



Economic Development Strategy and Direction

Key Vision Elements for Winters

1. Maintain the small town attributes of Winters.
 - Safe
 - Good schools
 - Great place to raise children
 - Volunteerism and community involvement
2. Diversification of development of Winters to strengthen the overall town.
 - Generation of job creating businesses
 - Avoid becoming a commuter community
3. Development should support itself economically.
4. All projects should compliment Winters and provide a balance between jobs, services, and housing.
5. No one development sector (housing, industry, commercial) shall dominate the Winters economy.
6. Winters will strive to be a small unique community.
7. Development should compliment regional sectors in Solano and Yolo Counties.
8. City will manage capital resources to balance development.
9. Expressly focus development and City resources toward the promotion of desired classifications of projects within Winters. The City's priorities for new development include:
 1. Light Industrial
 2. Heavy Industrial
 3. Business/Professional
 4. Commercial/Retail
 5. Housing
 - a. Single family
 - b. Multi-family

Goal 1. Commercial development from the Downtown core- Outward

Develop programs and encourage business development from the downtown business district outward. Specifically, this will include:

- With Main St./Railroad Ave. serving as the center, encourage development of properties located along Railroad Ave. and Main St. for commercial expansion.
- Implement Capital Improvements which enhance the ambiance of the historic district.
- Work with developers and property owners to encourage development of properties in the core which will include a combination of commercial, business and residential uses.
- Implement aspects of the Winters Design Guidelines.
- Expand downtown parking.
- Seismic retrofit program.

Goal 2. Create Opportunities for Development of 505 Industrial Area

- Develop infrastructure master plan for eastern area of City.
- Develop a plan for making development along the 505 more feasible, by:
 - Explore possible annexation and sphere of influence expansion both to the North and to the East.
 - Explore the potential for specific planning of the area which would include land use, infrastructure financing options and phasing.

Goal 3. Community Development Agency/Redevelopment

Utilize redevelopment financing and the Agency's Implementation Plan to spur economic development along the Grant and Railroad Ave. corridors. This may include:

- Development and Implementation of a capital improvement plan to strategically locate public improvements which make it easier for job producing industry to locate.
- Consider development agreements with property owners and developers interested in producing industrial and commercial sites.
- Actively work to market and attract developments to Winters.

Economic Development Direction: February 16, 2010

The City is currently in a position to implement a variety of strategies to position the City for added economic development to generate both tax revenues and jobs. These options include:

1. ***Aggressively recruit and solicit development*** of job creating businesses in developable areas. This would require the following:

- a. Reduce impact and building fees to make Winters more competitive as compared to neighboring cities.
- b. Establishment of a streamlined and well developed processing system to allow businesses to quickly break ground and open properties for desired industries.
- c. Actively market the Winters Community as a favorable business atmosphere, ready to accept emerging industries and technologies.
- d. Create a development contract, much like a grant contract, which provides incentives to developers based on the number of jobs created and the amount of sales and property tax generated.

Development would provide fee and permit revenue initially and invariably increase the tax base of the community.

The City should begin working with area commercial brokerages and land owners to provide incentives for locating business and industry. The idea of establishing a “finder’s fee” for brokers who bring development and jobs could prove highly beneficial. These incentives, combined with a well defined approval process could position the City to receive additional development as the economy begins to improve.

2. ***Encourage and promote freeway serving development*** on Grant Ave. at the I505. This would primarily include co-brand development (food establishments paired with fuel/convenience) and hotels/lodging.
 - a. In order to proceed with this, the process would include the following:
 - i. Architectural planning process to update the City of Winters Design Guidelines for Grant Ave.
 - ii. Roadway/Public Infrastructure planning to combine the Grant Ave. Access Study and the Safe Streets Project through a Caltrans facilitated process.
 - iii. Begin a process (immediately) of actively working with property owners to define desired businesses and encouraging those to occur within the Gateway Master Plan area.

The City has interested businesses and developers and the property owners are interested in developing their properties in this area. In 2009, the City spent almost \$400,000 installing utilities to the Gateway area. This area is ready for development and the City should begin pursuing such.

Fiscal Benefits:

The City has been approached and is actively working with developers interested in proceeding with projects for two (2) co-brand projects and a mid-line hotel at Grant/I505. The estimated tax benefits of such projects are as follows:

Project	Estimated Property Tax	Estimated Sales/TOT Tax	Total Revenue
Co-Brand (1)	\$87,500 (\$5m Project)		\$87,500
Service Station		\$65,000	\$65,000
Food		\$25,000 (\$2.5m an Sales)	\$25,000
Co-Brand (2)	\$87,500 (\$5m Project)	\$25,000 (\$2.5m an Sales)	\$87,500
Service Station		\$65,000	\$65,000
Food		\$25,000 (\$2.5m an Sales)	\$25,000
Hotel	\$140,000 (\$8m Project)	\$200,000 (\$2m an sales)	\$340,000
Totals	\$315,000	\$380,000	\$695,000

These projects also bring jobs. The typical fast food restaurant generates 35-40 jobs per location. The typical hotel will generate 15-20 jobs and a service station 5. Total estimate on jobs is between 100 and 120 jobs for three projects.

Development of freeway serving commercial need not preclude a plan for the Grant Avenue corridor. The properties adjacent to Interstate 505 lend themselves to these types of business, but careful planning and visioning by City staff, Planning Commission, City Council and property owners could still result in a vibrant corridor that provides a variety of businesses and services that complement the downtown, leaving the freeway serving businesses to serve the freeway traffic.

3. **Impact Fee Adjustments for AB 1600 Major Projects Fees** to reduce the overall costs of development in Winters to become more attractive to developers. This would include:
 - a. **Removal of projects** within the fee program which have been recently developed by the CDA and City partnerships. This will include the public safety center and the pool which will eliminate almost \$10m in costs from the impact fee program.
 - b. **Cost Adjustments** which will reflect current costs for projects.

Fiscal Benefits:

Making projects more affordable to build in Winters will ultimately position the City to see development sooner and allow for better projects. The City has approved almost 700 residential units and not a single one of them has been constructed. Residential builders will evaluate affordability of moving forward when the housing market begins to rebound and it will come down to a cost basis for developing.

For industrial and commercial developers, the square foot cost will ultimately determine whether to move forward or not. Commercial development will also follow residential, hence

positioning the City for residential development will also benefit the progress of commercial and industrial projects.

Staff has included an attachment of a draft revision to the Impact Fee Program as an example.

4. **Flood Overlay Area**- Amended program to include:
 - a. Establish a financing/assessment district in lieu of a fee program.
 - b. Re-analysis of the fee program based on previous cost estimates.

The fees within the Flood Overlay area are onerous and establish costs which make the fee higher than the cost of the land. The establishment of a financing district in lieu of the fees will allow development to proceed under the guise of a future assessment district which will be recorded with the development. When the flood project is constructed (ultimately through a financed project), the district will be established and assessed for the costs.

The re-analysis of the costs of the program will occur to reflect dropping construction costs.