participants and the community sponsor, Salinas Planning and Research Corporation (SPARC). Attendees will also engage in exercises to help define community wellbeing and prosperity.

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Californian

Today's forecast, 10A

77° High
 47° Low

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LOCAL NEWS, 3A
More Ord burns slated this week



SPORTS, 7A
Mattingly, LA all smiles in Game 3 win

LIVING, 1B
Pumpkin soup rules in chilly October

October 15, 2013

Tuesday

Serving Monterey County Since 1871

Salinas seeks public's input

Leaders of a major economic development project want the public to weigh in

By D.L. Taylor
 dtaylor@thecalifornian.com

Economic experts have their vision of a future Salinas, now it's the public's turn.

Leaders from an ambitious project to create more jobs, lure more businesses to Salinas and set the foundation for sustainable economic growth for decades to come will turn to the public Wednesday for its views and suggestions on the best ways to capture and grow the

city's natural economic drivers. The city of Salinas will host the workshop on the proposed Economic Development Element of the city's General Plan - or EDE - from 6:30 p.m. to 9 p.m. Wednesday in the Santa Lucia Room of the Salinas Community Center/Sherwood Hall, 940 North Main Street.

Attendees will receive a project update from city staff, consultants and the sponsor, the Salinas Planning and Research Corporation, or SPARC. The

project includes economic attributes not often associated with business development, such as creating a sense of well-being and prosperity among residents of Salinas. In that vein, attendees will participate in exercises to help define what constitutes well-being and prosperity among workers.

Spanish translation services will be available.

"We are seeking input on sustainable prosperity, based on our natural strengths and future opportunities to ensure a healthy and safe community," said Doug Yount, the project manager and a consultant with

the city.

So while avenues such as agriculture technology will be explored, so will public safety and health of the workforce and the families of workers that will be at the heart of any sustainable economic growth. The plan will eventually be a "chapter" or element in the city's updated General Plan, which directs everything from growth and zoning to investments and land use. General Plans are typically updated every 10 years, and Salinas' plan was last updated in 2002.

That aspect of the project is important because once it becomes part of the General Plan,



Doug Yount

it will carry the weight of written policy that will direct current and future elected officials. In addition to SPARC and Yount, other regional consultants include EMC Planning Group; Applied Development Economics; Economic and Planning Systems, Inc.; Farmhouse Communications; and City Design Collective.

The strategy will identify
See INPUT, Page 3A

Input

Continued from Page 1A

policies, goals and objectives to guide both public sector and private sector actions, and will contain a vision, land-use map and list of actions to make sure the ultimate vision becomes reality. The Element will also be tool to clearly understand what the economic conditions affect Salinas.

During the past couple of months, the EDE team has assembled “resource groups” comprising representatives from education, youth programs, public safety, business, labor, housing, public health and the environment to understand what their needs and concerns are.

“The City Council is committed to working with the community in planning for our city’s future,” said Salinas Mayor Joe Gunter. “We want to make sure people have every opportunity to get involved and help us all succeed together.”

Also on the development team is Erica Padilla Chavez, who heads up outreach, collaboration, health elements and policy development for the Monterey County Health Department; Michael Groves, principal of EMC Planning in Monterey; Joaquin Sanchez, lead organizer for Communities Organized for Relational Power in Action; Alfred Diaz-Infante, president of CHISPA, the Salinas affordable housing organization; and Peter Kasavan, a Salinas architect with SPARC.

Ian Wolfe Ross, principal of City Design Collective in Oakland, an urban design firm that assists cities in developing



Ian Wolfe Ross, principal of City Design Collective in Oakland, advocates for leveraging the agriculture base in Salinas. PROVIDED/CITY DESIGN

a vision of their futures based on their physical, economic and cultural strengths, said agriculture is a leading contender upon which the local economy can build.

“We are looking at the region and seeing what economic trends can position the city well in these trends,” Ross said. “The agricultural base is the driving the economic force, so we would want to maximize the role of Salinas in that strategic position.”

For example, a reoccurring theme so far in the process has been the opportunity to connect the Salinas Valley with Silicon Valley, both literally and figuratively (connecting the two valleys physically via a rail project is one of the goals). Through the Steinbeck Innovation Cluster, technology-based businesses, and so-called “ag-tech” in particular, are the coveted goals of any regional economic development effort.

The idea is to develop technologies that provide solutions to agriculture’s biggest challenges – nitrate contamination

of ground water, labor shortages, pesticide use and food safety are among the biggest problems. Borrowing a page from Silicon Valley’s playbook, economic development leaders here want to leverage the web of colleges, major agribusiness and an increasingly educated workforce to lure investment capital – the motor driving any economic endeavor.

And it just so happens that the global epicenter of venture capital is located just an hour or so north of Salinas.

By next month it is hoped a vision plan will be in place and a month later a draft Economic Development Element will be ready to put out for public review.

Comments and concerns will be gathered and put in a final draft by March that will be ready to put in front of the City Council, which will provide direction for a final document.

Dennis L. Taylor writes about economic issues for The Californian. Follow him on Twitter @taylor_Salnews.

Salinas looking for public input on economic development

By JIM JOHNSON Herald Staff Writer Monterey County Herald

Posted:

MontereyHerald.com

With creation of a "roadmap for the future prosperity" of the city well under way, Salinas residents will get a chance to have their say.

The city and its consulting team will host a public workshop Wednesday to solicit community input on the city's draft economic development element, which will precede a planned update of the Salinas city general plan. The workshop is 6:30 to 9 p.m. in the Santa Lucia Room of the Salinas Community Center at Sherwood Hall, 940 North Main St. in Salinas.

Doug Yount, the city's economic development element project manager, said the goal is to get input on a strategy for "sustainable prosperity, based on our natural strengths and future opportunities to ensure a healthy and safe community."

Yount, a former Marina city official, was hired as an independent consultant by the city earlier this year to guide the \$300,000 planning effort. It is being funded by a combination of Capital One funds and city general fund money.

The workshop will feature an update from the city's economic development element team of city staff, consultants led by the EMC Planning Group, resource group participants and the community sponsor — the Salinas Planning and Research Corporation (SPARC).

Wednesday's workshop is the only one scheduled as part of a broader public outreach effort aimed at developing a vision to guide the city's economic development strategy. That includes future city council public hearings, meetings of city committees, commissions and boards, and community group presentations and other public events.

Yount said the draft is expected to be a comprehensive strategy designed to guide the full range of city policies. Rather than simply a policy document, Yount said, the element will include economic development plans that implement its core strategies, goals and priorities, as well as a set of key economic indicators to gauge progress.

"What's really important is this is not a plan that will be put on the shelf," public outreach consultant Kristina Chavez Wyatt said. "This is going to directly affect (the city)."

A focus of the economic development process has been on developing agricultural technology to diversify the city's economy, as well as improving the city's business atmosphere through efforts to create a healthier and safer community.

The goal is to approve a draft element by the spring, about a year after the process began, followed by a required full environmental impact report, which has not been paid for.

For information, see www.businessinsalinas.com/About-Us/City-of-Salinas-General-Plan-Economic-Development.aspx.

AROUND THE COUNTY

City sets economic development workshop

The city of Salinas plans to hold a public workshop from 6:30 to 9:30 p.m. Oct. 16 on the General Plan Economic Development Element.

The workshop will be held at the Salinas Community Center / Sherwood Hall Santa Lucia Room, 940 N. Main St.

The meeting will offer the opportunity to engage in exercises to help define community wellbeing, prosperity

and land use based on Salinas' natural strengths and future opportunities.

SVMH to offer 31 free mammograms

Salinas Valley Memorial Healthcare System and radiologists practicing at SVMH's Nancy Ausonio Mammography Center will be donating their time and expertise this month to provide 31 screening mammograms at no cost to women in need.

The staff will provide the no-cost mammograms for low-income

women — one mammogram for each day of October, which is Breast Cancer Awareness Month.

The outreach project was created three years ago as a way to improve health care options to women in the community who might otherwise go without this vital service.

Women who qualify as low-income and are interested in this program should contact their physician, who can refer them for a free screening at the Nancy Ausonio Mammography Center.

Subject: Monterey County Farm Bureau News

Date: Friday, October 4, 2013 7:16:07 AM Pacific Daylight Time

From: MCFB

To: kristina@farmhousecommunications.com



Keeping Farmers
GROWING

Monterey County Farm Bureau News

In This Issue

[Salinas River Channel](#)
[UFW Activities](#)
[Farm Day](#)
[SF Produce Market](#)
[Economic Development](#)
[Solar Incentives](#)

Quick Links

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montereycfb.com

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ACA Update

Covered CA is up and running this week ... do you know the latest requirements for employers?

October 4, 2013



Salinas Economic Development Element meeting

Join the conversation on October 16th

The City of Salinas is conducting workshops on future Economic Development Elements within the City. Two workshops have already been held with targeted individuals ... now the City wishes to open up the conversation to a wider audience!

The proposed City of Salinas General Plan Economic Development Element (Element) is an economic development strategy to achieve a vision of a united and sustained economic prosperity for Salinas. The strategy will identify policies, goals and objectives necessary to guide future public sector and private sector actions, and will contain a vision map, and list of recommended actions to ensure the vision becomes a reality. The Element is also a tool to better understand and define the baseline economic conditions and identify opportunities for cultivating a more prosperous and healthy Salinas.

This project is a fundamental first step to promote the diversification of the local economy including technology-based businesses. When implemented, the Element provides a concerted effort on the part of the City government and community to influence the direction of public and private sector investment in support of sustained economic growth.

The Element is being prepared in advance of a future City General Plan Update, and is subject to environmental review, California Environmental Quality Act (CEQA) process, public participation, City and regulatory approval processes.

More information available [here](#).

Plan on attending on Wednesday, October 16th from 6:30pm-9:30pm at Sherwood Hall in Salinas.

Considering Solar as an alternative energy source?

Federal stimulus money now available for new installations

Information on new programs providing funding mechanisms for solar energy installations is now available ... including Federal stimulus money, tax credits and incentives. The PACE program also provides funding to pay for new solar energy installations.

For more info, click [here](#).

To: Doug Yount, Project Manager- City of Salinas General Plan Economic Development Element

CC: EMC Planning Group

From: Kristina Chavez Wyatt, President- Farmhouse Communications

Subject: Community Outreach and Engagement Report- February 13, 2014

Per your request, the following is a top-line summary of the community outreach and engagement efforts completed to date in support of the City of Salinas General Plan Economic Development Element (EDE) as conducted by Farmhouse Communications and the EDE Outreach & Engagement Team including project staff, the Salinas Planning & Research Corporation (SPARC), Communities Organized for Relational Power in Action (COPA) and Building Healthy Communities.

The goal of the community outreach component of the City of Salinas Economic Development Element is to reach and effectively engage the diverse Salinas community via council member district and neighborhood leadership, stakeholder organizations and the community at large. Critical to this work has been the collaboration with internal and external stakeholders to maximize impact and utilization of time, energy and resources.

Summary and detailed description of the process:

- Developed a strategy and mechanisms for the organization of a grassroots, community wide outreach program including key stakeholders within the Salinas region, City board, committees, committees, Latino/Spanish speaking community, public agencies, business and community organizations.
 - Developed and managed of a custom stakeholder contact and analysis database of 705 individuals, representing nearly 341 agencies/interest groups.
 - Coordinated efforts of the Salinas General Plan Economic Development Element Project Community Outreach & Engagement Team including City Staff, Project Manager Doug Yount, Peter Kasavan, representing the Salinas Planning and Research Corporation (SPARC), Joaquin Sanchez for Communities Organized for Relational Power in Action (COPA) and Beth Altshuler of Raimi + Associates on behalf of Building Healthy Communities.
 - Implemented Community Outreach & Engagement Tools:
 - Public, Small Group and Individual Meetings, interviews and communications
 - Web Pages in English and Spanish
 - Surveys in English and Spanish- hard copy
 - Traditional and Social Media- press releases, calendar advisories, media outreach
 - Individual Communications: e-newsletters, direct mail, flyers, telephone, web calendaring
 - Grassroots Collaboration
- Mobilized the key stakeholders- community leaders, neighborhood groups, organizations, faith, education and business communities.
 - Working with City staff and project team to orient the Mayor and Council and work to engage their constituencies utilizing various communications tools and relational connections,
 - Identifying key leaders and stakeholders in the diverse Salinas community and the various mechanisms to orient and engage them in the project,
 - Accounting for contact, response and engagement via database management,
 - Facilitating the development and distribution of project information and communications in English and Spanish, and
 - Coordinating presentations and focused interview sessions.
- Ensured consistency with new City branding- Logo, Taglines, Storyline Development-
 - Building on PR branding and marketing work conducted for the City by consultants including Avant Marketing, Boots Road Communications, Development Counsellors International and the Steinbeck Innovation Cluster.

- **Project Presentations Delivered to:**
 - Salinas United Business Association (SUBA)
 - Salinas Valley Chamber of Commerce
 - Oldtown Salinas Association
 - Rotary Clubs of Salinas and Salinas, Alisal
 - City of Salinas Department Directors
 - Chinatown Community Board
 - Monterey County Association of Realtors- Local Government Relations Committee
 - Monterey County Farm Bureau Board of Directors
 - Grower-Shipper Association & Monterey County Farm Bureau Land Use Committees
 - Salinas-based Agricultural Industry Leaders
 - California State University Monterey Bay
 - Hartnell College

- **Interview Sessions- Individual and Focused Groups Conducted with:**
 - Business Organizations:
 - Salinas Valley Chamber of Commerce- Board of Directors, Gov't Relations Council, Business Development Task Force, staff
 - Oldtown Salinas Association- Board of Directors, staff
 - SUBA- Board of Directors, staff
 - Steinbeck Innovation Cluster
 - Land Owners, developers, representatives- future growth area, Brian Finegan, Richland Communities, Chris Steinbruner, Mark Kelton, Ray Harrod, Jr., Thrust IV, Andrew Ausonio
 - Monterey County- Resource Management, Ag Commissioner & Economic Development Departments
 - Organized Labor- Building & Construction Trades, IBEW, Carpenters, Central Labor Council
 - Affordable housing, land use and healthy communities- CHISPA, Monterey County Health Department, Center for Community Advocacy (CCA), Building Healthy Communities/California Endowment, Action Council, Central Coast Center for Independent Living, Community Foundation for Monterey County, Salinas LULAC
 - Sustainability/environment/conservation- LandWatch, Ag Land Trust, Big Sur Land Trust
 - Safety & Jobs- Rancho Cielo, Monterey County Hospitality Association, Monterey County Joint Gang Task Force
 - Agriculture / Land Owners- Monterey County Farm Bureau, Grower-Shipper Association of Central California- Land Use Committee, Ag Against Hunger, California Women for Agriculture- Salinas Valley Chapter, Central Coast Young Farmers and Ranchers, companies- Taylor Farms, Nunes Cooling, GreenGate Fresh, UniKool, Tanimura & Antle, Pacific International Marketing, Huntington Farms, Driscoll, Triangle Farms, Royal Rose,
 - Education- Salinas High School District, Hartnell College, CSUMB
 - Retail- Harden Ranch, Northridge Mall, Shaw Development, Auto Center tenants
 - Construction- Belli Architectural Group, Kleinfelder, Graniterock, Don Chapin Company, Ausonio Construction, American Institute of Architects- Monterey Bay Chapter, Salinas Valley Chamber of Commerce Business Development Task Force, Monterey County Permit Streamlining Committee
 - Health Care & Wellness: Salinas Valley Memorial Hospital, Natividad Hospital, Monterey County Health Department, Central Coast Center for Independent Living
 - Public agency staff- LAFCO, TAMC
 - Faith and Community Organizations:
 - St. Mary of the Nativity Catholic Church
 - Sacred Heart catholic Church
 - CSUMB Service Learning Institute
 - St. George's Episcopal Church

- **Community Event Information and Engagement Booth:**
 - Ciclovía outreach, engagement & activity booth was coordinated by Building Healthy Communities on Sunday, October 6 10AM-2PM (see summary report)

- **Public and Community Workshops Hosted:**
 - Promoted and managed via:
 - Drafting and circulating press release, social media announcements.
 - Placing meeting notices & information in organizational and community newsletters (Salinas Valley Chamber of Commerce, SUBA, Monterey County Farm Bureau, etc.)
 - Designing, distributing and posting flyers to encourage participation in workshops.
 - Identifying what communications require distribution in Spanish, managing the development and distribution of such communications.
 - Coordinating meeting facilities throughout the City- contracting, equipment, refreshments, sign in

- **Resource Group #1** Wednesday, August 28 630-9PM National Steinbeck Center
 - 57 Attendees, 305 direct invitees (via email, organizational announcements)
 - Attendees Represented: City of Salinas, Salinas Valley Chamber of Commerce, SUBA, Oldtown Salinas, Salinas Planning & Research Corporation (SPARC), Faith Community, Developers, Regulators- MBUAPD, Monterey County Business Council, Public interest- COPA, CHISPA, CCA, CA Endowment, Mo Co Health & RMA Salinas Neighborhood Association, Salinas Downtown Community Board / Chinatown renewal, Sustainable Salinas, Arts, Business owners/managers, Education, Agriculture, Labor, Utilities- CalWater, SVSWA, Republic Services, Representative for Assemblymember Alejo, Finance, Real Estate, Construction, Bill Carrothers, Council member Tony Barrera

- **Resource Group #2** Monday, September 23 6:30pm-9pm Cesar Chavez Library
 - 54 Attendees, 388 direct invitees (via email, organizational announcements)
 - Attendees Represented: City of Salinas, COTR, Comunidad Cristiana, Landwatch Monterey County, Building Healthy Communities, Police Advisory Committee, California Rural Legal Assistance, Poder Popular, L+G Attorneys, Salinas Valley Chamber of Commerce, Salinas Planning & Research Corporation (SPARC), Oldtown Salinas Association, Redevelopment Advisory Committee, Airport Commission, County Health Department, Historic Resource Board, Realtor, Monterey County Business Council, Blue Ribbon Task Force, Center for Community Advocacy, Dorothy's Place/Chinatown, Northridge Mall, Measure V Oversight Committee, Library & Community Services Association, Salinas Neighborhood Association, Farm Bureau, Design Review Board, Salinas Valley Memorial Hospital, SVSWA, US Green Building Council- Monterey Bay Chapter, Hartnell College, Bill Carrothers, Council Member Tony Barrera.

- **Resource Group #3 / Public Workshop**
 - 72 attendees, 457 direct invitees, publicly noticed and promoted (via email, organizational announcements, social and traditional media outlets)
 - Attendees Represented: City of Salinas, residents and business owners, commercial property brokers & owners, planning/engineering consultant, land use attorney, Traffic & Transportation Committee, construction, developers, agriculture, SVSWA, Center for Community Advocacy, Salinas Planning & Research Corporation (SPARC), Monterey County Business Council, US Green Building Council- Monterey Bay Chapter, Buddhist Temple of Salinas, Northridge Mall, Cooley Development, Shaw Development, Sustainable Salinas, realtor, bank, Bill Carrothers, Joe Vierra, Hans Jongens, Univision, The Salinas Californian, Council Members Kimbley Craig and Steve McShane
 - Media: The Salinas Californian, Univision TV

- **Resource Group #3 / East Salinas Spanish-only Public Workshop** coordinated in cooperation with Building Healthy Communities December 11 Cesar Chavez Library (see BHC report for summary)

- **Resource Group #4 / Preliminary Draft Plan Review** Thursday, January 16 6:30PM-9PM Northridge Mall Community Meeting Room- catered by BJs Restaurant & Brewhouse and Northridge Mall businesses
 - Meeting preceded by a hosted Salinas Valley Chamber of Commerce membership mixer, 60 attendees.
 - 40 meeting attendees, 538 direct invitees, publicly noticed and promoted
 - Attendees Represented: City of Salinas- staff & commission members, Office of Monterey County Supervisor Simon Salinas, Office of Assemblymember Luis Alejo, Monterey County Health Department, US Green Building Council, Center for Community Advocacy, Shaw Development, California Endowment, Community Foundation for Monterey County, Northridge Mall, CHISPA, Hayashi & Wayland, Central

Coast Center for Independent Living, JNM Commercial Real Estate, CSUMB Small Business Development Center, Monterey County Farm Bureau, MKM Farms, Harden Ranch

- Media: The Salinas Californian, Out-And-About Magazine
- Traditional Media Outreach- orientation, editorial coordination with local and regional media outlets (SPARC, consultants, City staff and leadership). Development and distribution of press releases, media advisories and calendar alerts with direct contact follow-ups.
 - Salinas Californian & El Sol
 - Monterey County Herald
 - Monterey County Weekly
 - English TV- KION/KCBA, KSBW
 - Spanish TV- Univision & Telemundo
 - English Radio- KION 1460AM, NPR/KAZU 90.3FM
 - Spanish Radio- KHDC Radio Bilingue, La Preciosa
- Social Media Outreach- Facebook notices, event promotion, proposal discussion
 - Developing, monitoring and managing of a Facebook event page, driving interest to the City website.
 - Cross-posting to:
 - City of Salinas Facebook (unknown administrator/owner)
 - Salinas Valley Chamber of Commerce
 - Salinas Neighborhood Watch
 - Rotary Club of Salinas
 - Salinas Valley Democrats
 - Monterey County Young Professionals Group
 - Monterey County Farm Bureau
 - Salinas Valley Business Women's Network
 - Salinas LULAC
- Launched a Constant Contact (online mass email marketing program) email newsletter event invite development and distribution program- securing online account, acquiring contact data, developing and designing content for distribution, tracking open rates, etc.
 - Worked with city IT staff to ensure distributions sourced from City staff email address and safe delivery to City email addresses
- Webpages in English & Spanish- Collaborated with the project team and city staff (IT & Planning) and City contractor on retainer, Boots Road Communications to develop project and community engagement pages on the City economic development website BusinessinSalinas.com.
 - Project Fact Sheets, Timelines
 - Staff Reports
 - Surveys
 - Meeting and Presentation Files
 - Outreach Summaries, Media Clips, Press Releases
- Survey- Circulated community survey instrument to inspire and coordinate response.
 - Worked with the project team to refine interview/survey instrumentation and Spanish translation.
 - Working through various communications avenues to distribute surveys.
 - Tracked response, encouraged completion and facilitated submission
- Coordinated, organized and supported EDE team, SPARC, COPA efforts with the City Council, leadership, staff-
 - Compiled general information and disseminate to community, targeted constituencies via- traditional (print, radio) and social media, City website, email newsletters & notices, utility billings, word-of-mouth, direct mailings, flyers, community bulletins, meeting announcements etc.
 - Comprehensive information kit materials developed in English & Spanish
 - Project Fact Sheet
 - Project Timelines

Salinas EDE Media Summary

Spanish TV

KSMS TV 67 Univision October 15 6:05PM <http://www.ksmstv.com/2013/10/17/desarrollo-economico/>

(Entravisión) Salinas, CA., La municipalidad de Salinas organizó reunión comunitaria para invitar a la población en general para participar en el proceso del plan de desarrollo económico.

Telemundo 23 <http://www.telemundo23.com/story/23365389/city-wants-salinas-to-prosper-with-economic-plan>

Spanish Radio

Erica Padilla-Chavez was interviewed Tuesday, October 15 from 10:30am-11am on KHDC 90.9 FM Radio Bilingue where she promoted the workshop, encouraged participation and fielded calls from community members and business owners.

English TV

TV KION 46/KCBA 35

<http://www.kionrightnow.com/global/video/flash/popupplayer.asp?vt1=v&clipFormat=flv&clipId1=9420983&at1=News&h1=SALINAS%20ECONOMIC%20DEVELOPMENT&flvUri=&partnerclipid=&rnd=27483060>

<http://m.kionrightnow.com/w/localnews/story/99233292/>

<http://www.kionrightnow.com/Global/story.asp?S=23365389>

English Print

Monterey County Herald: Salinas looking for public input on economic development

Goal is to gain input on strategy By JIM JOHNSON

Posted: 10/15/2013 05:30:15 PM PDT

http://www.montereyherald.com/localnews/ci_24317522/salinas-looking-public-input-economic-development#

With creation of a "roadmap for the future prosperity" of the city well under way, Salinas residents will get a chance to have their say.

The city and its consulting team will host a public workshop Wednesday to solicit community input on the city's draft economic development element, which will precede a planned update of the Salinas city general plan. The workshop is 6:30 to 9 p.m. in the Santa Lucia Room of the Salinas Community Center at Sherwood Hall, 940 North Main St. in Salinas.

Doug Yount, the city's economic development element project manager, said the goal is to get input on a strategy for "sustainable prosperity, based on our natural strengths and future opportunities to ensure a healthy and safe community."

Yount, a former Marina city official, was hired as an independent consultant by the city earlier this year to guide the \$300,000 planning effort. It is being funded by a combination of Capital One funds and city general fund money.

The workshop will feature an update from the city's economic development element team of city staff, consultants led by the EMC Planning Group, resource group participants and the community sponsor — the Salinas Planning and Research Corporation (SPARC).

Wednesday's workshop is the only one scheduled as part of a broader public outreach effort aimed at developing a vision to guide the city's economic development strategy. That includes future city council public hearings, meetings of city committees, commissions and boards, and community group presentations and other public events.

Yount said the draft is expected to be a comprehensive strategy designed to guide the full range of city policies. Rather than simply a policy document, Yount said, the element will include economic development plans that implement its core strategies, goals and priorities, as well as a set of key economic indicators to gauge progress.

"What's really important is this is not a plan that will be put on the shelf," public outreach consultant Kristina Chavez Wyatt said. "This is going to directly affect (the city)."

A focus of the economic development process has been on developing agricultural technology to diversify the city's economy, as well as improving the city's business atmosphere through efforts to create a healthier and safer community.

The goal is to approve a draft element by the spring, about a year after the process began, followed by a required full environmental impact report, which has not been paid for.

For information, see www.businessinsalinas.com/About-Us/City-of-Salinas-General-Plan-Economic-Development.aspx.

Salinas Californian: Salinas seeks public's input for economic future
Written by D.L. Taylor
October 15, 2013 (see attached)

Salinas Californian: An ambitious economic project
Salinas is driving foundation of written policies to carry it forward for decades
Written by D.L. Taylor
September 4, 2013 (See attached)

Salinas Californian: Salinas Economic Vision Taking Shape
Written by Dennis L. Taylor (see attached)

Calendar listings

Monterey County Weekly

http://www.montereycountyweekly.com/calendar/event_6a274e2c-3106-11e3-9d4b-0019bb30f31a.html

Salinas Californian

<http://search.thecalifornian.com/localevents/event/100/39387-Salinas-Public-Workshop-Proposed-General-Plan-Economic-Development>

KAZU NPR 90.3 FM

<http://events.publicbroadcasting.net/kazu/events.eventsmain?action=showEvent&eventID=1433960>

Facebook

<https://www.facebook.com/events/241688195980899/>

THE SALINAS A GANNETT COMPANY

Californian

Today's
forecast, 16A

72°
High
Low
55°

theCalifornian.com

theCalifornian.com/twitter

theCalifornian.com/facebook

NEWS, 3A

Local anti-war
group plans
Syria protest



SPORTS, 13A

Hartnell
football
tackles 2013

LIVING, 1B

Mirror image
binds mothers
& daughters

September 4, 2013

Wednesday

Serving Monterey County Since 1871

An ambitious economic project

Salinas is driving foundation of written policies to carry it forward for decades

By D.L. Taylor

dtaylor@thecalifornian.com

An ambitious project with a lofty goal of creating more jobs and luring more businesses is underway in the city of Salinas, a project that will not just set

goals, but carry the weight of written policy.

Called the Economic Development Element, the plan will eventually be a "chapter" or element in the city's updated General Plan, which directs everything from growth and zoning to

investments and land use. General Plans are typically updated every 10 years, and Salinas' plan was last updated in 2002.

"It will be a set of policies and actions that are designed to ensure the future prosperity of Salinas," said Doug Yount, the pro-

ject manager and a consultant for the city.

Last week the group devising the element sat down on back-to-back days to interview "resource groups" – representatives from a number of facets of the broader Salinas community.

Education, youth programs, public safety, business, labor, housing, public health and the environment are among the interests the group is seeking input from. Yount said the more than 300 invitations were sent out to a diverse group of commu-

See PROJECT, Page 3A

Project

Continued from Page 1A

nity leaders and advocates.

The need for an economic development element in the General Plan has been championed by Salinas City Manager Ray Corpuz.

"Salinas has a city manager who understands and has been successful in economic development in other communities," Yount said.

Corpuz has gathered together a team composed of Yount and Ian Wolfe Ross, principal of City Design Collective in Oakland, an urban design firm that assists cities in developing a vision of their futures based on their physical, economic and cultural assets. The firm also prepares policies and regulations city councils can adopt to implement the visions.

"We are looking at the region and seeing what economic trends can position the city well in these trends," Ross said. "The agricultural base is the driving the economic force, so we would want to maximize the role of

Salinas in that strategic position."

Also on the development team is Erica Padilla Chavez, who heads up outreach, collaboration, health elements and policy development for the Monterey County Health Department; Michael Groves, principal of EMC Planning in Monterey; Joaquin Sanchez, lead organizer for Communities Organized for Relational Power in Action; Alfred Diaz-Infante, president of CHISPA, the Salinas affordable housing organization, and Peter Kasavan, a Salinas architect representing the Salinas Planning and Research Corporation.

As an example of how the process incorporates the various elements of the community, Padilla Chavez notes that economics play a key role and is a determinant of the health and well being of a community.

"Research shows that when a community has a strong, diverse economy, opportunities present themselves to live a healthy life," she said. "When you bring a strong economy to a household, you increase access to health services. Econom-

ic opportunity is a determinant of health."

The development group will continue to hold resource group meeting through September and October, while also developing a preliminary "vision map." By November a final draft of the vision plan will be in place and a month later a draft Economic Development Element will be ready to put out for public review. Comments and concerns will be gathered and put in a final draft by March that will be ready to put in front of the City Council, which will provide direction for a final document.

Of course, all the various stakeholders have their own priorities and visions of how to develop, sustain and revitalize the Salinas economy. But Yount noted that common themes tend to come out in the planning process.

"Our hope is that the themes will lead to consensus," he said.

Dennis L. Taylor writes about economic issues for The Californian. Follow him on Twitter @taylor_salnews.



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#PositiveSalinas: City Wants Salinas to Prosper With Economic Plan

Posted: Sep 06, 2013 7:06 PM PDT

Updated: Sep 06, 2013 7:40 PM PDT

By Cassandra Arsenault - [email](#)

SALINAS, Calif - The Economic Development Element Plan has been in the works since June. The main focus of the plan is safety, jobs, and health. These three areas are the ingredients for a recipe of success for Salinas. Peter Kassavan and Doug Yount, both heavily involved in the project, say this program is unlike past economic plans because they encourage public participation.

Doug Yount says, "We want to get as many viewpoints, interest, and opinions surveyed so that we can put those into the plan. This plan will rely heavily on what the community needs and wants."

This plan is different because they want to focus on every corner of Salinas, so that every area is being used to it's full potential. In the past, Salinas has had opportunities slip through it's fingertips.

"An Ag-Tech company looked into coming to Salinas, and this is where they wanted to be, but Salinas couldn't accommodate them, so they moved to Gilroy", says Kassavan.

Kassavan says this plan will help regulate land use policies to attract more business so that Salinas economy will prosper.

If you want to give your input, or be a part of the discussion [click here.](#)

Advertisement



The FDA has approved a solution for snoring & sleep apnea that does not require a cumbersome CPAP.



Hollister arrest records. Who do you know? You may be surprised! Search anyone!



How Seniors Can Scoop Up Free \$20,500 Checks (See If You Qualify)



New Rule in California: If you pay for car insurance you better read this...



What happens to your body when you take a free testosterone supplement?



Homeowners in California may be eligible for 2.75%(2.86% APR) refinance rate for most credit tynes

AROUND THE COUNTY

City sets economic development workshop

The city of Salinas plans to hold a public workshop from 6:30 to 9:30 p.m. Oct. 16 on the General Plan Economic Development Element.

The workshop will be held at the Salinas Community Center / Sherwood Hall Santa Lucia Room, 940 N. Main St.

The meeting will offer the opportunity to engage in exercises to help define community wellbeing, prosperity

and land use based on Salinas' natural strengths and future opportunities.

SVMH to offer 31 free mammograms

Salinas Valley Memorial Healthcare System and radiologists practicing at SVMH's Nancy Ausonio Mammography Center will be donating their time and expertise this month to provide 31 screening mammograms at no cost to women in need.

The staff will provide the no-cost mammograms for low-income

women — one mammogram for each day of October, which is Breast Cancer Awareness Month.

The outreach project was created three years ago as a way to improve health care options to women in the community who might otherwise go without this vital service.

Women who qualify as low-income and are interested in this program should contact their physician, who can refer them for a free screening at the Nancy Ausonio Mammography Center.

THE SALINAS A GANNETT COMPANY
Californian

Today's forecast, 10A

77° High
 47° Low

theCalifornian.com
 theCalifornian.com/twitter
 theCalifornian.com/facebook

LOCAL NEWS, 3A
More Ord burns slated this week



SPORTS, 7A
Mattingly, LA all smiles in Game 3 win

LIVING, 1B
Pumpkin soup rules in chilly October

October 15, 2013

Tuesday

Serving Monterey County Since 1871

Salinas seeks public's input

Leaders of a major economic development project want the public to weigh in

By D.L. Taylor
 dtaylor@thecalifornian.com

Economic experts have their vision of a future Salinas, now it's the public's turn.

Leaders from an ambitious project to create more jobs, lure more businesses to Salinas and set the foundation for sustainable economic growth for decades to come will turn to the public Wednesday for its views and suggestions on the best ways to capture and grow the

city's natural economic drivers. The city of Salinas will host the workshop on the proposed Economic Development Element of the city's General Plan - or EDE - from 6:30 p.m. to 9 p.m. Wednesday in the Santa Lucia Room of the Salinas Community Center/Sherwood Hall, 940 North Main Street.

Attendees will receive a project update from city staff, consultants and the sponsor, the Salinas Planning and Research Corporation, or SPARC. The

project includes economic attributes not often associated with business development, such as creating a sense of well-being and prosperity among residents of Salinas. In that vein, attendees will participate in exercises to help define what constitutes well-being and prosperity among workers.

Spanish translation services will be available.

"We are seeking input on sustainable prosperity, based on our natural strengths and future opportunities to ensure a healthy and safe community," said Doug Yount, the project manager and a consultant with

the city.

So while avenues such as agriculture technology will be explored, so will public safety and health of the workforce and the families of workers that will be at the heart of any sustainable economic growth. The plan will eventually be a "chapter" or element in the city's updated General Plan, which directs everything from growth and zoning to investments and land use. General Plans are typically updated every 10 years, and Salinas' plan was last updated in 2002.

That aspect of the project is important because once it becomes part of the General Plan,



Doug Yount

it will carry the weight of written policy that will direct current and future elected officials. In addition to SPARC and Yount, other regional consultants include EMC Planning Group; Applied Development Economics; Economic and Planning Systems, Inc.; Farmhouse Communications; and City Design Collective.

The strategy will identify
See INPUT, Page 3A

Input

Continued from Page 1A

policies, goals and objectives to guide both public sector and private sector actions, and will contain a vision, land-use map and list of actions to make sure the ultimate vision becomes reality. The Element will also be tool to clearly understand what the economic conditions affect Salinas.

During the past couple of months, the EDE team has assembled “resource groups” comprising representatives from education, youth programs, public safety, business, labor, housing, public health and the environment to understand what their needs and concerns are.

“The City Council is committed to working with the community in planning for our city’s future,” said Salinas Mayor Joe Gunter. “We want to make sure people have every opportunity to get involved and help us all succeed together.”

Also on the development team is Erica Padilla Chavez, who heads up outreach, collaboration, health elements and policy development for the Monterey County Health Department; Michael Groves, principal of EMC Planning in Monterey; Joaquin Sanchez, lead organizer for Communities Organized for Relational Power in Action; Alfred Diaz-Infante, president of CHISPA, the Salinas affordable housing organization; and Peter Kasavan, a Salinas architect with SPARC.

Ian Wolfe Ross, principal of City Design Collective in Oakland, an urban design firm that assists cities in developing



Ian Wolfe Ross, principal of City Design Collective in Oakland, advocates for leveraging the agriculture base in Salinas. PROVIDED/CITY DESIGN

a vision of their futures based on their physical, economic and cultural strengths, said agriculture is a leading contender upon which the local economy can build.

“We are looking at the region and seeing what economic trends can position the city well in these trends,” Ross said. “The agricultural base is the driving the economic force, so we would want to maximize the role of Salinas in that strategic position.”

For example, a reoccurring theme so far in the process has been the opportunity to connect the Salinas Valley with Silicon Valley, both literally and figuratively (connecting the two valleys physically via a rail project is one of the goals). Through the Steinbeck Innovation Cluster, technology-based businesses, and so-called “ag-tech” in particular, are the coveted goals of any regional economic development effort.

The idea is to develop technologies that provide solutions to agriculture’s biggest challenges – nitrate contamination

of ground water, labor shortages, pesticide use and food safety are among the biggest problems. Borrowing a page from Silicon Valley’s playbook, economic development leaders here want to leverage the web of colleges, major agribusiness and an increasingly educated workforce to lure investment capital – the motor driving any economic endeavor.

And it just so happens that the global epicenter of venture capital is located just an hour or so north of Salinas.

By next month it is hoped a vision plan will be in place and a month later a draft Economic Development Element will be ready to put out for public review.

Comments and concerns will be gathered and put in a final draft by March that will be ready to put in front of the City Council, which will provide direction for a final document.

Dennis L. Taylor writes about economic issues for The Californian. Follow him on Twitter @taylor_Salnews.

Salinas looking for public input on economic development

By JIM JOHNSON Herald Staff Writer Monterey County Herald

Posted:

MontereyHerald.com

With creation of a "roadmap for the future prosperity" of the city well under way, Salinas residents will get a chance to have their say.

The city and its consulting team will host a public workshop Wednesday to solicit community input on the city's draft economic development element, which will precede a planned update of the Salinas city general plan. The workshop is 6:30 to 9 p.m. in the Santa Lucia Room of the Salinas Community Center at Sherwood Hall, 940 North Main St. in Salinas.

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"What's really important is this is not a plan that will be put on the shelf," public outreach consultant Kristina Chavez Wyatt said. "This is going to directly affect (the city)."

A focus of the economic development process has been on developing agricultural technology to diversify the city's economy, as well as improving the city's business atmosphere through efforts to create a healthier and safer community.

The goal is to approve a draft element by the spring, about a year after the process began, followed by a required full environmental impact report, which has not been paid for.

For information, see www.businessinsalinas.com/About-Us/City-of-Salinas-General-Plan-Economic-Development.aspx.

Jim Johnson can be reached at jjohnson@montereyherald.com or 753-6753.

Event Details

Salinas Public Workshop: Proposed General Plan Economic Development

Avg. Rating:

Sherwood Hall

940 N Main St., Salinas, CA 93906
Santa Lucia Room
Phone: 831.775.4246

Wednesday, Oct. 16 6:30 p.m. - 9:00 p.m.



[Add to my calendar](#)

Ticket Pricing: Complimentary

The workshop will feature an update from the team of City staff, consultants, EDE Resource Group participants and the community sponsor, Salinas Planning and Research Corporation (SPARC). Attendees will also engage in exercises to help define community wellbeing and prosperity. Spanish translation services will be available. We are seeking input on sustainable prosperity, based on our natural strengths and future opportunities to ensure a healthy and safe community.

[visit website](#)

Additional links: <http://www.businessinsalinas.com/About-Us/City-of-Salinas-General-Plan-Economic-Development.aspx>

Category(ies): [Business](#) ,23 [Community](#) ,23 [Neighborhoods](#) ,23 [Speakers](#) ,23 [Agriculture](#) ,23 [Meetings](#) ,23 [Public Safety](#) ,23 [Wellness](#) ,23 [Public Affairs](#) ,23 [Government](#)

North Salinas Family Friendly: Yes **Ages:** All Ages

Parking: Parking is available in the Community Center Parking lot.

Registration: No registration is required.

Sponsors: The workshop is sponsored by the City of Salinas, the Salinas Economic Development Element Resource Group subcommittee, the non-profit Salinas Planning and Research Corporation (SPARC), EMC Planning Group (EMC), Applied Development Economics (ADE), Economic and Planning Systems, Inc. (EPS), Farmhouse Communications, City Design Collective (CDC), and Communities Organized for Relational Power in Action (COPA) as well as City staff and Doug Yount, a project management consultant in the Community and Economic Development Department. A critical aspect of the development of the element includes a rigorous community and public agency outreach and engagement process aimed at developing a united vision for a prosperous, healthy community to guide the preparation of the Element. Participants in the process will include

leadership of the City of Salinas (elected and appointed officials, staff), regional regulators and public agencies, community leaders and community members.

Organizations: City of Salinas



Speakers: Doug Young, Project Manager, Pam Ross, City Design Collective, Peter Kasavan, SPARC Joaquin Sanchez, COPA Doug Svensson, ADE

Detailed Agenda: The workshop will feature an update from the EDE team of City staff, consultants, EDE Resource Group participants and the community sponsor, Salinas Planning and Research Corporation (SPARC). Attendees will also engage in exercises to help define community wellbeing and prosperity.

City and Community Economic Development
Programs and Projects

F

APPENDIX

Introduction

Below is a listing of existing program and projects related to economic development directly provided, sponsored or partnered by the City. Also listed are those programs that exist within the City of Salinas or in the surrounding area that serve the City of Salinas provided by other agencies that assist in reaching economic development goals and objectives. Finally, there is a list provided of economic development related policy modifications, organizational changes or initiatives already in progress that could lead to new programs and projects.

Directly Provided by the City

- Liaison/support for two Business Improvement Districts (OSA, SUBA), including annual assessments and City funding
- Liaison with the Chamber of Commerce, Government Relations Committee
- Economic Incentive and Investment Policy – provides revenue sharing as incentive for new development based on tax production performance goals
- HUD Section 108 Loan Program
- Grow Salinas Fund
- Opportunity Fund loan program
- Community Development Block Grant (CDBG) grants for eligible economic development activities
- Microenterprise loan program
- Business Retention and Expansion Program – Visitation Program, general assistance
- Small Business Assistance – Size Up program
- Business Attraction/Relocation – general assistance, demographic materials
- Consolidated/one stop building and development permitting and inspection services, business licensing inspections
- Website “businessinsalinas.com”

City Sponsored and/or Partnered

- Steinbeck Innovation Project and Foundation – Coder Dojo Salinas, Kauffman FastTrack Entrepreneurial Program, Steinbeck Innovation Center, Steinbeck Innovation Cluster – Precision Agriculture
- Partnership with National Development Council
- Monterey Bay Procurement Technical Assistance Center
- County of Monterey, City of Salinas, Growth MOU
- Hartnell College MOU
- Alisal Marketplace development – relocation of Sun St Transfer Station (SVSWA) and securing new Police Station site
- Taylor Farms office building development – shared parking

Provided by Others in the Local or Regional area

- “Destination Salinas” and Salinas 411.
- Cal Coastal loan program
- CSUMB Center for Innovation and Economic Development
- CSUMB Small Business Development Center (SBDC)
- Monterey County Workforce Investment Board – America’s Job Center of California, Virtual One Stop
- Center for Employment Training
- County of Monterey, Office for Employment, Training and Business Services
- TAMC Transit Oriented Development/Commuter Rail Station Project
- Hartnell College – STEM Academy; CSIT – In – 3 (with CSUMB); Center for Advanced Technology: AS Sustainable Construction; Green Building, Sustainable Design, Construction Management certificates; Auto/Diesel Tech, Computer Science; Nursing and Allied Health Programs; Summer Bridge Programs
- Monterey Peninsula College - Business — Multiple Sub-Disciplines (Certificate, A.S.) Computer Networking (Certificate, A.S.), Computer Software Applications (Certificate, A.S.)
- CSUMB – 3, 4 year academic degrees; CSIT – In – 3; BS in Nursing; Service Learning Projects;
- Local School Districts, such as Alisal, Salinas Union – Pathways to Careers Programs
- Programa Educativo para Agricultores (PEPA) - Farm Education Program, First Year Farmer Apprenticeship, Farm Business Incubator
- Agricultural and Land Based Training Association (ALBA)
- MIIS – Graduate degrees
- Naval Post Graduate School – Graduate degrees
- Salinas Adult School

Recent Policy and Organizational Initiatives Related to Economic Development

- General Plan, 2002
- Organizational Assessment of the Community & Economic Development Department, Citygate, 2013
- Downtown Vibrancy Plan, in progress
- Downtown Salinas Revitalization Concept Plan Report, Urban Design Association, 2009
- Future Growth Area Specific Plans/entitlement applications (West Area Specific Plan and the Central Area Specific Plan), in progress, submitted 2013
- China Town Rebound Plan, An Implementation Strategy for the Chinatown Renewal Project Plan, 2010
- Salinas Valley Economic Development Strategic Vision and Recommended Action Plan – FY2009-10 – City of Salinas, 2009
- Fresh Opportunities in the New Economy – Sustainability Initiatives in the Salinas Valley – Rocky Mountain Institute, _date___ _?
- Strategic Plan for Economic Growth 2030 – SPARC, 2010
- Redevelopment Plan Amendment Strategy, Siefel & Associates, 2010
- Retail Sales Leakage Reports, Buxton Associates, __date___?
- Salinas Ag Industrial Center Specific Plan – Uni-Kool Partners, 2009

- Monterey County Economic Development Strategy, SRI International, 2013
- Salinas Comprehensive Strategy for Community-wide Violence Reduction, 2013-2018

Strategic Partners

G

APPENDIX

Introduction:

Below is a preliminary list of potential strategic partners, the key Economic Development Strategy or Goal Area for partnership or collaboration, and the specific Action or project/program of interest. The list is only preliminary and a more complete list should be developed for all priority policies and action items within the Five Year Action Plan.

Action Item	Potential Strategy/Goal Area	Potential Primary Strategic Partner
Ag tech cluster development (ie precision ag/ag tech; eco tourism; aqua culture; research & development;)	Job Opportunities	CSUMB, Hartnell, NPS, Steinbeck Innovation Cluster, MBARI
3 year CS/IT program with Hartnell;	Workforce Development	CSUMB, Hartnell
East, West, South Expressways	Land use, Circulation, Infrastructure	County of Monterey, TAMC ,Ag Land Trust, Landwatch,
Commuter Rail connection; rail related TOD	Land use, Circulation, Infrastructure	TAMC, Downtown Property Owners, OSA
Downtown Vibrancy Plan	Land use, Circulation, Infrastructure	OSA, TAMC, Downtown Property Owners
Uni-Kool development (Salinas Ag-Industrial Center SP)	Land use, Circulation, Infrastructure	Uni-Kool, Growers Shippers Association, Farm Bureau
Coder Dojo	Workforce Development	Steinbeck Innovation Cluster, Hartnell College; High Schools
Alisal Marketplace	Land use, Circulation, Infrastructure	County of Monterey, Solid Waste Authority, Cooley Development Partners
Intermodal Rail/Trucking Facility	Job Opportunities	County of Monterey, TAMC, Union Pacific Railroad, Ag industry, Port of Oakland, CALTRANS, State of CA
Gateway signage and mural program	Retail, Entertainment and Tourism	CALTRANS, OSA, SUBA, TAMC
Prepare/maintain database of catalyst parcels	Neighborhood and Commercial Areas	Property Owners, Commercial/ Residential Brokers, Chamber of Commerce, SUBA, OSA
Improve existing parks and open space facilities...	Quality of Life	Neighborhoods, Recreation leagues/organizations, Landscape & Building contractors

Economic Indicators and Outcomes of Interest





March 21, 2014

ECONOMIC INDICATORS AND OUTCOMES OF INTEREST

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In Association with:

Building Healthy Communities



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INTRODUCTION

This report has been prepared as part of the process to develop an Economic Development Element (EDE) for the Salinas General Plan. The EDE is intended to provide a policy framework and an implementation plan for the City to achieve an economic vision for a prosperous, safe and healthy community. This report presents a number of indicators that identify economic, social and health conditions that increased economic prosperity can help to address in Salinas. The first part of the report presents recent trends for these indicators to establish a baseline of conditions the City will seek to improve through its implementation of the policies and programs included in the EDE.

The second part of the report provides some quantitative measures of how increased job development and higher paying employment opportunities can reduce unemployment levels, increase household incomes and enhance public revenues to help fund public services, facilities and amenities for the City's population. The report analyzes the overall effects of sustained job growth over the next 5, 10 and 20 year time horizons, as well as the longer term buildout of the existing City General Plan. In addition, the report provides a brief tool kit of information linking land use and business development with wages and fiscal impacts to help the City project the benefits of specific economic development projects as they occur in the future.

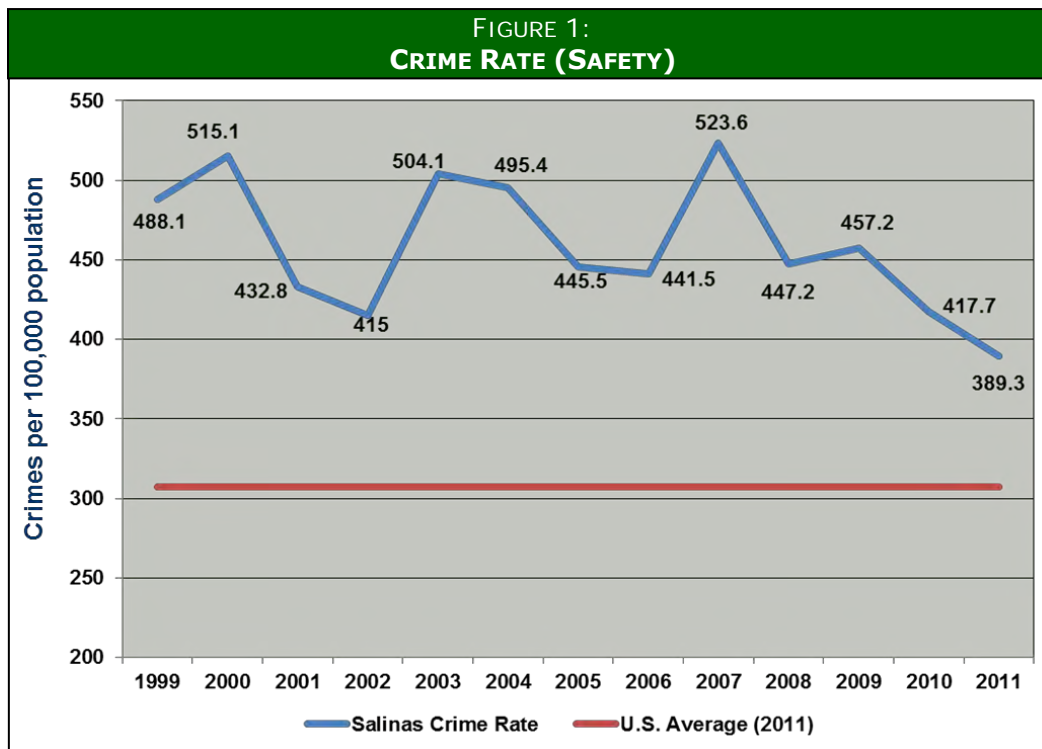
Although economic development has an indirect effect on a number of the social indicators included in this report, it is recommended the City monitor changes in the statistics and social conditions over time, so that it can measure its overall progress as it implements the specific projects and programs in the EDE. The EDE includes a regular evaluation process as part of the implementation plan and this report provides the data sources and baseline with which the City can maintain the evaluation system.

We would like to acknowledge the very helpful assistance of the Building Healthy Communities program, in particular Beth Altshuler, in preparing a number of the indicator graphs, particularly those related to health conditions in Salinas.

SALINAS ECONOMIC INDICATORS

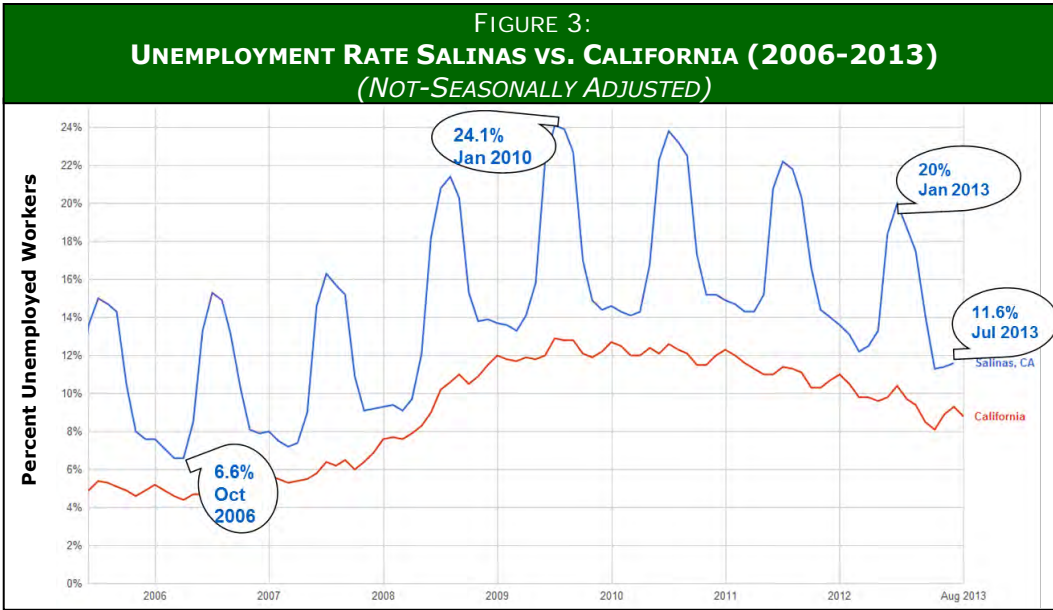
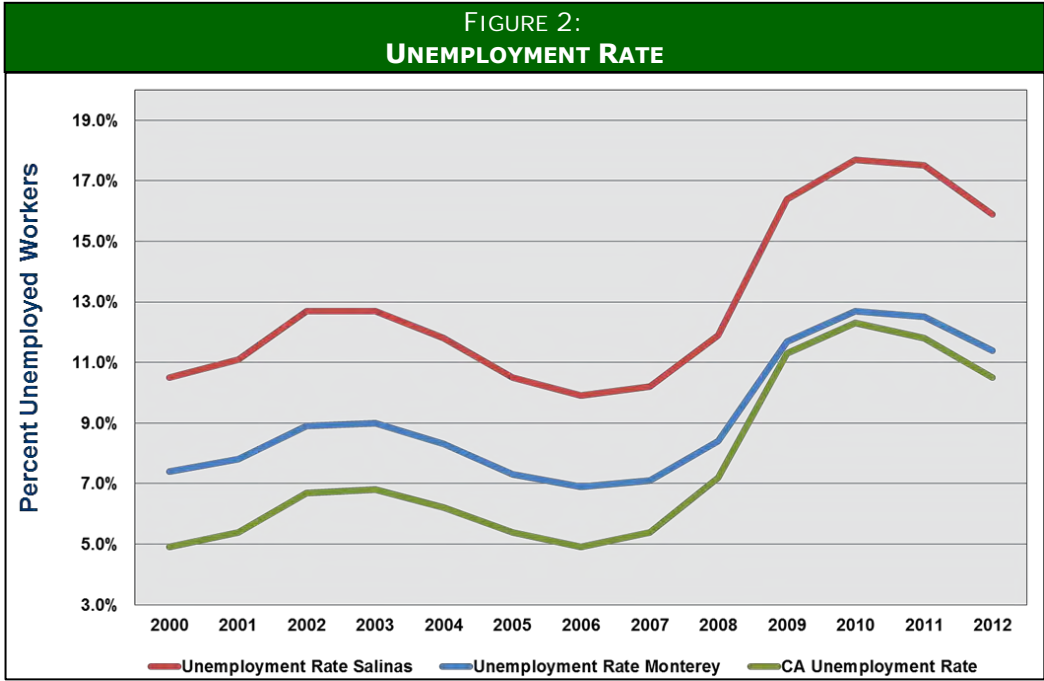
1. CRIME RATE

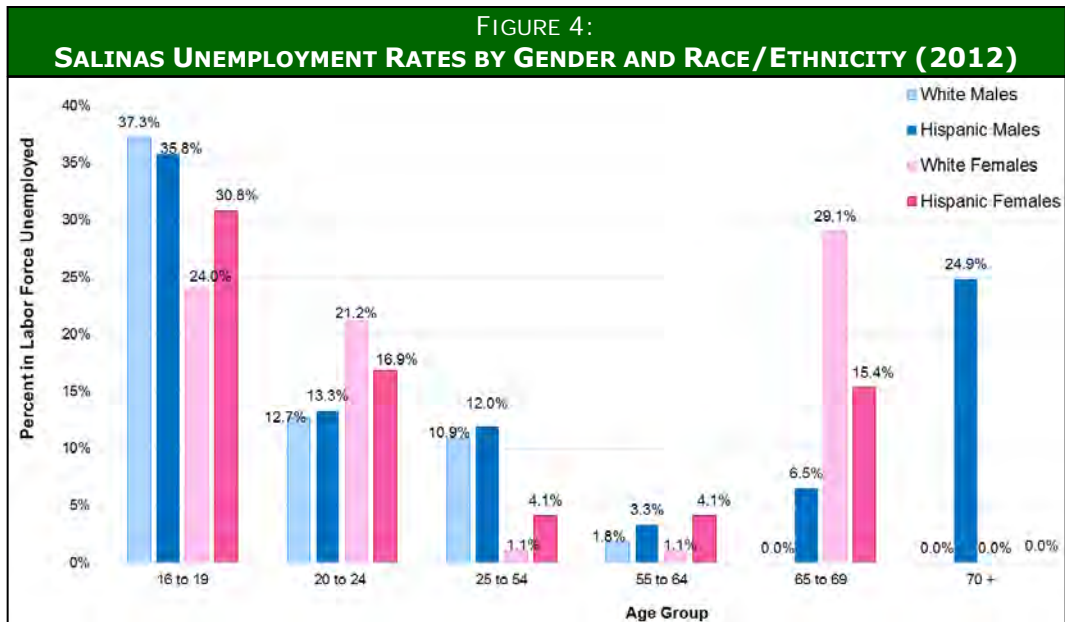
While the overall crime rate in Salinas is generally higher than the national average, the fluctuations in the rate coincide with increases in unemployment, as a comparison of Figure 1 and Figure 2 indicate. In Figure 1, the US average for 2011 is shown as a solid red line but in fact also fluctuates similar to the City rate.



2. UNEMPLOYMENT RATE

The City unemployment rate exceeds that of both Monterey County and California as a whole (Figure 2), but has been dropping since the peak in 2010. Figure 3 shows the extremely seasonal nature of unemployment in Salinas compared to the state as a whole, which is due to the nature of the agricultural employment that dominates the City's economy. There is also substantial variation in unemployment rates by age group and ethnicity (Figure 4). Unemployment among young people 16-19 years old is very high while the rates among the older age group from 55-64 are relatively low. In many cases Hispanic unemployment is higher than that for White workers, with some exceptions such as the female works in the 20-24 age group and the 65+ age group.

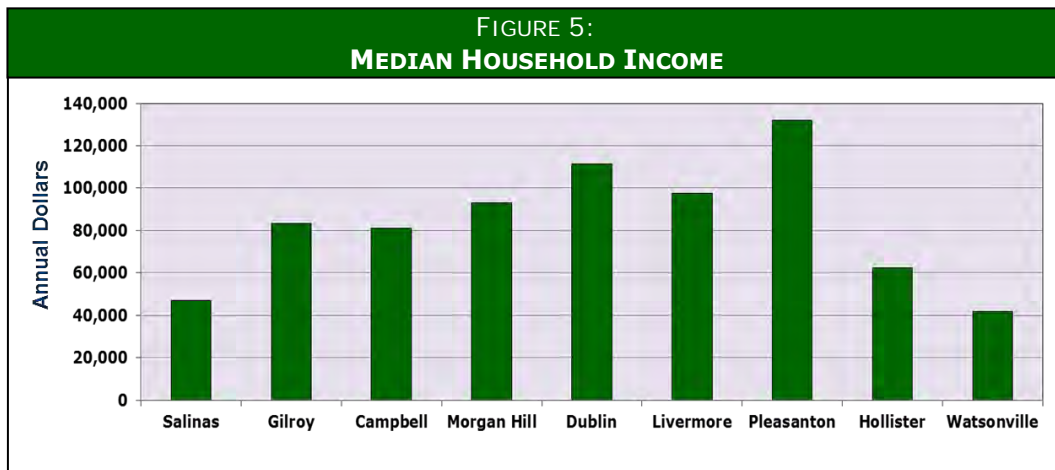




Source: BHC, based on U.S. Census Bureau, American Community Survey (2012)

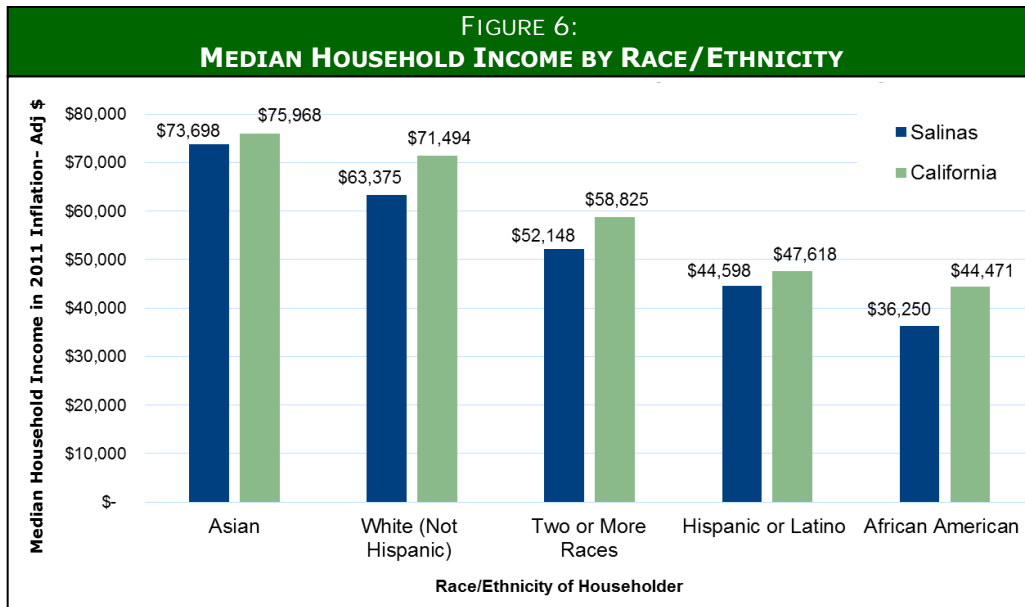
3. HOUSEHOLD INCOME

The median household income for Salinas in 2011 was about \$47,000. While this figure is higher than Watsonville it is lower than other competitive locations in southern Santa Clara County and eastern Alameda County, as shown in Figure 5 below.



Source: American Community Survey 2009-2011

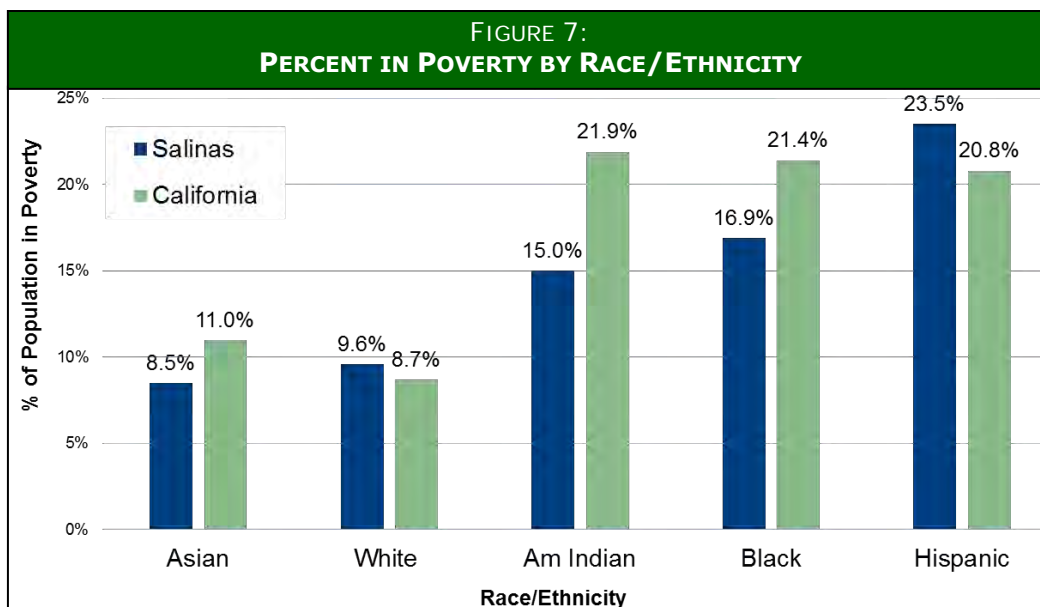
Median household income varies significantly by race and ethnicity, with Hispanic families generally earning lower wages due to their high proportion of employment in the agricultural sector. Salinas generally trails state income averages across all ethnic groups (Figure 6).



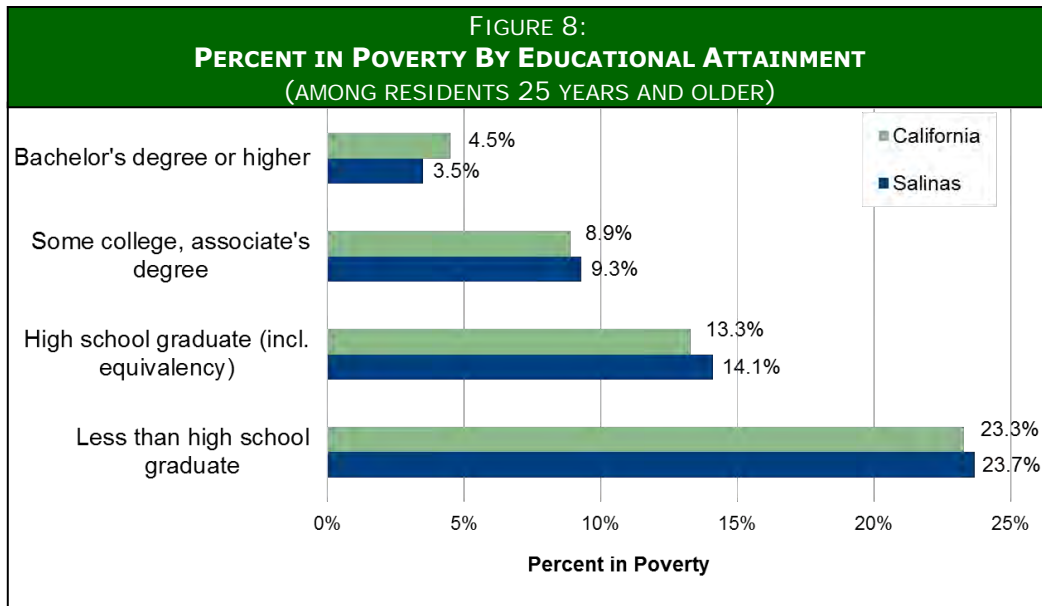
Source: BHC, based on U.S. Census Bureau, 2007-2011 American Community Survey

POVERTY LEVELS

The overall poverty rate for Salinas is estimated to be 22.3 percent, compared to 17.4 percent for Monterey County as a whole. As shown in Figure 7, poverty rates are higher for Hispanic, black and American Indian households than for White or Asian households. In addition, poverty rates are highly correlated with lower education levels (Figure 8).



Source: BHC, based on 2007-2011 American Community Survey 5-Year Estimates

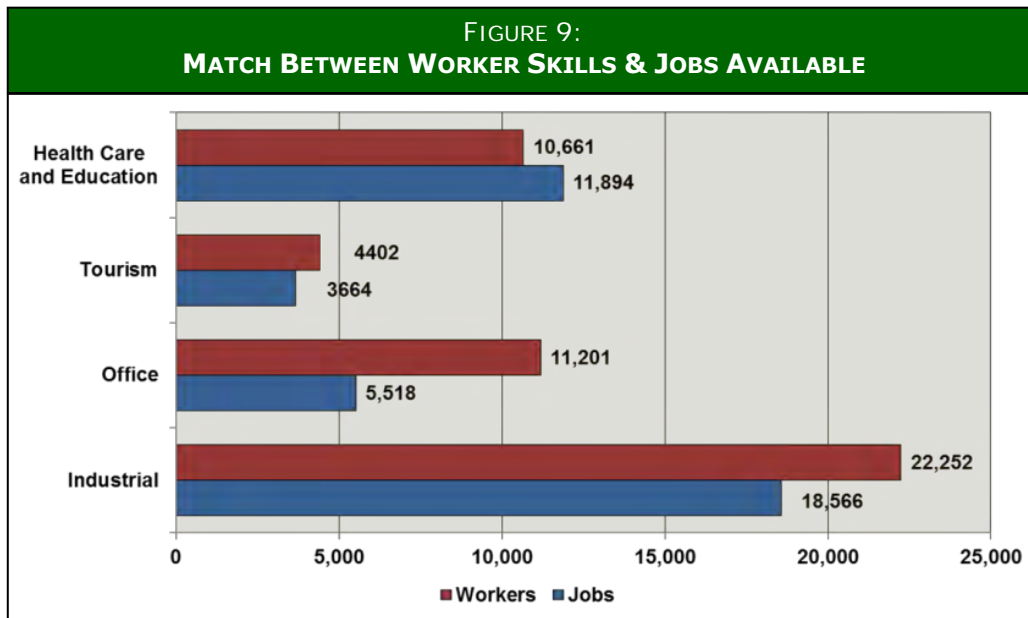


Source: BHC, based on 2007-2011 American Community Survey 5-Year Estimates

4. JOBS/HOUSING BALANCE

It is important to maintain a balance between the number of workers living in the City and the number of jobs available. This helps to maintain lower unemployment rates, reduces the needs for out-commuting and also provides a strong foundation for the City's overall tax base. Statewide, the goal has been to develop 1.5 jobs per household based on the fact that there are about 1.5 workers per housing units. In Salinas, there are about 1.45 workers per housing unit, but there are only 1.28 jobs per household, so the jobs base does not meet an adequate standard.

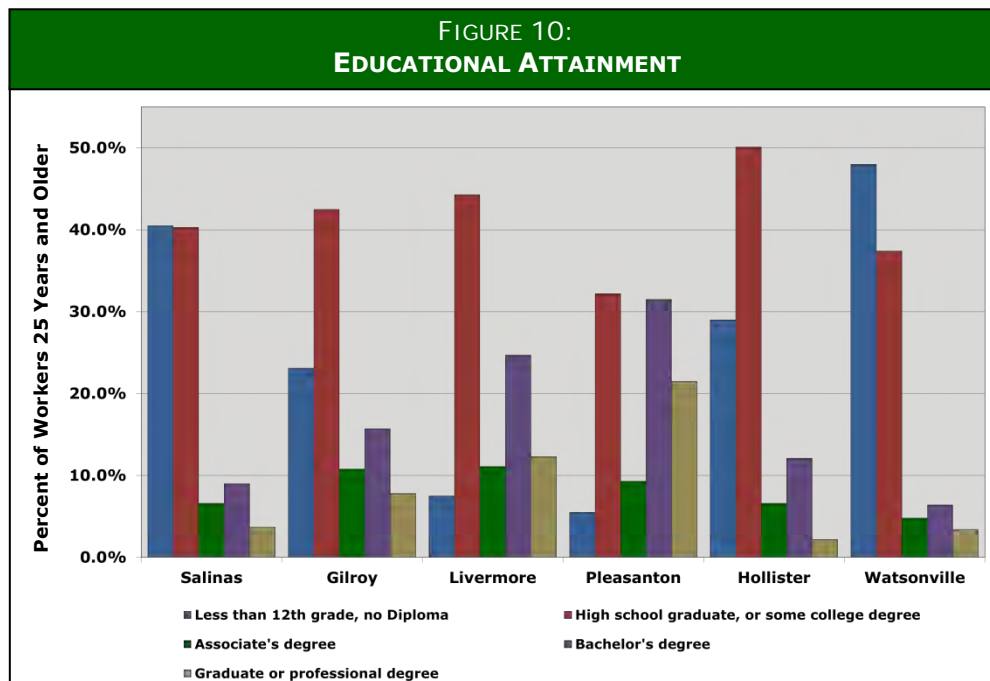
The balance between the total number of jobs and workers in the City is important, but in order to truly meet the needs of the workforce, the available jobs need to match workers skills and career interests. As shown in Figure 9. There are more jobs in education and health care in Salinas than there are workers to fill them, based on current employment levels. In contrast, there are many tourism jobs on the Monterey Peninsula that are filled by Salinas residents. There are also many more office workers residing in Salinas than the available jobs in office-based businesses. Many of these workers commute to Santa Cruz and Santa Clara counties. Finally, Salinas is home to many of the industrial workers in the County, and some of these jobs are located in food processing plants in other communities or in the unincorporated area.



Source: Local Employment Dynamics and American Community Survey

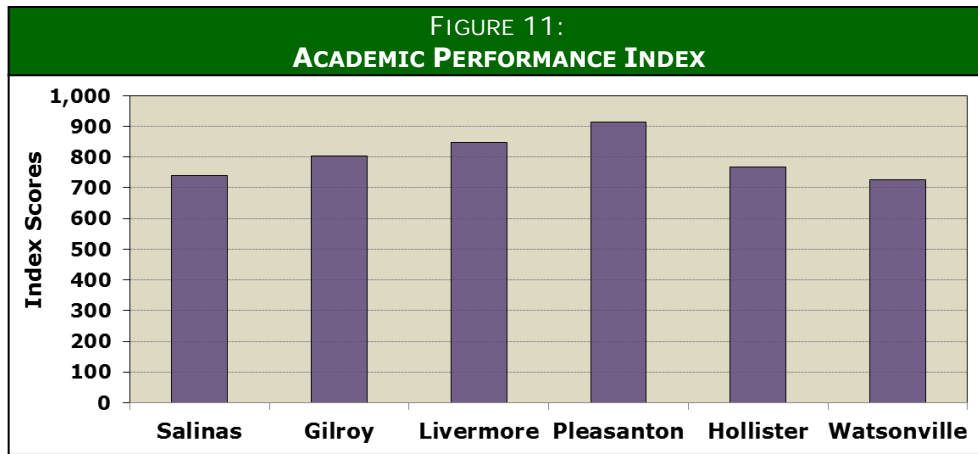
5. EDUCATIONAL LEVELS

Compared to other cities in the region, both Salinas and Watsonville have a higher proportion of workers with education levels at or below high school level and fewer college educated residents (Figure 10).



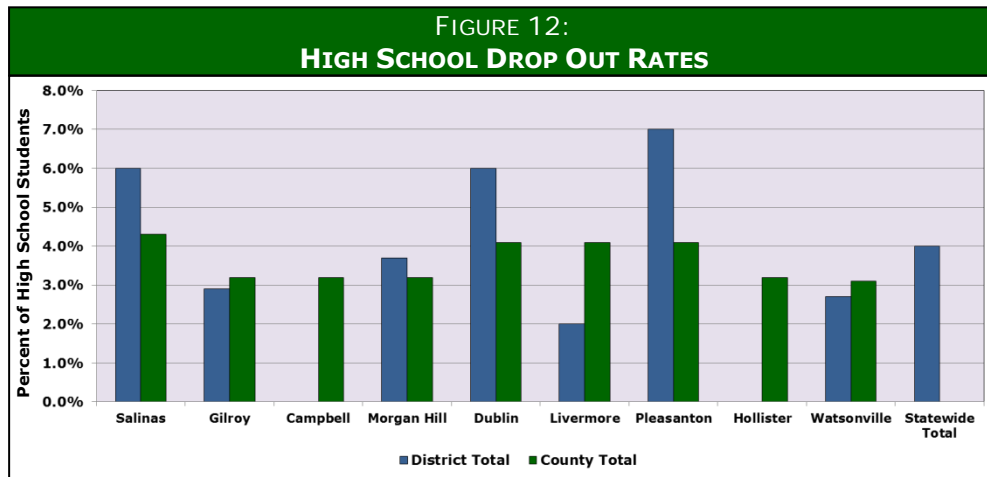
Source: American Community Survey

As a measure of overall academic performance in the local school system, Figure 11 indicates that Salinas is slightly lower than the other cities in the comparison group.



Source: CA Department of Education

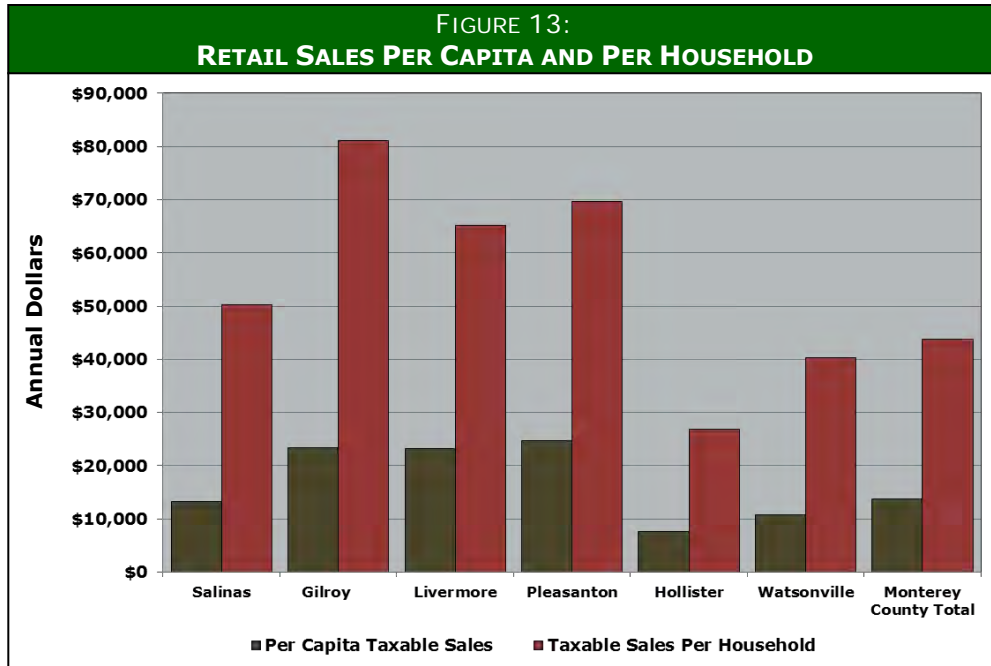
High school dropout rates in Monterey County are slightly higher than the statewide average of four percent. The rate in Salinas is six percent, which is higher than most of the cities but comparable to Dublin and Pleasanton in Alameda County.



Source: CA Department of Education

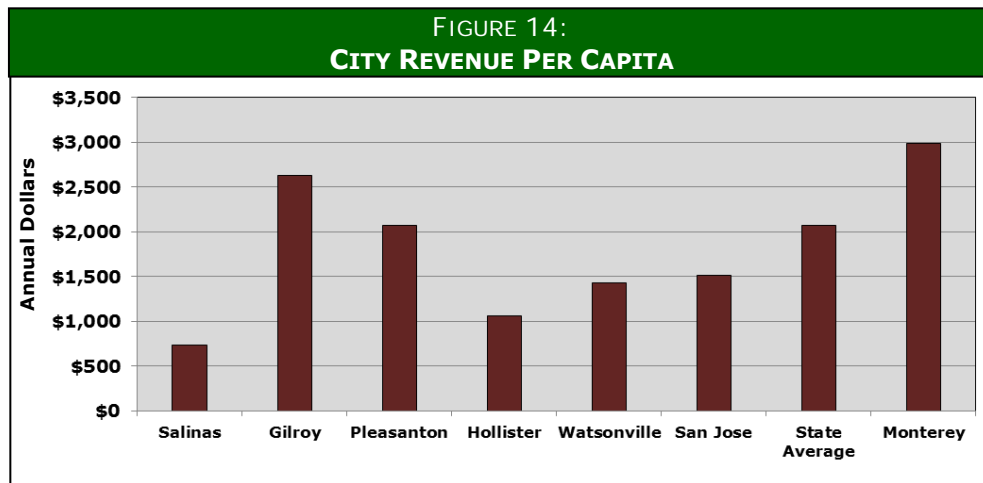
6. RETAIL SPENDING AND FISCAL REVENUES

Economic development enhances City tax revenues as well as private incomes and business sales. This is crucial to the City's ability to fund services and facilities for residential neighborhoods. Salinas is a retail center in the local region, outpacing the County as a whole on a per household basis (Figure 13).



Source: CA Board of Equalization and CA Department of Finance

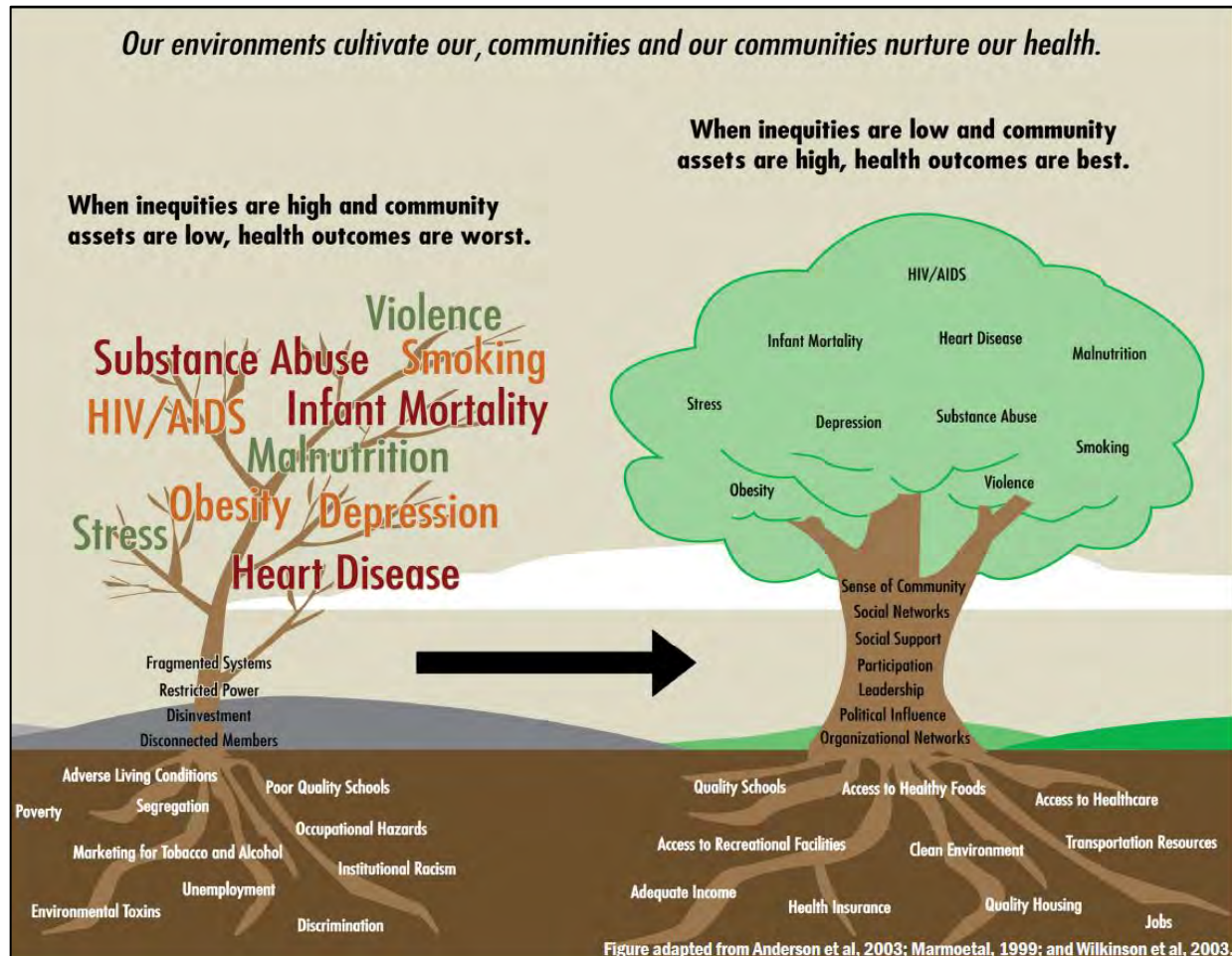
However, looking at total City revenues per capita, which includes the property tax, utility users tax and other revenues such as the lodging tax, Salinas has comparatively lower revenues for its population size (Figure 14).



Source: CA Controller's Office

7. HEALTHY COMMUNITY INDICATORS

The Building Healthy Communities Program has been working in Salinas in parallel with the Economic Development Element project and has developed a series of indicators depicting community health conditions, many of which are linked to economic prosperity as suggested in the graphic below.



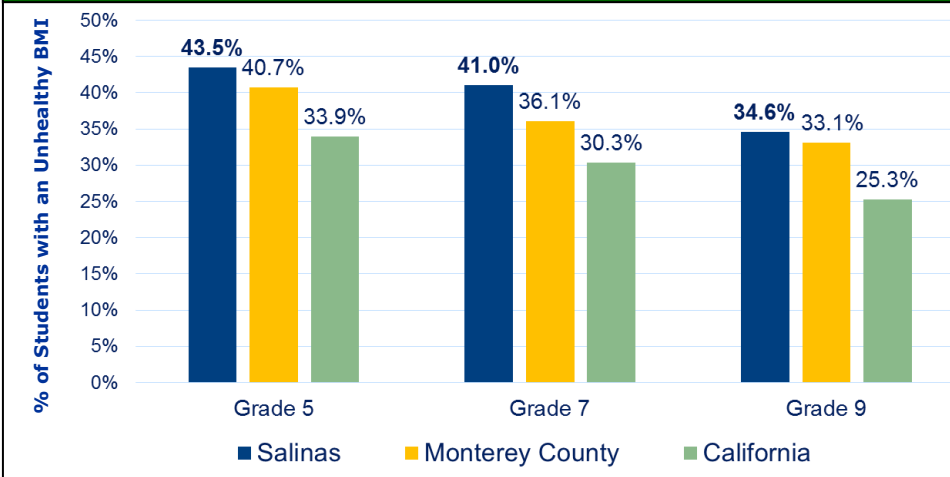
There is reason for concern as we view Salinas health indicators in relation to County and Statewide figures. Figure 15 lists the top causes of death in Salinas and Monterey County. The causes in yellow are impacted by community planning (what we can eat, how we travel, where we exercise, what we breathe). Lack of exercise and unhealthy eating habits leads to excessive weight, particularly among young people (Figure 16). Economic conditions and poor health and unsafe living conditions also lead to a higher incidence of emergency room visits (Figure 17). A number of these factors can be addressed through improved planning and enhanced economic prosperity.

**FIGURE 15:
LEADING CAUSES OF DEATH**

Rank	Cause of Death	Salinas	Monterey County
1	Heart Disease	23.4%	22.8%
2	Cancer	21.1%	23.9%
3	Stroke	7.2%	6.3%
4	Chronic Lower Respiratory Disease	5.1%	5.1%
5	Unintentional Injuries	2.5%	2.6%
6	Alzheimer's Disease	5.1%	5.3%
7	Diabetes Mellitus	2.9%	2.5%
8	Influenza and Pneumonia	1.0%	1.6%
9	Chronic Liver Disease	2.2%	1.8%
10	Intentional Self Harm (Suicide)	1.8%	1.9%
11	Essential Hypertension & Hypertensive Renal Disease	1.7%	1.6%
12	Nephritis, Nephrotic Syndrome and Nephrosis	1.0%	1.6%
	All Other Causes	25.0%	23.1%

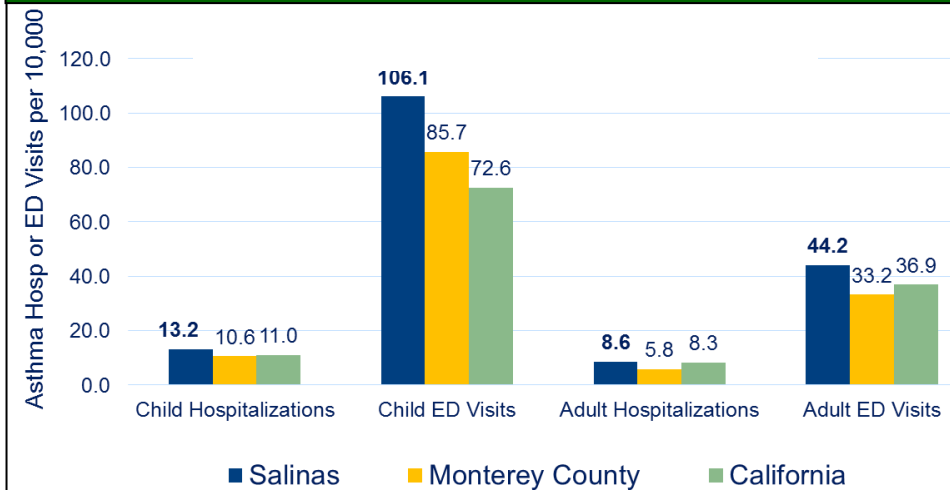
Source: California Department of Public Health (CDPH) Mortality Records (2010).
Obtained by BHC from www.healthycity.org.

**FIGURE 16:
STUDENTS WITH HIGH RISK UNHEALTHY BODY COMPOSITION (BMI)**



Source: California Department of Public Health (CDPH) Mortality Records (2010).
Obtained by BHC from www.healthycity.org.

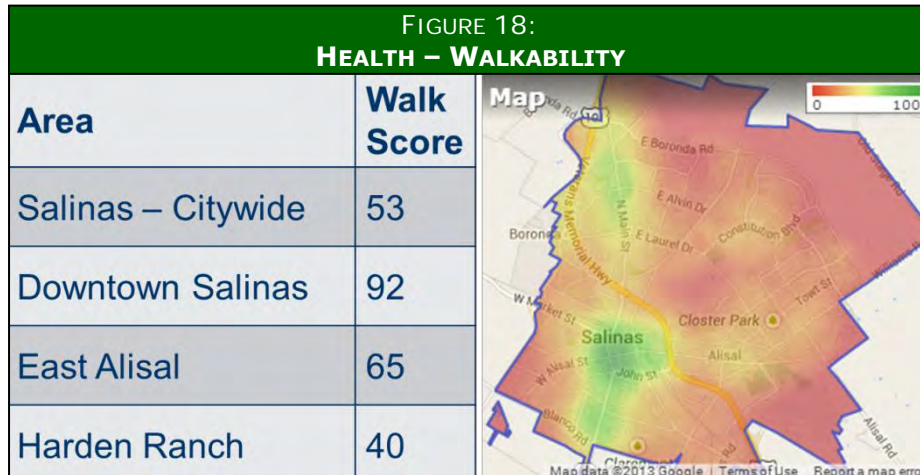
**FIGURE 17:
ASTHMA HOSPITALIZATIONS & EMERGENCY DEPARTMENT VISIT RATES**



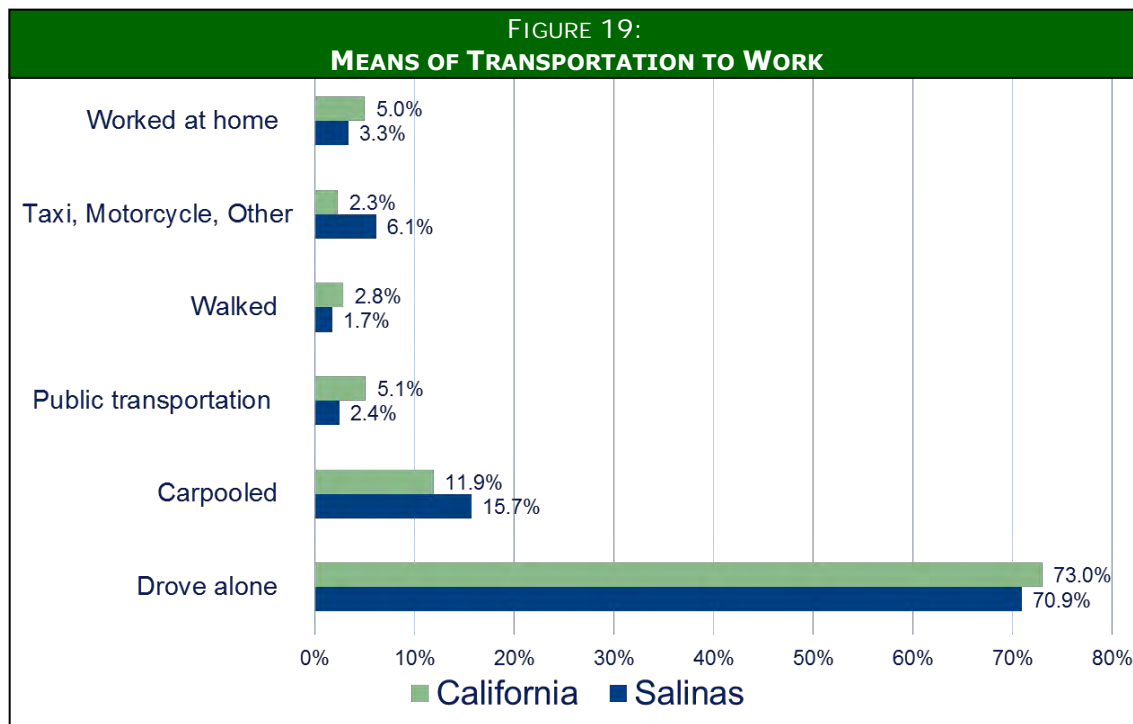
Source: California Department of Public Health (CDPH) Mortality Records (2010).
Obtained by BHC from www.healthycity.org.

WALKABILITY AND RECREATION OPPORTUNITIES

For example, the walkability of the community encourages outdoor activity in daily life and reduces automobile pollution. Downtown Salinas and East Alisal are generally more pedestrian friendly than other areas of the City (Figure 18). Compared to the state, Salinas workers use less public transportation or walking as a means to work, but do tend to car pool more (Figure 19).



Source: BHC, obtained from www.WalkScore.com



Source: BHC

Increasing recreation opportunities would of course also help encourage more outdoor activities and exercise. Salinas is below standard in terms of its available active park acreage (Table 1). As discussed earlier, economic development helps increase the tax base to fund a higher level of community amenities such as parks and recreation facilities.

TABLE 1: HEALTH – PARKS	
Acres of Active Parkland	310
Salinas Population (2010)	150,441
Park Level of Service (Park acres per 1,000 residents)	2.06
Additional acres needed to reach 3 acres/1,000 Standard	50.1

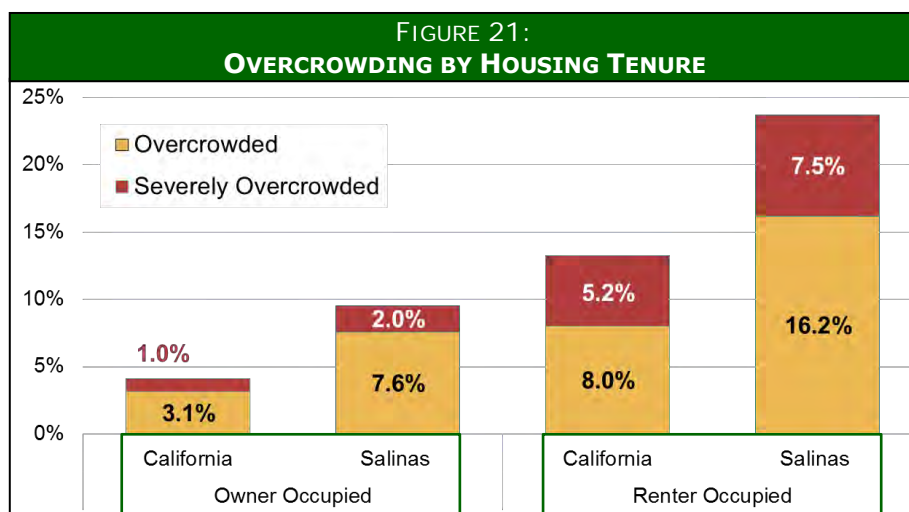
Source: BHC, obtained from City of Salinas, CA and US Census 2010

HOUSING

Overcrowded housing conditions lead to a number of adverse health and psychological concerns. More than 17% of Salinas residents are living in overcrowded housing conditions compared to 8% in California (Figure 20). Overcrowding is more prevalent in rental housing (Figure 21) and a greater proportion of Black and Hispanic families are in rental housing (Figure 22).

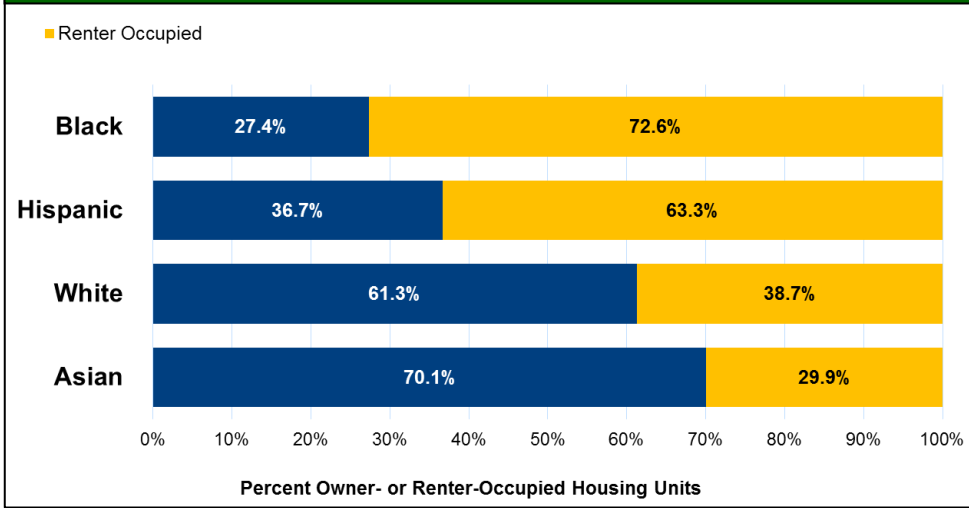
FIGURE 20: OVERCROWDED HOUSING			
Occupants per Room	California	Monterey County	Salinas
Not overcrowded (<i><1.01 occupants per room</i>)	91.9%	88.4%	82.7%
Overcrowded (<i>1.01 to 1.5 occupants per room</i>)	5.2%	7.9%	12.3%
Severely Overcrowded (<i>>1.50 occupants per room</i>)	2.8%	3.7%	5.0%

Source: BHC, based on U.S. Census Bureau, 2007-2011 American Community Survey



Source: BHC, based on U.S. Census Bureau, 2007-2011 American Community Survey

**FIGURE 22:
HOUSING TENURE BY RACE/ETHNICITY
OWNER- VS. RENTER-OCCUPIED IN SALINAS**



Source: BHC, based on U.S. Census Bureau, 2007-2011 American Community Survey

OUTCOMES FROM ECONOMIC PROGRESS

The chapter contains two sections: 1) calculation of jobs, average wages and fiscal benefits from the 5-year priority sites identified in the EDE 5 year Implementation plan; 2) an overview of how the projected 2035 job growth would affect selected economic indicators such as the jobs/housing balance, unemployment rate, and fiscal reserves for the City. This latter analysis reflects the desired outcomes from full implementation of the EDE.

The EDE process included identification of a number of economic opportunity sites throughout Salinas and including future potential sites outside the current City boundaries. The map of all these sites may be found in Appendix A in the EDE, with further discussion and analysis in Appendix D. From this wide-ranging list of potential focus areas, the EDE Team has recommended a set of short term priority sites which are deemed to have near term potential due to greater accessibility, availability of infrastructure, fewer planning constraints and stronger market support, among other factors. These priority sites include both currently undeveloped areas (greenfield sites) and also existing commercial districts with revitalization opportunities (infill areas).

It is important to recognize that the actual development and economic benefits associated with all these priority areas are provided here for illustrative purposes only. There are only a few of these sites where entitlements or specific plans are in place. The City Council will need to make future decisions about the specific development potential or level of revitalization efforts for each area as part of the implementation process of the EDE and the other elements in the General Plan. This analysis provides one step in the process undertaken through the EDE to make recommendations for changes to the Land Use Element based on the City's economic development opportunities. The present analysis applies market constraints as expressed in the employment projections developed from the target industry analysis (Appendix C) and calculates the economic benefits of development on the sites. In terms of the recommendations that are evaluated in the eventual Land Use Element update, other environmental and planning concerns would need to be evaluated in order to provide the City and regional planning agencies with complete information about the potential impacts of development on these sites.

PRIORITY SITES

The analysis below evaluates the job creation and fiscal impact of the priority areas, summarized in Table 2. The sites are categorized according to whether they are viewed primarily as job-generating areas or revenue-producing areas (mainly commercial uses). In a couple cases – Carr Lake and East Alisal/East Market - the areas are included due to their special significance for the community.

For the greenfield sites, several adjustments were made to the development potential of the sites based on known constraints or market projections. The acreages for all of the sites, except Uni-Kool (Site A), were assumed to be gross figures, and were reduced by 20 percent to obtain net acres. The resulting figure for Site D – Airport West, was reduced by half to remove the area in the flood plain. In addition, the buildout employment was reduced on most of the sites to obtain overall growth figures that fall within the 2035 projections shown in Table 3 below. This process involved some judgments based on known constraints on the sites. Thus, Uni-Kool is assumed largely to build out during this

period, while Sites F and K are assumed to be just getting started by 2035. In terms of predominant land use for the analysis, many of the areas are assumed to be single-use sites. However the Uni-Kool site is planned to include ancillary retail and office uses and it is likely there would be some mix on other sites as well.

For the infill areas, we have estimated the development potential for certain signature catalyst sites or assumed a certain level of commercial revitalization based on available data from past or ongoing planning efforts. These assumptions are described for each area below. In a number of cases, there are considerations for residential and mixed use development in these areas. For the purposes of this analysis, we have not evaluated the residential opportunities but have focused instead on the business development opportunities. Since this analysis is illustrative, we have not attempted to develop buildout scenarios for these areas but have focused on more short term opportunities.

AIRPORT INDUSTRIAL PARK (AREA C): There are approximately 10 acres remaining undeveloped in this area, which are assumed to develop in job-generating uses (office space) to complete the business park in the future.

DOWNTOWN VIBRANCY PLAN (AREA P): The City is currently engaged in developing a Downtown Vibrancy Plan and the final recommended economic scenario is not available as of this writing. However, key concepts under discussion in the plan include mixed use development with residential, retail and office uses and potentially a downtown hotel. A mix of these uses has been modeled in the figures shown in Table 2 below.

TRANSIT ORIENTED DEVELOPMENT (AREA Q): While this area has the potential for mixed use residential development, we have shown the revenue and job generating potential of also including a new hotel in this area. Based on available site characteristics, we have projected for illustrative purposes a four-story, 130 room hotel of 75,000 total sq.ft. In addition the area could add office space and a limited amount of commercial development.

CHINATOWN (AREA R): The report *Chinatown Rebound* (2010) identifies six catalyst sites in Chinatown that could help stimulate revitalization in this area. Several of these involve residential development, but for purposes of this analysis we have focused on the Health and Human Services campus, which would have job generating benefits as well as the social and health care benefits of providing services closer to the population. In addition, there are seven vacant parcels that we have projected for development in commercial uses.

ALISAL MARKET PLACE (AREA T): The project sponsor for this project has developed a preliminary plan which includes a mix of residential, commercial, office, institutional and industrial uses, as well as a hotel. This plan has not received formal review and approval by the City, but it reflects one potential scenario for the job and revenue creation potential of the site.

EAST ALISAL/EAST MARKET (AREA U): The City's retail market analysis completed by Buxton indicates a retail leakage of \$580 million in East Salinas with the potential for 150 new stores. However, given the existing concentrations of major retail outlets in the Northern areas of the City, it is unclear how much of this potential can be realized through revitalization of the Alisal and Market St. corridors. Based on City sales tax records, we estimate that the average taxable sales per store in the commercial area of

the Salinas United Business Assn. (SUBA) is about 28 percent below the citywide average. While per capita incomes are about 25 percent lower in this area, household incomes which tend to drive consumer spending patterns, are close to the City average. If the area could be revitalized to close the gap in spending capture, it would increase retail sales by \$60 to \$80 million per year with resulting sales tax increases of at least \$600,000 per year for the City.

CARR LAKE (AREA V): One key opportunity for the Carr Lake area would be the expansion of the City’s recreational facilities. From an economic development perspective, this would have the indirect benefit of potentially attracting out of town visitors for youth sports tournaments and possibly events for adults. For example, Overland Park Kansas estimated an economic benefit of \$4 million from hosting the one-week U.S. Youth Soccer National Championships in 2013, including nearly 8,000 hotel room nights sold. With this kind of performance, the City has nearly recouped its investment in the facility in three years.¹ A review of academic studies of youth sports economic impact suggests that even more routine tournaments can generate revenues up to \$65 per participant per day, which can generate thousands in City sales tax and lodging revenues over the course of an annual season.²

**TABLE 2:
POTENTIAL ECONOMIC OUTCOMES FOR PRIORITY OPPORTUNITY SITES**

Opportunity Site	Acres	Pre-dominant Land Use	Build-out Jobs	2035 Jobs	Average Wage	Total Wages (millions)	Net Annual City Revenue	Taxable Sales (millions)
Jobs Generating								
A. Uni-Kool	240	Industrial	4,140	3,140	\$54,733	\$171.9	\$1,477,929	\$39.2
D. Airport West	342	Industrial	1,788	1,388	\$55,577	\$77.1	\$246,114	\$0.0
E. Airport East/Hartnell	170	Inst/Off/Ind	3,949	3,500	\$56,075	\$196.3	\$500,903	\$0.0
F. Eastern Expwy	2,220	Industrial	23,209	500	\$55,577	\$27.8	\$88,672	\$0.0
K. North Entrance	875	Office	25,410	400	\$56,005	\$22.4	\$62,719	\$0.0
Subtotal	3,847		58,496	8,928	\$55,495	\$495.5	\$2,376,336	\$39.2
Revenue Producing								
L. Westside Expwy	342	Retail	4,334	1,750	\$38,561	\$67.5	\$5,870,194	\$288.7
N. 1. Hwy 68 Gateway	20	Retail	317	317	\$33,741	\$10.7	\$1,062,716	\$52.3
P. Vibrancy Plan	135	Ret/Off/Hot	NA	250	\$48,048	\$12.0	\$236,830	\$9.2
Q. TOD Rail Site	90	Ret/Off/Hot	NA	622	\$51,664	\$32.1	\$251,819	\$5.6
Subtotal	362		4,651	2,067	\$37,822	\$78.2	\$6,932,910	\$341.0

¹ Laura McCallister and Jeanene Kiesling, "Youth Soccer Tournament Brings with it Huge Economic Impact". 2013, KCTV (Mereditth Corp.).

² John L. Crompton and Seokho Lee. *The Economic Impact of 30 Sports Tournaments, Festivals, and Spectator Events*. Journal of Park and Recreation Administration. Summer 2000. Vol. 18, No.2. pp.107-126Note: ADE adjusted figures from this report for inflation.

Opportunity Site	Acres	Pre-dominant Land Use	Build-out Jobs	2035 Jobs	Average Wage	Total Wages (millions)	Net Annual City Revenue	Taxable Sales (millions)
Infill								
C. Airport Indus. Pk.	10	Office	363	363	\$56,005	\$20.3	\$56,917	\$0.0
R. Chinatown	3	Inst./Retail	58	58	\$51,045	\$3.0	\$53,961	\$2.4
T. Alisal Market Place	82	MU	1,470	1,470	\$38,888	\$57.2	\$2,257,514	\$103.3
Subtotal	95		1,891	1,891	\$145,938	\$80.5	\$2,368,393	\$105.7
Special								
U. East Alisal/ East Market	193	Retail	275	275	\$33,741	\$9.3	\$600,000	\$60.0
V. Carr Lake	900	Recreation	NA	NA	NA	NA	NA	NA
TOTAL	5,397		63,510	13,161	\$50,404	\$663.4	\$12,277,639	\$545.9

Source: ADE

As discussed above the job estimates in the table are based on average factors shown in Figure 26 below, and scaled to the 2035 projections shown in Table 3. The average wages are based on the general land use category factors shown in Figure 27 and Table 4 below. The Net City Revenue reflects the net fiscal impact of 2035 development on each site, including both new City taxes and also new City costs for services. Similarly, the taxable sales figures indicate how much retail sales would increase on the sites by 2035. Overall, development on these priority sites is projected to create 13,161 jobs by 2035, with a total payroll of \$663.4 million and a gross average wage of \$50,404. In terms of fiscal impact, the development would add \$12.3 million to annual City disposable tax revenues, based on current City service cost ratios.

2035 SCENARIO

Table 3 shows the jobs projections as presented in the Target Industry Analysis.

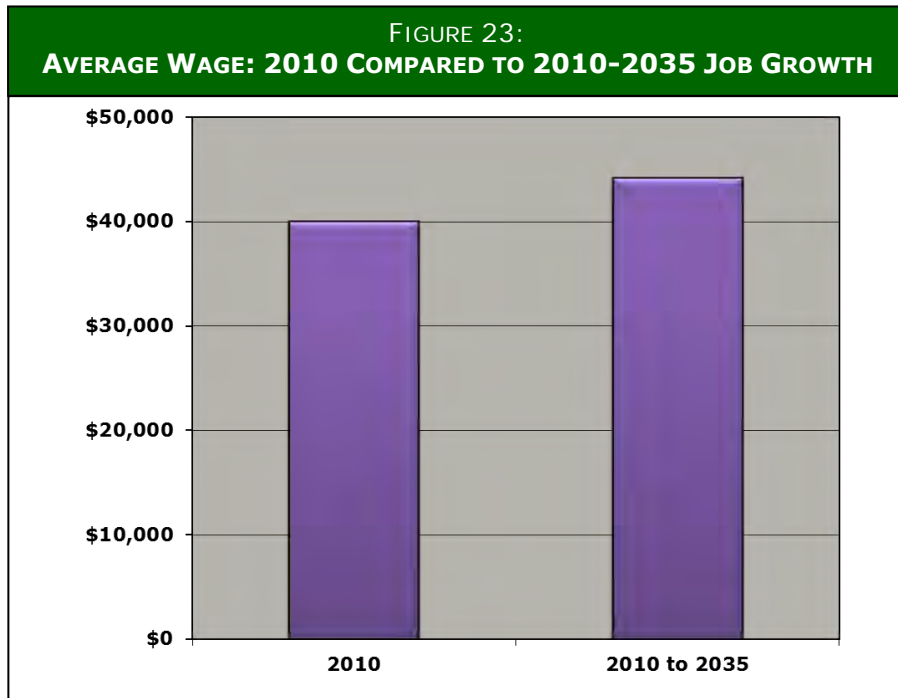
TABLE 3: DETAILED EMPLOYMENT PROJECTIONS FOR SALINAS								
Land Use	2010	2015	2020	2025	2030	2035	2010 – 2035 Change	Acres
Agricultural	13,125	13,713	14,319	14,931	15,557	16,197	3,072	w/ind
Industrial	6,415	6,641	6,865	7,091	7,319	7,545	1,130	241.2
Office	6,106	6,452	6,802	7,146	7,486	7,821	1,715	47.2
Commercial	8,066	8,725	8,735	9,409	10,115	10,856	2,790	140.9
Visitor Serving	3,637	4,447	5,337	6,322	7,392	8,558	4,921	497.1
Institutional	17,153	18,866	20,698	22,650	24,714	26,960	9,807	450.3
TOTAL	54,502	58,843	62,757	67,550	72,583	77,938	23,436	1,377

Source: ADE

During the 2010-2035 period, AMBAG projects Salinas to add about 19,300 people in 4,200 new housing units. The current labor force participation rate in Salinas is about 47%, meaning that the new population growth would also add about 9,100 workers to the population. The job growth at 23,400, is more than double the work force growth, allowing the City to reduce unemployment and improve the existing jobs/housing balance from 1.28 in 2010 to 1.66 in 2035.

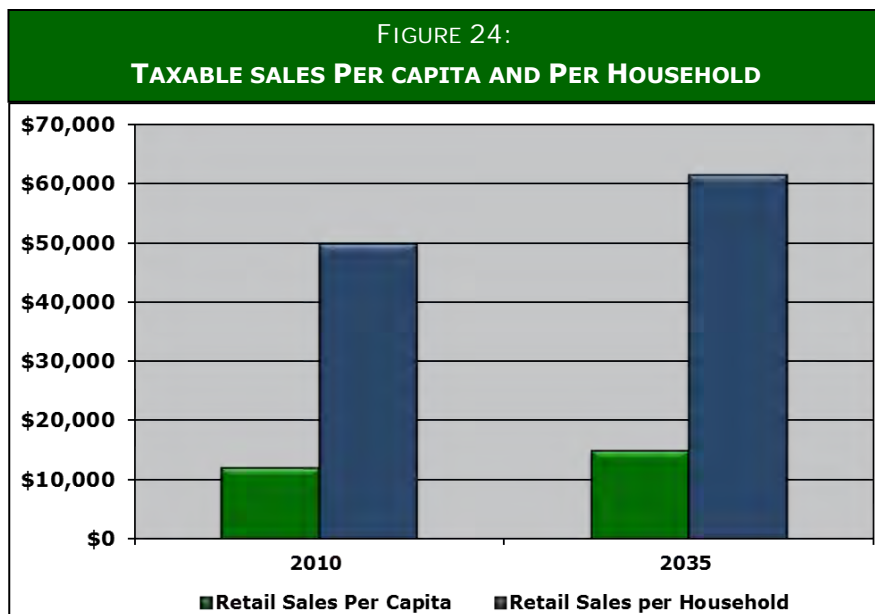
One of the indicators addressed the issue of matching job opportunities to skills in the labor force. In 2010, we identified a lack of industrial, office and visitor serving jobs in relation to the size of the workforce in these sectors in Salinas. The jobs projections address these gaps. Conversely, there are more education and health care jobs in Salinas (in the Institutional Land Use) than there are workers. The projections would exacerbate this imbalance, but perhaps signify a need for greater workforce training in these areas. As discussed below, the institutional jobs are relatively high paying.

The projected increment of job growth would generally provide a mix of higher paying jobs. As shown in Figure 23, the 2010 mix of jobs in Salinas produces an average annual wage of \$40,000, while the increment of job growth between 2010 and 2035 would average \$44,000 per year. In the next section, there is more data and discussion about wage rates for detailed target industries.



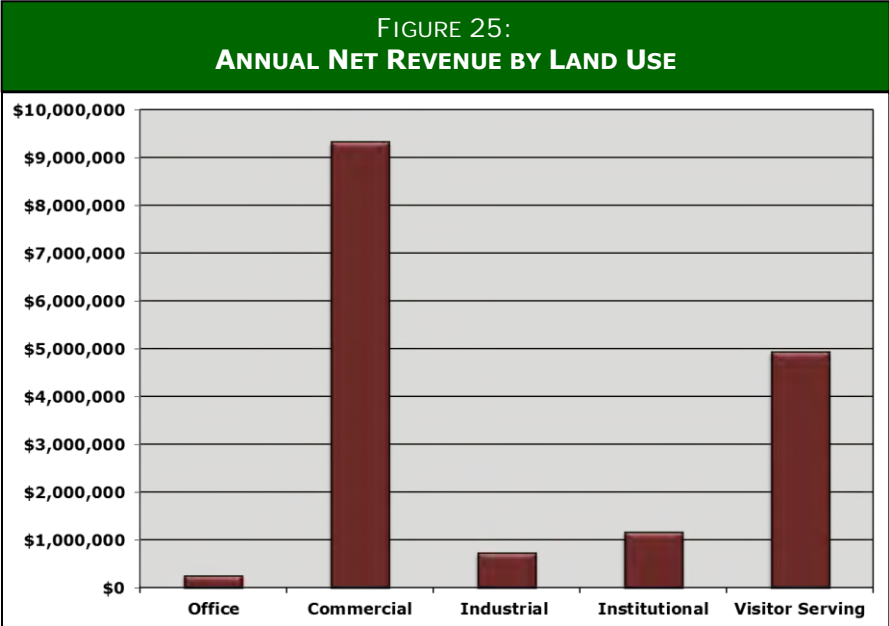
Source: ADE

Figure 24 shows the effect of achieving the commercial development goals in the projections in terms of taxable sales per capita and per household. Retail sales per capita would increase from \$12,000 in 2010 to about \$14,900 in 2035. Similarly, per household taxable sales would increase from \$50,000 to \$61,600 in 2035.



Source: ADE

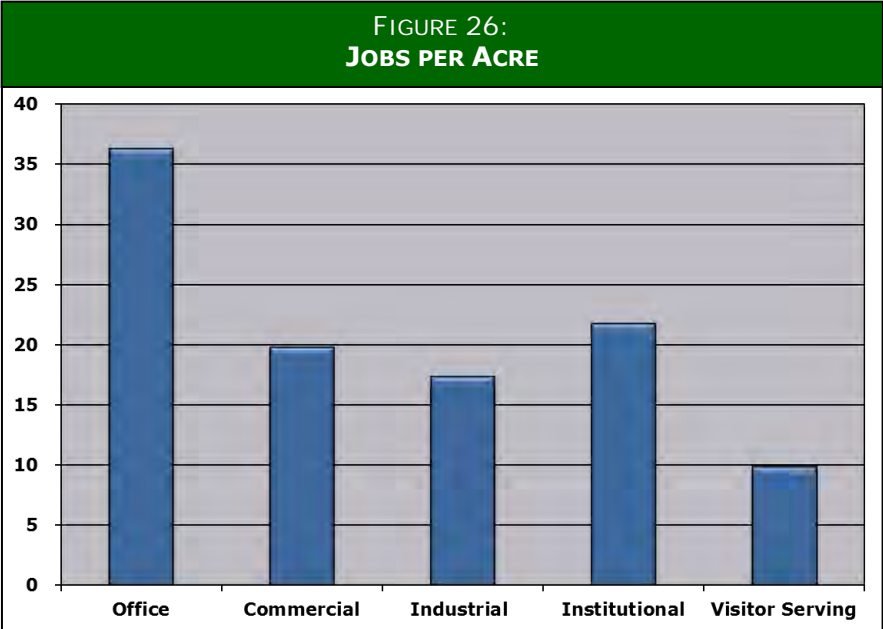
Figure 25 addresses the fiscal impact of the job projections by land use. Clearly the commercial and visitor-serving uses dominate this indicator by virtue of the increased sales tax and transient occupancy tax.



Source: ADE

LAND USE INDICATORS

Each type of land use has a different rate of job creation (Figure 26). The visitor serving uses average a little lower than normal because some of the acreage is devoted to recreational types of facilities and uses.



Source: ADE

Individual employment sectors would offer the opportunity for higher wages (Figure 27). The institutional sector includes education and health care as well as government. As indicated above, greater training opportunities are needed for Salinas workers to access these relatively high paying jobs.



Source: ADE

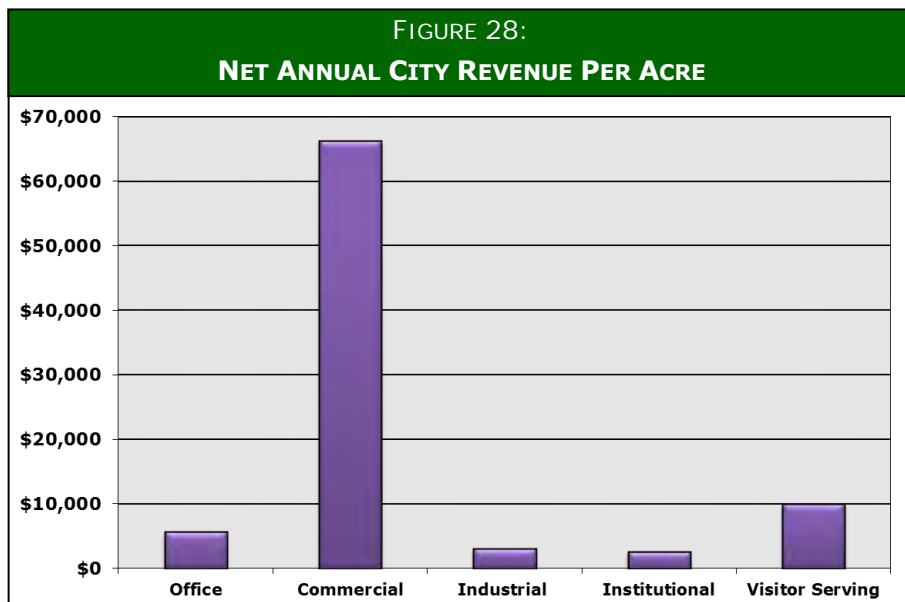
The detailed wages by employment sector are shown in Table 4.

TABLE 4: AVERAGE ANNUAL WAGES BY LAND USE AND EMPLOYMENT SECTOR		
NAICS Code	Description	2012 Avg. Annual Wage
Industrial Land Use		\$55,577
11	Agricultural	\$36,354
23	Construction	\$44,731
31-33	Manufacturing	\$56,535
311	Food Processing	\$47,447
312	Beverages	\$70,929
314	Textile Product Mills	\$26,560
315	Apparel	\$37,885
316	Leather and Allied Products	\$36,416
321	Wood Products	\$45,744
322	Paper Products	\$77,902
323	Printing and Related Support Activities	\$35,902
325	Chemicals	\$70,865
326	Plastics and Rubber Products	\$52,552
327	Nonmetallic Mineral Products	\$74,216
331	Primary Metals	\$58,826
332	Fabricated Metal Products	\$44,015
333	Machinery	\$58,028
334	Computer and Electronic Products	\$76,417
335	Electrical Equipment, Appliance, and Components	\$73,662
336	Transportation Equipment	\$36,467
337	Furniture and Related Products	\$47,854
339	Miscellaneous Manufacturing	\$31,667
42	Wholesale Trade	\$76,284
48-49	Transportation and Warehousing	\$53,368
562	Waste Management and Remediation Services	\$66,187
Office Land Use		\$56,005
51	Information	\$62,551
52	Finance and Insurance	\$67,407
53	Real Estate and Rental and Leasing	\$29,897
54	Professional, Scientific, and Technical Services	\$51,307
541380	Testing Laboratories	\$59,850
541420	Industrial Design Services	\$39,666
541511	Custom Computer Programming Services	\$88,063
541512	Computer Systems Design Services	\$76,795
541513	Computer Facilities Management Services	\$34,983
541519	Other Computer Related Services	\$44,600
541690	Other Scientific and Technical Consulting Services	\$43,212
541712	Research and Development	\$91,991

NAICS Code	Description	2012 Avg. Annual Wage
55	Management of Companies and Enterprises	\$95,772
561	Administrative and Support Services	\$29,098
Commercial Land Use		\$29,028
44-45	Retail Trade	\$33,741
81	Other Services (except Public Administration)	\$24,314
Visitor Serving Land Use		\$26,083
71	Arts, Entertainment, and Recreation	\$26,210
487	Scenic and Sightseeing Transportation	\$25,260
72	Accommodation and Food Services	\$26,779
Institutional Land Use		\$56,150
61	Educational Services (Private)	\$32,648
902612	State Colleges, Universities, and Prof. Schools	\$62,024
903611	Local Elementary and Secondary Schools	\$62,758
903612	Local Public Colleges and Professional Schools	\$32,149
62	Health Care and Social Assistance	\$57,081
902622	Hospitals (State Government)	\$56,514
903622	Hospitals (Local Government)	\$107,756
90	Government	\$78,721
902999	State Government, Excluding Education and Hospitals	\$64,719
903999	Local Government, Excluding Education and Hospitals	\$83,679

Source: EMSI

Finally, the fiscal performance per acre by land use (Figure 28) is fairly consistent with the overall fiscal benefit in Figure 3 above.



Source: ADE

