

APPENDIX Q

Economic Development Strategy

for

DUNNIGAN SPECIFIC PLAN

April 10, 2013

Yolo County

Woodland, CA



APRIL 12, 2013

DUNNIGAN ECONOMIC DEVELOPMENT STRATEGY REPORT

Submitted by:

APPLIED DEVELOPMENT ECONOMICS

255 Ygnacio Valley Road, #200

Walnut Creek, CA 94596

925.934.8712

www.adeusa.com



TABLE OF CONTENTS

EXECUTIVE SUMMARY 1

PROJECT DESCRIPTION 5

REGIONAL MARKET OVERVIEW 8

MARKET ANALYSIS FOR JOB CREATING INDUSTRIES 12

JOB DEVELOPMENT PHASING 34

ECONOMIC DEVELOPMENT STRATEGY 40

APPENDIX A: JOBS/HOUSING RATIOS FOR SMALL CITIES 44

APPENDIX B: TARGET INDUSTRIES 46

APPENDIX C: RETAIL MARKET CALCULATIONS 50

APPENDIX D: BUSINESS TO BUSINESS 54

EXECUTIVE SUMMARY

The Dunnigan Specific Plan includes 2,538 acres, divided into four phases of development. In addition, the Specific Plan is intended to dovetail with existing and future development in other parts of the Dunnigan community.

The County General Plan has established policies governing the balance of housing and employment generating uses in specific plan areas, with a view to maintaining a 1.2 jobs/housing balance through each of the development phases. The purpose of the Economic Development Strategic Plan is to identify the types of businesses that could be developed in the community in each phase and to design an implementation program to attract or develop suitable companies.

The analysis suggests that the pace of business development may lag behind the 1.2 jobs per dwelling unit in the initial stages due to lack of population concentration and community amenities. However, as the community develops, the overall goal should be attainable with an aggressive economic development implementation program.

There are several “clusters” of economic development that would occur in the Dunnigan Specific Plan.

AGRICULTURE

FOOD PROCESSING

Yolo County is seeing increasing production of certain crops that will require expanded processing facilities. These include tomatoes, almonds, other oil nuts and olives, not to mention wine. In addition to processing facilities, these crops require cold storage, warehousing, and packaging operations, including boxing and labeling supplies and services.

SEED PRODUCTION

Yolo County is “Seed Central”, hosting a number of research and production facilities focusing on producing seeds for large scale agricultural production. While most seed development and production in Yolo County is situated between Davis and Woodland, such companies can also locate in Dunnigan.

LOCAL SOURCING AGRICULTURE

Regional efforts at the Sacramento Metropolitan Chamber of Commerce are heavily focused on improving local sourcing networks for intermediate and final agricultural products and supplies. For example, local agriculture is viewed as part of the Next Economy, utilizing technologies to expand buyer/supplier networks and retain value added in agricultural products locally. A number of business opportunities exist within this sector.

HOSPITALITY

Dunnigan’s location makes it a natural way station for travelers on the I-5 corridor, particularly those bound to and from the Bay Area and points north. The travel center at Dunnigan could be comprehensive with lodging, restaurants, truck stops, and entertainment. This experience would be family oriented and distinct from the kinds of entertainment offered at Cache Creek.

DIVERSIFIED JOB BASE

MANUFACTURING

- Specialty food mfg. (small, boutique products made with meats, nuts, fruit, vegetables, wine)
- Meat processed from carcasses (organic)
- Wineries
- Fertilizer mfg.
- Pesticide (organic or sustainable) and other ag. chemical mfg.
- Corrugated and solid fiber box mfg.
- Fiber can, tube, drum, and similar product mfg.

TRANSPORTATION, WAREHOUSING, AND UTILITIES

- Farm product warehousing and storage

WHOLESALE TRADE

- Farm supply merchant wholesalers

PROFESSIONAL SERVICES

- Soil preparation, planting and cultivation
- Farm management services
- Support activities for animal production
- Testing laboratories
- Packaging and labeling services

LOCAL AND REGIONAL COMMERCIAL DEVELOPMENT

Dunnigan not only will serve its own population and passing visitors with commercial services, but it also has the opportunity to offer regional retail facilities to residents of Colusa County, which currently experience a significant shortage of retail opportunities. The strategic plan analysis documents the build-up of purchasing power for each phase of the specific plan development and indicates the likely phasing of the commercial sector in the project.

PROFESSIONAL SERVICES/HOME-BASED BUSINESSES

In the early stages, many entrepreneurs will operate businesses out of their homes in the development until they expand sufficiently to require professional office space. It will be critical to install good broadband capacity at an early stage in the project to facilitate this kind of business activity.

JOB DEVELOPMENT PHASING

The overall estimate jobs projections and jobs/housing balance is summarized in Exhibit A below. The focus in Phase 1 would be to develop food and agricultural processing and distribution facilities, capitalizing on Dunnigan’s proximity to the regional freight transportation system and the opportunity for additional value-added processing facilities in Yolo County. In tandem with this effort, Dunnigan would develop a visitor serving complex to serve both regional travelers along the I-5 corridor and also create a destination that highlights local wines, food products and agricultural assets.

EXHIBIT A: PROJECT PHASING

Land Use/Job Type	Phase 1	Phase 2	Phase 3	Phase 4	Sub-Total	Existing	Total
Construction*	617	457	580	728			
Residential High Density							
Building Maint. Operations	60	48	40	16	164		164
Mixed Use: Retail/Services	275	264			539	14	553
Other Professional Office	62	110	66	100	338		338
Regional Retail – Commercial General			859		859		859
Retail – Commercial Local	54	51		338	443	301	744
Highway Commercial	204	42	127	156	529		529
Office/Research and Development:							
Business Park		138	662	910	1,710		1,710
Other Professions Office			100	121	221		221
Light and Heavy Industrial:							
Food/Agribusiness	414	265	218	170	1,066		1,066
Warehouse and Distribution	320	246	350	492	1,409		1,409
Other Industrial	145	150	180	240	715		715
Public/Institutional	176	139	172	60	547		547
Home-Based Jobs	149	106	105	126	487	18	505
TOTAL JOBS	2,476	2,017	3,459	3,457	9,027	333	9,359
HOUSING UNITS	2,393	1,696	1,691	2,025	7,805	818	8,623
JOBS/HOUSING RATIO	1.03	1.19	2.05	1.71	1.16	0.41	1.09
CUMULATIVE		1.10	1.38	1.46			1.09
J/H WITHOUT CONSTRUCTION	0.78	0.92	1.70	1.35	1.16		1.09
CUMULATIVE WITHOUT CONSTRUCTION		0.84	1.09	1.16			

Source: ADE, Inc.

*Note: Construction jobs represent average annual jobs onsite during the construction phase.

Phase 2 would see further buildout of both the food processing facilities and the visitor center. In this phase, demand would begin to materialize for the business park and for additional professional services. Commercial retail development in both phases would be limited to smaller centers, anchored by grocery and home improvement stores, with the exception of the highway commercial area. In Phase 3, the population concentration would be sufficient to develop a regional retail center, which would also capture unmet demand from Colusa County and the broader regional area. With the availability of regional retail shopping opportunities, more professional services and business park uses could be attracted to the community. This would further accelerate job growth, well in excess of housing development in Phase 3.

By the end of Phase 3, Dunnigan would exceed its cumulative jobs/housing target of 1.2 jobs per housing unit, including ongoing construction jobs. With the permanent jobs only, the community would be at about 1.09 jobs per housing unit by the end of this phase. The community would also exceed its target ratio in Phase 4 when more of the business park type of development could occur. This portion of the job base will require a highly skilled labor force and a fully developed community to attract these workers. The four phases within the Dunnigan Specific Plan are projected to achieve a 1.46 jobs/housing ratio during construction and a 1.16 ratio thereafter.

It should also be noted that the development of a job center in Dunnigan will begin to attract business interest in other areas in northern Yolo County. The County General Plan calls for an additional minor job center along I-505 relatively near Dunnigan. The efforts of Dunnigan to attract jobs to the area should be credited for employment development in these areas too, and the jobs/housing threshold for the specific plan should include the subregional job count from this quadrant of Yolo County, in order to reflect the true balance of jobs and labor force in northern Yolo County.

STRATEGIC ACTION PLAN

The economic development program for Dunnigan would include engaging professional economic development staff, marketing consultants and commercial real estate brokers to undertake a marketing program directed at the target industries identified above and featuring Dunnigan's locational assets. As an overall concept, the community needs to develop a branding plan that establishes the community as a self-sustaining state of the art community that is livable, walkable and based on village center theme. Part of the branding approach needs to highlight key infrastructure and amenities that are business friendly, not only major infrastructure such as water and wastewater facilities, but also such as the smart connectivity system to promote home based employment.

The primary elements of the economic development strategy include:

- A. Developing and implementing a full scale marketing program, including a brand, a multi-functional website, a publicity campaign and direct marketing outreach.
- B. Organizational Networking – aligning with key agencies and groups working to promote new agricultural business concepts in the region, including visitor-serving attractions that promote local food products.
- C. Creating cost and process incentives for early business prospects.

PROJECT DESCRIPTION

SPECIFIC PLAN LAND USES

The Dunnigan Specific Plan area encompasses 2,254 acres and would entail the buildout of 8,623 additional dwelling units, including those in the existing Dunnigan community. New development in Dunnigan includes 633.6 acres of private sector employment generating land uses, including 34.3 acres in existing areas of Dunnigan outside the specific plan. In addition, there would be 32.6 acres of public land uses and 103.3 acres of schools in the specific plan that would add jobs in the community.

TABLE 1: DUNNIGANS EMPLOYMENT GENERATING LAND USE PHASING (ACRES)

	Phase 1	Phase 2	Phase 3	Phase 4	Existing	Total
High Density Residential	19.3	16.1	13.3	5.4	1.4	55.5
Mixed Use	28.6	17.7	4.6	6.0	0.6	57.5
Com'l General/Regional Com'l		17.7	20.5			38.2
Com'l Local/Com'l Community	25.0	14.0			13.1	52.1
Highway Com'l	51.1	3.9	17.4	35.7		108.1
Office/R&D	3.1	13.3	37.1	49.6		103.1
Light Ind./Industrial	42.4	43.5		133.2		219.1
Public/Quasi Public/WWT	7.8	4.6	1.0		19.2	32.6
Schools	33.3	20.0	40.0	10.0		103.3
Total	181.2	150.8	133.9	239.9	34.3	769.5

Source: Dunnigan Specific Plan

POLICY FRAMEWORK

The Yolo County General Plan Land Use and Housing Elements provide a number of policies related to the balance of jobs and housing in Dunnigan. These policies are outlined in detail in the specific plan and are not repeated here. However, two key policies drive the purpose for this economic development strategic plan:

POLICY CC-3.7: Ensure that jobs are created concurrent with housing to the greatest extent feasible.

POLICY CC-3.8: For areas within Specific Plans, the amount of land designated for residential and job-generating uses shall be evaluated during the Specific Plan process, and land uses must be “rebalanced” with each phase if necessary in order to achieve a jobs/housing balance of 1.2 jobs per household.

DISCUSSION OF POLICY IMPLICATIONS

The focus of the analysis in this strategic plan is to determine the market thresholds for different types of businesses that could locate in Dunnigan. The initial challenge is to find a mix of businesses for which the level of residential development in Phase 1 of the specific plan provides a sufficient critical mass of market support.

Local serving retail and services businesses are dependent on growth of the residential base to generate sufficient purchasing power to support commercial retail anchors, such as a supermarket or major drug store. The number of households included in Phase 1 of the Dunnigan specific plan could support a major chain drug store but not a full-size supermarket. Without the supermarket anchor, the community will have to wait until Phase 2 to develop a full neighborhood commercial center, meaning that relatively few neighborhood-serving retail jobs would be created in Phase 1 despite the development of more than 2,000 households. In Phase 2, supportable demand would expand to support both a supermarket and a limited home improvement center, which could anchor a second retail center in the community.

Other kinds of businesses are less dependent on the internal development of the community and are more concerned with external market factors. These businesses would include food processing establishments tied into the local agricultural economy, related warehouse and distribution firms, as well as other distribution firms interested in the regional transportation access afforded by the Dunnigan location. In addition, visitor serving attractions serve the freeway traffic, and may create destinations for visitors themselves. In the early phases, Dunnigan will need to rely on these kinds of businesses to meet its job development goals.

However, many kinds of business that could eventually locate in Dunnigan and which would provide more numerous and better paying jobs, such as industrial and business park tenant companies, also require a sense of place that would be offered by a more fully developed community. In part this is a question of having a suitable labor force available with the kinds of education and skills necessary for these kinds of businesses. In part it is a need of the businesses themselves to have the community amenities and infrastructure support to offer a quality of life along with an attractive business environment. For these reasons, much of the more intensive jobs creation would be expected to occur in later phases of the specific plan implementation process.

These considerations make it impractical to meet the jobs/housing balance on a phase-by-phase basis, particularly for the first phase. In order to find some useful case examples, ADE researched all the cities in California between 1,000 and 3,000 households, to see what kind of jobs base is typical for a community roughly the size of Phase 1 for Dunnigan. The analysis identified 51 cities (see Appendix A), of which 16 (31%) have a jobs housing ratio of 1.2 or better (Table 2). Of the 16 cities, eight are county seats and four additional cities have major institutional facilities such as a state prison or veteran's hospital. Brisbane is in a major urbanized areas and features major business parks and retail centers serving a larger area. Others such as Buellton focus on tourism. Willits has relatively small City boundaries but serves a larger population area and also has a major health care facility.

Gonzales is one example that has a number of similarities to Dunnigan. It is in a relatively isolated agricultural area on a major highway. Gonzales has a major winery but also a number of agricultural related businesses that provide jobs. However, nearly 2,000 of the jobs counted for Gonzales are in field agriculture, which would not be possible in Dunnigan and would not support the housing prices necessary to fund the specific plan infrastructure.

TABLE 2: JOBS/HOUSING RATIOS FOR SELECTED SMALL CITIES IN CALIFORNIA

City	Housing Units	Jobs	Jobs/ Housing Ratio	Notes
Brisbane	1,934	7,102	3.67	Wholesale/Tech center
Crescent City	1,906	4,595	2.41	County seat
Yountville	1,252	2,685	2.14	Veterans hospital
Sonora	2,463	5,139	2.09	County seat
Bishop	1,926	3,847	2.00	County seat
Calipatria	1,121	2,117	1.89	State prison
Nevada City	1,510	2,665	1.76	County seat
Jackson	2,309	4,013	1.74	County seat
Ione	1,635	2,410	1.47	State prison
Lakeport	2,395	3,453	1.44	County seat
Gonzales	1,989	2,795	1.41	Wine/Ag. Processing
Alturas	1,407	1,928	1.37	County seat
Willows	2,399	3,250	1.35	County seat
Avenal	2,410	3,181	1.32	State prison
Buellton	1,845	2,337	1.27	Tourism
Willits	2,073	2,483	1.20	Health Care/retail

Source: Housing data from CA Department of Finance, Jobs Data from Census Bureau OnTheMap.

Table 3 portrays the percent of the resident workforce in selected cities that works in their place of residence. There is a wide variation, ranging from less than 30 percent in Dixon and Winters to nearly 50 percent in Woodland.

TABLE 3: LIVE/WORK PERCENTAGES FOR SELECTED CITIES

City	Resident Workforce 16 Years and Over	Percent Working in Place of Residence
Corcoran	4,043	45.4%
Davis	30,563	44.7%
Dixon	8,572	28.9%
Gilroy	21,473	38.8%
Hollister	15,012	38.0%
Los Banos	12,768	39.7%
Orland	2,517	36.8%
Williams	2,185	43.2%
Winters	2,886	27.3%
Woodland	24,425	48.9%

Source: ACS Five year averages.

It is clear from these examples that it is necessary to focus in Phase 1 in Dunnigan on major employment generators that are not population dependent. These could include tourism facilities and agricultural processing and distribution. It is difficult to predict the opportunity for a major institutional use in an area like Dunnigan. If the state or federal governments were looking to expand the state hospital system or veterans hospitals, Dunnigan could be a good location. More likely, Dunnigan could host a community college satellite facility or an agricultural research station, although Woodland and Davis are currently the centers for these types of facilities. It is likely Dunnigan would need to develop beyond Phase 1 to attract major educational facilities.

REGIONAL MARKET OVERVIEW

Dunnigan's location on I-5 and I-505 serves as a gateway between the Sacramento region, the Bay Area region and points north. I-5 connects North America from Mexico to Canada. Business opportunities in Dunnigan therefore will reflect a regional market area that includes not only the SACOG counties but also Solano County. In addition, retail opportunities are available from the Colusa market area.

We have compiled employment and population projections for the region to evaluate the future opportunities for economic development. The Center for Continuing Study of the California Economy (CCSCE) is one prominent source of economic projections throughout the state. The following is a summary of their key findings for the Sacramento region.

- The SACOG region economic base is dominated by two sectors, state and federal government and professional business and information services. State government and state colleges make up 90% of the government sector and the sector accounts for 35% of the region's basic ("export" oriented) jobs.
- Professional, business and information services sector accounts for more than 25% of basic jobs in the region.
- Together, these sectors account for two-thirds of the economic base in the region and are the principal determinants of how fast the region's economic base will expand.
- State government job levels will increase in the face of rising population and planning needs. CCSCE has projected positive growth in state government and state education jobs. These projections assume that job levels will eventually increase to serve the 400,000 to 500,000 annual additions to the state's population and to meet the goals for increased college participation that are broadly agreed upon in CA.
- Taking all economic base sectors into account, the SACOG region share of the state's basic industry jobs is projected to increase slightly from 5.6% to 5.8% in 2020.
- After a period of slow growth in state government activities through 2015, job and spending growth is expected to resume in response to the higher population levels, ongoing infrastructure planning and investment and activities related to environmental and smart growth planning.
- If developers can build housing at or near the current price levels adjusted for inflation, the region will have a strong competitive advantage over coastal regions after 2020.
- The resumption of state government growth and the competitive housing market provided the basis for projecting an increasing share of CA jobs locating the SACOG region between 2020 - 2035.

- It is likely that energy efficiency and the application of technology to health care will be among the new emerging job growth areas in the nation and state. It is difficult to assess the job growth potential for the SACOG region, as these areas of opportunity are sought by regions all across the country and total future job growth potential is still uncertain.
- The 2035 projections are based on the assumption that the region will participate in a significant way in the growth of these innovative activities, either as a direct result of activity at area centers including UC Davis and or as a result of spillover from job growth in the Bay Area. This assumption adds 41,600 jobs to the 2035 projection.
- Job levels in the region will increase by 1.1% per year to 2035 compared to .7% for CA and .6% for U.S.

In order to include Solano County in the regional analysis as well, we have used the CALTRANS projections which are provided by county. Each year, CALTRANS updates its growth projections for population, housing, and employment for each county in California. This provides a common base of forecasts for corridor planning projects throughout the state.

For this analysis, we aggregated the projections for a seven-county region including: El Dorado, Placer, Sacramento, Sutter, Yolo, Yuba, and Solano Counties. Though CALTRANS forecasts go out to 2040, we used 2035 as the planning horizon to be consistent with the SACOG Blueprint and the Yolo County General Plan. The resulting table includes existing 2010 employment by major sector and projected 2035 employment for the same sectors (Table 4). ADE calculated the projected change in employment over the 25-year forecast period.

These projections show an even stronger growth scenario than do the CCSCE projection for the SACOG region. Total employment is projected to grow 1.6 percent per year. Wholesale Trade and Distribution, as well as Professional services, are especially strong growth sectors in these projections.

Combining these sectors into typical industrial, office, and highway commercial categories, Table 5 compares regional projected growth to the level of employment anticipated for Dunnigan. In order to meet its jobs/housing goals, Dunnigan would need to capture a higher level of regional employment growth than population growth.

TABLE 4: PROJECTIONS OF EMPLOYMENT FOR SEVEN-COUNTY REGION

Industry Sector	2010 (000's)	2035 (000's)	Change	Percent Change	Annual Growth Rate
Total Employment (thousands)	988	1,467	478.92	48.5%	1.6%
Farm	15	15	(0.07)	-0.5%	0.0%
Construction	57	76	19.42	34.2%	1.2%
Natural Resources and Mining	1	1	0.15	14.1%	0.5%
Manufacturing	47	53	6.14	13.2%	0.5%
Durable Manufacturing	25	28	3.37	13.6%	0.5%
Transportation, Warehousing, and Utilities	28	51	22.54	79.7%	2.4%
Retail Trade	109	169	59.53	54.5%	1.8%
Wholesale Trade	27	58	30.89	113.7%	3.1%
Information	20	27	6.93	35.3%	1.2%
Leisure and Hospitality	96	151	55.40	57.8%	1.8%
Education and Healthcare	117	204	86.46	73.6%	2.2%
Other	31	55	23.69	75.3%	2.3%
Financial Activities	55	82	27.22	49.6%	1.6%
Professional Services	116	203	86.93	74.7%	2.3%
Federal Government	20	30	10.55	53.5%	1.7%
State and Local Government	249	292	43.13	17.3%	0.6%

Source: Caltrans

TABLE 5: REGIONAL PROJECTIONS BY LAND USE TYPE COMPARED TO DUNNIGAN

Growth Category	2010	2035	Change	Dunnigan SP	DSP as percent of region
Industrial Employment	159,807	238,944	79,137	1,993	2.5%
Office Employment	190,887	311,973	121,086	2,872	2.4%
Leisure and Hospitality Employment	95,798	151,196	55,398	2,328	4.2%
Population	2,660,071	3,923,007	1,262,936	23,603	1.9%

Source: ADE based on Caltrans projections and Dunnigan Specific Plan

In order to identify potential business targets for attraction to Dunnigan, we have screened industry growth trends in the region surrounding Dunnigan to identify the types of businesses that have shown better than average growth during the past decade. Although the recession has affected many industries and reduced employment levels in most communities in the region, certain industries have recovered more rapidly than others. We would expect these industries to be looking for expansion locations. For the analysis of recent trends, ADE focused on the four counties of Yolo, Solano, Sacramento and Placer because economic trends in these counties would have the greatest influence on Dunnigan.

ADE compared employment in 2001 with employment in 2010; the latest year for which detailed industry trend data is available. By going back to 2001, we were able to see more long-term trends not just the impacts of the 2008-2009 recession. The analysis included all industries comprehensively and compared each industry's rate of growth in the 4-County study area with the rate of growth for the state of California. We then sorted the growth rates from highest to lowest to identify all those industries that were growing faster in the 4-county study area than at the state level. The resulting list of industries includes all those industries in the 4-county study area that have experienced growth at a faster rate than the same industries at the state level. These industries would be considered the best "expansion" targets in the region.

The full list of resulting industries, which is quite long, is provided in Appendix B. The list is sorted into industry cluster groups, including: Food and Agribusiness; Transportation and Distribution; Diversified Manufacturing; Business Services; Information and Communications Technology (ICT); and Medical and Pharmaceutical Products. As a result of the market analysis described in the next chapter, and in light of the regional projections described above, we have estimated the employment potential for these businesses in Dunnigan. The resulting job development phasing plan is presented in the third chapter of the report.

MARKET ANALYSIS FOR JOB CREATING INDUSTRIES

FOOD PROCESSING, WHOLESALE AND DISTRIBUTION

Much of the demand for new industrial space at Dunnigan will come from two major sources: the growth and increasing diversity of agriculture and food processing and the increasing need for warehousing and distribution facilities in the Sacramento Valley.

ANALYSIS OF GROWTH IN FOOD AND AGRICULTURE SECTOR

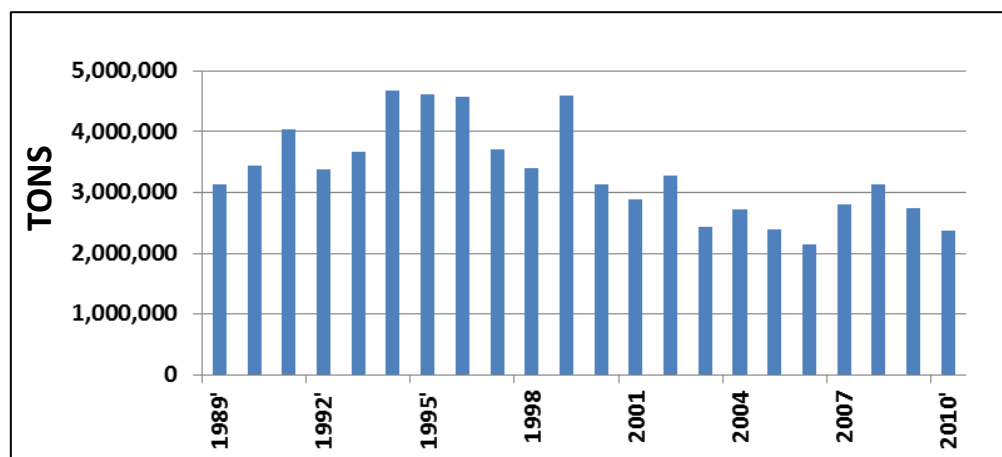
As for agriculture and food processing, Yolo County has four major farm products: processing tomatoes, rice, almonds, and wine grapes. A fifth crop, olives, is increasing its share of total farm production and will result in demand for processing facilities for olive oil, canned olives, and related products. In addition, there are a growing number of smaller vegetable growers that cater to local markets.

Processing Tomatoes

Almost all processing tomatoes are grown in California, which in 2009 produced nearly 14 million tons. Sacramento Valley's share of total statewide production has declined in the last decade from a high of 4.5 million tons in 1999 to about 2.4 million tons in 2010. Production has moved in large part to the San Joaquin Valley. Yolo County's production of processing tomatoes actually increased between 2010 and 2011 from 1.3 million tons to 1.5 million tons. Tomato paste from processed tomatoes is a major export commodity for the state; exports go to food processors throughout the U.S., Canada, the E.U., and parts of Asia. In the Sacramento Valley, three companies dominate tomato processing: Morning Star, Campbell, and SK. Morning Star's Northern California facility, which is the largest tomato processing facility in the world, is located in Williams. Campbell recently closed its Sacramento facility. The industry is fiercely competitive with a 2 percent profit margin.



FIGURE 1: PROCESSING TOMATOES IN THE SACRAMENTO VALLEY



Source: National Agriculture Statistics Service (NASS)

Growth in the market will depend on global exchange rates and subsidies provided by competing nations, especially the E.U. and China. The industry expects the market to remain stable, with no plans to increase capacity. Consolidation will continue to occur, resulting in the closure of at least one plant in Northern California. Any needed expansion will occur at existing facilities.¹

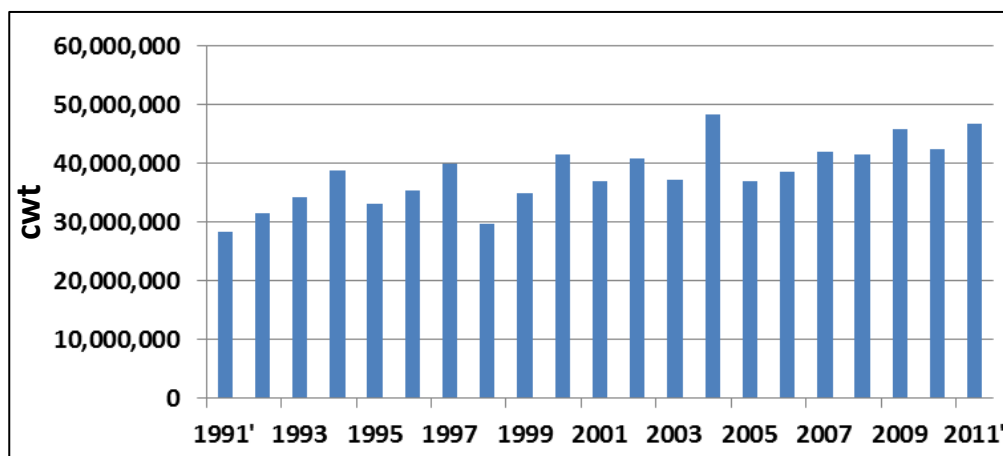
Rice

The Sacramento River Valley and the San Joaquin Delta are the only areas in California where rice is grown. The total acreage devoted to growing rice in California ranges from about 500,000 to 600,000 acres. California rice production, which totaled 2,250 million tons in 2011, makes up about one-fifth of total U.S. rice production. Thirty to fifty percent of California rice is exported, primarily to the Pacific Rim, Europe, and the Middle East. Asia's increasing population and limited land resources increase the likelihood of California rice playing a significant role in international trade. However, increasing exports from Central and South America and Australia, combined with decreasing per capita consumption of rice in Japan, Taiwan, and Korea should moderate demand for California rice in the future.

California rice is processed by grower-owned cooperatives. There are six cooperatives in the Sacramento Valley: California Warehouse Association, American Commodities Cooperative, Lundberg, Sun Valley, Sun West, and Farmers' Rice Cooperative. The Pacific International Rice Mill (PIRMI) is based in Woodland. This facility recently updated its plant and equipment. Based on current and projected global demand for and supply of rice, it is unlikely that there will be a need for future processing capacity for this commodity. According to Luis Espino, UC Farm Advisor to rice growers, California has excess capacity in both milling and rice storage facilities, so future expansion of existing facilities or development of new facilities is unlikely.

¹ Mark Evans, The Morning Star Company, personal conversation.

FIGURE 2: RICE PRODUCTION IN THE SACRAMENTO VALLEY



Source: USDA, NASS

However, there is a tremendous need for technologies to help California rice growers respond to increasing environmental issues related to water quality. To keep California's rice crop competitive on the global market and meet consumers' expectations for quality and taste, especially those in Europe, Japan, and Taiwan, rice growers will need to respond to a plethora of environmental issues, including pest management practices, water quality, air quality, and climate change. Growers are experimenting with new technologies that have a more beneficial impact on the environment. Dunnigan could be a central location for research and development facilities for rice and environmental-related research.

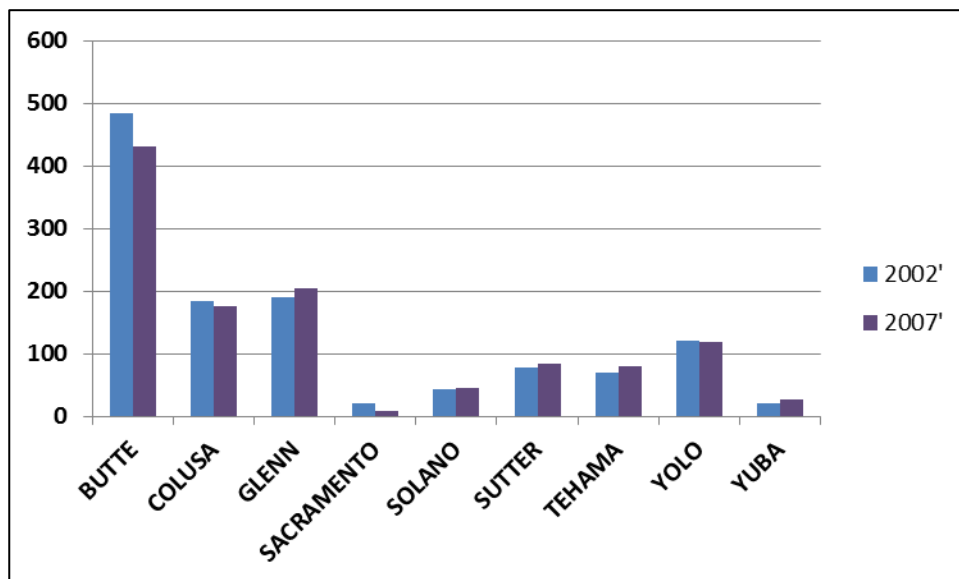
Almonds



The pace of growth in almond production in California over the last decade has been rapid. USDA estimates that the 2012 California almond crop will produce 2.0 billion pounds of almonds, up from 1.0 billion pounds in 2004. This growth is the result of tremendous growth in acreage, which currently is approximately 760,000 acres, but also the increase in productivity per acre. Improvements in planting, harvesting and irrigation practices have increased production to about 2,500 lbs. per acre. California produces 80 percent of the world's almonds, despite the growth in production in such nations as Turkey, Greece, Spain, and Australia.

Most California almond production is in the San Joaquin Valley counties of Kern, Merced, Madera, Fresno, San Joaquin, and Stanislaus. Of the Sacramento Valley counties, Butte, Glen, and Colusa County produce the most almonds, about 177 million pounds. In comparison, Yolo produced 11,000 tons of almonds in 2011. According the USDA Census of Agriculture, there are 1,175 almond operators in the Sacramento Valley.

FIGURE 3: NUMBER OF ALMOND OPERATORS BY COUNTY IN THE SACRAMENTO VALLEY



Source: USDA Census of Agriculture

The largest supplier in Yolo County is Mariani, headquartered in Winters. Mariani has a walnut hulling and drying facility near Dunnigan, but their entire almond hulling, drying, and storage facilities are in Winters. At that site, they have four plants, the newest one located near Buckeye at I-505. At this time, if they need additional capacity, they anticipate building it on their own property near Winters.

Wine Grapes

In Yolo County, the production of wine grapes is increasing. There were 11,893 acres planted in wine grapes in 2011. This is up from 9,817 in 2003. Yolo County's wine grape acreage is divided into two regions: Dunnigan/Capay Valley and Clarksburg. The Dunnigan/Capay Valley area is in Pricing District 9, while Clarksburg acreage is in District 17. According to Yolo County, the Dunnigan/Capay Valley region has over 3,000 acres of wine grapes. The remainder, nearly 9,000 acres is in Clarksburg. At an average production of seven tons per acre, total grape acreage in Yolo County alone could produce around 83,000 tons of grapes and 13.5 million gallons of wine annually.



Pricing district 9 includes most of Northern California, from Sacramento County north (excluding Napa, Sonoma, Mendocino, Marin, and Lake Counties). The Clarksburg district includes parts of Yolo, Solano, and Sacramento Counties.

The California Wine Grape Crush Report for the 2011 crush indicates that 108,000 tons of grapes from Clarksburg (District 17), another 54,000 tons of grapes from District 9 (Northern Cal) and another 121,000 tons of grapes from District 5 (Solano County) were processed in 2011. This is a total of over 284 tons of grapes grown in and around Yolo County that were processed by wineries both inside and outside of Yolo County.

Yolo County has few wine processing facilities, and only a small percentage of Yolo County grapes are processed locally. Most grapes grown in Yolo County are trucked to other areas to be crushed and fermented. A study completed in 2009 for Yolo County determined that the Clarksburg district alone could support an additional three large and 30 small wine processing facilities assuming only half the local harvest was processed locally.

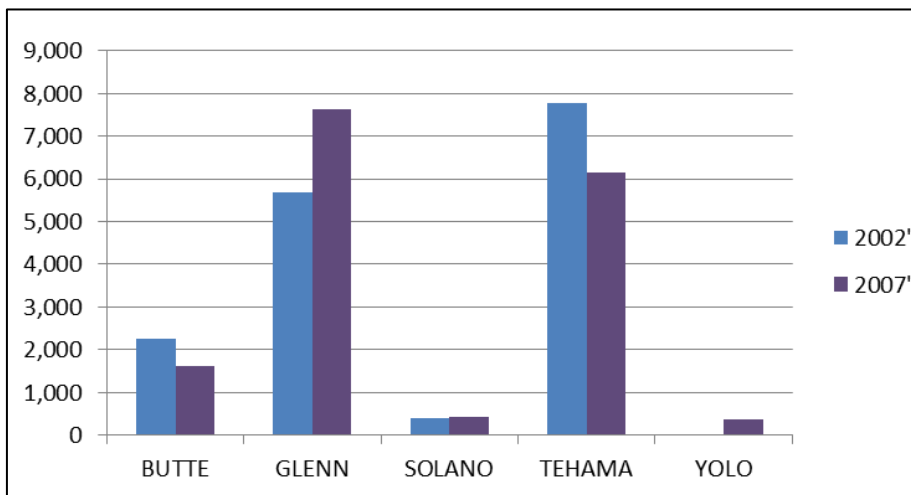
Clearly there is opportunity to expand wine processing in the Dunnigan area.

Olives

Olives are the fastest growing specialty food crop in California. This is due in part to the known dietary benefits of olive oil relative to other oils and to consumers' desire to purchase locally processed foods. It is also due to the ability of California to produce higher-quality oil at a reduced cost to the consumer relative to oil produced in Italy. Olive growers use new planting and harvesting methods that are more automated and new machinery in processing the oil. According to the California Olive Oil Council, 5,000 new acres of olives will be planted each year through 2020, and three or four new olive mills are opened each year.

According to USDA's Census of Agriculture, California's total olive acreage increased from 31,000 in 2009 to 41,500 in 2011, a 33 percent increase in two years. Of this, a little less than 20,000 acres are in Northern California counties of Butte, Tehama, Glenn, Solano, and Yolo. As of 2012, Yolo County had 3,300 acres planted in olive trees.

FIGURE 4: ACRES PLANTED IN OLIVES



Source: NASS

Currently, there are approximately 40 olive mills in California, with most of these, about 30, located in Northern California.² The Seka Hills Olive Mill is the only mill in Yolo County. It is operated by the Yocha Dehe Wintun Nation tribe in Brooks. The current capacity of the mill is approximately 3.5 tons per hour. This mill processes olives from the tribe's own orchards, as well as olives from other small growers. The mill is already operating at capacity and it is very likely that the tribe will want to build a larger facility near the Dunnigan.³

As of 2011, the U.S. imports 97 percent of the olive oil it consumes; only 3 percent of U.S. consumption of olive oil is produced in California. There is a huge opportunity for olive oil production in California. This is due to olives being able to grow in relatively poor soils, with very little water. The Dunnigan, with their undulating terrain, dry growing season, and relatively poor soils make that an ideal growing area for olives. There are a few limiting factors to the continued growth in olive oil production. One is the lack of storage capacity. Olives are harvested and processed within a 45-day period in early Fall. Temperature-controlled space is required to store the oil for distribution during the remainder of the year. Storage requires large stainless steel tanks, similar to those used for wine.

Other limiting factors have to do with international trade laws and labeling requirements. For instance, imported olive oil is much less expensive than oil produced in California. This is said to be due to most imported oils not being 100 percent olive oil, but rather mixed with safflower, canola, or other vegetable oils. Also, imported oils are not always virgin olive oil as labeled. U.S. olive oil producers have been lobbying for fair labeling laws so that imported oils must be labeled with their actual contents. It is hoped that as consumers become more aware of the higher quality of olive oil produced in California, they will purchase less imported oil and demand for California olive oil will grow.

As the production of olives increases, the demand for additional olive processing capacity will create an opportunity to locate such a facility at Dunnigan. In addition to processing facilities, olive oil production also requires temperature controlled storage, distribution, bottling, labeling, marketing, sales, and administration activities.

SUMMARY

As discussed in this section, the three major opportunities for growth in food processing are in almonds, wine, and olive oil. In addition, as the processing capacity increases, the need for additional specialized warehousing will also increase.

There is a special synergy between the processing of wine and the processing of olive oil that would allow for efficiencies in the co-development of processing, packaging, and warehousing facilities.

1. Wine grapes are harvested in late summer/early Fall, between the months of August and October. Grapes are picked and processed immediately into juice. Olives are harvested

² California Olive Oil Council, www.cooc.com

³ Jim Etters, Yocha Dehe Wintun Nation, personal conversation.

- in October and November, and like grapes, are picked and processed immediately. This would allow the same facilities and the same workforce (but not the same equipment) to be used for both processes, lengthening the main employment season.
2. Both wine and oil require temperature-controlled storage to ensure the highest quality product and, in the case of oil, to prevent it from going rancid. These facilities, again, could be co-located in temperature controlled buildings with the flexibility of storing wine or oil depending on production and marketing volumes.
 3. Bottling and packaging facilities could also be shared as they both require bottling, labeling and packaging for distribution.
 4. Another opportunity for sharing space is in the tasting room. Wine tasting and oil tasting attract the same customer and tourist and such a facility would draw visitors to the Dunnigan area.

AVERAGE EMPLOYMENT AT PROCESSING FACILITIES

The employment potential due to increased food and beverage processing in Yolo County depends on a number of factors. These include: 1) the continued growth in olive, grape and almond production in the Sacramento Valley; 2) the continued growth in national and international demand for wine, olive oil and almonds; 3) the availability of waste water treatment facilities; 4) access to temperature-controlled storage facilities; and 5) the attraction of processors with the requisite capital to invest in new facilities.

The average employment at a California processing facility depends on the three key factors: 1) the scale of processing; 2) the type of product being processed; and 3) the level of automation incorporated into the processing operations. Large processors serve national and international markets, while small processors serve primarily regional markets, though more are increasing their national marketing through internet sales. The large processors tend to be more automated as they are competing in a larger market where margins are relatively small, in many cases two percent. Small processors are more labor-intensive and can produce larger margins by catering to niche markets.

The average employment at processing facilities in California ranges from a low of 20 in wineries to high of 90 for roasted nuts (Table 6). The range in facility sizes can vary significantly, with large facilities supporting a few hundred employees, while small, boutique facilities may have less than a half-dozen. The typical winery's peak season, "the crush", happens in late summer. Once the grapes are processed into juice, the facility needs many fewer employees to ferment and ship or bottle the juice. Almonds, walnuts, and pistachios can be processed year-round into a greater variety of products and packaging alternatives, resulting in a greater number of workers.

TABLE 6: SELECTED CALIFORNIA FOOD PROCESSING SUB-SECTORS EMPLOYMENT AND ANNUAL WAGES

Food Processing Sub-Sector	Establishments	Paid Employees	Employees / Estab.	Annual Payroll	Pay/ Employee
Rice Milling	14	1,100	78.6	\$65,150	\$59,227
Other Oilseed Processing	7	n/a			
Fats and Oils Refining and Blending	19	1,035	54.5	\$52,806	\$51,020
Fruit & Vegetable Canning	117	9,274	79.3	\$571,050	\$61,575
Roasted Nuts & Peanut Butter Mfg.	62	5,679	91.6	\$223,355	\$39,330
Wineries	1,089	22,811	20.9	\$1,219,659	\$53,468
Meat Processed from Carcasses	116	5,082	43.8	\$186,165	\$36,632

Source: U.S. Census Bureau, 2010 County Business Patterns

Assuming six new processing facilities, two each for wine, olive oil and almonds, with each employing the average number of workers per facility, the Dunnigan area could attract approximately 240 new processing jobs. In addition to these processing jobs, Dunnigan would attract jobs in cold storage, specialized warehousing and distribution and boutique-sized facilities for canning fruit and vegetables and processing of meats, wine and oil.

HOSPITALITY/VISITOR SERVICES

Travel along the I-5 corridor is expected to increase over the next two decades. According to Caltrans, average annual daily traffic is to increase from 31,500 trips to 45,675 trips between 2007 and 2027, an increase of about 14,000 trips (Table 7). This presents an opportunity to provide hospitality and traveler services within the Dunnigan Specific Plan area. The Dunnigan/Woodland area is the last opportunity for travelers to access services, including gas, food, lodging, and supplies prior to entering the Sacramento Metropolitan Area.

Davis has historically had a low supply of hotel rooms, which in the past has forced visitors to stay at hotels in Solano County. Davis has more recently tried to add more hotel rooms to its downtown so as to support downtown restaurants and retailers. New hotels in Davis include two mid-market hotels on the south side of I-80. Recently, the Hyatt Place built a 75 room hotel next to the Mondavi Center at UC Davis. They plan to add 50 additional rooms as soon as they can. University Park and Suites is to be completely re-built to a 5 or 6-story hotel within Davis. It will also have meeting space. Davis transient occupancy taxes (TOT) increased 20% in the last year, due to an increased emphasis on marketing events, such as the Live Strong bicycle race and the Whole Earth concert.⁴

Woodland has a longer history of catering to traveler services and has several hotels at interchanges along I-5. Woodland also has a few tourist attractions and is planning to add to the number of attractions. The Hydric, the Ag History Center is a unique museum that has the largest collection of antique farm implements in the U.S. There is 130,000 square feet of antique machinery, trucks, and implements. The City is planning to build a water park called Velocity Island that will attract day visitors and some overnight visitors to Woodland.

⁴ Alan Humason, Yolo County Visitors Bureau, Personal communication.

TABLE 7: ESTIMATED VEHICLE TRIPS AND FLOW CONDITIONS ON I-5 BY PLANNING SEGMENT AND YEAR

	2007	2027
Segment #12: I-5/SR 113 Junction to I-5/I505 Junction		
Peak Hour	3,400	5,168
AADT	35,000	53,200
% truck	17%	
Segment #13: I-5/I-505 Junction to Yolo/Colusa County Line		
Peak Hour	3,800	5,510
AADT	31,500	45,675
% Truck	19%	
Segment #14: Colusa/Yolo County Line to SR 20		
Peak Hour	3,350	4,858
AADT	30,500	44,225
% truck	19%	
AADT: Average Annual Daily Traffic		

Source: Caltrans; Interstate 5 Transportation Corridor Concept Report

In the Capay Valley, Cache Creek Casino is a full service resort and casino with a golf course. The casino attracts busloads of gaming enthusiasts from most of Northern California, especially the Bay Area. Due to its casino, this is not a resort that would attract vacationing families.

According to YCVB, the Dunnigan area may attract a mid-market hotel that would cater to traveling families that desire easy parking, a swimming pool, easy access to the highway as well as to tourist attractions, including agri-tourism in the Yolo County and Colusa County area. In addition, there is currently no full-service resort in Yolo County that would cater to traveling families, so there may be an opportunity for a resort facility in northern Yolo County. It would appear that currently, due to the concentration of traveler services in Woodland, a hospitality/traveler service center in Dunnigan would need to be attached to a unique attraction in the area—whether olive oil tasting, wine tasting, a petting zoo, a pizza farm, etc. featuring local food products.

TRUCK STOP

Dunnigan would also be a suitable location for additional truck traveler services. Along the I-5 corridor, there are truck stops every 60 to 120 miles (Table 8). Each existing node, which can comprise one to three truck stops, will accommodate between 200-500 spaces. For instance, the Redding Travel Center has 196 spaces. And, just 50 miles south in Corning, there are three truck stops with parking spaces for 529 trucks. Between the two of these nodes, there are 725 truck spaces.

The distance between Corning and Dunnigan is only 75 miles, but there are no other truck stops in this area. Dunnigan would be the last possible location for a truck stop before heading into the Sacramento or the San Francisco Bay Area metropolitan areas. South of Dunnigan, on the I-80, the Suisun City Terminal Station has 350 spaces. Though the distance between Suisun City and Corning is only about 120 miles, the Suisun City location meets primarily east-west truck traffic along I-80. An additional truck resting place is located closer to San Francisco in Vallejo, but there are no services provided. To the east in Sacramento, there is one truck stop, the 49'er Travel Plaza, with capacity for 227 spaces. The only other truck stop to the east is Nyack Towing at Emigrant Gap with 40 spaces.

TABLE 8: TRUCK STOPS ALONG I-5 NORTH AND SOUTH OF DUNNIGAN

County	City	Company	Spaces	Location
Butte	Oroville	Gold Nugget BP Station	10	
Glenn	Orland	Beacon Fuel Stop #609	15	
Sacramento	Sacramento	Dhami Truck Plaza	42	
Sacramento	Sacramento	Pilot 49er Travel Plaza	227	HWY 80 @ I-5
Shasta	Redding	Redding Travel Center	196	
Solano	Suisun City	Terminal Station	350	HWY 80 @ Fairfield
Tehama	Corning	Love's Truck Stop	155	
Tehama	Corning	Petro Stopping Center #9	120	
Tehama	Corning	Travel America Truck Stop	254	
Yolo	Dunnigan	Beacon Truck Stop	50	
Yolo	Dunnigan	Pilot Travel Center	150	I-505 @ I-5
Yolo	W. Sacramento	Epoch Exxon Truck Stop	22	

Source: www.sanpasotruckstop.com

Currently, there are two truck stops in Dunnigan with a total of 200 truck spaces. The Pilot Travel Center, located near the intersection of I-5 and I-505 has 150 spaces and the nearby United Travel Plaza has 50 spaces. During the processing of the Dunnigan Specific Plan, Love’s Truck and Travel Center proposed locating a truck stop in Dunnigan. In response, the County commissioned Bay Area Economics (BAE) to conduct an economic analysis of the proposal. BAE concluded that, “The findings from the study indicate that Dunnigan and the areas within 60 miles north and south of Dunnigan along I-5 are significantly under-served by truck stop facilities, yet Dunnigan occupies a strategic location along an important trucking route...[L]ooking at the larger supply and demand picture, Dunnigan with the additional proposed Love’s truck stop would still have above average numbers of trucks per truck stop and trucks per diesel fuel lane, meaning that there should be adequate demand to support both the existing truck stops and the proposed Love’s truck stop at levels that would be economically viable and consistent with industry standards.”⁵

SUMMARY OF HIGHWAY COMMERCIAL POTENTIAL

The Dunnigan Specific Plan has allocated about 79 acres to highway commercial uses, with about 25 acres in Phases 1 and 2. At full buildout, this land area could accommodate more than 1,000 highway commercial jobs. However, reviewing similar locations, it is likely that the visitor-serving component of this development would be somewhat smaller. For example, Santa Nella has about 300 jobs including lodging, restaurants and retail. Buellton, which is a highway location with a high tourism profile, has fewer than 800 visitor-serving jobs and nearby Solvang has about 1,100. Envisioning a family-oriented destination anchored by a fresh food market featuring locally grown produce, wine, olive oil and nuts, as well as wine tasting locales and other visitor attractions in Dunnigan, the visitor-serving highway commercial development is anticipated to include the types of uses and jobs indicated below (Table 9). The mix of restaurants, gas and retail services is based on

⁵ Bay Area Economics, Final Dunnigan Truck Stop Economic and Fiscal Impact Analysis, November 16, 2012, pp. ii and 20.

typical visitor spending patterns for Yolo County as estimated by Dean Runyan Associates Annual Travel Impacts by County. However, local demand for gas stations has been added to visitor demand in the highway commercial area as well.

TABLE 9: HIGHWAY COMMERCIAL PROGRAM FOR DUNNIGAN

Highway Commercial Mix	Acres	Sales	Jobs
Truck Stop	10 - 20	\$40,500,000	50
Food Store/pavilion	2	\$6,971,200	56
Lodging	16	\$9,490,000	156
Restaurants	3	\$9,720,000	169
Gas Stations [a]	2	\$28,376,500	60
Retail	2	\$6,319,400	38
Total	35-45	\$101,377,100	529

Source: ADE, Inc.

[a] Includes local demand as well as visitor demand

DIVERSIFIED MANUFACTURING/DISTRIBUTION AND BUSINESS PARK USES

In terms of net absorption of commercial space, the Davis/Woodland market area ranked 2nd in office space and 7th in industrial space out of 19 submarkets in the Sacramento market region during the third quarter of 2012. Still, the year to date absorption in the Yolo area remains negative and the vacancy rates are high, at 11.2 percent for office and 16.9 percent for industrial space. In Solano County the industrial vacancy rates are lower, with a 14.3 percent rate in Vacaville and a 12.7 percent rate in the Fairfield/Cordelia/Suisun City submarket. Also, net absorption year-to-date in eastern Solano County has been positive, although modest, with 79,235 sq. ft. in Vacaville and 357,066 in the Fairfield area.⁶

Using data from the Bureau of Labor Statistics, in the OnTheMap application from the Census, we can see how the office and industrial sectors have done in the surrounding cities over the past ten years. At the same time, it is useful to see how these cities have done overall in terms of matching labor force to jobs. The following charts use the Local Employment Dynamics (LED) dataset from OnTheMap, which combines American Community Survey (ACS) data from the Bureau of the Census with employment data from the Bureau of Labor Statistics (BLS). This provides useful profiles of where workers live and where they work and the types of jobs they have. In the charts below, we show trends in jobs and employed labor force between 2002 and 2010. In addition, we have added data on the growth in housing units from the State Department of Finance to provide a perspective on the jobs/housing balance in each location.

⁶ Market data obtained from Cassidy Turley market snapshots, www.ctbt.com.

On average, industrial and office jobs represent about 42 percent of total employment for the seven cities below (Davis is excluded since the large university employment and the relative lack of industrial jobs reduces this ratio significantly). Fairfield and Woodland are close to this average while Vacaville, Williams and Winters are lower, ranging from 12% to 29%. Dixon and West Sacramento are much higher at 52% and 60%, respectively.

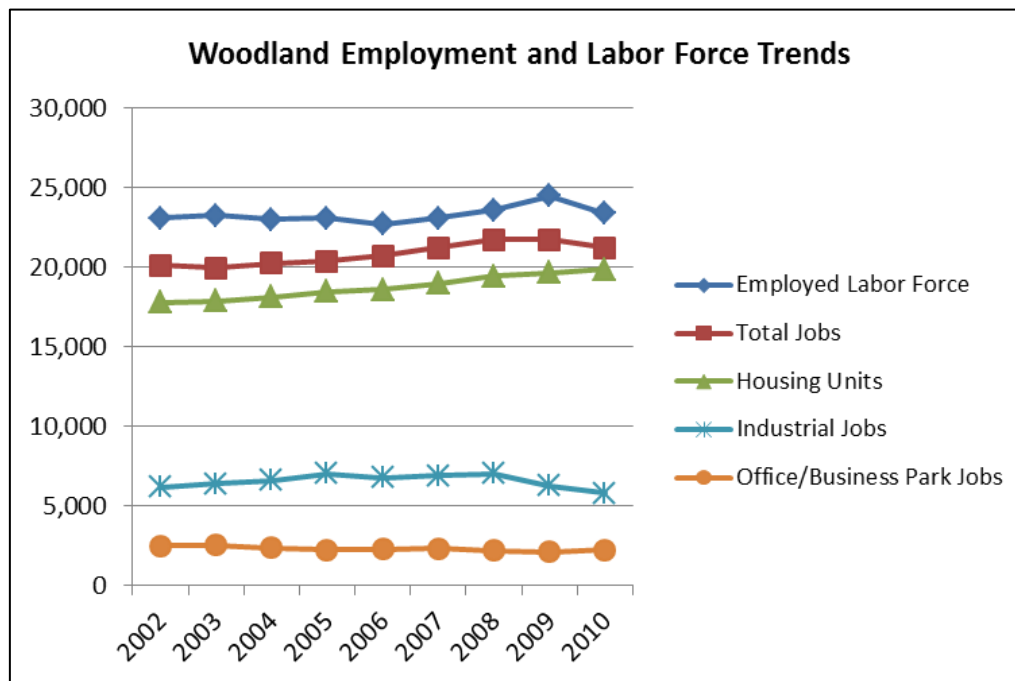
TABLE 10: OFFICE AND INDUSTRIAL EMPLOYMENT FOR MARKET AREA CITIES, 2010

City	Office/Ind. Jobs	Total Jobs	Percent
Yolo County			
Woodland	8,096	21,225	38%
West Sacramento	14,475	23,298	62%
Winters	322	1,453	22%
Solano County			
Vacaville	7,953	27,477	29%
Fairfield	15,640	37,545	42%
Dixon	2,888	5,621	51%
Colusa County			
Williams	135	1,090	12%
Total	49,509	117,709	42%

Source: LED OnTheMap

In Woodland, the jobs housing balance stayed around 1.12 through most of the decade, although the labor force exceeds the number of jobs available locally (Figure 5).

FIGURE 5: WOODLAND EMPLOYMENT AND LABOR FORCE TRENDS

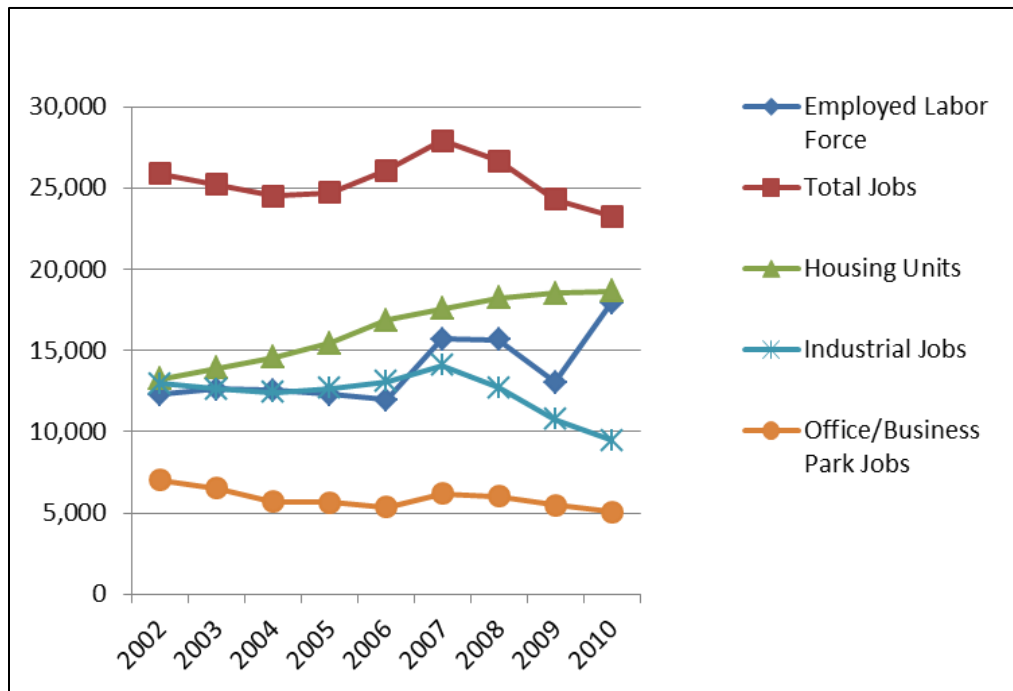


Source: LED OnTheMap; CA Dept. of Finance.

Although jobs have generally increased during the time frame, the number of locally employed residents has dropped during the latter half of the decade. Industrial jobs were increasing slowly until the recession and had not recovered as of 2010. Office and business park jobs have remained flat, with a slight decline more recently.

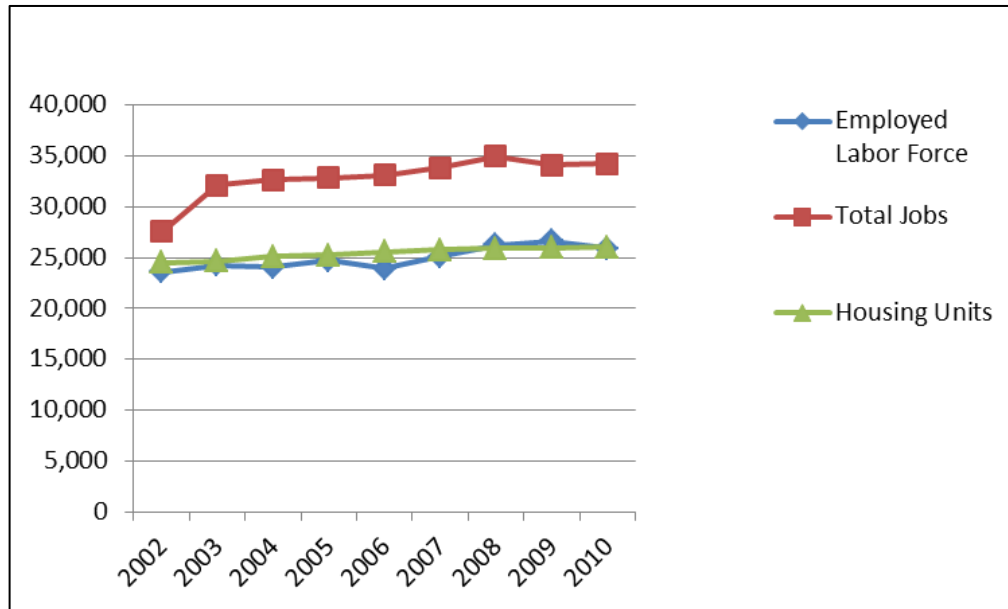
West Sacramento and Davis are the employment centers of the County, and provide jobs well in excess of both the housing supply and the labor force. In West Sacramento the industrial sector has been hard hit in the recession and this affected the trend in total jobs significantly as well (Figure 6). In Davis, the office and industrial sectors are minimal in comparison to the University employment (and do not register on the graph), which has helped to stabilize total jobs in Davis during the economic downturn (Figure 7).

FIGURE 6: WEST SACRAMENTO EMPLOYMENT AND LABOR FORCE TRENDS



Source: LED OnTheMap; CA Dept. of Finance.

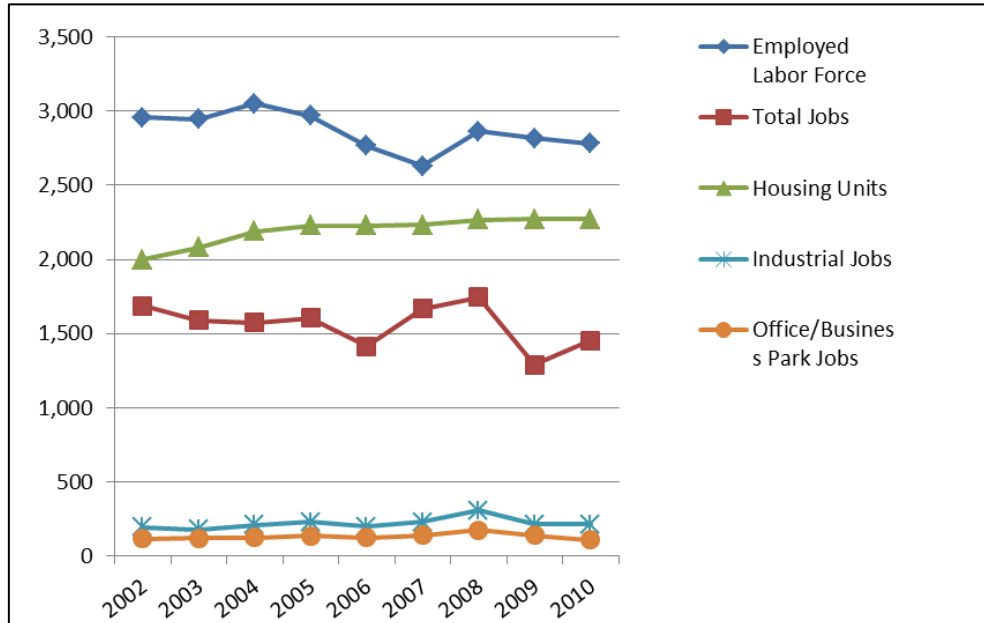
FIGURE 7: DAVIS EMPLOYMENT AND LABOR FORCE TRENDS



Source: LED OnTheMap; CA Dept. of Finance.

In Winters the jobs/housing ratio declined from 0.86 in 2002 to 0.64 in 2010. It has a high proportion of jobs in agriculture and relatively few in industrial and office sectors.

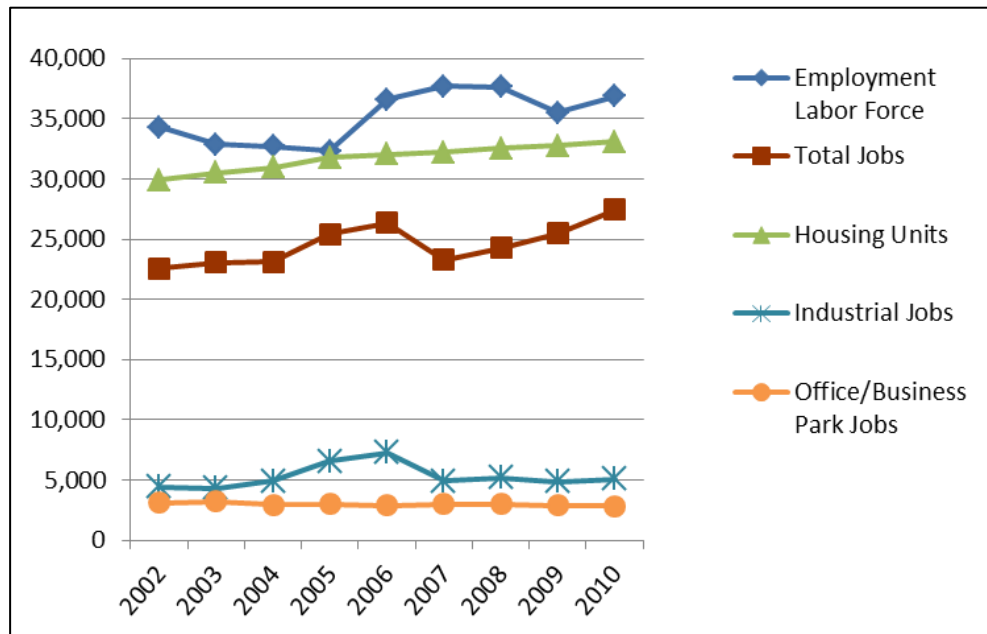
FIGURE 8: WINTERS EMPLOYMENT AND LABOR FORCE TRENDS



Source: LED OnTheMap; CA Dept. of Finance.

In eastern Solano County, the job count in Vacaville has been boosted by a major increase in public sector jobs, possibly associated with the Vacaville prison, counteracting declines in the private sector since 2007 (Figure 9). However, the City has seen some modest growth in manufacturing and wholesale jobs which has helped to stabilize the industrial sector during the past few years.

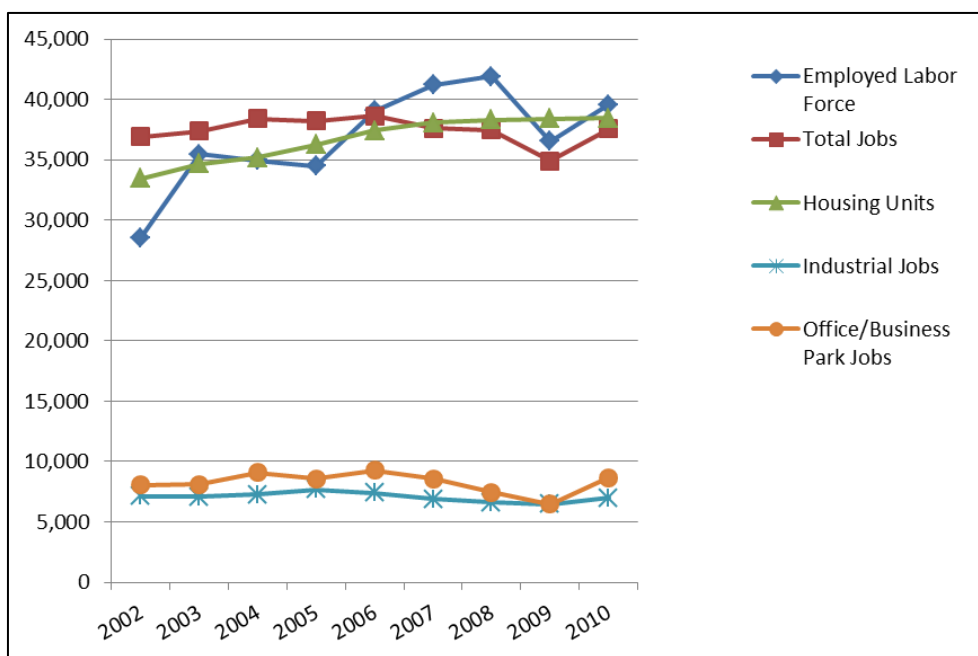
FIGURE 9: VACAVILLE EMPLOYMENT LABOR FORCE TRENDS



Source: LED OnTheMap; CA Dept. of Finance.

In Fairfield, jobs exceeded housing units in the early 2000's but were unable to keep up with the residential inventory when the recession hit (Figure 10). Despite a strong inventory of food processing industries, the overall job base in Fairfield is heavily weighted with retail and other local serving kinds of businesses. This is in part an effect of Travis AFB in Fairfield. Although military jobs are not counted in the chart, the added income supports the higher levels of retail and service jobs.

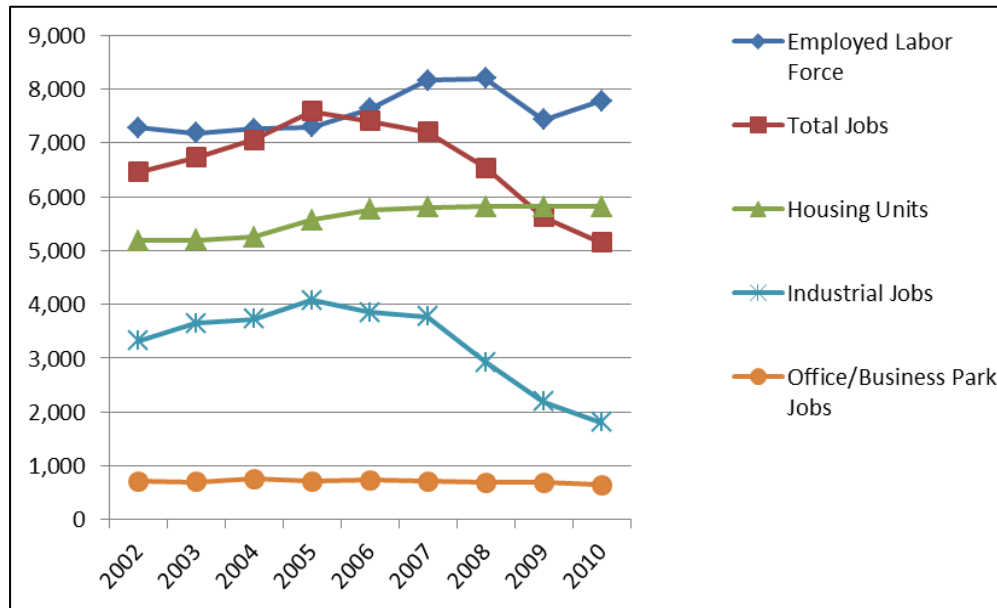
FIGURE 10: FAIRFIELD EMPLOYMENT AND LABOR FORCE TRENDS



Source: LED OnTheMap; CA Dept. of Finance.

As noted above, Dixon has a relatively high proportion of industrial jobs, but those businesses were hit hard by the recession, causing total jobs to decline since 2006.

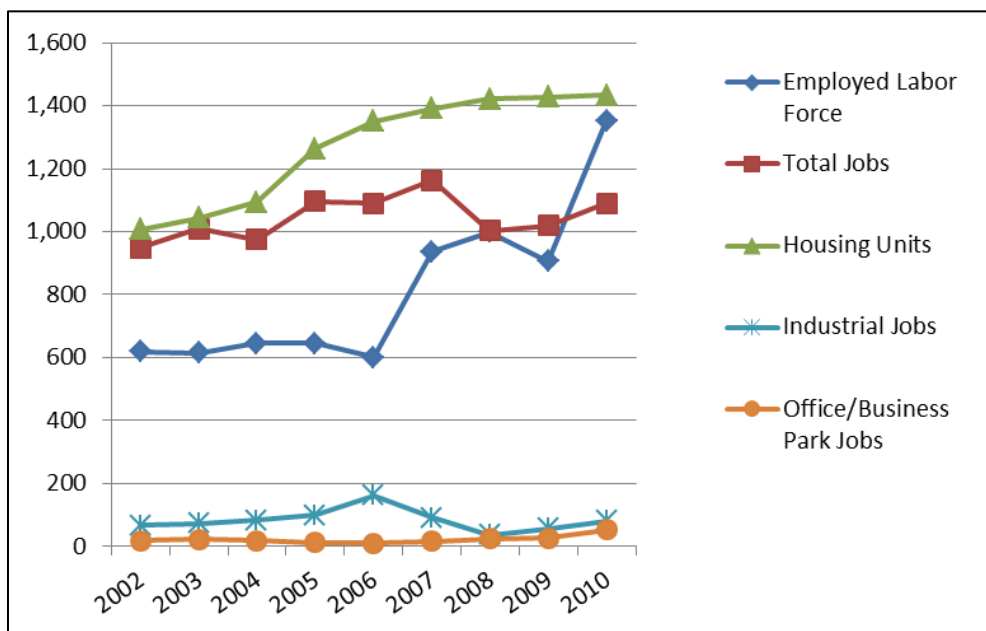
FIGURE 11: DIXON EMPLOYMENT AND LABOR FORCE TRENDS



Source: LED OnTheMap; CA Dept. of Finance.

Finally, Williams in Colusa County has similar jobs/housing characteristics as Winters, although it has more tourism related jobs and fewer agricultural jobs.

FIGURE 12: WILLIAMS EMPLOYMENT AND LABOR FORCE TRENDS



Source: LED OnTheMap; CA Dept. of Finance.

PROJECTIONS OF FUTURE GROWTH

Reviewing the target industry trends in Appendix B, a number of business types appear to have growth potential for industrial and warehouse space in Dunnigan. There are fewer opportunities for office or business park development in the short term.

In addition to the food and agriculture related manufacturing and distribution discussed above, Yolo County had growth of 345 jobs from 2001-2010 in the Transportation and Warehousing sector. The region overall had growth of nearly 1,100 jobs in this sector, with most of that occurring east of Yolo County, not along I-80 or I-505 in Solano. The seven-county region is projected to add an average 2,160 jobs per year distribution jobs between 2010 and 2035, although the ramp up to that level is not evident in the market yet. A 2.5 % share for Dunnigan would yield about 320 jobs in the first phase (six years), of which 140 would be non-ag related.

Other industrial sectors with short term growth potential include a variety of diversified manufacturing industries (see bottom category in Appendix B) such as textiles, metal fabrication, machinery, and other miscellaneous products. The four-county region saw growth of more than 1,600 jobs in these sectors between 2001 and 2010, with 234 jobs in Yolo County and 637 in Solano County. As the construction industry recovers, additional growth should also be experienced in construction materials manufacturing, which saw an increase of nearly 300 jobs in the four counties in the last decade despite the recession. On average, the SACOG region plus Solano is projected add 1,000 jobs per year in non-distribution industrial sectors. Dunnigan could capture a small share of these jobs in early phases and increase its share as it establishes itself as an employment center.

The business park portion of the development cannot really proceed until the community itself is established. Businesses with more sophisticated products, requiring higher skilled workers, will want to have a number of community amenities in place before Dunnigan would be deemed a suitable location. Indeed, it is ADE's judgment that because of Dunnigan's more isolated location, it will be difficult to capture a share of office/business park jobs that exceeds its share of the regional labor force, which is estimated to be about 1.9%. A commensurate share of regional office employment would be about 2,300 jobs, 600 jobs less than the original specific plan projections. We believe it is more realistic that these additional jobs will be found in the distribution sector in Dunnigan, given its locational characteristics.

RETAIL COMMERCIAL DEVELOPMENT

This section of the report validates the market and phasing of the local and regional retail components of the specific plan. ADE projected household retail spending for each phase of the specific plan using our retail demand model. We also included existing and projected retail spending from existing development as well as regional market capture from communities in Colusa County along the I-5 corridor. This latter analysis is based on earlier work performed by ADE to assess the retail shopping deficiencies in Colusa County. Finally, we projected retail and services demand from other businesses in Dunnigan as the job base develops in the community. The tourism spending that would support the highway commercial component of the project is analyzed separately in the tourism analysis.

HOUSEHOLD INCOME LEVELS

ADE estimated the income distribution for households in each of the four phases of the development based on the analysis by EPS in the Fiscal Analysis. The total income distribution used for the retail demand analysis is shown in Table 11, which includes 340 existing units in Dunnigan and the addition of 818 future units in existing areas of Dunnigan.⁷

The retail demand model calculates household purchasing power for about 90 retail and commercial services store types, based on detailed consumer expenditure patterns for the income categories shown in Table 11. The resulting calculations indicate that the total residential purchasing power in the community when complete would be about \$212.7 million per year (Table 12). Phase 1, including existing residential development in Dunnigan, starts out at about \$55.6 million per year. The detailed spending projections by store type are provided in Appendix C.

Additionally, ADE estimated business related retail demand as the employment components of the project are developed (see Appendix D). Ultimately, business-to-business retail demand will add about \$42 million per year in sales, starting with about \$9.1 million by the end of Phase 1.

TABLE 11: DUNNIGANS HOUSEHOLD INCOME DISTRIBUTION

Income Range	Households	Total Income	Average Income	Percent of Total
Under \$20,000	82	\$822,100	\$10,000	0.9%
\$20,000 to \$29,999	382	\$9,551,500	\$25,000	4.3%
\$30,000 to \$39,999	1,724	\$60,331,717	\$35,000	19.2%
\$40,000 to \$49,999	2,587	\$116,424,300	\$45,000	28.9%
\$50,000 to \$69,999	39	\$2,316,624	\$60,000	0.4%
\$70,000 to \$99,999	4,149	\$352,648,816	\$85,000	46.3%
TOTAL	8,963	542,095,057	\$60,484	100.0%

Source: ADE, based on calculations provided by EPS.

⁷ With the inclusion of existing and future units outside the specific plan area, the average household income in the retail analysis is \$60,500, slightly above the average of \$59,000 within the specific plan area.

TABLE 12: RESIDENTIAL AND BUSINESS TO BUSINESS RETAIL PURCHASING POWER IN DUNNIGAN

	Household Retail Spending	Business to Business Spending	Total By Phase
Phase 1	\$55,576,000	\$9,108,000	\$64,684,000
Phase 2	\$55,351,000	\$7,210,000	\$62,561,000
Phase 3	\$47,173,000	\$13,092,000	\$60,265,000
Phase 4	\$54,564,000	\$12,902,000	\$67,466,000
Total	\$212,664,000	\$42,312,000	\$254,976,000

Source: ADE

This spending potential would be captured by the Local/Community level commercial sites, along with the Regional/General Commercial development in the specific plan. The Highway commercial component would also support some of the restaurant development but is mainly supported by visitor spending which is projected separately.

One other component of regional retail demand is included in the calculations for the regional retail center in the project – spending leakage from Colusa County residents. ADE has conducted a separate analysis of the retail market in Colusa County and identified unmet retail demand of about \$41 million per year. Over half of this amount represents regional retail demand from households along the I-5 corridor in Colusa County where no regional retail outlets exist. While shoppers in the City of Colusa may go to Yuba City to find regional shopping opportunities, residents of Williams and the other towns along I-5 would welcome new shopping opportunities in Dunnigan. This demand adds more than 80,000 sq. ft. to the supportable retail development in the regional center at Dunnigan.

Using average sales figures for each type of retail and commercial service store, ADE evaluated the phasing of the retail development in the project based on the buildout of the residential neighborhood and business locations.⁸ A phasing plan was developed from this analysis is summarized by phase in the tables below.⁹ Phase 1 commercial development would consist of a neighborhood retail center anchored by a small food store and a drug store. Demand would exist for restaurants along the highway and on pads in the neighborhood retail center (Table 13).

The Phase 2 commercial development would be anchored by a home improvement center (Table 14). This is typically an early component of the commercial development in newly developing communities as homeowners look for furniture and home improvement supplies to personalize their new homes. Phase 2 would also see increased demand for retail shops and professional services that could populate the mixed use developments in the project.

⁸ Average sales per store are shown in Appendix R-A and are based on the 2007 Census of Retail Trade, adjusted to current dollars.

⁹ Store sales per sq. ft. based on Urban Land Institute Dollars and Cents of Shopping Centers. Employment Density factors (sq. ft. per employee) are based on ADE analysis of Census of Retail Trade and Urban land Institute sources.

TABLE 13: PHASE 1 NEIGHBORHOOD\RETAIL CENTER

STORE TYPES	PHASE 1	
	Sq. ft.	Jobs
Total	103,200	344
Drug & Proprietary Stores	11,800	21
Supermarkets	24,100	35
Convenience Stores	4,600	9
Full-Service Restaurants	15,100	65
Other Eating Places	19,000	125
Gasoline Service Stations	6,300	15
Dental Services	3,800	20
Child Care, Day Care, Nursery, Preschools	4,500	12
Auto Repair	8,600	20
Personal Care Services	3,000	9
Laundry and Dry Cleaning	1,300	7
Pet Care	1,300	6

Source: ADE

Note: Totals may not add due to rounding.

TABLE 14: PHASE 2 COMMERCIAL DEVELOPMENT

STORE TYPES	PHASE 2	
	Sq. ft.	Jobs
Total	126,900	324
Women's Apparel	11,500	28
Shoe Stores	9,200	20
Liquor Stores	4,900	7
Drinking Places	2,600	9
Furniture	14,500	18
Household Appliances & Electronics	12,300	36
Home Centers and Hardware Stores	18,500	15
Gasoline Service Stations	3,900	9
Auto Parts & Accessories	16,300	59
Legal Services	3,700	18
Physician Services	4,200	22
Dental Services	2,700	14
Eye care and Other Medical Services	2,500	9
Child Care, Day Care, Nursery, Preschools	3,200	8
Auto Repair	6,100	14
Personal Care Services	2,100	6
Coin-Op Laundry	2,400	9
Pet Care	900	4
Athletic/Social/Civic Clubs	5,600	18

Source: ADE

Note: Totals may not add due to rounding.

Phase 3 would see the major portion of the regional retail development. Local demand would have grown to a point that a large discount center could operate in the community, drawing also from regional demand from Colusa County and from travelers on I-5 (Table 15). This phase would also see the development of an additional neighborhood center anchored by a grocery store.

TABLE 15: PHASE 3 REGIONAL RETAIL CENTER AND OTHER COMMERCIAL DEVELOPMENT

STORE TYPES	PHASE 3	
	Sq. ft.	Jobs
Total	420,100	881
Family/Men's Clothing	41,600	131
Discount Stores	151,300	177
Misc. General Merchandise	18,800	30
Drug & Proprietary Stores	7,800	19
Gifts & Novelties	5,100	8
Sporting Goods	8,900	16
Optical Goods	3,100	11
Supermarket	51,400	74
Specialty Food Stores	2,400	7
Full-Service Restaurants	17,900	77
Other Eating Places	22,500	148
Furniture Stores	6,300	8
Other Home Furnishings Stores	11,900	10
Household Appliances & Electronics	6,300	19
Nurseries & Garden Supply Stores	10,800	32
Lumber & Other Building Materials	20,500	17
Gasoline Service Stations	9,300	22
Legal Services	1,600	8
Physician Services	1,800	9
Dental Services	2,800	14
Child Care, Day Care, Nursery, Preschools	3,300	9
Auto Repair	6,300	15
Other Household Repair (Inc. tools, computers, tailoring)	1,500	5
Personal Care Services	2,100	7
Laundry and Dry Cleaning	1,800	11

Source: ADE

Note: Totals may not add due to rounding.

Finally, Phase 4 would add a number of specialty retail stores that would help complete the mixed use development and downtown core retail for the community (Table 16).

TABLE 16: PHASE 4 COMMERCIAL DEVELOPMENT

STORE TYPES	PHASE 4	
	Sq. ft.	Jobs
Total	101,700	338
Florists	1,600	5
Records & Music	3,500	4
Books & Stationery	13,900	12
Office Supplies/Computer Equipment	6,600	13
Jewelry	1,900	7
Other Health/Personal Care Stores	1,300	4
Toys & Hobbies	3,900	19
Pet Stores	5,500	7
Other Misc. Specialty Stores	5,300	6
Full-Service Restaurants	9,400	41
Other Eating Places	11,900	78
Used Merchandise	2,900	7
Legal Services	1,800	9
Accounting Services	3,200	15
Physician Services	2,100	11
Dental Services	3,200	17
Child Care, Day Care, Nursery, Preschools	3,800	10
Auto Repair	7,300	17
Personal Care Services	2,500	8
Laundry and Dry Cleaning	1,100	6
Pet Care	2,100	10
Photofinishing	1,800	17
Athletic/Social/Civic Clubs	5,200	17

Source: ADE

Note: Totals may not add due to rounding.

JOB DEVELOPMENT PHASING AND WAGES

PROJECTED NON-RESIDENTIAL ABSORPTION

Based on the market analysis in the previous chapter, ADE has prepared a revised phasing projection for jobs in Dunnigan (Table 17). The focus in Phase 1 would be to develop food and agricultural processing and distribution facilities, capitalizing on Dunnigan’s proximity to the regional freight transportation system and the opportunity for additional value-added processing facilities in Yolo County. In tandem with this effort, Dunnigan would develop a visitor serving complex to serve both regional travelers along the I-5 corridor and also creating a destination that highlights local wines, food products and agricultural assets. In order to distinguish itself from the Cache Creek area, the Dunnigan visitor center would be more family oriented in the mode of Casa de Fruta in Santa Clara County.

TABLE 17: PROJECT PHASING

Land Use/Job Type	Phase 1	Phase 2	Phase 3	Phase 4	Sub-Total	Existing	Total
Construction*	617	457	580	728			
Residential High Density							
Building Maint. Operations	60	48	40	16	164		164
Mixed Use: Retail/Services	275	264			539	14	553
Other Professional Office	62	110	66	100	338		338
Regional Retail – Commercial General			859		859		859
Retail – Commercial Local	54	51		338	443	301	744
Highway Commercial	204	42	127	156	529		529
Office/Research and Development:							
Business Park		138	662	910	1,710		1,710
Other Professions Office			100	121	221		221
Light and Heavy Industrial:							
Food/Agribusiness	414	265	218	170	1,066		1,066
Warehouse and Distribution	320	246	350	492	1,409		1,409
Other Industrial	145	150	180	240	715		715
Public/Institutional	176	139	172	60	547		547
Home-Based Jobs	149	106	105	126	487	18	505
TOTAL JOBS	2,476	2,017	3,459	3,457	9,027	333	9,359
HOUSING UNITS	2,393	1,696	1,691	2,025	7,805	818	8,623
JOBS/HOUSING RATIO	1.03	1.19	2.05	1.71	1.16	0.41	1.09
CUMULATIVE		1.10	1.38	1.46			1.09
J/H WITHOUT CONSTRUCTION	0.78	0.92	1.70	1.35	1.16		1.09
CUMULATIVE WITHOUT CONSTRUCTION		0.84	1.09	1.16			

Source: ADE, Inc.

*Note: Construction jobs represent average annual jobs onsite during the construction phase.

Phase 2 would see further buildout of both the food processing facilities and the visitor center. In this phase, demand would begin to materialize for the business park and for additional professional services. Commercial retail development in both phases would be limited to smaller centers, anchored by grocery and home improvement stores, with the exception of the highway commercial area. We believe the maximum jobs/housing ratio achievable for permanent employment (non-construction related) during the first two phases would be less than 1:1, due to the lack of regional demand for commercial and office development with higher employee densities.

In Phase 3, the population concentration would be sufficient to develop a regional retail center, which would also capture unmet demand from Colusa County and the broader regional area. With the availability of regional retail shopping opportunities, more professional services and business park uses could be attracted to the community. This would further accelerate job growth, well in excess of housing development in Phase 3.

By the end of Phase 3, Dunnigan would exceed its cumulative jobs/housing target of 1.2 jobs per housing unit, including ongoing construction jobs. With the permanent jobs only, the community would be at about 1.09 jobs per housing unit by the end of this phase. The community would also exceed its target ratio in Phase 4 when more of the business park type of development could occur. This portion of the job base will require a highly skilled labor force and a fully developed community to attract these workers. The four phases within the Dunnigan Specific Plan are projected to achieve a 1.46 jobs/housing ratio during construction and a 1.16 ratio thereafter.

It should also be noted that the development of a job center in Dunnigan will begin to attract business interest in other areas in northern Yolo County. The County General Plan calls for an additional minor job center along I-505 relatively near Dunnigan. Related to this, there is discussion of a wholesale distribution center at the junction of I-5 and I-505, which is outside the Dunnigan specific plan area proper. The efforts of Dunnigan to attract jobs to the area should be credited for employment development in these areas too, and the jobs/housing threshold for the specific plan should include the subregional job count from this quadrant of Yolo County, in order to reflect the true balance of jobs and labor force in the area.

Specific Plan Land Supply

The specific plan land uses match the projected job demand in most significant respects, given the flexibility permitted in certain business types that could locate in either office or industrial zone. The following table shows the non-residential land uses for the first four phases compared to the equivalent acreage phasing based on the jobs projections (Table 18). The upper part of the table shows the acreages from the latest land use plan and the middle part of the table shows the acreages based on the jobs projections. These estimates are based on the standard jobs per acre density factors used in the County General Plan: 23 jobs/ac for commercial, 20 jobs/ac for office/R&D and 10 jobs/ac for industrial.¹⁰ As discussed below, these office and industrial factors are quite different than

¹⁰ An exception in these calculations was made for a potential future truck stop, which is included in Phase 4 with 50 jobs on 20 acres of highway commercial land.

most industry averages found in the literature, and they tend to magnify discrepancies between the land use plan and the market projections. However, in order to provide comparable figures with previous General Plan documents, the table below uses these factors.

The lower portion subtracts the middle portion from the upper figures. Thus, positive numbers in the lower portion of the table mean that there are more acres in the land use plan than are required to meet market demand. Negative numbers mean the market demand exceeds the land supply in the specific plan.

Looking at the bottom line first, there are 141.1 acres provided in the specific plan for employment generating uses than are supported by the market projections. (In reality, this number is only 111.7 acres because 29.4 of the highway commercial acres shown in the specific plan are already developed uses.) From a real estate perspective, the excess land supply will allow for some flexibility in meeting market demands as the community builds out. The one category with an apparent shortage of land in the specific plan is light and heavy Industrial. However, this discrepancy is addressed by the flexibility allowed in business uses in the office (ORPD) zones. In particular, small scale manufacturing is allowed in the office zone, which would help to absorb some of the projected industrial demand. With this land use flexibility combined with using denser employee per acre factors, which are considered more typical as discussed below, there would be sufficient land to meet the projected market demand for industrial development.

In terms of the specific land use categories, the first five support building services, retail and office uses. The commercial and mixed use categories provide about 77 acres more than is projected in the market analysis for retail, services and professional office uses. In addition, there is an excess of nearly 18 acres of for business park uses, but there is a lack of about 100 acres to support industrial development, using the General Plan employment density factors.

However, if we use the types of job density factors that more common, this mismatch between office and industrial could be more easily accommodated.¹¹ Office uses typically have higher job densities than do average commercial uses. Office workers generally use about 300 sq. ft. of building space per employee compared to more than 500 sq. ft. on average for retail businesses. Therefore, while the commercial job density factor of 23 jobs/ac is reasonable, the office/R&D factor should be about 43 jobs/ac, not 20.¹² With this factor, the required acreage to support office and business park job growth would be about 45 acres and there would be an overage in the land use plan of about 58 acres.

¹¹ Economic and Planning Systems, Dunnigan Financing Plan, Table 1. December 11, 2012.

¹² The calculation is 43,560 sq. ft. per acre * 0.30 FAR/300 sq.ft. per employee.

TABLE 18: COMPARISON OF SPECIFIC PLAN LANDUSES AND MARKET PROJECTIONS

Specific Plan Employment Generating Land Use Phasing						
	Phase 1	Phase 2	Phase 3	Phase 4	Existing	Total
High Density Residential	19.3	16.1	13.3	5.4	1.4	55.5
Mixed Use	28.6	17.7	4.6	6.0	0.6	57.5
Com'l General/Regional Com'l		17.7	20.5			38.2
Com'l Local/Com'l Community	25.0	14.0			13.1	52.1
Highway Commercial*	51.1	3.9	17.4	35.7		108.1
Office/R&D	3.1	13.3	37.1	49.6		103.1
Light Ind./Industrial	42.4	43.5		133.2		219.1
Public/Quasi Public/WWT	7.8	4.6	1.0		19.2	32.6
Schools	33.3	20.0	40.0	10.0		103.3
Total	181.2	150.8	133.9	239.9	34.3	740.1
Projected Land Use Phasing Based on Market Analysis						
High Density Residential	19.3	16.1	13.3	5.4	1.4	55.5
Mixed Use	14.7	16.3	2.8	4.3	0.6	38.7
Com'l General/Regional Com'l	0.0	0.0	37.3	0.0	0.0	37.3
Com'l Local/Com'l Community	2.3	2.2	0.0	14.7	13.1	32.3
Highway Commercial	8.9	1.8	5.5	24.6	0.0	40.8
Office/R&D	0.0	6.9	33.1	45.5	0.0	85.5
Light Ind./Industrial	87.8	66.1	74.8	90.2	0.0	319.0
Public/Quasi Public/WWT	7.8	4.6	1.0	0.0	19.2	32.6
Schools	33.3	20.0	40.0	10.0	0.0	103.3
Total	133.0	109.5	166.9	184.8	34.3	628.4
Variance from Proposed Phasing (Market Projection minus Land Use Plan)						
High Density Residential	0.0	0.0	0.0	0.0	0.0	0.0
Mixed Use	13.9	1.4	1.8	1.7	0.0	18.8
Com'l General/Regional Com'l	0.0	17.7	-16.8	0.0	0.0	0.9
Com'l Local/Com'l Community	22.7	11.8	0.0	-14.7	0.0	19.8
Highway Commercial*	42.2	2.1	11.9	11.1	0.0	37.9
Office/R&D	3.1	6.4	4.0	4.1	0.0	17.6
Light Ind./Industrial	-45.4	-22.6	-74.8	43.0	0.0	-99.9
Public/Quasi Public/WWT	0.0	0.0	0.0	0.0	0.0	0.0
Schools	0.0	0.0	0.0	0.0	0.0	0.0
Total	48.2	41.3	-33.0	55.1	0.0	111.7

Source: ADE, Inc., based on plan acreages provided by Andrea Mayer and employment density factors in Yolo County General Plan.

*Note: The specific plan includes 29.4 acres of existing developed highway commercial uses; therefore, the excess new development in the plan in this category is only 12.8 acres in Phase 1 and 8.5 acres overall.

Similarly with the industrial, the factor of 10 jobs per acre is typical of warehouse uses but is quite low for manufacturing uses, which we project will be about half of the industrial demand for Dunnigan. Light industry should have an employee density of 17 jobs/ac.¹³ Combining this light industrial factor with the warehouse factor, a total of 245 acres would be needed for the industrial development in Dunnigan. This is about 26 acres more than is provided in the specific plan. However, as small scale manufacturing uses are permitted in the ORPD zones in the specific plan, the excess industrial demand could be easily accommodated within this zone.

WAGE ANALYSIS

An important General Plan policy related to Dunnigan is that the type of jobs offered in the community should be suitable for the people living there. The typical average wages for the industry categories and job types projected for Dunnigan and are shown in Table 19. This information is based on the Census of Employment and Wages (CEW) promulgated by the Bureau of Labor Statistics (BLS) for Yolo County. Certain industry categories such as construction, retail, lodging and food services are defined as discrete industry categories in the data (NAICS system). Wage data for other categories specific to Dunnigan, such as food/agribusiness, warehouse and distribution, other industrial and business park uses are based on averages of the more specific target industries shown in Appendix A. The public employment category reflects a mix of education occupations, maintenance occupations similar to the construction industry scale and about ten percent higher paid public safety and management personnel. Within each industry category, there would be a range of occupations and different wage level, some entry level, other requiring more experience and qualifications. The average wages give a good indication of the overall economic levels of the job base in Dunnigan.

TABLE 19: AVERAGE WAGES FOR DUNNIGAN JOB CATEGORIES

Industry Type	Average Yolo Wage	Jobs			
		Phase 1	Phase 2	Phase 3	Phase 4
Construction	\$58,530	617	457	580	728
Building Maintenance	\$21,433	60	48	40	16
Local/Regional Commercial	\$28,554	329	315	859	338
Visitor Serving/ HC	\$20,577	204	42	127	156
Food/Agribusiness	\$57,958	414	265	218	170
Warehouse and Distribution	\$44,752	320	246	350	492
Other industrial	\$53,481	145	150	180	240
Business Park	\$60,542	0	138	662	910
Other Professional Office	\$61,942	62	110	166	221
Home Based	\$60,542	149	106	105	126
Public/Institutional	\$45,550	176	139	172	60

Source: ADE, based on CEW data for Yolo County.

¹³ The calculation is 43,560 sq. ft. per acre * 0.4 FAR /1,000 sq.ft. per employee.

Housing affordability relates primarily to household income, which may reflect multiple wage earners in some households. In Yolo County, there are approximately 1.2 wage earners per household on average. Thus, every fifth household has two wage earners. Based on this assumption, we have generated a household income distribution reflecting the wage levels for jobs in Dunnigan (Table 20). This information may be compared to the projected price levels for Dunnigan homes to demonstrate the correspondence between job opportunities and housing availability in the project.

TABLE 20: ESTIMATED HOUSEHOLD INCOMES BASED ON DUNNIGAN WAGES

Job-Based Household Income	Number of Households					
	Phase 1	Phase 2	Phase 3	Phase 4	Total	Percent
\$20,000 - \$40,000	395	270	684	340	1,689	17.8%
\$40,000 - \$60,000	1,213	906	1,171	1,212	4,502	47.3%
\$60,000 - \$80,000	141	236	622	838	1,837	19.3%
\$80,000 - \$100,000	83	64	87	92	326	3.4%
\$100,000 - \$120,000	196	145	163	190	694	7.3%
\$120,000 - \$140,000	35	59	156	210	459	4.8%
Total	2,063	1,681	2,882	2,881	9,508	100.0%

Source: ADE

STRATEGIC ACTION PLAN

The economic development program for Dunnigan would include engaging professional economic development staff and commercial real estate brokers to undertake a marketing program directed at the target industries identified above and featuring Dunnigan's locational assets. The following action plan outlines key steps related to marketing each major business sector planned for inclusion in Dunnigan. As an overall concept, the community needs to develop a branding plan that establishes the community as a self-sustaining state of the art community that is livable, walkable and based on village center theme. Part of the branding approach needs to highlight key infrastructure and amenities that are business friendly, not only major infrastructure such as water and wastewater facilities, but also such as broadband internet capability provided by the smart connectivity system (SCS), which will promote home based employment as well as support other business functions (see section 9.3.1 of the specific plan).

The economic development program would begin when the specific plan approvals are granted by the County, making the property available for business development. Implementation of the program requires three staffing components:

- Professional economic development marketing firm
- Onsite economic development coordinator
- Commercial real estate broker

These professionals would supplement and work with development company staff, planners, engineers and construction firms as well as County officials and economic development staff. The work program for these professionals is outlined below.

DEVELOP AND IMPLEMENT A BUSINESS ATTRACTION MARKETING PLAN

Designed and implemented by a professional economic development marketing firm, the marketing plan should be specifically directed to targeted business sectors, such as lodging and restaurant businesses, agricultural processing, wholesale and distribution. Later stage targets would include diversified manufacturing, professional services, bio-technology and other kinds of technology firms.

1. Use key messages to communicate and promote Dunnigan's competitive advantages to attract businesses within the target industries. Potential key messages include:
 - Regional transportation access, including interstate highways, Sacramento Metropolitan Airport and the Port of Sacramento
 - Market access to both Sacramento region and the Bay Area
 - Proximity to UC Davis and its potential as a satellite research center
 - Quality of community features

- Quality of the regional and local labor force
 - Competitive costs for sites and facilities
 - New and well-designed infrastructure and utilities
 - Great lifestyle potential
2. Create a brand for the community and market the brand through the internet and a variety of targeted trade publications and media.
 3. Create a multi-functional website to market the community brand. The website should communicate the key messages and provide easy to access information about available sites, costs of development, potential incentives, market indicators for target businesses, labor force information, and characteristics of the community. Site selectors rely on internet information for 95 percent of the site search process. This is an essential tool for effective economic development marketing.
 4. Develop an ongoing publicity program to continually distribute information to the media about Dunnigan’s development progress and its assets that make it attractive to business. The goal is to create and maintain a “buzz” about the project that will penetrate to key industry communications media.¹⁴
 5. Create collateral materials for and attend industry trade shows relevant to target industries.
 6. Use social media tools to supplement print and internet materials to promote the community brand and publicize progress and events in the community’s development.
 7. Create community events to attract visitors and host periodic broker events to highlight key development opportunities.
 8. Create and disseminate a quarterly e-mail newsletter to brokers and industry representatives to further publicize development opportunities and happenings in the community.
 9. Conduct ongoing industry and business research to identify potential companies that can be direct marketed for sites and facilities in Dunnigan. Utilize a cluster buyer-supplier network approach to identify supplier-level companies that can fill small business niches in the industrial park.

ORGANIZATIONAL NETWORKING

At the outset of the community development process, the economic strategy identifies agricultural

¹⁴ For examples of this approach, please refer to: <http://placemakinggroup.com/portfolio/public-relations/river-district-in-sacramento-business-journal/3>

processing industries and visitor serving attractions, related to local food products, as the catalyst developments to jump start the economic development process. It is critical to identify and align with creative entrepreneurs who can visualize the opportunity at Dunnigan. Making these kinds of connections will likely take more than marketing, but rather a deep involvement with the organizational efforts in Yolo County, the Sacramento region and the Bay Area around new models for food production and distribution. For example, SACOG is about to engage in extensive research studies to evaluate the feasibility of enhanced local food distribution through food hubs, as well as increased value added processing of local specialty food crops. New business ideas that emerge from these kinds of efforts could be located at Dunnigan if the community can present the right locational environment. The economic development program for Dunnigan needs to include involvement with groups such as the regional Food Systems Collaborative as well as the Yolo Alliance for Food and Agriculture and the Food Policy Council, as well as the Ag Innovations Network and their partner organizations.

For this kind of organizational networking as well as on the ground coordination of business development inquiries and assistance with business retention and expansion services for existing Dunnigan businesses, the project should engage a professional economic developer. In addition, the project should engage the services of a commercial real estate broker to help market the property and to handle business transactions as they occur.

Other important organizational partners may include:

- UC tech transfer programs: US Biotechnology Research and Education Program, UC Innovation Access, Seed Biotechnology Research Center.
- Yolo County Agricultural Commissioner's Office: This office is heavily involved with the efforts mentioned above to stimulate new agricultural business activities in the county.
- Yolo County Visitors Bureau: Coordinates regional tourism marketing.
- Sacramento Area Regional Technology Alliance (SARTA): CleanStart is an initiative of SARTA designed to accelerate the development of clean technology ventures within the greater Sacramento region, which could include bio-fuels. Their mission is to help provide entrepreneurs with the knowledge, capital and connections that are critical to creating a successful new business.
- Sacramento Area Commerce and Trade Organization (SACTO): This group markets the region to attract new businesses and provide site selection services to major companies looking to locate in the area. Monitoring their activities can help generate new direct marketing business leads for Dunnigan.
- Sacramento Metropolitan Chamber of Commerce (SacMetro): SacMetro's programs are geared to business retention and expansion and would be helpful in facilitating existing businesses to locate new or expanded establishments in Dunnigan.

- Yolo County Workforce Investment Board (WIB): The WIB coordinates the overall system for workforce training and can help connect businesses with training resources to ensure that necessary labor force skills are available.
- Sierra Economic Development Corporation: Provides small business financing assistance.
- Linking Education and Economic Development (LEED): Helps employers and educators to collaborate on curriculum innovations throughout the Sacramento region.

IMPLEMENT ECONOMIC DEVELOPMENT INCENTIVES

As discussed in Chapter 7 of the specific plan, the residential development will likely precede business development in early phases of the project and will also carry much of the financial burden for development of infrastructure and public facilities. Businesses considering locations in Dunnigan in the early years will be very price conscious, as many competitive locations exist in more established cities and business centers in the region. Working with the commercial real estate broker, it will be important to develop a competitive profile for land and development costs to offer early prospective business tenants. As the non-residential portion of the community progresses, the price offerings may be escalated toward higher market rates. Steps in this part of the process include the following:

- Ensure that all nonresidential development sites within a given phase are adequately served by major backbone infrastructure.
- Consider property owner and County subsidies to help offset non-residential development's share of Phase 1 backbone infrastructure costs to attract early job-generating uses.
- Collaborate with the County's economic development office to aggressively promote and implement supportive policies in the County's General Plan Economic Development Element, including designation of Enterprise Zones or Recycling Market Development Zones where applicable and pursuit of grant funds to help offset infrastructure and other development costs for businesses.
- Collaborate with the County Planning and Public Works Department to establish a fast-tracking and streamlining process for non-residential development projects within the specific plan.

APPENDIX A: JOBS/HOUSING RATIOS FOR SMALL CITIES

City	Housing Units	Jobs	Jobs/Housing Ratio
Alturas	1,407	1,928	1.37
Angels City	1,943	1,209	0.62
Atherton	2,530	2,004	0.79
Avalon	2,266	899	0.4
Avenal	2,410	3,181	1.32
Belvedere	1,045	353	0.34
Bishop	1,926	3,847	2.00
Brisbane	1,934	7,102	3.67
Buellton	1,845	2,337	1.27
Calipatria	1,121	2,117	1.89
Calistoga	2,319	1,986	0.86
Colusa	2,282	2,495	1.09
Crescent City	1,906	4,595	2.41
Dos Palos	1,700	982	0.58
Dunsmuir	1,110	183	0.16
Firebaugh	2,096	1,319	0.63
Fowler	1,842	2,102	1.14
Gonzales	1,989	2,795	1.41
Gridley	2,406	1,854	0.77
Guadalupe	1,887	1,514	0.80
Gustine	2,087	614	0.29
Holtville	1,937	1,058	0.55
Hughson	2,234	1,227	0.55
Huron	1,602	1,667	1.04
Ione	1,635	2,410	1.47
Jackson	2,309	4,013	1.74
La Habra Heights	1,880	475	0.25
Lakeport	2,395	3,453	1.44
Live Oak	2,498	866	0.35
Loomis	2,465	2,760	1.12
Monte Sereno	1,287	291	0.23
Mount Shasta	1,895	2,082	1.10

APPENDIX A: (CONTINUED)

City	Housing Units	Jobs	Jobs/Housing Ratio
Nevada City	1,510	2,665	1.76
Orange Cove	2,231	838	0.38
Portola	1,134	668	0.59
Portola Valley	1,895	1,070	0.56
Rio Dell	1,442	232	0.16
Solvang	2,485	2,750	1.11
Sonora	2,463	5,139	2.09
Sutter Creek	1,367	957	0.70
Taft	2,525	2,141	0.85
Villa Park	2,016	1,304	0.65
Weed	1,273	1,284	1.01
Wheatland	1,323	260	0.20
Williams	1,487	1,090	0.73
Willits	2,073	2,483	1.20
Willows	2,399	3,250	1.35
Winters	2,299	1,453	0.63
Woodlake	2,067	1,365	0.66
Woodside	2,157	1,620	0.75
Yountville	1,252	2,685	2.14

Source: CA Department of Finance and Bureau of the Census, OnTheMap.

APPENDIX B: TARGET INDUSTRIES

TARGET INDUSTRIES WITH FASTER GROWTH LOCALLY THAN STATEWIDE

NAICS		Industry Description	Employment Growth 2001-2010		
			Regional Growth	Yolo Growth	Solano Growth
Food and Agri-Business					
311119	Other Animal Food Manufacturing	7	8	20	
311211	Flour Milling	62	95	12	
311212	Rice Milling	101	21	0	
311421	Fruit and Vegetable Canning	365	289	36	
311423	Dried and Dehydrated Food Manufacturing	120		243	
311712	Fresh and Frozen Seafood Processing	18	0	18	
311830	Tortilla Manufacturing	58	2	0	
311942	Spice and Extract Manufacturing	32	0	16	
312111	Soft Drink Manufacturing	268		187	
312130	Wineries	80	133		
Subtotal		1,111	548	532	
Agricultural Support Services					
115112	Soil Preparation, Planting, and Cultivating	100	101		
115116	Farm Management Services	21	7	10	
Subtotal		121	108	10	
Agricultural Supplies Manufacturing and Distribution					
325314	Fertilizer (Mixing Only) Manufacturing	5		17	
325320	Pesticide and Other Agricultural Chemical Manufacturing	29	42		
333111	Farm Machinery and Equipment Manufacturing	41	38	9	
424910	Farm Supplies Merchant Wholesalers	208	109		
424590	Other Farm Product Raw Material Merchant Wholesalers	12	0	4	
Subtotal		295	189	30	
Food Product Distribution					
424430	Dairy Product (except Dried or Canned) Merchant Wholesalers	116	28	14	
424460	Fish and Seafood Merchant Wholesalers	213	15	10	
424470	Meat and Meat Product Merchant Wholesalers	339	267	0	
424490	Other Grocery and Related Products Merchant Wholesalers	133	38	266	
424810	Beer and Ale Merchant Wholesalers	304	107	0	
Subtotal		1,105	455	290	
Food & Beverage Package Manufacturing					
322211	Corrugated and Solid Fiber Box Manufacturing	63	189	0	
322214	Fiber Can, Tube, Drum, and Similar Products Manufacturing	34	0	34	
326160	Plastics Bottle Manufacturing	18	0	18	
332431	Metal Can Manufacturing	30	0	46	
Subtotal		146	189	98	

APPENDIX B (CONTINUED)

		Employment Growth 2001-2010		
NAICS	Industry Description	Regional Growth	Yolo Growth	Solano Growth
Construction Materials				
324122	Asphalt Shingle and Coating Materials Manufacturing	17	0	19
326191	Plastics Plumbing Fixture Manufacturing	21	7	18
327211	Flat Glass Manufacturing	20	0	18
327332	Concrete Pipe Manufacturing	129	0	88
327420	Gypsum Product Manufacturing	21	0	12
327991	Cut Stone and Stone Product Manufacturing	25	0	100
331210	Iron and Steel Pipe & Tube Manufacturing from Purchased Steel	7	0	7
337214	Office Furniture (except Wood) Manufacturing	25	31	0
423330	Roofing, Siding, & Insulation Material Merchant Wholesalers	32	35	
Subtotal		299	73	262
Transportation Equipment Manufacturing				
336212	Truck Trailer Manufacturing	12	14	0
336350	Motor Vehicle Transmission & Power Train Parts Manufacturing	37	17	0
336370	Motor Vehicle Metal Stamping	3	10	0
336411	Aircraft Manufacturing	604	131	200
336414	Guided Missile and Space Vehicle Manufacturing	262	0	71
Subtotal		918	172	271
Transportation and Warehousing Services				
484110	General Freight Trucking, Local	219	240	
493110	General Warehousing and Storage	699		21
493190	Other Warehousing and Storage	135	80	
493130	Farm Product Warehousing and Storage	39	25	0
Subtotal		1,092	345	21
Business and Professional Service				
541380	Testing Laboratories	428	211	229
541512	Computer Systems Design Services	732		26
541611	Administrative Mgmt & General Mgmt Consulting Services	423	57	3
541612	Human Resources Consulting Services	167	40	
541613	Marketing Consulting Services	380	14	13
541618	Other Management Consulting Services	8		23
541620	Environmental Consulting Services	873	29	182
541710	Research & Dev. in the Physical, Engineering, & Life Sciences	5,402	398	42
541840	Media Representatives	28	5	7

APPENDIX B (CONTINUED)

		Employment Growth 2001-2010		
NAICS	Industry Description	Regional Growth	Yolo Growth	Solano Growth
541910	Marketing Research and Public Opinion Polling	170	1	73
541921	Photography Studios, Portrait	107	20	49
561110	Office Administrative Services	2,916	22	244
561422	Telemarketing Bureaus and Other Contact Centers	173	0	44
561611	Investigation Services	148	9	4
561710	Exterminating and Pest Control Services	4	69	
561910	Packaging and Labeling Services	90		125
Subtotal		12,051	875	1,064
Medical Devices, Instruments and Supplies				
325412	Pharmaceutical Preparation Manufacturing	875	24	653
325414	Biological Product (except Diagnostic) Manufacturing	250	208	0
334119	Other Computer Peripheral Equipment Manufacturing	62	70	0
334220	Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing	80	24	31
334413	Semiconductor and Related Device Manufacturing	348	27	0
339113	Surgical Appliance and Supplies Manufacturing	143	0	172
Subtotal		1,758	353	856
Media, Communications, Publishing				
515112	Radio Stations	166		31
515120	Television Broadcasting	408	107	
515210	Cable and Other Subscription Programming	446	5	
517211	Paging	880	31	
323113	Commercial Screen Printing	70	69	
Subtotal		1,970	212	603
Diversified Manufacturing				
313312	Textile and Fabric Finishing (except Broadwoven Fabric) Mills	54	47	0
314999	All Other Miscellaneous Textile Product Mills	235	0	9
316219	Other Footwear Manufacturing	16	1	15
325212	Synthetic Rubber Manufacturing	52	0	52
325611	Soap and Other Detergent Manufacturing	100	0	25
326113	Unlaminated Plastics Film and Sheet (except Packaging) Manufacturing	145	12	37
331419	Primary Smelting and Refining of Nonferrous Metal (except Copper and Aluminum)	30	0	9
332116	Metal Stamping	17	0	10
332911	Industrial Valve Manufacturing	193	86	13
332912	Fluid Power Valve and Hose Fitting Manufacturing	24	24	

APPENDIX B (CONTINUED)

NAICS		Employment Growth 2001-2010		
		Regional Growth	Yolo Growth	Solano Growth
Diversified Manufacturing (Continued)				
332996	Fabricated Pipe and Pipe Fitting Manufacturing	64	0	53
333220	Plastics and Rubber Industry Machinery Manufacturing	30	10	20
333298	All Other Industrial Machinery Manufacturing	9	0	2
333319	Other Commercial & Service Industry Machinery Manufacturing	6		38
333911	Pump and Pumping Equipment Manufacturing	12	5	21
333912	Air and Gas Compressor Manufacturing	104	0	53
333996	Fluid Power Pump and Motor Manufacturing	56	21	0
334514	Totalizing Fluid Meter and Counting Device Manufacturing	8	7	1
334515	Instrument Manufacturing for Measuring and Testing Electricity and Electrical Signals	103	20	41
335122	Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing	56	0	56
335312	Motor and Generator Manufacturing	3		22
335313	Switchgear and Switchboard Apparatus Manufacturing	80	0	10
335999	All Other Miscellaneous Electrical Equipment and Component Manufacturing	58	0	26
339920	Sporting and Athletic Goods Manufacturing	53	0	10
339992	Musical Instrument Manufacturing	17	0	89
339999	All Other Miscellaneous Manufacturing	100	1	25
Subtotal		1,626	234	637
TOTAL		20,733	3,400	3,818

Source: ADE based on Implan CEW dataset.

NOTE: Red indicates decline in employment.

APPENDIX C: RETAIL MARKET CALCULATIONS

RETAIL/SERVICES GROUP	Average Sales Per Store	PHASE 1		PHASE 2		PHASE 3		PHASE 4	
		Spending	Stores	Spending	Stores	Spending	Stores	Spending	Stores
Total		\$55,575,811		\$110,926,741		\$158,099,523		\$212,663,797	
Apparel Store Group		\$2,314,513		\$3,962,723		\$5,644,304		\$7,581,831	
Women's Apparel	\$1,263,288	\$593,171	0.5	\$1,013,325	0.8	\$1,444,726	1.1	\$1,935,607	1.5
Men's Apparel	\$1,196,488	\$169,558	0.1	\$290,734	0.2	\$413,930	0.3	\$559,697	0.5
Family Clothing	\$3,878,293	\$1,081,809	0.3	\$1,851,660	0.5	\$2,638,128	0.7	\$3,545,371	0.9
Shoe Stores	\$1,091,111	\$469,976	0.4	\$807,005	0.7	\$1,147,520	1.1	\$1,541,156	1.4
General Merchandise Group		\$10,161,197		\$17,432,667		\$24,814,920		\$33,458,488	
Department Stores/Other General Merch.		\$4,754,749		\$8,148,749		\$11,608,442		\$15,654,744	
Discount Stores	\$42,112,022	\$3,045,058	0.1	\$5,222,998	0.1	\$7,438,526	0.2	\$10,048,165	0.2
Department Stores	\$36,026,321	\$1,709,654	0.0	\$2,925,689	0.1	\$4,169,826	0.1	\$5,606,458	0.2
Other General Merchandise		\$3,032,193		\$5,200,220		\$7,401,896		\$9,973,311	
Warehouse Clubs and Superstores		\$2,350,376		\$4,031,109		\$5,736,654		\$7,725,299	
Misc. General Merchandise		\$681,817	0.3	\$1,169,111	0.6	\$1,665,242	0.8	\$2,248,013	1.1
Drug & Proprietary Stores	\$2,112,527	\$2,374,255	0.4	\$4,083,699	0.8	\$5,804,582	1.1	\$7,830,433	1.4
Specialty Retail Group		\$3,588,727		\$6,176,260		\$8,787,862		\$11,941,554	
Gifts & Novelties	\$630,685	\$218,409	0.3	\$373,412	0.6	\$532,443	0.8	\$715,117	1.1
Sporting Goods	\$1,742,304	\$514,144	0.3	\$916,087	0.5	\$1,290,645	0.7	\$1,859,825	1.1
Florists	\$385,556	\$80,313	0.2	\$136,581	0.4	\$194,614	0.5	\$261,507	0.7
Photographic Equipment	\$1,959,387	\$40,403	0.0	\$67,961	0.0	\$97,153	0.0	\$128,298	0.1
Records & Music	\$921,592	\$208,237	0.2	\$356,255	0.4	\$508,284	0.6	\$685,787	0.7
Books & Stationery	\$1,950,697	\$443,306	0.2	\$756,935	0.4	\$1,078,815	0.6	\$1,450,385	0.7
Office Supplies/Computer Equipment		\$489,785		\$836,717		\$1,194,101		\$1,592,390	
Office Supplies	\$2,794,504	\$170,351	0.1	\$291,364	0.1	\$415,577	0.1	\$556,628	0.2
Computer Equipment	\$3,530,725	\$319,434	0.1	\$545,353	0.2	\$778,524	0.2	\$1,035,761	0.3
Jewelry	\$1,240,991	\$263,504	0.2	\$449,021	0.4	\$640,132	0.5	\$861,755	0.7
Misc. Specialty Retail		\$1,330,626		\$2,283,289		\$3,251,676		\$4,386,491	
Cosmetics/Beauty Supply	\$954,365	\$103,670	0.1	\$178,435	0.2	\$253,602	0.3	\$342,425	0.4
Optical Goods	\$715,725	\$270,469	0.4	\$461,417	0.6	\$658,847	0.9	\$881,893	1.2
Other Health/Personal Care Stores	\$812,619	\$192,890	0.2	\$331,979	0.4	\$471,747	0.6	\$636,864	0.8
Toys & Hobbies	\$1,917,126	\$260,463	0.1					\$862,977	0.5
Pet Stores	\$1,541,644	\$220,358	0.1	\$378,007	0.2	\$538,646	0.3		
Other Misc. Specialty Stores	\$1,224,590	\$282,776	0.2	\$486,523	0.4	\$692,016	0.6	\$939,087	0.8

APPENDIX C (CONTINUED)

RETAIL/SERVICES GROUP (Continued)	Average Sales Per Store	PHASE 1		PHASE 2		PHASE 3		PHASE 4	
		Spending	Stores	Spending	Stores	Spending	Stores	Spending	Stores
Food, Eating and Drinking Group		\$16,683,782		\$28,593,946		\$40,715,781		\$54,817,922	
Grocery Stores		\$8,591,056		\$14,731,807		\$20,964,886		\$28,221,228	
Supermarkets	\$8,966,934	\$8,211,568	0.9	\$14,080,702	1.6	\$20,038,620	2.2	\$26,974,492	3.0
Convenience Stores	\$1,106,865	\$379,483	0.3	\$651,097	0.6	\$926,255	0.8	\$1,246,721	1.1
Specialty Food Stores	\$786,248	\$245,168	0.3	\$420,415	0.5	\$598,241	0.8	\$805,534	1.0
Meat & Fish Markets		\$121,865		\$208,983		\$297,374		\$400,444	
Fruit & Vegetable Markets		\$46,884		\$80,390		\$114,389		\$154,021	
Misc. Specialty Food		\$76,419		\$131,043		\$186,477		\$251,069	
Liquor Stores	\$903,649	\$395,358	0.4	\$677,937	0.8	\$965,413	1.1	\$1,301,068	1.4
Eating Places		\$7,452,201		\$12,763,788		\$18,187,242		\$24,490,091	
Full-Service Restaurants	\$1,007,101	\$3,784,401	3.8	\$6,482,302	6.4	\$9,236,551	9.2	\$12,435,975	12.3
Other Eating Places	\$771,011	\$3,667,800	4.8	\$6,281,486	8.1	\$8,950,690	11.6	\$12,054,116	15.6
Drinking Places	\$541,387	\$236,264	0.4	\$405,090	0.7	\$577,083	1.1	\$775,931	1.4
Building Materials And Home furnishings Group		\$5,244,528		\$8,965,562		\$12,788,482		\$17,195,747	
Furniture & Home Furnishings		\$1,450,701		\$2,491,334		\$3,551,929		\$4,786,482	
Furniture Stores	\$2,205,007	\$912,889	0.4	\$1,570,096	0.7	\$2,237,613	1.0	\$3,013,471	1.4
Other Home Furnishings Stores	\$1,715,740	\$537,812	0.3	\$921,239	0.5	\$1,314,317	0.8	\$1,773,010	1.0
Household Appliances & Electronics	\$2,815,808	\$1,073,305	0.4	\$1,832,374	0.7	\$2,616,297	0.9	\$3,513,320	1.2
Used Merchandise Nurseries & Garden Supply Stores	\$761,803	\$110,945	0.1	\$190,038	0.2	\$270,829	0.4	\$364,705	0.5
Lumber & Other Building Materials	\$1,726,777	\$492,029	0.3	\$838,412	0.5	\$1,193,957	0.7	\$1,604,632	0.9
Home Centers and Hardware Stores	\$4,898,486	\$1,280,341	0.3	\$2,182,756	0.4	\$3,115,210	0.6	\$4,175,431	0.9
Paint & Wallpaper	\$26,446,432	\$758,591	0.0	\$1,295,158	0.0	\$1,847,544	0.1	\$2,487,913	0.1
	\$1,862,838	\$78,616	0.0	\$135,490	0.1	\$192,716	0.1	\$263,265	0.1
Automotive Group		\$17,583,064		\$30,080,285		\$42,900,683		\$57,440,390	
New Cars & RVs	\$39,133,717	\$8,960,209	0.2	\$15,273,270	0.4	\$21,819,939	0.6	\$29,029,377	0.7
Used Car Dealers	\$3,590,315	\$656,395	0.2	\$1,118,889	0.3	\$1,598,500	0.4	\$2,126,678	0.6
Gasoline Service Stations	\$5,232,134	\$6,895,786	1.3	\$11,835,441	2.3	\$16,848,911	3.2	\$22,681,529	4.3
Mobile Homes & Trailers	\$2,702,220	\$4,978	0.0	\$8,538	0.0	\$12,154	0.0	\$16,285	0.0
Auto Parts & Accessories	\$1,386,834	\$660,354	0.5	\$1,126,498	0.8	\$1,607,795	1.2	\$2,142,047	1.5
Other Vehicles	\$4,794,591	\$405,341	0.1	\$717,650	0.1	\$1,013,385	0.2	\$1,444,476	0.3

APPENDIX C (CONTINUED)

SERVICE CATEGORY Total Service Spending		PHASE 1		PHASE 2		PHASE 3		PHASE 4	
		\$9,206,394		\$15,715,299		\$22,447,490		\$30,227,865	
RENTAL SERVICES	Average Sales Per Store	PHASE 1		PHASE 2		PHASE 3		PHASE 4	
		Spending	Stores	Spending	Stores	Spending	Stores	Spending	Stores
Automotive Rental	\$4,030,009	\$138,291	0.0	\$236,062	0.1	\$337,188	0.1	\$454,058	0.1
Automotive Leasing	\$4,030,009	\$980,906	0.2	\$1,674,406	0.4	\$2,391,695	0.6	\$3,220,665	0.8
Electronics and Appliances Rental	\$862,456	\$5,917	0.0	\$10,100	0.0	\$14,426	0.0	\$19,427	0.0
Apparel Rental	\$546,217	\$11,499	0.0	\$19,629	0.0	\$28,038	0.1	\$37,756	0.1
Video Rental	\$1,113,051	\$139,962	0.1	\$238,915	0.2	\$341,263	0.3	\$459,546	0.4
Health Equipment Rental	\$1,297,606	\$8,792	0.0	\$15,007	0.0	\$21,436	0.0	\$28,866	0.0
Musical Instrument Rental	\$1,297,606	\$7,989	0.0	\$13,638	0.0	\$19,480	0.0	\$26,232	0.0
Furniture Rental	\$1,297,606	\$7,889	0.0	\$13,466	0.0	\$19,235	0.0	\$25,902	0.0
Recreational Vehicle Rental	\$1,297,606	\$8,725	0.0	\$14,893	0.0	\$21,273	0.0	\$28,646	0.0
Sports Equipment Rental	\$1,297,606	\$5,883	0.0	\$10,043	0.0	\$14,345	0.0	\$19,317	0.0
Photographic Equipment Rentals	\$1,072,602	\$2,440	0.0	\$4,165	0.0	\$5,950	0.0	\$8,012	0.0
Office Equipment Rental	\$1,773,719	\$2,006	0.0	\$3,424	0.0	\$4,890	0.0	\$6,585	0.0

PROFESSIONAL SERVICES	Average Sales Per Store	PHASE 1		PHASE 2		PHASE 3		PHASE 4	
		Spending	Stores	Spending	Stores	Spending	Stores	Spending	Stores
Legal Services	\$1,552,712	\$429,715	0.3	\$733,522	0.5	\$1,047,752	0.7	\$1,410,907	0.9
Accounting Services	\$1,531,717	\$194,316	0.1	\$331,697	0.2	\$473,791	0.3	\$638,009	0.4

MEDICAL SERVICES	Average Sales Per Store	PHASE 1		PHASE 2		PHASE 3		PHASE 4	
		Spending	Stores	Spending	Stores	Spending	Stores	Spending	Stores
Physician Services	\$1,551,269	\$487,913	0.3	\$832,866	0.5	\$1,189,653	0.8	\$1,601,991	1.0
Dental Services	\$680,160	\$756,104	1.1	\$1,290,669	1.9	\$1,843,571	2.7	\$2,482,559	3.6
Eye care and Other Medical Services	\$413,070	\$151,261	0.4	\$258,202	0.6	\$368,812	0.9	\$496,644	1.2
Convalescent/Nursing Home Services	\$1,299,250	\$203,308	0.2	\$347,047	0.3	\$495,716	0.4	\$667,533	0.5
Child Care, Day Care, Nursery, Preschools	\$458,304	\$895,198	2.0	\$1,528,101	3.3	\$2,182,715	4.8	\$2,939,252	6.4

REPAIR SERVICES	Average Sales Per Store	PHASE 1		PHASE 2		PHASE 3		PHASE 4	
		Spending	Stores	Spending	Stores	Spending	Stores	Spending	Stores
Auto Repair	\$471,196	\$1,597,817	3.4	\$2,727,471	5.8	\$3,895,878	8.3	\$5,246,202	11.1
Auto Body Repair	\$945,538	\$118,101	0.1	\$201,597	0.2	\$287,959	0.3	\$387,766	0.4
Electronics Repair	\$3,123,149	\$21,294	0.0	\$36,348	0.0	\$51,919	0.0	\$69,914	0.0
Appliance Repair	\$620,423	\$49,306	0.1	\$84,165	0.1	\$120,220	0.2	\$161,889	0.3
Reupholstery, Furniture Repair	\$319,180	\$38,275	0.1	\$65,335	0.2	\$93,324	0.3	\$125,670	0.4
Shoe Repair	\$244,664	\$6,452	0.0	\$11,013	0.0	\$15,731	0.1	\$21,183	0.1
Other Household Repair (Inc. tools, computers, tailoring)	\$372,271	\$91,693	0.2	\$156,519	0.4	\$223,569	0.6	\$301,059	0.8

APPENDIX C (CONTINUED)

PERSONAL SERVICES	Average Sales Per Store	PHASE 1		PHASE 2		PHASE 3		PHASE 4	
		Spending	Stores	Spending	Stores	Spending	Stores	Spending	Stores
Personal Care Services	\$218,687	\$586,391	2.7	\$1,000,969	4.6	\$1,429,768	6.5	\$1,925,331	8.8
Funeral Services and Crematories	\$1,070,199	\$285,607	0.3	\$487,531	0.5	\$696,382	0.7	\$937,751	0.9
Coin-Op Laundry	\$495,978	\$148,520	0.3	\$253,523	0.5	\$362,129	0.7	\$487,644	1.0
Laundry and Dry Cleaning	\$323,276	\$263,779	0.8	\$450,270	1.4	\$643,159	2.0	\$866,080	2.7
Pet Care	\$294,841	\$264,882	0.9	\$452,153	1.5	\$645,849	2.2	\$869,702	2.9
Photofinishing	\$1,927,906	\$112,552	0.1	\$192,125	0.1	\$274,429	0.1	\$369,547	0.2
Automobile Parking	\$515,264	\$92,428	0.2	\$157,774	0.3	\$225,362	0.4	\$303,474	0.6

ENTERTAINMENT/ RECREATION	Average Sales Per Store	PHASE 1		PHASE 2		PHASE 3		PHASE 4	
		Spending	Stores	Spending	Stores	Spending	Stores	Spending	Stores
Movie Theatre	\$4,010,588	\$314,523	0.1	\$536,889	0.1	\$766,885	0.2	\$1,032,689	0.3
Sporting Events	\$13,940,226	\$115,794	0.0	\$197,660	0.0	\$282,335	0.0	\$380,193	0.0
Participant Sports	\$384,561	\$234,463	0.6	\$400,228	1.0	\$571,679	1.5	\$769,825	2.0
Recreational Lessons	\$312,789	\$113,588	0.4	\$193,894	0.6	\$276,955	0.9	\$372,949	1.2
Social, Recreation, Civic Club Membership	\$596,204	\$312,818	0.5	\$533,979	0.9	\$762,728	1.3	\$1,027,092	1.7

APPENDIX D: BUSINESS TO BUSINESS RETAIL SALES

Business to Business Retail Demand					
Retail Group	Phase 1	Phase 2	Phase 3	Phase 4	Total
<i>Employees per Phase</i>	2,400	1,900	3,450	3,400	11,150
TOTAL	\$9,107,611	\$7,210,192	\$13,092,190	\$12,902,449	\$42,312,442
Apparel Store Group					
Women's Apparel	\$70,925	\$56,149	\$101,955	\$100,477	\$329,507
Men's Apparel	\$20,379	\$16,133	\$29,295	\$28,870	\$94,678
Family Clothing	\$128,460	\$101,698	\$184,662	\$181,985	\$596,805
Shoe Stores	\$55,217	\$43,713	\$79,374	\$78,224	\$256,527
General Merchandise Group					
Discount Stores	\$171.79	\$412,305	\$326,408	\$592,689	\$1,915,501
Misc. General Merchandise	\$38.47	\$92,320	\$73,086	\$132,709	\$428,902
Drug & Proprietary Stores	\$130.61	\$313,470	\$248,163	\$450,612	\$1,456,327
Specialty Retail Group					
Gifts & Novelties	\$7,881	\$6,239	\$11,328	\$11,164	\$36,612
Sporting Goods	\$16,115	\$12,757	\$23,165	\$22,829	\$74,865
Florists	\$3,276	\$2,594	\$4,710	\$4,641	\$15,221
Photographic Equipment	\$1,787	\$1,415	\$2,569	\$2,532	\$8,304
Records & Music	\$7,307	\$5,785	\$10,504	\$10,352	\$33,948
Books & Stationery	\$16,131	\$12,770	\$23,188	\$22,852	\$74,943
Office Supplies/Computer	\$17,951	\$14,211	\$25,804	\$25,430	\$83,396
Jewelry	\$4.33	\$10,381	\$8,219	\$14,923	\$14,707
Misc. Specialty Retail					
Cosmetics/Beauty Supply	\$3,575	\$2,830	\$5,138	\$5,064	\$16,607
Optical Goods	\$9,681	\$7,664	\$13,916	\$13,714	\$44,974
Other Health/Personal Care	\$6,655	\$5,269	\$9,567	\$9,429	\$30,920
Toys & Hobbies	\$9,338	\$7,392	\$13,423	\$13,228	\$43,382
Pet Stores	\$7,664	\$6,068	\$11,018	\$10,858	\$35,607
Other Misc. Specialty Stores	\$9,927	\$7,859	\$14,270	\$14,064	\$46,120
Food, Eating and Drinking					
Supermarkets	\$754,340	\$597,186	\$1,084,363	\$1,068,648	\$3,504,536
Convenience Stores	\$34,835	\$27,578	\$50,076	\$49,350	\$161,839
Specialty Food Stores	\$22,552	\$17,854	\$32,418	\$31,948	\$104,772
Liquor Stores	\$36,570	\$28,951	\$52,569	\$51,807	\$169,896
Eating Places					
Full-Service Restaurants	\$1,283,901	\$1,016,421	\$1,845,607	\$1,818,859	\$5,964,788
Other Eating Places	\$1,245,655	\$986,143	\$1,790,629	\$1,764,677	\$5,787,104
Drinking Places	\$79,660	\$63,064	\$114,511	\$112,852	\$370,087

APPENDIX D (CONTINUED)

Business to Business Retail Demand					
Retail Group	Phase 1	Phase 2	Phase 3	Phase 4	Total
Building Materials And Home furnishings Group					
Furniture Stores	\$70,855	\$56,094	\$101,855	\$100,378	\$329,182
Other Home Furnishings Stores	\$40,731	\$32,246	\$58,551	\$57,703	\$189,231
Household Appliances &	\$294,286	\$232,976	\$423,036	\$416,905	\$1,367,202
Nurseries & Garden Supply	\$144,728	\$114,576	\$208,046	\$205,031	\$672,381
Lumber & Other Building	\$354,116	\$280,342	\$509,041	\$501,664	\$1,645,162
Home Centers and Hardware	\$207,617	\$164,363	\$298,449	\$294,124	\$964,552
Paint & Wallpaper	\$21,009	\$16,632	\$30,201	\$29,763	\$97,606
Automotive Group					
New Cars & RVs	\$2,185,294	\$1,730,024	\$3,141,360	\$3,095,833	\$10,152,510
Used Car Dealers	\$160,213	\$126,835	\$230,306	\$226,968	\$744,322
Gasoline Service Stations	\$708,066	\$560,552	\$1,017,844	\$1,003,093	\$3,289,554
Mobile Homes & Trailers	\$1,163	\$920	\$1,671	\$1,647	\$5,402
Auto Parts & Accessories	\$154,343	\$122,188	\$221,868	\$218,653	\$717,052
Other Vehicles	\$86,935	\$68,824	\$124,970	\$123,158	\$403,887