



Why Solano? ➤

Working Papers

Moving Solano Forward—Phase II

Task 2.1 & 2.3: Corridor Vision & Development/
Task 4.1 Development Sites

January 2017

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Moving Solano Forward - Phase II

Task 2.1 and 2.3: Corridor Vision and Development

Task 4.1: Development Sites

MSF II Task 2: Corridor Vision and Development

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EXECUTIVE SUMMARY

MSF Corridor Strategy – Real Estate Assets Task 2.1 and 2.3 Corridor Vision Development Strategy / Task 4.1 Development Sites

Moving Solano Forward II Tasks 2.1, 2.3 and 4.1, all tasks related to the real estate assets in Solano County, are incorporated in this report. The report represents a deep analysis of sites that were identified in the original MSF project as well as additional sites identified by each city to be part of this review.

The objective of the real estate assets analysis was to evaluate the through the eyes of a **corporate site selection expert**. When evaluating location alternatives for traded sector businesses, site selectors carefully weigh competitive strengths and weaknesses of each property and community to find the property and community combination that are best suited to the specific needs of a company. Bringing this perspective to analyzing and inventorying Solano real estate assets would bring value to each city as well as assist in determine the short-term, near-term opportunities and needs for sites in the inventory to help focus marketing efforts and assist with planning for infrastructure improvements.

The Executive Summary for Task 2.1 and 2.3: Corridor Vision and Development/Task 4.1: Development Sites includes four sections:

1. Solano County's Competitive Standing
2. Inventory of Properties and Featured Sites
3. Creating and Maintaining a Competitive Solano
4. Featured Properties – City Reports

Solano County's Competitive Standing

"Why should I locate or expand company operations in your community?" That is the question corporate managers ask when faced with a decision on where to take the company. Solano County communities, and all other possible locations, face elimination if they cannot provide a compelling answer in their favor.

Location selection is a process of elimination that happens at several levels - national, regional, and finally local. The location with the fewest flaws at each decision point, relative to a company's requirements, stays in the mix. Only one location wins in the end.

The MSF II team looked at Solano County's competitive position at national, regional and local geographic scales. How does Solano fair? Solano offers distinctly lower operating costs and operating advantages when compared at the local scale; Solano is competitive with San Francisco and South Bay communities. On regional and national scales, Solano is at a competitive disadvantage on operating costs and many operating factors.

In summary, from a site selector perspective, Solano strengths and weaknesses include :

Strengths	Weaknesses
<ul style="list-style-type: none">• Access to large markets.• Access to ports for international trade.• Large pool of labor.• Good real estate sites that support sector targets.	<ul style="list-style-type: none">• High operating costs.• High cost of land.• High development fees.• Uncertainty of water resources.• Traffic congestion.• Shortage of skilled workers for sector target jobs.• History of converting job land properties to residential development and for low economic impact industrial development such as storage of wine bottles.

Solano County, and California communities in general, do not compare favorably with competitive communities in other western states and in the eastern United States. For many companies, locating in Solano is currently driven by a necessity to be there, close to the San Francisco Bay Area market, not by factors that make the county outwardly attractive. Companies currently in the Bay Region are likely the best candidates for recruiting to Solano County. Many business operations are being squeezed by escalating occupancy costs and difficulties in recruiting workers. Solano offers the opportunity to reduce costs while remaining close to talent and markets.

Inventory of Properties and Featured Sites

An inventory of properties ready for development that are aligned with sector targets is an essential component for Solano communities to stand out in a competitive landscape. The MSF II team cataloged 207 industrial and office sites representing each city and unincorporated areas of the county. From the long list, the team developed a short list of sites ready for immediate development, and a shortlist of properties that are not ready for development but warrant investment to ensure there is real estate product in the pipeline.

The screening process involved using operating requirements associated with each of the four sector targets developed in Task 3.0 Economic Analysis and Cluster Analysis. These requirements served as filters for assessing the suitability of properties for sector targets - Advanced Materials, Logistics, Biotech, and Food & Beverage. Project assumptions used to evaluate properties, along with results from an analysis of operating costs, can be found in Appendix B.

Properties were classified by their stage of readiness for development.

1. Tier 1 sites are those that are immediately ready for development.
2. Tier 2 sites require a small degree of investment to ready the property for development.
3. Tier 3 sites are largely raw unimproved land requiring significant investment before development

Figure 1 presents a summary of MSF II sites by community and by tier.

Figure 2 presents a summary of MSF II featured sites by community and tier.

Appendix A presents all 207 properties by tier.

Solano County is well positioned with Tier 1 building sites that are ready for investment from sector target companies. A sufficient supply of Tier 2 and 3 sites are positioned to move to Tier 1 status and keep Solano in a ready state for development, assuming efforts to ready properties continue.

Figure 1: MSF II All Sites by Community

	2016 Opportunity Sites			
Community	Tier 1	Tier 2	Tier 3	2016 Total
Benicia	1	2	3	5
Dixon	5	4	6	15
Fairfield	86	44	7	137
Rio Vista	1	1	0	2
Suisun City	1	3	2	6
Vacaville	14	5	3	22
Vallejo	7	10	2	19
County	0	0	5	5
Total Sites*	115	69	23	207
* Tier 2 site acreage is under reported, some sites have yet to be defined.				

Figure 2: MSF II Featured Sites by Community

	Number of MSF II Featured Sites				
City	Tier 1	Tier 2	Tier 3	Total	Approximate Acres
Benicia	0	1	0	1	24.6
Dixon	1	2	0	3	176.54
Fairfield	3	0	1	4	147.79
Rio Vista	1	1	0	2	147.52
Suisun City	0	1	1	2	389.3
Vacaville	3	1	0	3	231.61
Vallejo	3	0	1	4	48.3
Sites by Tier	12	6	3	20	983.5

Creating and Maintaining a Competitive Solano

With a good supply of ready real estate Solano is competitively positioned to support the building needs of sector target companies. Solano’s overall competitiveness, however, falls short of creating a compelling argument for companies to “locate in Solano.”

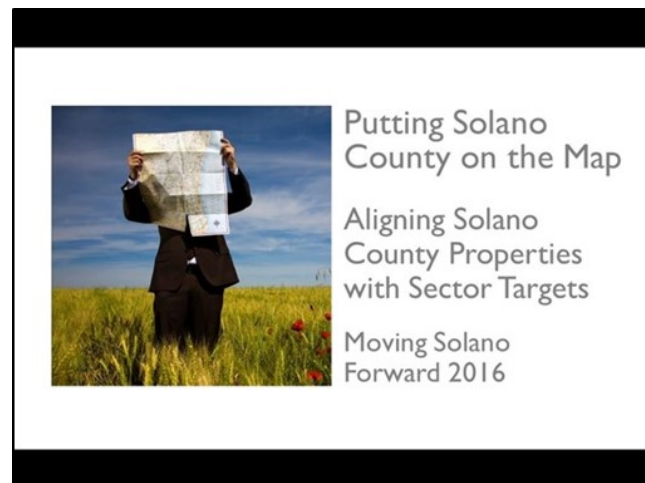
There are things Solano leadership can and cannot do about community competitiveness. Labor cost, cost of electric power, and California’s onerous environmental regulation are examples of things largely beyond leadership’s ability to change. But many weaknesses identified in this project are within the power of leadership to address and improve. These include:

Competitive Factor	Recommendation for Solano
Workforce	Invest in workforce training resources at all education levels and support the connection of the business community with educators to ensure an ongoing pipeline of skilled workers to the private sector.
Development Fees	Look for ways to reduce or delay the payment of development fees to lower barriers to business investment.
Permitting Timeline	Institute a clearly understandable process for expediting permitting.
Job Lands for Sector Targets	Encourage land owners and property developers to reject opportunities for development that does not produce economy strengthening investment from sector targets.
Water Resource	Address the issue of long-term availability of water by creating strategy documents that address the risk of possible future shortages.

Featured Properties – City Reports

Telling the good news story of Solano as a location for target companies investment requires messaging that is clear and concise. The MSF II team assembled reports that highlight competitive strengths for each of the seven Solano cities and for unincorporated Solano County. The format and content is consistent across all reports. The cover graphic below is customized for each report.

- Benicia
- Dixon
- Fairfield
- Rio Vista
- Suisun City
- Vacaville
- Vallejo
- Solano County



Report contents include:

1. Featured properties by Tier and sector target.
2. Community competitive advantages.
3. Property attributes and development advantages.
4. Community challenges.

By keeping the graphic rich reports up-to-date, Solano’s economic development team will have ready-to-use sale tools for pitching Solano communities to outside companies. The reports hit the highpoints that site selectors look for – ready to go sites, labor force characteristics, infrastructure assets, and community economic development strategy.

The reports also serve as a focal point for Solano County stakeholders to stay informed on economic development strategy and available resources in each community. With shared knowledge, communities are more effective in promoting individual communities and overall Solano County strengths.

1.0 INTRODUCTION

The goal of the MSF II project is to provide a roadmap for Solano County to become more economically diverse, more focused on data-driven decision making regarding land use, economic development, and regional positioning.

Real estate assets are at the center of this effort. More specifically, this project focuses on identifying industrial that align, now and into the future, with economy strengthening investment opportunities.

This section of the report presents findings and recommendations from the investigation of current Solano County industrial real estate assets. The investigation incorporated both Task 2 – Corridor Vision and Development, and Task 4 – Development Sites.

The study of real estate under each of these broad tasks was conducted in parallel as properties were assessed and categorized based on their attributes. Properties ready for development and aligned with sector targets were singled out in Task 2. Properties currently not ready for development, but also aligned with sector targets, were the focus of Task 4.

Task 2 and Task 4 goals associated with MSF II real estate are listed below and are addressed in this section of the report:

- ❖ **Task 2 - Corridor Vision and Development:** Establish a corridor development strategy that will maximize the economic performance of Solano County and the 1-80 corridor, by focusing on key sites and catalytic projects of countywide significance that will promote and establish the county as a distinctive and desirable region.

- Task 2.1 - Identify, inventory and map sites, expanding on the data collected during the Economic Diversification Study Project (EDSP).
- Task 2.3 - Conduct a “fatal flaw” level of real estate feasibility analysis on selected sites that offer the greatest potential for supporting economy enhancing investments from industry cluster targets.

- ❖ **Task 4 - Development Sites:** Identify properties not currently ready for development but with enhancements could support the cluster strategies developed in Task 2.3. These are properties that are likely to support the overall economic development strategy posited by this project.

- Task 4.1 - Identify the opportunities and constraints of the best medium-term potential and longer-term potential sites and buildings identified in Task 2.

The report reviews outcomes from the property evaluation portions of the MSF II project around four discussions areas:

- 2.0 Study Methodology and Evaluation Criteria.
- 3.0 Task 2.1 - Inventory and Screening of Solano County Properties.
- 4.0 Task 2.3 – Establish a short list of industry cluster aligned properties for immediate development.
- 5.0 Task 4.1 - Identify a short list of sites vest suited for mid-term and longer-term development.

2.0 STUDY METHODOLOGY AND EVALUATION CRITERIA

Methodology and criteria used to identify and evaluate Solano County real estate are presented in this part of the report. The Task 2 and Task 4 sequence of steps related to identifying, evaluating, and prioritizing Solano County real estate assets were as follows:

- Task 2.1 - Inventory Solano County industrial properties, 2307site.
- Task 2.2 - Identify regions comparable to Solano County who have implemented a successful vision and strategy, and the steps/programs that led to success.
- Task 2.3 - Establish with each city a short list of featured properties, gleaned from the long list established in Task 2.1, and identify those ready for immediate development.
- Task 2.4 - Align shortlist properties with best fit to sector targets to meeting MSF II objectives.
- Task 4.1 - Identify a shortlist of properties that are not ready for development but warrant investment to ready them for development and serve to position Solano County for future opportunities.

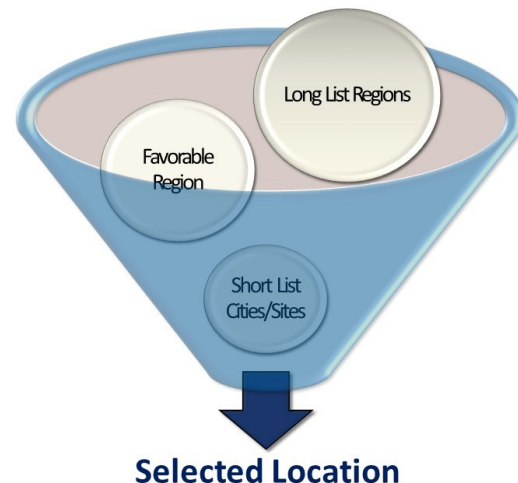
A successful Solano strategy brings into alignment three key elements:

- 1) Sector targets that are actively investing in the Bay Region.
- 2) Solano County workforce, transportation systems, utility infrastructure, and business climate offerings.
- 3) Sites ready for immediate e and mid-term development.

Methodology and evaluation criteria used in identifying key elements are presented below.

2.1 Process of Elimination

“Why should a company from a sector target locate or expand operations in Solano County?” Answering this question was the core of the investigation of sites in Tasks 2 and 4. This question was addressed from a corporate site selection perspective that places emphasis on a process of elimination. The funnel graphic at right is commonly used in site selection circles to illustrate the elimination process.



Corporate projects typically start out looking at strategic alternatives on a broad geography that fits project requirements (e.g. countries, multi-state regions, states, multi-county regions). As a study progresses, management eliminates options that don't fit the need. Alternatives at the broadest geography are eliminated first, and the study concludes when the final location is selected. The location that has the fewest flaws relative to company requirements usually gets the project.

Application of Project Requirements

In the final stages of a search, site selectors evaluate properties and communities based on project requirements to determine their ability to support the investment. For example, every project carries some level of water, wastewater, electric power and telecommunication need. Some projects use massive amounts of water while others use very little. Likewise, companies that depend on a fleet of tractor trailers have very different transportation infrastructure concerns compared to a company that generates little vehicle movement. Properties that can meet the specified need move on for further study, those that can't are eliminated.

In addition to property characteristics, community attributes also play an important role in the site selector process. Permitting and fees, transportation and land use planning, education and training resources, workforce availability are among the many factors that play a role in qualifying a community for corporate investment.

Like the water use and truck traffic referenced above, corporate needs vary by industry and by

facility type. Increasingly, companies from all industries share a common need, a qualified workforce. Communities may offer the desired real estate, infrastructure, and a supportive business climate, but without a reliable pipeline of workers, the community is likely to be eliminated. As a rule, the more demanding the workforce requirements, the fewer communities will make it through the screening process.

Companies within industries establish their own unique set of location requirements, and these vary by the type of project. For example, Task 2.4 identified Food & Beverage as a Solano County sector target. Figure 3 presents a generalized depiction of location requirements for different facilities that could exist within a single company within the Food & Beverage sector.

The MSF II team expanded on this concept of industry specific/facility specific location requirements in Section 5.0 - Solano County Competitive Strengths and Red Flags. The MSF II team developed operating costs for a representative project for three sector targets - Advanced Manufacturing, Pharma Manufacturing, and Food Processing. Project assumptions found in Appendix B illustrate how companies translate specific needs into measurable location requirements.

To be competitive for attracting investment, Solano County must understand the location requirements, for different facility types within each sector target, and work to ensure the county has assets that satisfy company needs.

Figure 3: Ranking of Location Factors by Facility Type for Food & Beverage Companies

Location Factors	Food & Beverage				
	HQ	R & D	Raw Material Processing	Product Manufacturing	Distribution
Access to Markets					
Geographic Proximity	Low	Low	High	High	High
Transportation Services Avail–Rail	Low	Low	Medium	Medium	Medium
Transportation Services Avail–Truck	Low	Medium	High	High	High
Transportation Services Avail–Water	Low	Low	Medium	Low	Medium
Transportation Services Avail–Air	High	High	Medium	Medium	Medium
Telecommunications Services	High	High	Medium	Medium	High
Access to Resources					
Energy Dependability	Medium	High	High	High	Medium
Energy Cost	Low	Medium	High	High	Medium
Water Availability Cost	Low	Low	High	High	Low
Raw Materials	Low	Medium	High	High	Low
University Research/Private Labs	Medium	High	Low	Low	Medium
Recycling Services	Low	Low	High	High	Medium
Business/Professional/Technical Services	High	High	Medium	Medium	Medium
Workforce					
Executive, Administrative & Managerial	High	High	Medium	Medium	Medium
Technical Support	High	High	High	High	High
Sales Administration	Medium	Medium	Medium	High	High
Administrative Support	High	Medium	Medium	Medium	Medium
Service	Low	Low	Medium	Medium	High
Quality Control / Lab Specialists	Low	High	High	High	Low
Precision Production & Repair	Low	Medium	Medium	High	Low
Operators & Assemblers	Low	Low	Low	High	Low
Transportation & Material Moving	Low	Low	High	Medium	High
Handlers, Equipment Cleaners & Labor	Low	Low	High	High	High
Cost of Skilled Labor	Medium	Medium	Medium	Medium	Medium
Cost of Unskilled Labor	Low	Medium	High	High	High
Labor/Management Relations	Low	Medium	High	High	High
Space					
Land Availability	Medium	Medium	High	High	High
Land Cost	Low	Medium	High	High	High
Built Space Availability	High	High	High	High	High
Built Space Cost	Medium	Medium	High	High	High
Construction Costs	Medium	Medium	Medium	Medium	Medium
Financial Capital					
Seed	Low	Low	Medium	Medium	Low
Debt	Low	Low	Low	Low	Low
Venture	Medium	Medium	Low	Low	Low
Public Sector Impacts-Investment					
County/Local Government Quality	Medium	Medium	Medium	Medium	Low
Secondary Education Quality	High	High	Medium	Medium	Medium
Higher Education Quality	High	High	Medium	Medium	Low
Technical Education/Colleges	Medium	High	Medium	High	Medium
Local Transport/Commuting	Medium	Medium	Medium	Medium	High
Water/Wastewater Systems	Low	Low	High	High	Low
Business Incentives	High	High	Medium	High	Medium
Public Sector Impacts-Costs					
Regulatory Policies	High	High	High	High	High
Worker Compensation Costs	Low	Medium	Medium	High	High
Unemployment Insurance Costs	Low	Medium	Medium	High	High
Business Taxes	High	High	Medium	Medium	Medium
Quality of Life					
Cost of Living (Housing)	Medium	Medium	High	High	High
Personal/Property Security	High	Medium	Medium	Medium	Medium
Climate/Physical Environment	High	Medium	Medium	Low	Low
Recreational/Cultural Opportunities	High	High	Medium	Medium	Low
Area Image	High	High	Low	Medium	Low

Consequently, it is not enough for a community to only say they have targeted Food and Beverage, but they should be more precise. The community should specify utility, transportation, workforce, and property capacity limits based on local capabilities to meet project needs.

3.0 CATEGORIZING SOLANO COUNTY REAL ESTATE

The corridor strategy objective is to find the combination of Solano County real estate and community attributes that align with sector targets who are active in the Bay Area Region and Central California. The goal is to bring benefits to all corners of Solano County by emphasizing local assets on a platform of county resources.

The site selector property elimination methodology was followed in Tasks 2.1, 2.3, and 4.1. The elimination methodology is a stepped process which starts with a high-level assessment of properties, followed by a shortlisting of candidate sites and ending with a detailed evaluation of property and community attributes. Properties were categorized per the property classifications used in MSF I report. Three types of opportunity sites were defined in that report; first-tier, second-tier, and third-tier.

Each tier reflects a different level of investment readiness. All property tiers collectively encompass the total vacant acreage available to support current and future real estate demand. Definitions of the three categories are:

- ❖ **First-Tier Opportunity Sites** – Immediate development potential; finished pads where necessary grading and off-site improvements have been completed.
- ❖ **Second-Tier Opportunity Sites** – Medium-term development potential; parcels with some improvements, including utilities, services, and infrastructure, but which still need further improvement and require additional investment to accommodate

development. Considered imminent readiness.

- ❖ **Third-Tier Opportunity Sites** – Long-term development potential; raw, unimproved land before grading, construction, and subdivision, but appropriately zoned for office or industrial land uses. These sites do not have on-site utilities and have limited access to infrastructure and services.

3.1 Identifying Properties:

The effort of identifying properties and assigning them to Tier 1, 2 or 3 categories was a combined effort of staff from Solano's seven cities, county staff engaged on the project, Solano EDC staff, and the MSF II consulting team.

Real estate identification and evaluation activities in Tasks 2 and 4 included the MSF II consulting team visiting Solano County three times, and numerous online conference calls and email correspondence. The effort began in late January 2016 with Solano EDC staff screening sites listed in MSF 2014 report to determine if properties were still available. EDC staff then requested city and county staff to identify other available sites and to categorize all properties by Tier. Finally, EDC staff compiled a list of all properties. The full list of properties is presented in Appendix A.

Additions and subtractions were made from the list during the project. To qualify for consideration in MSF II 2016, properties needed to meet several conditions including:

- Property is for sale or lease.

- Property is zoned to support industrial or office development or have the possibility to achieve proper zoning.

In addition to basic information about sites and buildings, city and county staff were asked to provide information that would be helpful in evaluating the community. Community information provided an additional context for assessing the advantages and disadvantages of each property during the screening process. Requested information included:

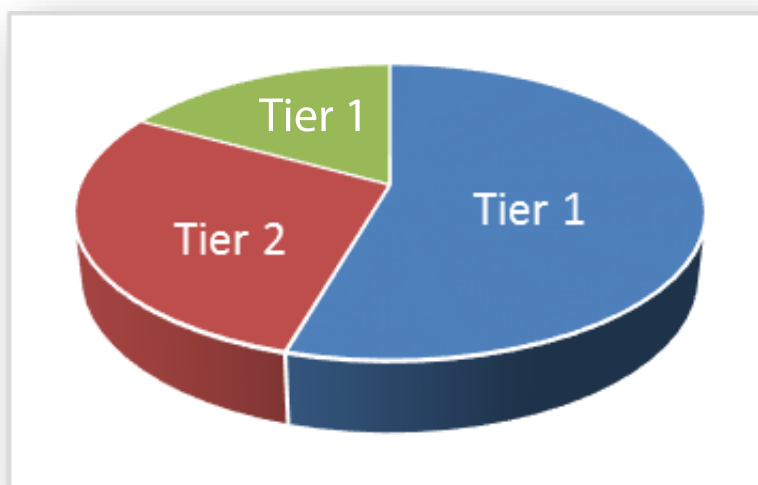
- County-wide maps with sites identified.
- Maps showing county assets important to a business prospect, i.e. transportation routes, rail, airports, technical schools, universities.
- Site or building maps utility infrastructure details.
- Maps showing city boundaries.
- Wage and salary surveys, and reports on local economic activity.
- Maps showing business parks, city street maps, aerial photographs of prime business park/site locations.
- Site and building data sheets.
- Directory of manufacturers and major employers.
- Access to the county GIS, and instructions on how to use existing tool with the property database.

- Listing of major capital improvement planned for Solano County with an emphasis on the I-80all corridor.

The 2013 MSF report identified 94 “opportunity sites.” The 2016 MSF II effort identified an additional 136 properties (see Figure 4).

Figure 4: MSF II Opportunity Sites by Community – 2013 and 2016

	2013 Opportunity Sites				2016 Opportunity Sites			
Community	Tier 1 # Sites	Tier 2 # Sites	Tier 3 # Sites	2013 Total # Sites	Tier 1 # Sites	Tier 2 # Sites	Tier 3 # Sites	2016 Total # Sites
Benicia	2	0	3	5	1	2	3	6
Dixon	4	3	10	17	5	4	6	15
Fairfield	5	10	13	28	86	44	7	137
Rio Vista	0	1	1	2	1	1	0	2
Suisun City	1	1	2	4	1	3	2	6
Vacaville	15	6	4	25	14	5	3	22
Vallejo	3	2	1	6	7	10	2	19
County	0	0	7	7	--	--	--	--
Total	30	23	41	94	115	69	23	207
Total Acreage *					894.16	1166.17	1617.83	3675.16
* Tier 3 site acreage is under reported, some sites have yet to be defined.								



3.2 Field Investigation of Sites and Communities

The MSF II team made three visits to Solano County to identify and evaluate the properties. The first visit was February 29 – March 11, 2016. The initial field investigation centered on high-level review of properties, discussions with employers, and meetings with utility representatives, transportation, and urban planners, and other community stakeholders. The goal was to gain a basic understanding of development trends, challenges, and opportunities. This effort provided a foundation for assessing Tier 1, 2, and 3 properties and how each aligns with development opportunities that will shape county growth.

Subjects addressed in meetings included the following:

- **Community** – orientation, review community history, geographic layout, demographic trends, transportation infrastructure.
- **Property** – review of property attributes including location, size, configuration, surrounding land uses, topography.
- **Community tour** – driving tour of industrial districts, neighborhoods, downtown/shopping districts, recreational and natural areas of community, residential neighborhoods.
- **Utilities** – water, sewer, electric, natural gas, telecom service characteristics, system capacity, cost and schedule for infrastructure improvements, connection fees, usage rates, major users.
- **Workforce** – meet with representatives from public and institutional

organizations to explore workforce programs.

- **Employers meetings** – discuss their experience in Solano County including recruiting practices, quality of the workforce, operating costs, permitting and regulatory environment, and the quality of transportation, utility, industrial and government services.
- **Development process** – meet with building departments and planning departments to understand development process and fee structure.
- **Leadership** – meetings with mayors, city managers, and other community leadership to understand challenges, opportunities, and the levels of commitment to community development.

Initial meetings:

- **Solano County** – GIS staff to review mapping capabilities, available data.
- **City of Dixon** – Jim Lindley, City Manager, D'Andre Wells, Economic Development: Review city development patterns, planning initiatives, infrastructure capacity, and infrastructure investment programs, visit employers to discuss local operations, visit available properties (Tier 1-3).
- **Rio Vista** – Greg Bowman, Interim City Manager, Dave Melilli, Public Works Director, Issac George, Community Development Director: Review city development patterns, planning initiatives, infrastructure capacity and investment programs, visit employers to

- **Solano County** – Matt Walsh, Principal Planner, Mike Yankovich, Planning Manager: Review county land use regulations, long-term planning, transportation and infrastructure issues, and unincorporated county properties (Tier 1-3).
- **Solano County** – Patrick Duterte, Consulting Deputy County Administrator and staff: Review programs and partnerships aimed at enhancing workforce readiness within the County.
- **Benicia** – Brad Kilger, City Manager, Mario Giuliani, Economic Development: Review city development patterns, planning initiatives, infrastructure capacity and investment programs, visit employers to discuss local operations, visit available properties (Tier 1-3).
- **Vacaville** – Laura Kuhn, City Manager, Jeremy Craig, Assistant City Manager, Don Burrus, Economic Development Director, Mark Mazzaferro, Public Information Officer, Royce Cunningham, Director of Utilities, Barton Brierly, Community Development Director: Review city development patterns, planning initiatives, infrastructure capacity, and investment programs, visit employers to discuss local operations, visit available properties (Tier 1-3).
- **Suisun City** – Suzanne Bragdon, City Manager, Jason Garben, Economic Development, Tim McSorley, Public Works and Building Director, John Kearns, Associate Planner, staff: Review city development patterns, planning initiatives, infrastructure capacity and investment programs, visit employers to discuss local operations, visit available properties (Tier 1-3).
- **Vallejo** – Kathleen Diohep, Economic Development Manager, Erin Hanford, Economic Development, Annette Taylor, Economic Development: Review city development patterns, planning initiatives, infrastructure capacity, and investment programs, visit employers to discuss local operations, visit available properties (Tier 1-3).
- **Mare Island** – Tom Sheaf, Baily Keener: Review Mare Island historic land uses and redevelopment plan, tour the island, review planning initiatives, review environmental cleanup program, review infrastructure assets and investment programs, visit employers to discuss local operations, visit available properties (Tier 1-3).
- **Fairfield** – Eric Dakin, Economic Development, Karl Dumas, Community Development Director, George Hicks, Director of Public Works, David Doyle, Chief Building Official: Review city development patterns, planning initiatives, infrastructure capacity, and investment programs, visit employers to discuss local operations, visit available properties (Tier 1-3).

3.3 Screening Properties

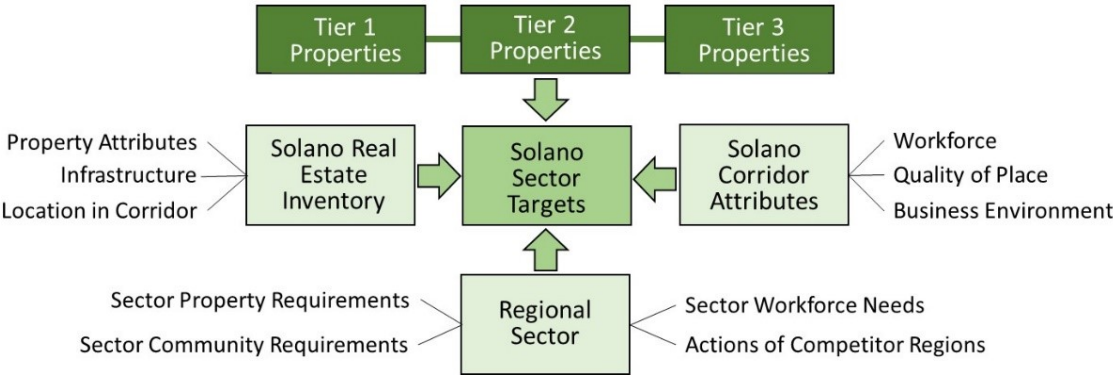
The MSF II project focused on identifying properties that best align with the four sector targets and four facility types (See Figure 5).

Figure 5: Recommended Facility Types and Sector Targets



Figure 6 shows the relationship between property, community, and regional opportunities that were at the center of the property evaluation process.

Figure 6: Aligning Solano County with Sector Target Development Opportunities



At each step in the evaluation process, properties were either eliminated or were passed on for further analysis. Those properties that met sector target requirements were subjected to a more detailed field investigation. Site and community factors analyzed included:

- **Site Characteristics:** Size, configuration, site topography, soil conditions, storm water drainage, likely ingress/egress.
- **Site Image:** Community perception of property area, compatibility of surrounding land uses with the proposed use, visibility from major roadways, attractiveness of property, site elevation relative to other area development and suitability for 24/7 operations.
- **Truck Access:** Transportation access for inbound and outbound shipments, alternative truck routing, location of site relative to major roadways and traffic flow impediments such as bridges, tunnels, rail crossings and areas of traffic congestion, time of day site ingress/egress, routing to ports.
- **Employee Access:** Employee commuting patterns relative to property, access via mass transit, roads, and trails, safety of onsite circulation of trucks and automobiles.
- **Electric Service Characteristics:** Size of service, location relative to substation (s), substation capacity, quality of service, redundancy, exposure of power lines to hazards.
- **Water Service:** Availability of municipal water for domestic and other process needs, line size, flow rate, connection fees, cost of service, water quality (summer/winter characteristics), impact fees, system capacity, water source, long-term reliability of water.
- **Waste Water Service:** Availability of municipal wastewater service including line size, flow capacity, connection fees, impact fees, cost of service including surcharges; feasibility/requirement of on-site treatment, system capacity.
- **Fire Protection:** Location of site relative to fire station (s), potential impediments to fire truck access to site, line pressure, need for fire pump and onsite water storage, reliability and redundancy of system including availability of looped water service, impact fees.
- **Natural Gas Service:** Availability and reliability of natural gas or other energy fuel service, cost, impact fees.
- **Telecommunications:** Availability, capacity, reliability.
- **Employee Amenities:** Proximity to employee amenities such as shopping, restaurants, trail and recreational facilities, and other activities that may help attract and retain employees.
- **Zoning:** Compatibility of current zoning, community sentiment regarding zoning change, if needed.
- **Manmade Hazards:** Evidence of hazardous wastes or other incompatible previous uses, status of environmental testing of site, evidence of undesirable local conditions such as incompatible upwind land uses.
- **Natural Hazards:** Floodplain areas, wetlands, evidence of endangered species and other issues that may hinder facility construction and operation.
- **Sustainability:** Community engagement on green and sustainability initiatives including solid waste recycling, greenway development, health and fitness programs, mass transit systems.

- **Community Development Trends:** Property relative to the community comprehensive plan, planned improvements to transportation and utility infrastructure that could impact future operations (positive or negative).
- **Development Incentives:** Availability of local, state and federal development incentives including reduced property cost, tax abatements, loans, grants, infrastructure improvements, worker recruitment and training and other types of incentives or assistance programs.

4.0 MSF II FEATURED PROPERTIES

The project team singled 20 properties from the long list to feature as being aligned with the economy enhancing objectives of MSF II. The featured properties were selected to represent guiding principles of the project:

- **Geographically** - properties were selected to represent each of the county's seven cities.
- **Readiness** – properties were selected from each of the three tier categories to represent sites ready for development and sites in the pipeline for future development.
- **Sector Targets** – properties that align with the needs of each of the four sector targets
- **Facility Type** – properties that align with the four facility types that sector target companies may deploy.

Figures 7 and 8 show the location, tier category, and acreage for the 20 featured properties.

Figure 7: MSF II Sector Target Featured Properties

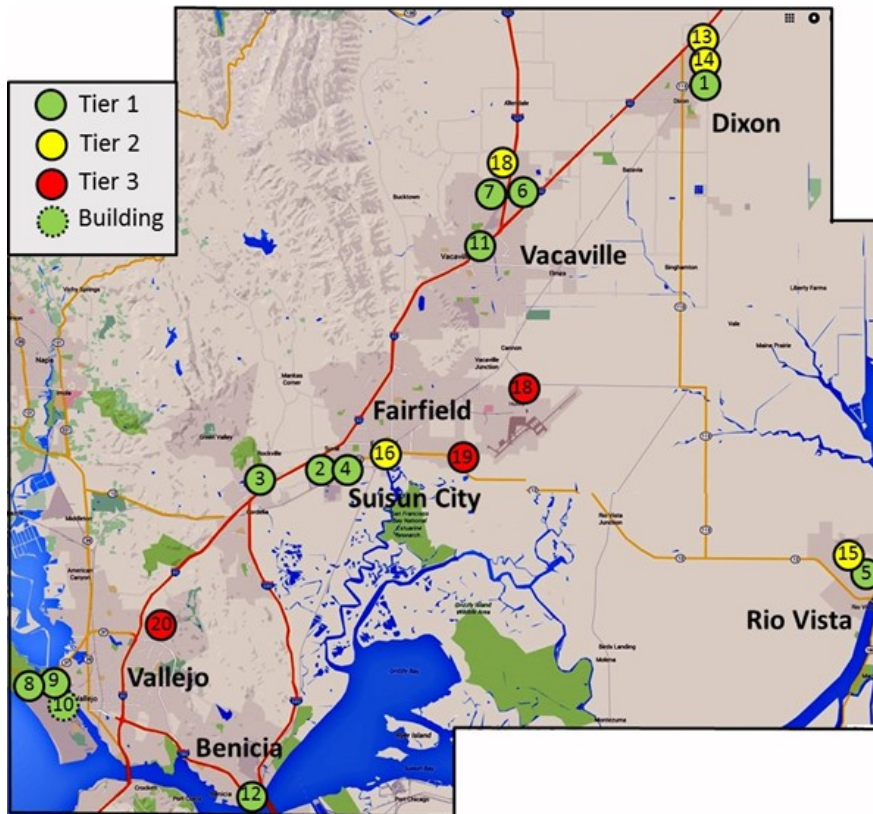


Figure 8: MSF II Featured Sector Target Properties

Site	Property Name	City	Tier	Acres
1	Dixon Commerce Center	Dixon	1	6.43
2	Busch Corporate Center Area	Fairfield	1	4.06
3	Green Valley Corporate Park Area	Fairfield	1	12.64
4	Solano Business Park Area (2 sites)	Fairfield	1	22.49
5	City of Rio Vista Business Park	Rio Vista	1	90.00
6	Vaca Valley Business Park	Vacaville	1	31.68
7	Vacaville Golden Hills Business Park	Vacaville	1	35.83
8	Lennar Mare Island	Vallejo	1	7.30
9	Lennar Mare Island	Vallejo	1	9.50
10	Lennar Mare Island - Building 253(existing 60,951 sf)	Vallejo	1	1.50
11	Nut Tree Airport Business Park	Vacaville	1	9.30
Tier 1 Total – Featured Properties				221.03
12	Benicia Terminal area	Benicia	2	24.60
13	AKT Development Property	Dixon	2	122.89
14	Vaughn and Dorset	Dixon	2	47.22
15	City of Rio Vista Industrial Park	Rio Vista	2	57.52
16	City Owned Site	Suisun City	2	36.30
17	Interchange Business Park	Vacaville	2	158.80
Tier 2 Total – Featured Properties				367.72
18	Canon Station Area	Fairfield	3	108.60
19	Johnson Property	Suisun City ⁽¹⁾	3	355.00
20	Lee Property	Vallejo	2	30.00
Tier 3 Total – Featured Properties				484.8
Total Acres – All Featured Properties				1,073.59

⁽¹⁾ Site is currently in the county. Property will be annexed by Suisun City.

The featured properties are given a high-level overview including strengths relative to sector targets and challenges associated with property development.

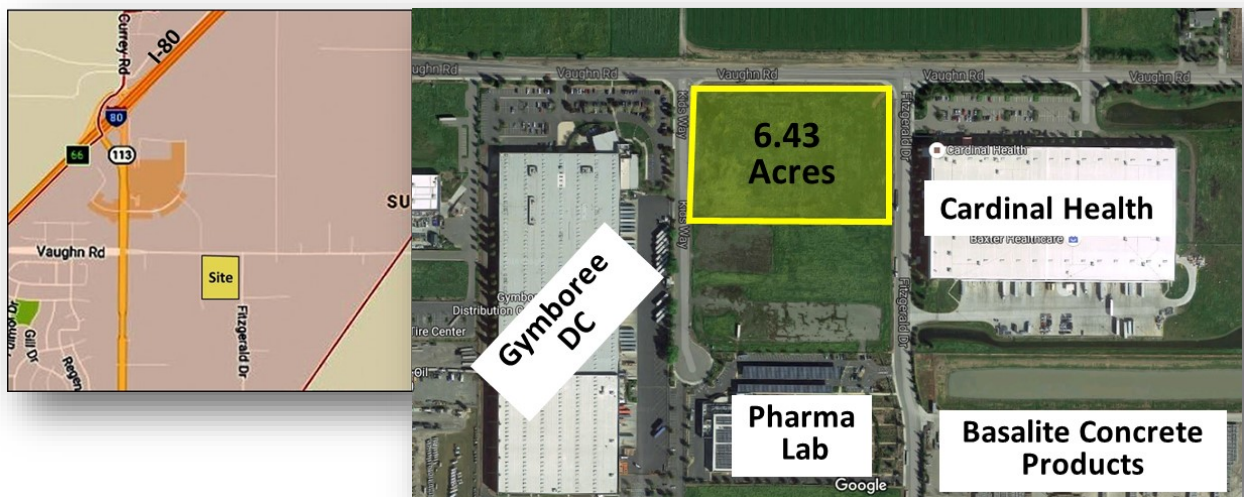
**MOVING SOLANO FORWARD – PHASE II • TASK 2.0 CORRIDOR VISION AND DEVELOPMENT/
TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

Property Name:		Oak Road Property
City:		Benicia
Tier:		2
Acres:		24.6
Sector Targets - Property Strengths	Advanced Manufacturing:	The property's proximity to large industrial centers in Benicia, Martinez, Richmond, Pittsburgh make it well suited for serving advanced manufacturing needs of area companies.
	Logistics:	Adjacency to the Benicia Port Terminal is an attribute that could provide unique logistics services for the area.
	Biopharma:	Staging of products or raw materials for shipment.
	Food Processing:	Staging of products or raw materials for shipment.
Challenges:		Marketing of the property will be enhanced by creating development concepts that address a challenging topography, presence of existing structures, and the current location of Oak Road. A master plan the shows relocation of Oak Road and tiered building pads, for example, would address these challenges by creating a clear understanding of development opportunities.



**MOVING SOLANO FORWARD – PHASE II • TASK 2.0 CORRIDOR VISION AND DEVELOPMENT/
TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

Property Name:		Dixon Commerce Center Site
City:		Dixon
Tier:		1
Acres:		6.43
Sector Targets - Property Strengths	Advanced Manufacturing:	Access to workforce talent from nearby UC Davis and metro Sacramento enhance this setting for advanced manufacturing.
	Logistics:	The site can support up to 135,000 square feet of single story building. Convenient access to I-80.
	Biopharma:	Clean room and secure laboratory facilities are located nearby.
	Food Processing:	Food processing is compatible with the clean environment created by neighboring operations.
Challenges:		None



Property Name:		TVOB (Duffel) Property
City:		Dixon
Tier:		2
Acres:		47.22
Sector Targets - Property Strengths	Advanced Manufacturing:	Access to workforce talent from nearby UC Davis and metro Sacramento enhance this setting for advanced manufacturing.
	Logistics:	Convenient access to I-80. Large, flat site.
	Biopharma:	Clean room and secure laboratory facilities are located nearby.
	Food Processing:	Food processing is compatible with the clean environment created by neighboring operations.
Challenges:		The TVOB property is located in the NE Quadrant planning district. The district plan recognizes that Dixon's present water treatment capacity is not sufficient to support buildout in the district. Additional city wells will be established in the NE Quadrant as development occurs.



Property Name:		AKT Development Property
City:		Dixon
Tier:		2
Acres:		122.89
Sector Targets - Property Strengths	Advanced Manufacturing:	Access to workforce talent from nearby UC Davis and metro Sacramento enhance this setting for advanced manufacturing.
	Logistics:	Convenient access to I-80. Large, flat site.
	Biopharma:	Clean room and secure laboratory facilities are located nearby.
	Food Processing:	Food processing is compatible with the clean environment created by neighboring operations.
Challenges:		The AKT property is located in the NE Quadrant planning district. The district plan recognizes that Dixon's present water treatment capacity is not sufficient to support buildout in the district. Additional city wells will be established in the NE Quadrant as development occurs.



**MOVING SOLANO FORWARD – PHASE II • TASK 2.0 CORRIDOR VISION AND DEVELOPMENT/
TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

Property Name:		Green Valley Corporate Park
City:		Fairfield
Tier:		1
Acres:		12.64
Sector Targets - Property Strengths	Advanced Manufacturing:	Clean R&D, assembly, and office functions in support of advanced manufacturing.
	Logistics:	Office functions in support of logistics operations.
	Biopharma:	Cleanroom labs, office support functions, and other high end operations would fit well in this office park environment
	Food Processing:	Clean R&D and office functions in support of food processing.
Challenges:		Fault line in area may restrict full use of the property.



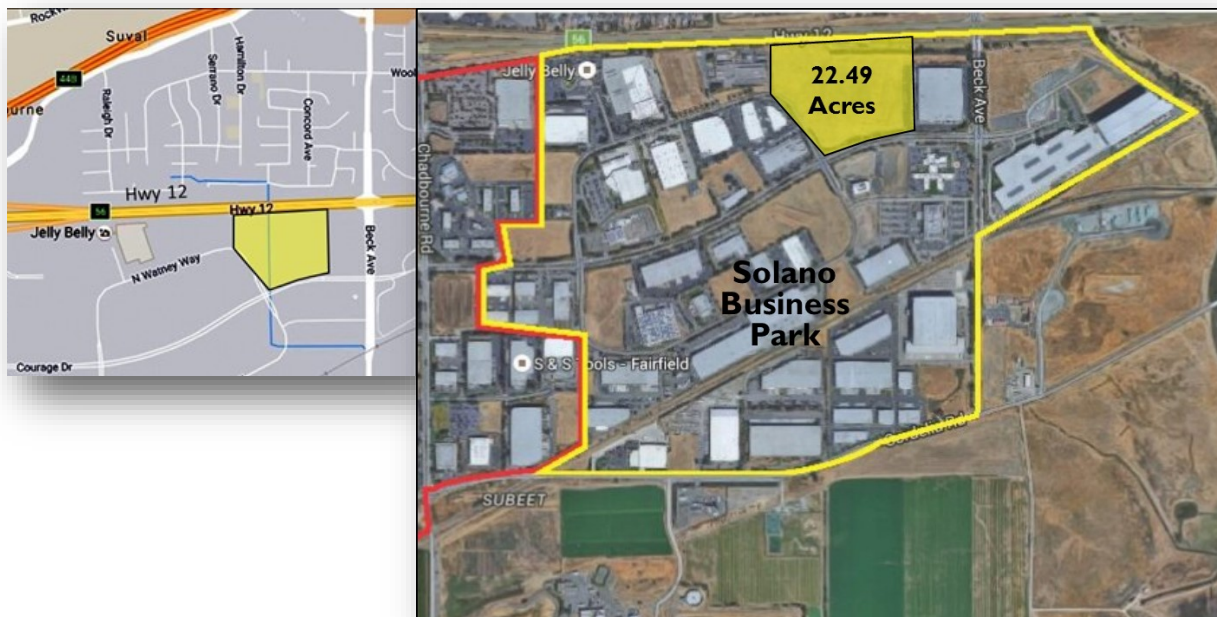
**MOVING SOLANO FORWARD – PHASE II • TASK 2.0 CORRIDOR VISION AND DEVELOPMENT/
TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

Property Name:		Busch Corporate Center Site
City:		Fairfield
Tier:		1
Acres:		22.49
Sector Targets - Property Strengths	Advanced Manufacturing:	Office operations
	Logistics:	Office operations
	Biopharma:	Cleanroom labs, office support functions, and other high end operations would fit well in this office /light manufacturing environment.
	Food Processing:	This highly visible property sits at the entrance to a major complex of light industrial and distribution operations, many focused-on food processing. This site would make an excellent reception center in support of industrial tourism.
Challenges:		None



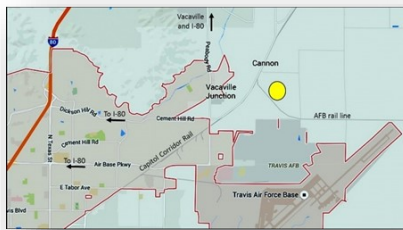
**MOVING SOLANO FORWARD – PHASE II • TASK 2.0 CORRIDOR VISION AND DEVELOPMENT/
TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

Property Name:		Solano Business Park
City:		Fairfield
Tier:		1
Acres:		22.49
Sector Targets - Property Strengths	Advanced Manufacturing:	Clean environment, attractive setting for attracting professional workers.
	Logistics:	Great access to I-80 and Highway 12.
	Biopharma:	Clean environment, attractive setting for attracting professional workers.
	Food Processing:	Clean operating environment with numerous food processing companies in the area.
Challenges:		None



**MOVING SOLANO FORWARD – PHASE II • TASK 2.0 CORRIDOR VISION AND DEVELOPMENT/
TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

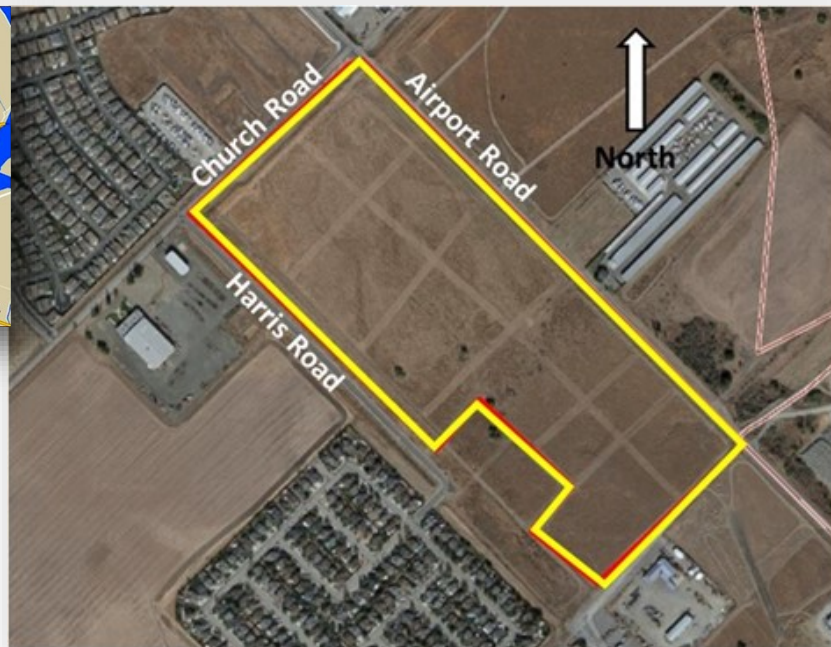
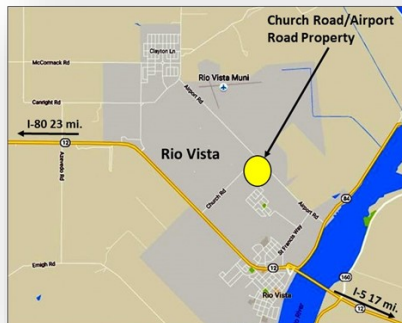
Property Name:		Canon Station Area
City:		Fairfield
Tier:		3
Acres:		108.6
Sector Targets - Property Strengths	Advanced Manufacturing:	Large site - clean slate. Central location to Solano County workforce.
	Logistics:	Road improvements now underway will give good access to I-80 and Highway 12.
	Biopharma:	Large site - clean slate. Central location to Solano County workforce.
	Food Processing:	Large site - clean slate. Central location to Solano County workforce.
Challenges:		Development at this location awaits a long list of infrastructure improvements including roads and utilities.



Property Name:		Rio Vista Business Park
City:		Rio Vista
Tier:		1
Acres:		97.0
Sector Targets - Property Strengths	Advanced Manufacturing:	The property can accommodate heavy industrial operations.
	Logistics:	Large flat site with convenient access to Highway 12.
	Biopharma:	Property could accommodate process manufacturing in a heavy industrial setting.
	Food Processing:	Workers with experience in food processing and agriculture, including seasonal employment, are found in this area.
Challenges:		Cleanup of remnants from former airport operations required in some area. Subdivision of parcel needed to accommodate sale of property. Code enforcement will help to improve the appearance of Rio Vista Business Park and likely make the property more attractive to investment.



Property Name:		Industrial Park @ Airport Road & Church Road Site
City:		Rio Vista
Tier:		2
Acres:		57.2
Sector Targets - Property Strengths	Advanced Manufacturing:	The property is well suited for light manufacturing.
	Logistics:	Flat site with convenient access to Highway 12.
	Biopharma:	Clean and attractive setting can support laboratory or cleanroom operations.
	Food Processing:	Workers with experience in food processing and agriculture, including seasonal employment, are found in this area.
Challenges:		Extension of utilities to site required.



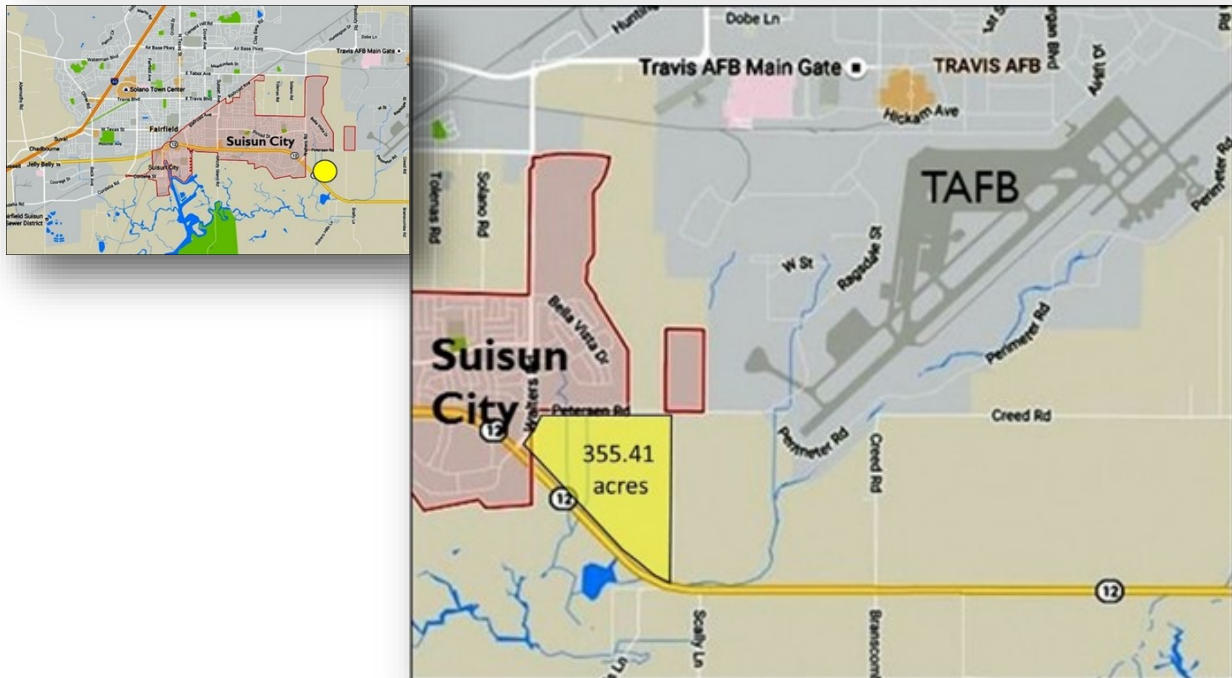
**MOVING SOLANO FORWARD – PHASE II • TASK 2.0 CORRIDOR VISION AND DEVELOPMENT/
TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

Property Name:		30 Acres City Property
City:		Suisun City
Tier:		2
Acres:		30
Sector Targets - Property Strengths	Advanced Manufacturing:	Mixed use residential, commercial, office and light industrial district plan designed to support advanced manufacturing activities.
	Logistics:	Mixed use residential, commercial, office and light industrial district plan designed to support specialized logistics operations.
	Biopharma:	Mixed use residential, commercial, office and light industrial district plan is designed to accommodate biopharma activities.
	Food Processing:	Mixed use residential, commercial, office and light industrial district plan is designed to accommodate food processing activities.
Challenges:		Master plan of property must be completed. Extension of utilities is required.



**MOVING SOLANO FORWARD – PHASE II • TASK 2.0 CORRIDOR VISION AND DEVELOPMENT/
TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

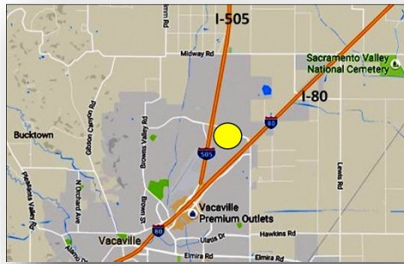
Property Name:		Johnson Property
City:		Suisun City ¹
Tier:		3
Acres:		355.41
Sector Targets - Property Strengths	Advanced Manufacturing:	Large, flat property will accommodate a broad range of office, manufacturing and distribution operations.
	Logistics:	Large, flat property will accommodate a broad range of office, manufacturing and distribution operations.
	Biopharma:	Large, flat property will accommodate a broad range of office, manufacturing and distribution operations.
	Food Processing:	Large, flat property will accommodate a broad range of office, manufacturing and distribution operations.
Challenges:		Complete annexation process. Construction of utility and roadway infrastructure required.



¹ Property is now in unincorporated Solano County and will be annexed by Suisun City.

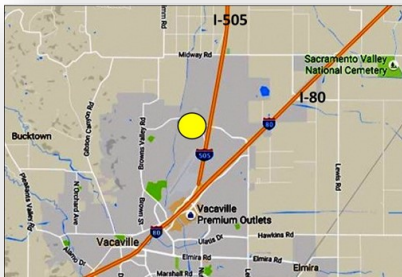
**MOVING SOLANO FORWARD – PHASE II • TASK 2.0 CORRIDOR VISION AND DEVELOPMENT/
TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

Property Name:		Vaca Valley Business Park
City:		Vacaville
Tier:		1
Acres:		31.68
Sector Targets - Property Strengths	Advanced Manufacturing:	Attractive high end office and technology park is ideally suited to complex and clean advanced manufacturing operations.
	Logistics:	
	Biopharma:	Attractive high end office and technology park is ideally suited to complex and clean advanced biopharma operations.
	Food Processing:	
Challenges:		None.



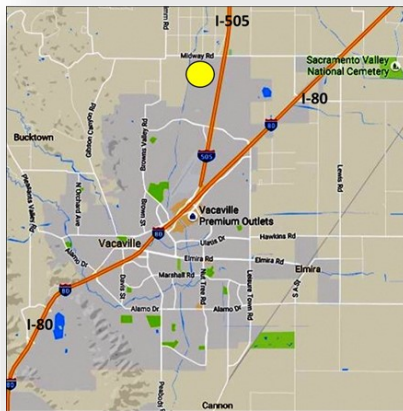
**MOVING SOLANO FORWARD – PHASE II • TASK 2.0 CORRIDOR VISION AND DEVELOPMENT/
TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

Property Name:		Vacaville Golden Hills Property
City:		Vacaville
Tier:		1
Acres:		35.83
Sector Targets - Property Strengths	Advanced Manufacturing:	Attractive office and light industrial technology park is well suited for clean advanced manufacturing operations.
	Logistics:	Attractive office and light industrial technology park is well suited for clean advanced logistics operations.
	Biopharma:	Attractive office and light industrial technology park is well suited for clean biopharma operations.
	Food Processing:	Attractive office and light industrial technology park is well suited for clean food processing operations.
Challenges:		Future development in area may require improvements to the Vaca Valley Parkway / I-505 interchange.



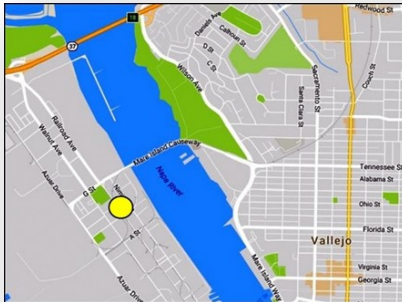
**MOVING SOLANO FORWARD – PHASE II • TASK 2.0 CORRIDOR VISION AND DEVELOPMENT/
TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

Property Name:		Interchange Business Park
City:		Vacaville
Tier:		2
Acres:		78.99
Sector Targets - Property Strengths	Advanced Manufacturing:	The property is in a clean light industrial setting that currently supports advanced manufacturing. The site is flat and offers excellent access to I-505.
	Logistics:	The property is in a clean light industrial setting that currently supports logistics operations. The site is flat and offers excellent access to I-505.
	Biopharma:	The property is in a clean light industrial setting that currently supports biopharma operations. The site is flat and offers excellent access to I-505.
	Food Processing:	The property is in a clean light industrial setting that current supports food processing operations. The site is flat and offers excellent access to I-505.
Challenges:		Extension of water line required.



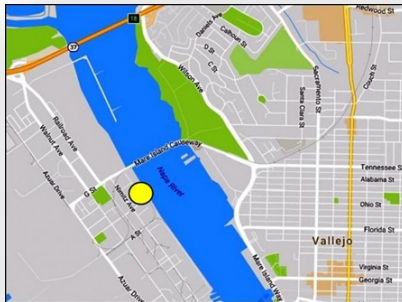
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TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

Property Name:		7.3 Acre Site Mare Island
City:		Vallejo
Tier:		1
Acres:		7.3
Sector Targets - Property Strengths	Advanced Manufacturing:	The Lennar Mare Island redevelopment plan has designated this area for technology-focused operations - advanced manufacturing is supported.
	Logistics:	The Lennar Mare Island redevelopment plan has designated this area for technology-focused operations - technology driven logistics are supported.
	Biopharma:	The Lennar Mare Island redevelopment plan has designated this area for technology-focused operations - biopharma activities is supported.
	Food Processing:	The Lennar Mare Island redevelopment plan has designated this area for technology-focused operations - specialty food processing here may be accommodated.
Challenges:		Land subdivision and purchase or lease terms needs clarification.



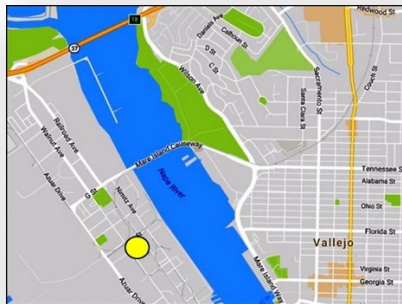
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TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

Property Name:		9.5 Acre Site Mare Island
City:		Vallejo
Tier:		1
Acres:		9.5
Sector Targets - Property Strengths	Advanced Manufacturing:	The Lennar Mare Island redevelopment plan has designated this area for technology focused operations - advanced manufacturing is supported.
	Logistics:	The property is in a clean light industrial setting that current supports logistics operations. The site is flat and offers excellent access to I-505.
	Biopharma:	The property is in a clean light industrial setting that current supports biopharma operations. The site is flat and offers excellent access to I-505.
	Food Processing:	The property is in a clean light industrial setting that current supports food processing operations. The site is flat and offers excellent access to I-505.
Challenges:		Extension of water line required.



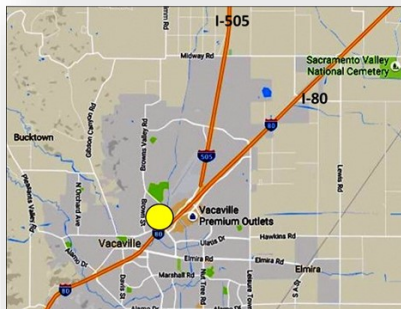
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TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

Property Name:		Building 253 Mare Island
City:		Vallejo
Tier:		1
Acres:		60,950 sf.
Sector Targets - Property Strengths	Advanced Manufacturing:	High clear height open bay building suitable for specialized advanced manufacturing operations.
	Logistics:	High clear height open bay building suitable for specialized logistics operations.
	Biopharma:	
	Food Processing:	
Challenges:		None

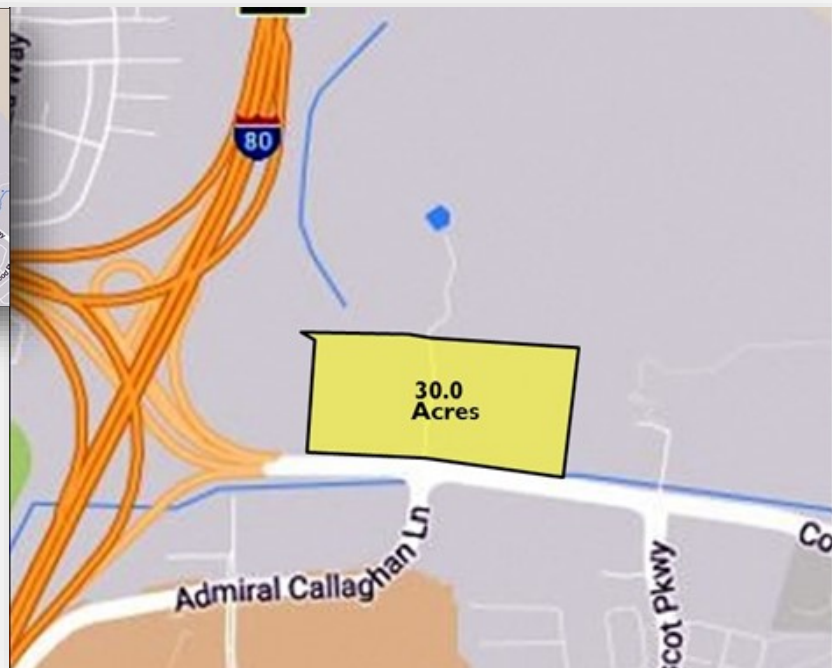
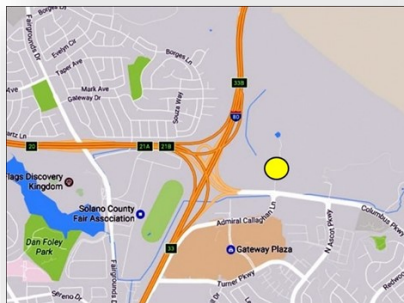


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TASKS 2.1 AND 2.3 CORRIDOR VISION DEVELOPMENT AND TASK 4.1 DEVELOPMENT SITES**

Property Name:		Nut Tree Airport Site
City:		Vacaville
Tier:		1
Acres:		9.3
Sector Targets - Property Strengths	Advanced Manufacturing:	The property is in an area of advanced manufacturing companies that benefit from great I-80 and I-505 highway access and the nearby Nut Tree Airport.
	Logistics:	The property is in an area of logistics companies that benefit from great I-80 and I-505 highway access and the nearby Nut Tree Airport.
	Biopharma:	The property is in proximity to the biopharma companies that benefit from great I-80 and I-505 highway access and the nearby Nut Tree Airport.
	Food Processing:	The property is in an area of food processing companies that benefit from great I-80 and I-505 highway access and the nearby Nut Tree Airport.
Challenges:		None.



Property Name:		Lee Property
City:		Vallejo
Tier:		3
Acres:		30.0
Sector Targets - Property Strengths	Advanced Manufacturing:	The property sits at an important crossroads that connects North Bay, East Bay and Solano County, a perfect location to tap the region's advanced manufacturing workforce.
	Logistics:	The property is well-suited to office operations in support of global logistics.
	Biopharma:	The property sits at an important crossroads that connects North Bay, East Bay and Solano County, a perfect location to tap the region's biopharma workforce.
	Food Processing:	The property is well-suited to office and R&D operations in support of food processing.
Challenges:		Master plan and development approvals pending.



5.0 SOLANO COUNTY - COMPETITIVE STRENGTHS AND RED FLAGS

A starting point in most corporate location selection projects is to compare estimated project operating costs for different locations spanning a broad geography. The objective is to identify the competitive advantages one region may have over another. As a measure of Solano’s competitive standing, the MSF II project team developed operating costs for a representative project from each of the sector targets – Advanced Manufacturing, Pharma Manufacturing, and Food Processing. Project assumptions and operating cost details can be found in Appendix B.

Below is a summary from the three operating cost assessments. Solano offers distinctly lower operating costs when compared to San Francisco and South Bay areas. In all cases, however, Solano County is unfavorable relative to out-of-California alternatives. Atlanta, GA reports lowest overall operating costs in all cases followed by Reno and Las Vegas.

SOLANO'S COMPETITIVE POSITION FOR TRADED SECTOR TARGETED INVESTMENTS⁽¹⁾

Metro Area	Advanced Manufacturing		Pharma Manufacturing		Food Processing	
	Annual Operating Cost	Competitive Index	Annual Operating Cost	Competitive Index	Annual Operating Cost	Competitive Index
Atlanta	\$12,542,739	100	\$11,477,009	100	\$49,920,674	100
Reno	\$12,687,892	101	\$11,671,956	102	\$52,150,555	104
Las Vegas	\$13,027,985	104	\$11,872,413	103	\$53,331,016	107
Solano	\$13,525,841	108	\$12,732,164	111	\$55,663,647	112
San Jose	\$15,680,153	125	\$14,362,170	125	\$62,899,437	126
San Francisco	\$16,050,757	128	\$14,626,424	127	\$65,100,746	130

⁽¹⁾ Estimated operating costs for representative manufacturing plants from three targetted sectors. The lowest operating cost city in each sector has a base 100 Competitive Index. Annual estimated business operating cost tables summarizes the annual cost of labor, utilities and facilities for selected metropolitan areas.

Solano was also compared with the Bay Area, Central Valley, western states, and the eastern United States on 15 factors that play a role in corporate location decisions. The comparative assessment of Solano, against what are deemed “competitive locations” in the other regions, is based largely on anecdotal evidence that reflects this site selector’s thirty years of experience working in these regions on behalf of corporate clients.

The 15 factors and Solano’s competitive standing are described in more detail in Figure 10. Figure 10 also offers recommendations on how Solano can become more competitive for new investment. Figure 9 following summarizes the assessment, illustrating that Solano has a competitive advantage over the Bay Area on many factors. One major exception is availability of skilled labor which favors the Bay Area.

Solano also does not fare as well when competing with California's Central Valley where many communities offer lower operating costs, lower land costs, lower utility costs, and lower development fees.

Solano County, and California communities in general, do not compare favorably with competitive communities in other western states and in the eastern United States. For many companies, locating in Solano is driven by a necessity to be there, not by factors that make the county outwardly attractive.

**Figure 9: Development Considerations & Operating Considerations
Solano Competitive Position**

Development Considerations and Operating Characteristics	Solano's Competitive Position Relative to Other Jurisdictions ⁽²⁾			
	Bay Area	Central Valley	Western States	Eastern U.S.
Development Fees	+	-	-	-
Permitting Process	+	-	-	-
Zoning / Land Use Policy	+	+	+	+
Transportation Congestion		-	-	-
Available Industrial / Office Sites	+	-	-	-
Available Industrial / Office Buildings	+	+		-
Land Costs	+	-	-	-
Property Tax Costs	+			-
Operating Costs	+	-	-	-
Labor Availability – Skilled	-	+		
Labor Availability - Semi-skilled	+	-	-	-
Water Systems	+	+	+	-
Wastewater Systems	+	+	+	-
Natural Gas Infrastructure				-
Electric Power Infrastructure				

⁽²⁾ "+" = Solano has competitive advantage

"-" = Solano at a competitive disadvantage

" " = Solano has no advantage or disadvantage

Figure 10: Solano Location Factors Compared to California & Eastern US Competitors




Factor Assessed	Solano/Bay Area	California Competitors	Eastern U.S. Competitors	Solano Recommendations
Zoning / Land Use Policy	Solano County's land use policies largely favor agricultural land use in unincorporated areas of the county. Development of residential and industrial uses in the county are selectively approved.	While California counties are more restrictive compared to many locales in the United States, many California counties are less restrictive than Solano.	In the eastern U.S., county lands are zoned in most places. Zoning changes are routinely considered and approved.	Focus efforts on the strategic land readiness approach offered under the Moving Solano Forward effort. 
Transportation Congestion	Traffic congestion on Solano County Interstate, federal and state highways, and local road and streets is at times crippling. The high percentage of people commuting in/out of the county clog the roads.	There is significantly less traffic congestion in California's Central Valley and smaller communities as compared to metro areas. Less traffic gives these locations a competitive advantage.	Traffic congestion is an issue in many metro areas and smaller communities across the country, but in most instances, does not approach the levels found in Solano.	Traffic congestion is only addressed through regionwide transportation planning. Participation in this process is highly recommended. Creating better paying jobs in Solano County would likely reduce the number of people on the highways. 
Available Industrial / Office Sites	Solano County has a wide array of land available for industrial and office development that includes class A, B, and C vacant properties.	Most Bay Area communities have hit the saturation point meaning new construction is more often a function of redevelopment. A wide spectrum of property offerings is found within the Central Valley and rural California communities.	There are spot shortages of industrial and office sites in many communities across the U.S. However, introduction of new lands for development is generally made easier by less stringent land use controls.	Solano's land resources give the county a competitive advantage within the Bay Area. The strategic introduction of property offered Moving Solano Forward will help maintain this advantage. 

Figure 10: (Continued)




Factor Assessed	Solano/Bay Area	California Competitors	Eastern U.S. Competitors	Solano Recommendations
Available Industrial / Office Buildings	Solano's current office and industrial building vacancy rates are well above Bay Area averages. This is a departure from past economic cycles that saw increased interest with escalating prices elsewhere in the region.	The inventory of available buildings in the Central Valley is similarly limited. Speculative buildings are more likely to be found in the Sacramento area and southern California.	Industrial cities in the Eastern United States typically have inventories of buildings, some old, others relatively new. The size of the inventory goes up and down with the economy. When the supply is tight, spec buildings are commonly developed.	60% of job creating location selection projects start by looking for an existing building. A larger inventory of available buildings will give Solano location advantage. 
Land Costs	Solano property costs are generally considered a bargain compared to other parts of the Bay Area.	Bay Area land prices for industrial and office land is as high as it gets anywhere in the country.	Solano lands costs are an order-of-magnitude higher than most locations in the eastern U.S. Communities of all sizes in the east often hold land in the public interest and offer these properties below market value or at no cost.	Look for ways to bring the cost of property down, perhaps having the EDC control land and offer reduced costs as an incentive. 
Property Tax Costs	California's Prop 13 keeps property tax rates in check. Solano and Bay Area property tax bills are inflated, relative to other jurisdictions, because of the high value of property.	Property values in the Central Valley and rural communities tend to be lower relative to Solano. Under Prop 13 these locations have a tax cost advantage over Solano.	Property taxes in most of the country are used to fund a large portion of local government. Consequently, tax rates in these locations are significantly higher than CA. However, the lower value of property offsets some of the difference.	Prop 13 makes things simple. This is a competitive advantage for California communities. 

Figure 10: (Continued)




Factor Assessed	Solano/Bay Area	California Competitors	Eastern U.S. Competitors	Solano Recommendations
Operating Costs	Operating costs in the Bay Region are some of the highest in the country. Solano has a slight competitive advantage over closer-in communities. A cost advantage of a Solano location for some companies is proximity to large markets.	The Central Valley and rural California communities have slightly lower operating costs overall compared to the Bay Area. Proximity to markets is still an advantage.	Operating costs in many eastern U.S. communities are significantly lower than those found in Solano County. Many locations also offer the cost advantage of having access to large eastern markets.	Offset higher operating costs by tapping other location advantages such as access to skilled labor, efficient delivery of public services, and reliable and competitively priced public utilities. 
Labor Availability Skilled	The Bay Region has a global reputation as a center of skilled workers. These workers are not uniformly distributed. Solano is well positioned for manufacturing skills but is weak in other categories such as IT workers.	The Central Valley and rural California communities support a large workforce of skilled mechanics and engineers that support manufacturing and agriculture industries. Other white collar professions are mostly in short supply.	The shortage of skilled workers is a concern for industry virtually everywhere in the United States.	The concentration of skilled workers in and around Solano gives the county an advantage relative to rural California and the rest of the United States. Continue to work on developing training programs to grow this resource. 
Labor Availability Semi-skilled	Solano County's workforce supports a broad spectrum of manufacturing, office, and agriculture activities, both within Solano and in surrounding counties. The slightly lower cost of housing in Solano has attracted workers from this category.	The Central Valley and rural California communities have a strong advantage when it comes to semi-skilled workers. The lower cost of living in these areas, along with a concentration of manufacturing and agricultural industries, employ large numbers.	There is a large semi-skilled workforce to draw from in the eastern U.S. A bigger concern is finding workers with a work ethic that makes for good employees.	The concentration of skilled workers in and around Solano gives the county an advantage relative to rural California and the rest of the United States. Continue to work on developing training programs to grow this resource. 

Figure 10: (Continued)






Factor Assessed	Solano / Bay Area	California Competitors	Eastern U.S. Competitors	Solano Recommendations
Water Systems	Water treatment systems are generally of high quality throughout most of California. The issue that concerns corporate site selectors is how water resources will be managed in the future and how will this impact cost and dependability. Historic water rights and allocations that Solano and other jurisdictions now depend could someday mean nothing. Until these issues are clarified, California is viewed as a risky location for water.		Some areas of the east struggle with the delivery of water to users. More common, however, is the relative abundance and low cost of water in much of the eastern United States.	Address the issue of water security head-on. Be prepared for the worst by managing resources carefully. This will go a long way in reducing the perceived risk of locating in Solano County. 
Wastewater Systems	The wastewater landscape in the Bay Region is complex. Within Solano County the collection, treatment, and discharge of wastewater varies from community to community. Capabilities and cost of local systems also vary.	Treatment systems throughout California are under financial and regulatory pressures that weigh on corporate location decisions. Investment in wastewater systems, like water, are being influenced by water shortages and changing regulatory controls.	Wastewater systems in the eastern United States are generally free of capacity and regulatory issues that significantly impact corporate location decisions.	Solano is now in a favorable position with wastewater treatment. Dixon and Vacaville have recently undergone systems upgrades. Fairfield is served by a large modern facility.  
Natural Gas Infrastructure	The availability of natural gas in Solano, and in most of California, is sufficient to support the needs of industry. California has limited domestic production gas. Supplies enter the state from the north, mostly from Canada, and in the south mostly from Texas/Oklahoma.		The eastern U.S. is crisscrossed with gas transmission lines that connect markets from major gas fields in Texas/ Oklahoma, Gulf states, Pennsylvania / Ohio.	Monitor natural gas service providers to ensure that Solano has adequate capacity and reliability to serve long term needs. 

Figure 10: (Continued)

Factor Assessed	Solano / Bay Area	California Competitors	Eastern U.S. Competitors	Solano Recommendations
Electric Power Infrastructure	Solano and the Bay Region are served primarily by Pacific Gas & Electric (PG&E). PG&E has a reputation for designing and maintaining electric and natural gas distribution systems. PG&E also has a reputation of being difficult to work with on economic development efforts. They are known to be slow to respond and stingy with information.		Electric power providers in the eastern United States have a long tradition for direct engagement in economic development.	Work to develop a more collaborative relationship with PG&E. Their involvement in economic development is essential to Solano's long-term success. 

Development Fees and Permitting Process

In the section above labeled, “Competitive Strengths and Red Flags,” Solano County was rated from a corporate site selection consultant’s perspective on estimated operating costs and on 15 other factors that play a role in corporate location decisions. Among the factors were two categories, Development Fees and Permitting Process. These were included as surrogates to measure overall local government responsiveness and support for development opportunities.

On review by the MSF project team of the comparative assessment of Solano, against what are deemed “competitive locations” in other regions, it was realized that the team did not fully assess each community on Development Fees and Permitting Process during field investigation. Consequently, the team’s observations did not accurately reflect offerings from Solano cities. Communities were initially given poor marks on these measures.

On further investigation, it was learned that each of the seven cities in Solano offer some form of assistance to reduce fees and expedite project review and permitting. Fairfield appears to have the most complete package of project focused assistance. These include:

1. Conceptual Review; Free of charge.
2. Fee estimates; Free of charge.
3. Fee Deferral.
4. Fee Credits.
5. Development Action Review Team (DART) where projects are reviewed by all relevant departments and feedback is provided to the developer.
6. Minor Development Review where projects up to a certain size are reviewed and can be approved by Community Development Department staff (as opposed to going to Planning Commission for approval).

7. Minor Discretionary Review where minor projects up to a certain size, which do not require public notice, can be reviewed and approved by Community Development Department staff either over the counter or within 5 working days.
8. Revolving Loan Fund (RLF) offering low-interest financing for commercial, industrial, retail, or service projects.
9. SCIP Financing where Development Impact Fees can be financed for a construction project through tax exempt bond financing over a 30-year period.
10. Other programs can be offered on a case by case basis subject to certain variables associated with a project (i.e. # of jobs created, new sales/use tax revenue generated, etc.).

Figure 11 presents representative offerings for management of development fees and expediting permitting from four other Solano cities.

Recommendations: The information gap mentioned above emerged from the failure of the location consultant during meetings with city staff to ask for a detailed review on these topics. The failure to ask was not necessarily an oversight as it is routine in site selector data gathering sessions for city staff to review local permitting process and development fees.

In all cases during the MSF field investigation city staff missed the opportunity to educate the consultant on these subjects, thereby adding to a misperception of community offerings. It is recommended that city staff clearly address community offerings when meeting with developers and potential community investors.

Figure 11: Representative Offerings for Management of Development Fees and the Expediting Permitting Process

Permitting & Fees	Dixon	Suisun City	Vacaville	City of Vallejo
#1 Conceptual Review	Dixon gives feedback for little or no charge through an In-Take Meeting or Pre-Development Meeting.	Suisun City provides a free concept review and bring projects to an Ad Hoc Committee that consists of staff and two council members for additional feedback.	Vacaville offers two options: (a) preliminary review, which is approximately \$1,100, takes 4-5 weeks. Staff reviews plans and provides preliminary formal written feedback on potential issues; (b) an informal quick review of the site plan at a weekly Project Review Committee (PRC) meeting. This does not include a formal letter.	Vallejo offers review through a Planning application for "preliminary review." The assigned planner charges an hourly rate of \$30 to \$60/hr. Other staff involved in the review do not bill for their time.
#2 Fee Estimates		Free fee estimates upon request.	Planning staff can identify the application (s) and the fees at no cost. The Building Department can also provide a Fee Estimate at a cost of \$300.	Staff has been given direction to try to avoid doing fee estimates where possible, but Planning & Building (but not Public Works) staff are still willing to do them. Estimates prepared by the developer's engineer will be reviewed by staff.

Figure 11: (Continued)

Permitting & Fees	Dixon	Suisun City	Vacaville	City of Vallejo
#3 Fee Deferral	With City Council Approval	We have a limited amount of water and sewer fee credits that we use on a case by case basis. We are looking to implement fee credit/deferral program for certain types of development.	We have a six month DIF deferral program and Utilities also has a payment plan option for sewer DIF.	We credit impact fees as allowed under AB1600 and set up reimbursement agreements when a developer constructs an improvement beyond their fair share. Vallejo impact fee deferrals are offered from prior to issuance of a Building Permit until prior to Final Inspection/Certificate of Occupancy. Deferring outside agency impact fees (VCUSD & County) requires approval by those agencies.
#4 Development Review	Same as In-Take Meeting.	On large projects, Planning takes the lead on coordinating project kick-off coordination meetings with Police, Fire, Public Works, Building, and Development Services.	Project Review Committee meets every Thursday to review and provide conditions of approval for projects. This team also reviews preliminary review applications and informal plan submittals.	Projects are reviewed at the Technical Project Review Committee (TPRC). Staff can collaborate on conditions of approval.

Figure 11: (Continued)

Permitting & Fees	Dixon	Suisun City	Vacaville	City of Vallejo
#5 Incentives	Statewide GEDI Programs like: Hiring Credits, Sales Tax Exemption, and CA Competes Tax Credit.	N/A without RDA, we do not provide incentives. We have looked at CDBG programs but haven't executed on this.	Planning staff is available to meet with applicants. We also have an Economic Development Incentive Program for Manufacturers and Retailers. Vacaville will share up to 40% of the collected sales tax for selected projects. We also have Sewer Impact Fee credits for restaurants, brewpub, lounges, or entertainment uses that may have an extensive impact on water and sewer usage.	For major projects, staff will liaise with outside agencies (PG&E, Vallejo Flood & Wastewater District, Caltrans, etc.) to help an applicant with a site development obstacles. We also expedite review of applications for high priority projects.

5.2 Recommendations for Improving Solano County Competitive Advantage

Creating and maintaining a competitive environment in Solano County will require work on a number of economic development challenges. Listed below are five areas that jump out as current and future challenges to achieving MSF aims:

- **Development Fees** – High development fees create a barrier to entry for many companies who might otherwise benefit from a Solano location. Lowering fees and reducing upfront fee payments will put Solano in a more competitive position for attracting job creating investments.
- **Workforce** – The breadth and depth of Solano’s workforce skill sets are not well aligned with the needs of sector target companies. Biopharma is perhaps the lone exception with proven successful programs in-place at Solano Community College. The availability of a trained workforce has become the number one location factor in recent years for many companies looking to grow their business.
- **Land Development Trends and MSF II** – There are presently Tier 1 sites in Solano County, Benicia and Suisun City the exceptions, and Tier 2 sites in the pipeline to meet demand. However, having sufficient land resources for achieving the aims of MSF II may be put in jeopardy by recent development trends:
 1. Conversion of job lands to residential development – Construction of residential property permanently removes scarce land resources from job producing investments.
 2. Use of industrial lands for speculative warehouses that return minimal economic benefit – Speculative buildings are not the issue in Solano County, but rather what the buildings are used for. The practice of putting complex and demanding operations in low cost buildings is common in Solano County (e.g. Snyder Filtration, ICON Aircraft). By contrast, in many parts of the United States this is less common; as production complexity rises, buildings are often custom built to operator requirements. Custom buildings do happen in Solano (e.g. Genentech, Johnson & Johnson – Janssen). But more often in Solano County, company’s build customized space within the envelope of a spec building. The difference between eastern U.S. and Solano development practices is due in part to the high cost of land and of development fees. High development costs drive expensive buildings.
- **Water Resources** – Rapid population growth and prolonged dry spells cast a shadow the long-term dependability of water supplies being made available in the quantities needed by many industries. Because corporations are risk averse, the possibility of restrictions on water use puts California at a competitive disadvantage relative to areas of the country with abundant and inexpensive water resources. While Solano County water providers are, on paper, well positioned regarding water allocations, long-term the rules may change. Solano leadership should be pressing regulating agencies to bring certainty, whichever way that may go. Knowing what the future holds is less risky than not knowing.
- **Traffic Congestion** – Operating constraints imposed by unchecked traffic congestion will deter companies from locating in Solano County. Corporate location decisions are increasingly focused on avoiding congested areas where productivity is likely to be undercut.

Appendix

- A – Task 2.1 Final Property Site Overview - Cities
Task 2.0-4.0 Preliminary Property Site Overview - County
- B – MetroComp Operating Cost Details /
Assumptions for Operating Costs

Appendix A

Task 2.1 Final Property Site Overview – Cities

Task 2.0-4.0 Preliminary Property Site Overview – County

Under separate cover

Appendix B – Project Assumptions for Targeted Traded Sector used to calculate Operating Cost Comparison

Pharmaceutical Manufacturing

Workforce:

Non-Management Work Force	Number
Engineering/Calibration/Maintenance (process engineers, mechanics)	13
Development (process engineers, chemical engineers)	6
Quality Assurance	9
Quality Control	9
Quality Control (environmental monitoring)	8
Validation (project managers)	6
Operations (manufacturing associates, process technicians)	56
Inspection/Materials Handling	14
Administration (finance, procurement, clerical)	14
Total	135

Management Work Force	Number
Engineering/Calibration/Maintenance (process engineers, mechanics)	2
Development (process engineers, chemical engineers)	1
Quality Assurance	2
Quality Control	2
Quality Control (environmental monitoring)	1
Validation (project managers)	-
Operations (manufacturing associates, process technicians)	2

Inspection/Materials Handling	1
Administration (finance, procurement, clerical)	2
Total	13

PLANT TOTAL (including non-management and management workforces)	148
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Building:

Building Size	50,000 sf
Clear Height in Manufacturing Area	30 feet
Bay (column) Spacing	Large clear span is preferred
Floor Loads	Standard warehouse loading 6" concrete Slabs
Drive-in Doors	N/A
Number of truck Docks	2 to 4 doors
Bulk Liquid Unloading/Loading	Near tank farm
Rail Docks	N/A
Building Heights	25 + feet
Outdoor Storage	Tank farm
Sprinklers	Required
Air Conditioning	Required
Zoning	Heavy Industrial
Highway Access	Good access to local/regional interstate highway network
Parking	1.5 spaces per 1000 sq. ft.
Cold Storage	2-8 degree C
Stand by power or generators	Life safety and process protection
Estimated construction cost	\$340 per square foot

Electric:

	Requirement
Demand (Kw)	1950 Kw
Consumption (Kwh/mo)	1,098,500 Kwh/mo.
Power Factor	.9

Investment:

	2011 Estimate
Land (\$_____/acre)*	*To Be Determined
Building (Approx. \$340/S.F.)	\$17,000,000
Production Machinery	\$20,600,000

Equipment and Supplies	\$6,400,000
TOTAL Land, Building, & Equipment (excluding Land)	\$44,000,000

Advanced Manufacturing

Workforce:

Job Description	Skill Requirement	# of Jobs at Full Production
Production / Assembler	Semi-skilled	37
Machine Tool Set-Up / Operators	Semi-skilled	52
General Maintenance	Semi-skilled	6
Packers	Unskilled	6
Material Handlers / Vehicle Operators	Unskilled	12
Total Hourly		113
Plant Manager	Skilled	1
Line Supervisors - Plant	Skilled	6
Manager – Purchasing	Skilled	1
Quality Control	Skilled	4
Manager HR	Skilled	1
Information Technology	Skilled	1
Engineering	Skilled	2
Other Management Manufacturing Manager	Skilled	1
Sales Manager	Skilled	10
Account Executives	Skilled	14
Office / Clerical	Skilled	8

Job Description	Skill Requirement	# of Jobs at Full Production
Customer Service / Incident Mgmt.	Skilled	2
Installation Training Manager	Skilled	1
Technical Service	Skilled	3
Total Salaried		55
Plant Total		168

Building:

Lease Building	Simple spec warehouse - \$100 per sf construction cost (est)
Total Square Feet	100,000 SF
Production SF	60,000 SF
Warehouse SF	30,000 SF
Office SF	10,000 SF
Site Size	3 TO 6 ACRES
Clear Heights	22' minimum
Bay Spacing	40 x 40
Crane Capacity	None
Floor Loads	Standard for light manufacturing
Drive-in doors	Minimum of 1 exterior door at 12' x 14' (to move in equipment)
Truck Docks	Minimum of 4 dock high doors
Rail Docks	Rail is not required
Building Heights	No preference, as long as clear height is met
Preferred Building Configuration	Rectangle or square, for straight flow through (no L-shaped spaces)
Air Conditioning	Required in office area. Required in production area if in warmer locations (i.e. Southern California or Arizona)
Zoning Required	Light Manufacturing
Parking	Minimum of 150 employee and visitor spaces Access and parking for employees should be separate from trucks
Other Requirements	Ability to install solar panels on the roof of the facility

Electric:

Electric Power Requirements	Full Production
Demand (kW)	500 kW
Consumption (kWh per month)	150,000
Power Factor	.85

Investment:

Property Category	
Production Machinery	\$24,000,000
Equipment and Supplies	\$6,000,000
Total	\$30,000,000

Food Processing

Workforce:

Full Buildout Tubes (production lines)	25
Hourly	
Trimmer	289
Packer	119
Packaging Machine Operator Trainee	8
Packaging Machine Operator	42
Fruit Room Trimmer	51
Dryer Operator	25
Box Maker	23
QA Technician	25
(Sanitation Technician	48
Fork Lift Driver Receiving	22
Fork Lift Driver Shipping	137
Maintenance Technician – Electrical	8
Maintenance Technician – Refrigeration	2
Maintenance Technician	20
Total Hourly Work Force	819
Salaried	
Plant Manager	1
Senior Managers	6
Human Resource Support	2
Division Supervisor	7
QA Supervisor	3
Financial Analyst	1
Logistics / Customer Service Manager	1
Customer Service Management	2
Warehouse Manager	1
Warehouse Supervisor	4
Transportation Coordinators	3
Customer Service Coordinators	6
Total MG/QC/Logistics/Customer Service	37
Total Plant Work Force	856

Building:

Total SF	350,000 s.f.
Office/Employee Area	40,000 s.f.
Warehouse Area	170,000 s.f.
Manufacturing Area	120,000 s.f.
Other	20,000 s.f.
Clear Heights	25 feet
Bay Spacing	60 x 40 feet (minimum bay spacing in warehouse is strongly preferred)
Crane Capacity	None
Floor Loads	6,000 lbs. (full fork-lift load)
Drive-in doors	Minimum of 2
Truck Docks (indoor/outdoor)	Minimum 8 (inbound) and 22 (outbound)
Rail Docks (indoor/outdoor)	None
Building Heights	35 feet
Outdoor Storage	None

Electric:

3,500 (kW) average demand (potential of 4,500 KW maximum demand)
1,535,000 (kwh) average consumption per month
Power factor of .85

Investment:

	At Buildout
Land (40 acres @ \$42,500/acre)	\$1,700,000
Building (350,000 s.f. @ \$100/s.f.)	35,000,000
Value of Production Machinery	35,000,000
Equipment and Supplies	8,000,000
Total Land, Building and Equipment	\$79,700,000

PHARMACEUTICAL MANUFACTURING SCENARIO EXAMPLE

ESTIMATED ANNUAL BUSINESS OPERATING COSTS COMPARISON

Metro Area	Employee Payroll	Fringe & Mandate Benefits	Utilities	Building/Lease Payments	Property Tax	Total Operating Cost
Atlanta	\$7,988,369	\$2,183,412	\$647,434	\$177,000	\$480,794	\$11,477,009
Reno	\$8,326,903	\$2,241,078	\$570,264	\$203,500	\$330,211	\$11,671,956
Las Vegas	\$8,385,824	\$2,256,316	\$591,156	\$348,000	\$291,117	\$11,872,413
Solano	\$8,682,355	\$2,489,699	\$1,026,660	\$227,000	\$306,450	\$12,732,164
San Jose	\$9,800,023	\$2,796,947	\$1,026,660	\$414,000	\$324,540	\$14,362,170
San Francisco	\$9,893,829	\$2,827,175	\$1,026,660	\$558,000	\$320,760	\$14,626,424

The annual estimated business operating costs table summarizes the annual cost of labor, utilities and facilities for selected metropolitan areas. Does not include transportation costs.

ADVANCED MANUFACTURING SCENARIO EXAMPLE

ESTIMATED ANNUAL BUSINESS OPERATING COSTS COMPARISON

Metro Area	Employee Payroll	Fringe & Mandate Benefits	Utilities	Building/Lease Payments	Property Tax	Total Operating Cost
Atlanta	\$8,996,507	\$2,453,086	\$204,930	\$354,000	\$534,216	\$12,542,739
Reno	\$9,259,705	\$2,487,090	\$167,196	\$407,000	\$366,901	\$12,687,892
Las Vegas	\$9,336,034	\$2,506,444	\$166,044	\$696,000	\$323,463	\$13,027,985
Solano	\$9,653,288	\$2,740,757	\$337,296	\$454,000	\$340,500	\$13,525,841
San Jose	\$11,039,151	\$3,115,106	\$337,296	\$828,000	\$360,600	\$15,680,153
San Francisco	\$11,103,583	\$3,137,478	\$337,296	\$1,116,000	\$356,400	\$16,050,757

The annual estimated business operating costs table summarizes the annual cost of labor, utilities and facilities for selected metropolitan areas. Does not include transportation costs.

FOOD PROCESSING SCENARIO EXAMPLE

ESTIMATED ANNUAL BUSINESS OPERATING COSTS COMPARISON

Metro Area	Employee Payroll	Fringe & Mandate Benefits	Utilities	Building/Lease Payments	Property Tax	Total Operating Cost
Atlanta	\$34,438,645	\$9,984,607	\$1,109,681	\$3,109,222	\$1,278,519	\$49,920,674
Reno	\$36,452,859	\$10,220,573	\$1,124,568	\$3,437,300	\$915,255	\$52,150,555
Las Vegas	\$36,690,801	\$10,282,927	\$1,566,025	\$3,934,696	\$856,567	\$53,331,016
Solano	\$37,569,944	\$11,555,468	\$1,779,432	\$3,864,499	\$894,304	\$55,663,647
San Jose	\$41,380,056	\$12,696,941	\$1,779,432	\$5,872,375	\$1,170,633	\$62,899,437
San Francisco	\$42,326,698	\$12,983,774	\$1,779,432	\$6,756,555	\$1,254,287	\$65,100,746

The annual estimated business operating costs table summarizes the annual cost of labor, utilities and facilities for selected metropolitan areas. Does not take into account transportation costs.