

May 2014

County of Merced

Comprehensive Economic Development Strategy (CEDS)

INCLUDING CITIES OF ATWATER, DOS PALOS,
GUSTINE, LIVINGSTON, LOS BANOS AND MERCED

The County of Merced Comprehensive Economic Development Strategy (CEDS) was facilitated by Chabin Concepts. Economic and Target Industry Research was prepared by Chabin and Applied Economics. Corporate Location Assessment was conducted by Chabin and Schjeldahl Group. Marketing materials and tools were designed by Chabin Concepts. Web Portal designed by EDsuite.

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Introduction

1.0 Comprehensive Economic Development Strategy

Introduction

Organization of Report

The Comprehensive Economic Development Strategy is a strategic planning process which engaged the county, cities and other organizations in Merced County in developing an economic development strategic action plan with priority activities and projects. To meet Economic Development Administration (EDA) requirements, the following elements are contained in this report and can be found in the following sections.

- Section **1.0 CEDS Process** includes information required by EDA for developing a Comprehensive Economic Development Strategy:
 - Presents the CEDS Committee and describes the planning process undertaken by the committee.
 - Provides a summary of the background information on the current local and regional economic conditions, industry composition, and the unique factors affecting the County of Merced's economic performance.
 - Summarizes the goals, objectives, and projects outlined in recently completed studies and plans that were reviewed during the development of the CEDS. These documents were completed by a variety of local and regional organizations and have an underlying set of commonalities, which reinforce the basis for this plan.
- Section **2.0 Current Situation** includes:
 - Presents the data required by EDA and documents reviewed.
 - Economic analysis, demographic and economic setting, business analysis overviews are provided along with detailed analysis sheets in the appendix.
 - Factors affecting economic development including strengths, weakness, opportunity and threats based on stakeholder input and a community assessment process.
- Section **3.0 Goals** describes the goals, objectives and action plan:
 - The overriding goal is job creation through business expansion and attraction.
- Section **4.0 Capital Improvement Projects** describes priority projects, as well as capital improvement projects that may be eligible for funding assistance from EDA.
- The Appendix provides useful supplemental information supporting the Comprehensive Economic Development Action Plan.

1.0 Comprehensive Economic Development Strategy (CEDS)

The County of Merced embarked on the development of a facilitated Comprehensive Economic Development Strategy (CEDS) to:

1. Organize a Merced County Economic Development Team to collaborate in the implementation of strategic action to improve the county and cities' economy, particularly new investment and jobs;
2. Prepare an Economic Development Strategy that had the input of each city and key organizations involved in economic development in Merced County;
3. Provide a third party assessment of Merced County competitiveness to attract new investment from existing and new company locations; and
4. Update the 2009 CEDS which had been submitted to the US Department of Commerce, Economic Development Administration (EDA) as a regional Central Valley CEDS but which had not been updated. The CEDS supports potential funding for priority economic development and infrastructure projects and should be updated every three years.

The Merced County strategy follows the Economic Development Administration's CEDS framework. The CEDS process uses a four-step strategic planning framework that involves significant research, competitiveness assessment, industry analysis, input from key stakeholders, and public input.

The overall purpose of a CEDS is to bring together key stakeholders to build a consensus of actions and priorities that will ultimately generate economic activity.

Early in the process, the cities and county agreed on the need for methods to be more effective and efficient in business attraction, how the entities could collaborate on marketing and recruitment, promoting assets to a set of target industries and be more responsive to business inquiries in a collaborative manner. In addition to the CEDS, an economic development website and marketing templates were developed during the project.

The goals, strategies and actions outlined in this report will go far towards positioning Merced County for future economic growth opportunities.

CEDS Strategic Planning Framework

1. **Analysis**
 - demographics,
 - economy,
 - investment climate,
 - real estate ready portfolio
 - infrastructure,
 - challenges,
 - capital projects,
 - economic development team.
2. **Vision –**
 - stakeholder vision,
 - goals,
 - objectives,
 - expected outcomes.
3. **Action Plan**
 - priority initiatives,
 - action plans,
 - partner engagement.
 - commitment to implementation.
4. **Evaluation**
 - performance measurements for effectiveness and progress.

Setting Goals & Objectives

The economic development stakeholders¹ prioritized action strategies to address the competitive disadvantages for companies expanding and locating throughout Merced County.

Three goals were identified that represented the priorities of the cities/county as well as actions needed to become competitive in the marketplace.

Economic Development Goals

1. Grow Our Economy
2. Enhance Our Competitiveness
3. Develop Our Talent

Figure 1 - Merced County Economic Development Goals & Objectives

Merced County Economic Development Goals & Objectives

1. **Grow Our Economy** (through new investment and jobs in traded sectors)
 - Create a countywide, collaborative team structure which is focused on readiness, competitive advantage and responding to the needs of business.
 - Expand existing companies in traded sectors.
 - Launch a marketing strategy focused on new investment and jobs in traded sectors.
 - Identify collaborative opportunities to leverage resources, such as, downtown revitalization.
2. **Enhance Our Competitiveness**
 - Address real estate infrastructure constraints (cities & county).
 - Work collaboratively to be “location-ready” and facilitate fast-tracking projects.
 - Evaluate opportunities for developing a Business Park on the West side.
 - Continue to plan and position reuse of Castle.
3. **Develop Our Talent**
 - Work with Workforce Development to create a work-ready labor force.
 - Collaborate with higher education on business-driven education, training and innovation.
 - Collaborate and Capitalize on UC Merced presence.

¹ Economic Development Goal Work Session held with the site selection training to prioritize goals, objectives and select Merced Brand Positioning.

1.1 Economic Development Vision

The Economic Development Vision envisions what could be.

By 2020,

- Merced County will have an economic development team consisting of the county, cities, education and business leading collaboration and strategic actions on all facets of economic development, to grow the county's economy.
- Merced County will be one of the most competitive locations in the Central Valley with "shovel-ready" sites and a portfolio of buildings for businesses to locate and expand.
- Merced County will have a brand reputation for serving and assisting businesses quickly and efficiently.
- Castle Airport and Commerce Center will be a central hub for logistics, food products along with thriving incubator and research space.
- Merced County's Westside will be planning a ground breaking for new mega-site industrial park taking advantage of the I-5 Corridor.
- Local ag industries will be collaborating in Food Products Sector Strategies to continue to grow the value-added production using local raw materials in Merced County and surrounding areas.
- Talent from high schools to UC Merced grads will be skilled, experience and in demand with their entrepreneurial mindsets. They will be staying in Merced County to fill jobs and start their own businesses.
- Workforce and Merced College, engaged with the local businesses, will be training and graduating "work-ready" residents that meet the needs of those businesses.
- The high speed rail connectivity will be bringing new opportunities for business and residents.

1.2 CEDS Committee

The Merced County Workforce Investment Board (WIB) sat as the CEDS Committee. The CEDS Steering Committee included the Cities of Atwater, Dos Palos, Gustine, Livingston, Los Banos and Merced and the Executive Director of the WIB (bold, italic listing).

Representing Local Government		
<ul style="list-style-type: none"> ▪ <i>Mark Hendrickson, County of Merced</i> ▪ <i>Scott McBride, City of Atwater</i> ▪ <i>Sean Scully, City of Gustine</i> ▪ Terry Nichols, Department of Rehabilitation Eric ▪ Cooper, California Indian Manpower Consortium, Inc. 	<ul style="list-style-type: none"> ▪ <i>Stacey Souza, City of Los Banos</i> ▪ <i>Frank Quintero, City of Merced</i> ▪ James Kanabay, Merced County Human Services Agency/Veterans ▪ Eva Rios, Employment Development Department ▪ Rennise Ferrario, Merced County Housing Authority 	
Representing Business & Industry		
<ul style="list-style-type: none"> ▪ Richard Liszewski, Sutter Health Hospital Los Banos ▪ Jean Haskell, Hilmar Cheese Company ▪ Denise Ybarra, Golden Valley Health Centers ▪ Amie Marchini, Amie Marchini Gerontologist, Inc. 	<ul style="list-style-type: none"> ▪ Michael Altomare, ASC Agrecom, Inc. ▪ Jerry Sterner, Sintex Security Services, Inc. & Investigation Services ▪ Cordell Price, John B. Sanfilippo & Son, Inc. 	
Representing Banking & Finance		
<ul style="list-style-type: none"> ▪ Joe Ramirez – Rabobank 		
Representing Utilities		
<ul style="list-style-type: none"> ▪ Steve Newvine – Pacific Gas & Electric 		
Representing Education & Workforce		
<ul style="list-style-type: none"> ▪ Karyn Dower, Merced College ▪ Steve Gomes, Merced County Office of Education ▪ Mark Bowden, Electrical Workers 684/National Electrical Contractors Association (NECA) 	<ul style="list-style-type: none"> ▪ Debra Glass, Merced Adult School ▪ Greg Vincelet, Plumbers Pipe and Refrigeration Fitters/Training Coordinator ▪ Joshua Lepper, Laborers International Union of North America 	
Representing Non Profit		
<ul style="list-style-type: none"> ▪ Brenda Callahan-Johnson, Merced County Community Action Agency 	<ul style="list-style-type: none"> ▪ John Jepson, Central Valley Opportunity Center, Inc. 	
CEDS Committee Structure	Total	% of Total
Public / Private Sector	14 / 13	51% / 49%
Male / Female	18 / 9	66% / 34%
Minority Representation	14	51%

1.3 CEDS Participation

Initial planning meetings were held with the Steering Committee to organize the process and establish initial goals of the CEDS process with a focus on identifying priorities of each city and common priorities for collaboration. Meeting was held with the WIB Board to review the process and outcome.

The project included in-depth assessment tours of each city, Castle Air Force Base and UC Merced, an assessment review and site selection/competitiveness work session was held with the Steering Committee, representatives from utilities and planning departments. An additional work session was held with private-sector stakeholders in Merced.

In addition to the CEDS Strategy, a separate but related study was conducted specifically on Castle Air Force Base.

A presentation of the strategy was made to the management teams of the cities and county at their January meeting before the final draft was presented to the Workforce Investment Board (CEDS Committee) at a public meeting.

1.4 Public Notice

Public participation was invited through a 30-day public notice², public hearing by the CEDS Committee and final adoption.

²Appendix: Public Notice for CEDS Review prior to adoption.

2.0 Current Situation

2.0 Current Situation

2.1 Background Research and Document Review

As part of the analysis of the current situation, current studies, reports and strategies that had been completed over the past three years for the cities, county, workforce development, transportation and education were compiled and reviewed. A list of all documents is included in Appendix.³ Following is a list of background report highlights:

- Atwater, Gustine and Livingston had studies completed within in the last three years which focused on local priorities – downtown, transportation.
- County of Merced has specific plans for the various unincorporated areas of the County and the recent General Plan Update, November, 2012.
- Castle Airport Master Plan Initial Study & Letter of Interest, High Speed Rail, potential sites for Heavy Maintenance Facilities, January 2010.
- Castel Commerce Center, Regional Logistics System and Market Evaluation, prepared by GLD Partners, January 2014.
- Merced County Workforce Investment Board Five Year Plan, 2013.
- University of Merced, Urban Land Institute Report, 2012.
- California High Speed Train Project.

2.2 Economic Data Analysis⁴

On the following pages is a profile of Merced County's most-recent unemployment and per capita income. This is followed by the 24-month averages of same for each jurisdiction, the county overall, the State of California and the nation.

The remainder of this section is a discussion of the demographic and economic conditions including population statistics, housing, employment and industry base.

Data was obtained from the U.S. Census Bureau, American Community Survey, California Department of Finance, and the California Employment Development Department.

³Appendix: Merced County CEDS Background Research

⁴Appendix: Merced County Economic Indicator Charts, 2007 - Present

2008-2012 Five-Year Estimates

Jurisdiction	CT	Unemployment	Per Capita
Merced County		16.1%	\$18,343
State of California		11.0%	\$29,551
United States		9.3%	\$28,051
Atwater	6.01	21.9%	\$15,235
	6.02	18.3%	\$15,699
	6.03	26.9%	\$19,211
	7.01	20.5%	\$11,253
	8.01	15.5%	\$16,254
	8.02	10.1%	\$22,037
Dos Palos	24.01	1.4%	\$24,096
	24.02	15.6%	\$12,043
Livingston	3.01	15.6%	\$14,855
	3.04	23.1%	\$13,529
Los Banos	22.01	21.1%	\$11,849
	22.02	17.8%	\$16,374
	23.01	15.5%	\$28,536
	23.02	17.3%	\$17,117
Merced	9.01	12.1%	\$20,458
	9.02	14.5%	\$23,872
	10.02	13.0%	\$21,213
	10.03	31.1%	\$10,967
	10.04	10.4%	\$20,251
	10.05	13.7%	\$18,523
	11.01	7.2%	\$23,742
	12	10.6%	\$31,580
	13.01	11.8%	\$18,058
	13.02	27.4%	\$13,187
	14.01	22.0%	\$14,450
	14.02	11.8%	\$23,207
	15.01	19.0%	\$15,746
	15.02	25.6%	\$8,775
	15.03	16.2%	\$8,976
	16.01	19.5%	\$8,618
	16.02	16.1%	\$10,189
	17	17.3%	\$13,916
	18.01	5.8%	\$37,536
	25	10.7%	\$40,111
26	8.2%	\$29,829	

Source: U.S. Census Bureau, 2008-2012 American Community Survey;
Table S2301 (Unemployment) and B19301 (Income)

Average Unemployment and Per Capita Income

Jurisdiction		Unemployment	Per Capita
United States ⁽¹⁾			
	1-Year Estimate (2011)	10.3%	\$26,708
	1-Year Estimate (2012)	9.4%	\$27,319
	24-Month Average	9.9%	\$27,014
	3-Year Estimate (2010-2012)	10.1%	\$27,385
	5-Year Estimate (2008-2012)	9.3%	\$28,051
California ⁽¹⁾			
	1-Year Estimate (2011)	12.3%	\$27,859
	1-Year Estimate (2012)	11.4%	\$28,341
	24-Month Average	11.9%	\$28,100
	3-Year Estimate (2010-2012)	12.1%	\$28,576
	5-Year Estimate (2008-2012)	11.0%	\$29,551
Merced County ⁽¹⁾			
	Population	263,228	
	1-Year Estimate (2011)	17.6%	\$16,846
	1-Year Estimate (2012)	17.2%	\$17,838
	24-Month Average	17.4%	\$17,342
Atwater ⁽²⁾			
	Population	28,818	
	3-Year Estimate (2010-12)	18.4%	\$18,457
Dos Palos ⁽³⁾			
	Population	5,057	
	5-Year Estimate (2008-2012)	19.1%	\$12,271
Gustine ⁽³⁾			
	Population	5,640	
	5-Year Estimate (2008-2012)	17.5%	\$16,721
Livingston ⁽³⁾			
	Population	13,571	
	5-Year Estimate (2008-2012)	20.1%	\$12,884
Los Banos ⁽²⁾			
	Population	36,822	
	3-Year Estimate (2010-12)	20.1%	\$16,596
Merced ⁽¹⁾			
	Population	81,102	
	1-Year Estimate (2011)	15.7%	\$17,409
	1-Year Estimate (2012)	18.1%	\$17,170
	24-Month Average	16.9%	\$17,290

Source: U.S. Census Bureau, American Community Survey;

Population: U.S. Census Bureau, 2013 Estimate

(1) 2011 and 2012 ACS 1-year estimates

(2) 2010-2012 ACS 3-year estimates

(3) 2008-2012 ACS 5-year estimates

Table S2301 (Unemployment) and B19301 (Income)

2.3 Demographic and Economic Setting

This section presents a profile of Merced County's demographic and economic conditions including population statistics and projections, housing, employment and economic base.

Population

Merced Cities and County Historic Population, Growth, and Projections							
	2010	2011	2012	2013	2020 Projection	% Change 2010-13	Estimated Annual Growth
Merced County	255,793	257,098	260,029	264,192	301,376	3.3%	1.1%
Atwater	28,168	28,212	28,714	28,931	n/a	2.7%	0.9%
Dos Palos	4,950	4,956	5,000	5,036	n/a	1.7%	0.6%
Gustine	5,520	5,527	5,577	5,626	n/a	1.9%	0.6%
Livingston	13,058	13,219	13,433	13,542	n/a	3.7%	1.2%
Los Banos	35,972	36,397	36,732	37,017	n/a	2.9%	1.0%
Merced	78,958	78,986	79,727	80,599	n/a	2.1%	0.7%
California	37.2 M	37.4 M	37.7 M	37.9 M	42.5 M	1.9%	0.6%

Source: California Department of Finance, Demographic Research Unit

The table above presents the current and historical population estimates from 2010 to 2013 (most current data available). Based on the Department of Finance (DOF) data between 2010 and 2013, Merced County's population increased much more than the State of California (3.3% vs. only 1.9%). DOF estimates that the County population will increase 37,000 over the next seven years, reaching over 300,000.

The county and each of the cities have experienced some increase in population each year from 2010 to 2013. Within the county, the cities of Atwater, Livingston, Los Banos, and Merced grew at notably higher rates between 2010 and 2013 than the other cities in Merced County. Livingston shows a higher growth rate than the county. Dos Palos shows the slowest growth rate within the county but has maintained a rate in line with the State.

Diversity

Race and Ethnic Diversity in Merced County					
	White	Black	Hispanic	Asian	Other
Merced County	32.4%	3.5%	54.4%	7.3%	2.3%
Atwater	36.0%	4.3%	49.2%	6.9%	3.7%
Dos Palos	31.0%	2.0%	66.5%	0.0%	0.5%
Gustine	42.5%	0.0%	56.1%	0.0%	1.4%
Livingston	8.3%	0.8%	71.5%	17.4%	2.0%
Los Banos	24.7%	3.0%	67.4%	3.2%	1.8%
Merced	29.5%	6.5%	49.6%	11.3%	3.2%
California	40.7%	5.8%	37.2%	12.9%	3.4%

Source: U.S. Census Bureau, ACS Demographic and Housing Estimates, 2011

The Hispanic race and culture dominates the County (54.4%) and each of the cities' populations, followed by Whites. This closely matches the State's distribution. The Asian population is located primarily in Livingston (17.4%) and Merced (11.3%). Again, the share of Asian population in these communities mimics the States (12.9%).

Age

	0-14 yrs	15-24 yrs	25-44 yrs	45-64 yrs	65+ yrs	Median Age
Merced County	26.2%	17.4%	26.4%	20.8%	9.2%	29.5
Atwater	26.3%	16.0%	27.4%	19.1%	11.3%	29.9
Dos Palos	31.1%	12.1%	27.5%	20.2%	9.1%	31.3
Gustine	26.2%	10.9%	27.2%	22.6%	13.1%	34.2
Livingston	27.8%	20.3%	24.7%	19.1%	8.2%	26.2
Los Banos	28.2%	17.9%	25.7%	20.8%	7.4%	29.1
Merced	26.6%	18.7%	27.2%	18.8%	8.7%	27.6
California	20.6%	15.0%	28.5%	24.6%	11.3%	35.1

Source: U.S. Census Bureau, ACS Demographic and Housing Estimates, 2011

Overall, the median age of Merced County and the cities' residents is younger than the State. The City of Livingston has the youngest population (median age of 26 years), followed by Merced (27 years). Gustine and Dos Palos have the oldest populations when looking at median ages (34 and 31 years respectively). The "working population," i.e., ages 25 to 64, is well distributed throughout the cities.

Educational Attainment

	Less than High School	H.S. Graduate, GED, Equivalent	Some College/ Assoc. Degree	Bachelor's Degree	Advanced Degree
Merced County	33.3%	25.1%	29.2%	8.1%	4.2%
Atwater	28.0%	24.7%	34.6%	8.5%	4.2%
Dos Palos	30.5%	41.6%	21.0%	4.5%	2.5%
Gustine	36.0%	39.1%	21.6%	2.2%	1.1%
Livingston	50.8%	23.2%	19.4%	4.4%	2.2%
Los Banos	34.6%	27.9%	27.3%	7.0%	3.2%
Merced	29.5%	21.5%	33.5%	10.4%	5.1%
California	19.2%	21.1%	29.5%	19.3%	11.0%

Source: U.S. Census Bureau, ACS Demographic and Housing Estimates, 2011

The table above shows the educational attainment of Merced County and cities' population who are 25 years and older. The City of Livingston has, by far, the most under-educated population; nearly 51% of the population has less than a high school diploma. The number of high school graduates in the county and in each of the cities is above State's 21%.

The county and the cities of Atwater, Los Banos and Merced have fairly good sized populations who have received some level of college education. The overall population (county and cities) with a bachelor's or more advanced degree is far below that of the State.

Labor Force

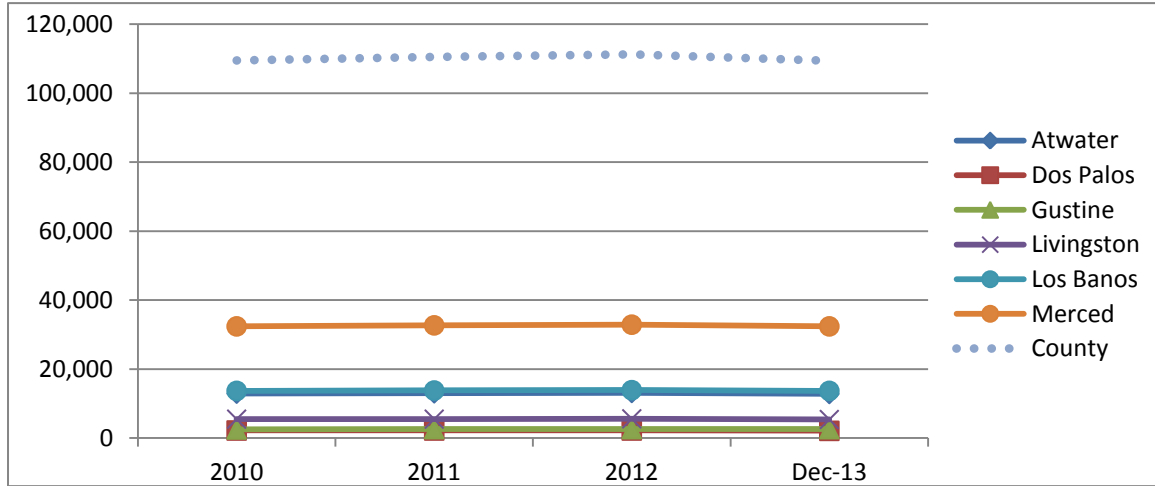
	2010	2011	2012	Dec-13	% Change 2010-2013
Merced County	109,500	110,500	111,300	109,400	-0.09%
Atwater	12,900	13,000	13,100	12,800	-0.77%
Dos Palos	2,200	2,200	2,200	2,100	-4.5%
Gustine	2,500	2,600	2,600	2,600	4.0%
Livingston	5,500	5,500	5,600	5,400	-1.8%
Los Banos	13,700	13,800	13,900	13,700	0.0%
Merced	32,400	32,700	32,900	32,400	0.0%
California	18.3 M	18.4 M	18.5 M	18.5 M	1.1%
U.S.	153.9 M	153.6 M	155.0 M	154.9 M	0.6%

Source: California Employment Development Department, Labor Market Information, Jan. 2013

The majority of the Merced County workers are located in the City or County of Merced, followed by Los Banos and Atwater. Gustine and Dos Palos have the smallest labor force, which is expected since they also have a somewhat older population. All cities except for Gustine (which was flat) realized a slight decline in their labor force from 2012 to 2013.

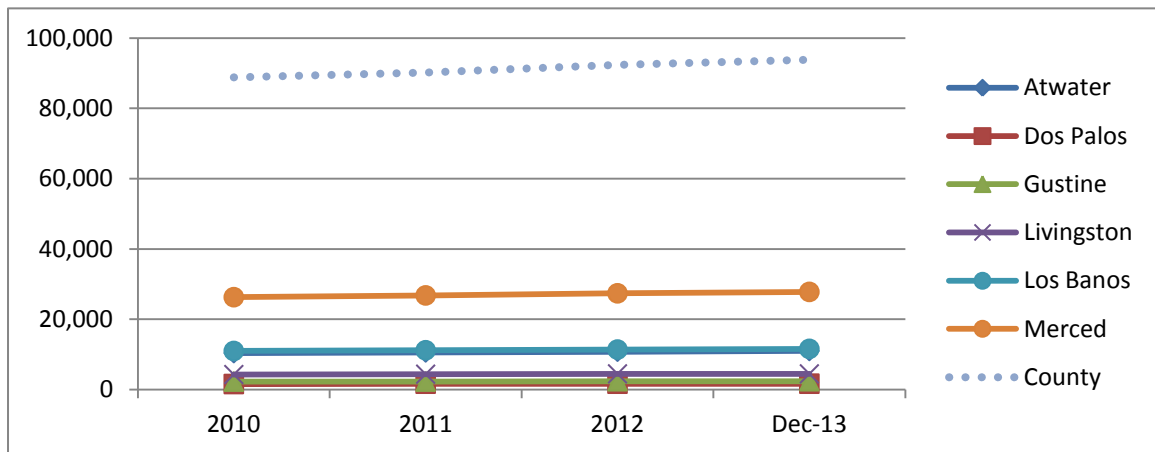
Labor Force

Source: California Employment Development Department, Labor Market Information, Jan. 2013



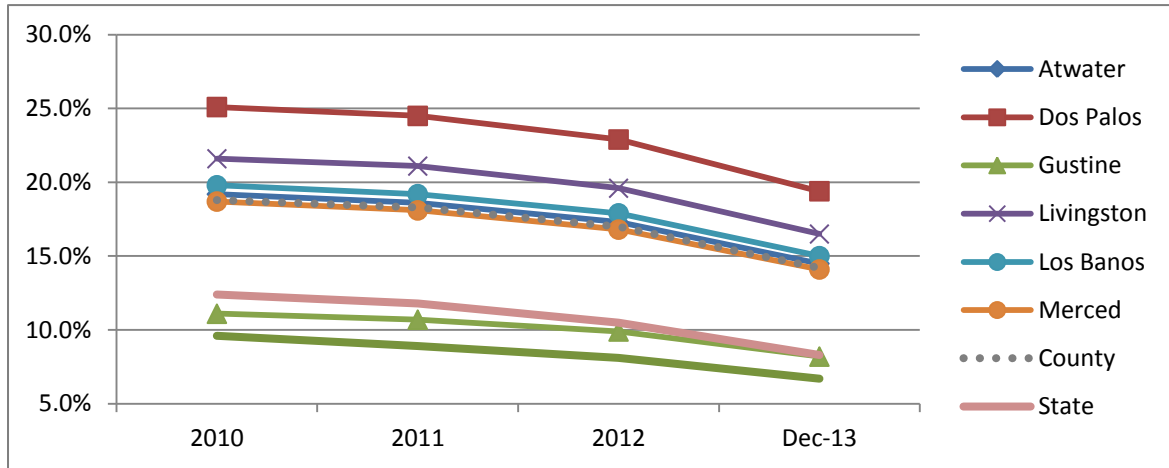
Employment

Source: California Employment Development Department, Labor Market Information, Jan. 2013



Unemployment

Source: California Employment Development Department, Labor Market Information, Jan. 2013



The Merced County labor force has been essentially flat since 2010. There was a small uptick in some of the communities in 2012 but as of December 2013 that small gain had been lost.

On the other hand, the number of people employed has improved since 2010, although in some areas only slightly. From 2012 to 2013, the county experienced a 1.5% increase in the number of people employed; individual communities experienced smaller increases.

Although higher, all communities' unemployment rates have followed the general trend of the U.S. and state since 2010. The City of Gustine's unemployment rate has been more in line with the State and National rates. The other communities in Merced County are consistently higher; Dos Palos and Livingstone have the highest unemployment rates.

The fact that the unemployment *rate* has declined at a steeper level than the number of people working has increased, indicates that people are dropping out of the labor market and not being captured in the unemployment numbers.

Households and Population Density

	Total HH	Households By Type		Family Households					
				Husband-Wife		Male Householder		Female Householder	
		Family	Non-Family	no children	with children	no children	with children	no children	with children
County	74,079	57,841	16,238	18,697	21,478	2,234	2,975	4,407	8,050
Atwater	8,431	6,457	1,974	2,083	2,316	192	230	626	1,010
Dos Palos	1,468	1,250	218	476	460	20	32	58	204
Gustine	1,866	1,400	466	532	548	65	0	190	65
Livingston	3,091	2,669	422	794	1,093	30	299	183	270
Los Banos	9,798	8,239	1,559	2,375	3,470	440	321	413	1,220
Merced	24,016	17,162	6,854	4,775	5,622	806	1,176	1,691	3,092
California	12.4 M	8.5 M	3.9 M	3.2 M	2.9 M	.385	.334	.744	.897
U.S.	114.7 M	76.5 M	38.3 M	32.8 M	23.8 M	2.7 M	2.5 M	6.1 M	8.4 M

Source: U.S. Census Bureau, Selected Social Characteristics, 2011

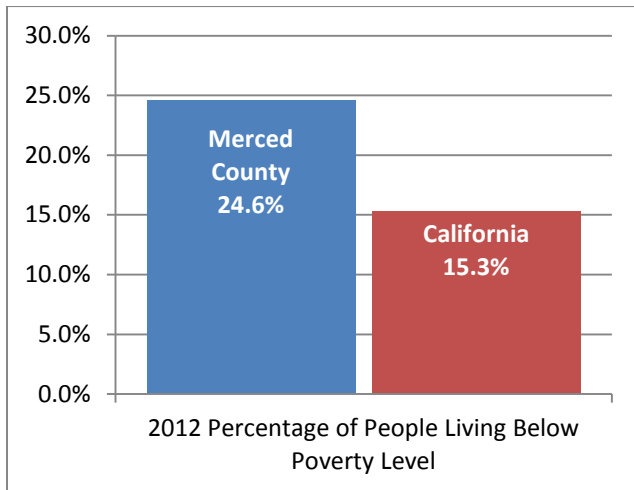
There are a total of 74,079 households in Merced County; 78% of them are considered “family households” which means two or more individuals in the household are related by birth, marriage, or adoption. Non-family households consist of people who live alone or who share their residence with unrelated individuals.

A large majority of households in Merced County and cities are led by a husband and wife team. Except for the City of Livingston (17%), the percentage of female-led households in Merced County and cities is greater than that of the State and U.S. (both 19%). The highest percentage of female-led households is located in Merced (28%) and Atwater (22%).

Median Household Income and Poverty

	2010	2011	2012	Percentage Change 2010-2013
Merced County	\$43,844	\$43,945	\$43,565	-0.6%
Atwater	\$42,226	\$40,752	\$41,317	-2.1%
Dos Palos	\$40,121	\$39,959	\$34,522	-13.9%
Gustine	\$40,818	\$45,639	\$42,305	3.6%
Livingston	\$46,198	\$45,313	\$43,887	-5.0%
Los Banos	\$54,375	\$51,478	\$49,131	-9.6%
Merced	\$36,269	\$37,025	\$38,253	5.5%
California	\$60,883	\$61,632	\$61,400	0.8%

Source: US Census Bureau, ACS Demographic Research, Income



2.4 Business Data Analysis

The Business Data Analysis looks at the economic business base and industry sectors. This section is supported with detailed analysis sheets of Merced County’s economic business base from 2006-2012, latest data available.⁵ Data sources used include IMPLAN ES202, Bureau of Labor Statistics 2012 Employment and Output Projections; Census Bureau Quarterly Survey of Plant Capacity Utilization Q1 2013, and analyzed the location quotient (LQ) relative to the US.

2.4.1 Historic Industry Trends 2006-2012

The following charts provide an overview of the historic industry trends in Merced County from 2006 to 2012 in comparison to the Central Valley region of Fresno, San Joaquin and Stanislaus County:

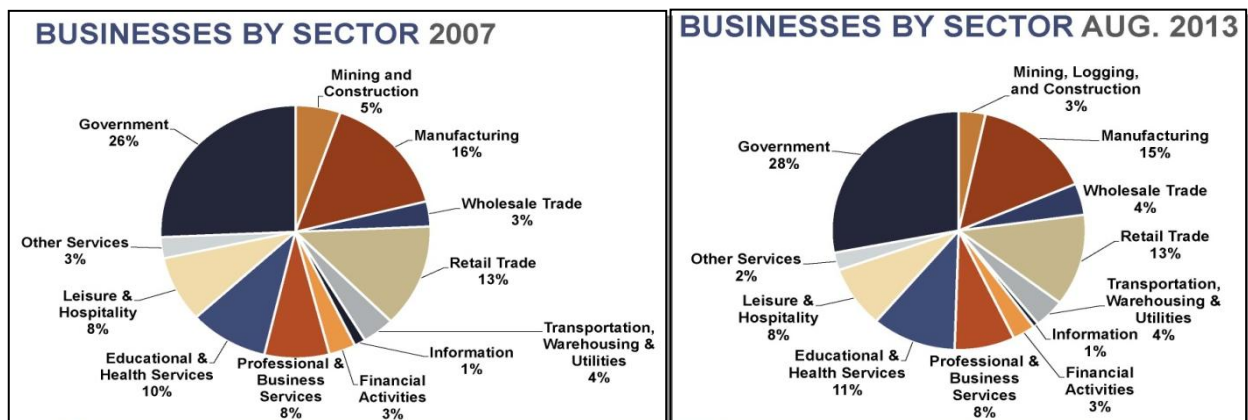
Merced County						Central Valley			
Employment				Growth 2006-12		Employment		Growth 2006-12	
2006	% of Valley	2012	% of Valley	Absolute	Percent	2006	2012	Absolute	Percent
55,396	8%	54,693	9%	-703	-1%	674,405	635,364	-39,041	-6%

Merced County-2012	
# of Firms	Avg Wage
5,814	\$32,822

Projected Annual U.S. Growth 2010-2020- All Industry Average	
Employment Growth	Output Growth
1.3%	2.9%

2.4.2 Percent Business by Employment Sectors – 2007-August 2013

The following pie charts show percent of businesses in employment sectors, as reported by California Employment Development Department between 2007 (pre-recession) and August 2013. Growth has occurred in Government and Educational & Health Services.



⁵Appendix: Merced County Economic Business Base Data Analysis (on file with Merced County Economic Development Department)

2.4.4 Largest Industries in Merced County – 2012

The following table includes industries with 250 or more employees in Merced County in 2012. The table notes the change in employment from 2006-2012 as well as number of firms, average wage, location quotient and projected annual growth in employment and output.

Description	Merced County				Merced County-2012			Projected Annual	
	Employment		Growth 2006-12		Firms	Avg Wage	Location Quotient*	U.S. Growth 2010-2020	
	2006	2012	Absolute	Percent				Employment	Output
Agriculture, Food Processing									
Crop production	4,177	4,748	571	14%	375	\$28,010	17.64	-0.7%	1.5%
Animal production	2,922	3,068	146	5%	256	\$33,182	26.28	-0.6%	2.4%
Agriculture and forestry support activities	3,935	4,571	636	16%	143	\$23,069	27.00	-0.8%	2.0%
Frozen fruit and vegetable manufacturing	0	902	902	90165%	1	\$45,389	56.15	-0.7%	1.1%
Fruit and vegetable canning	1,803	569	-1,234	-68%	3	\$42,330	18.06	-0.7%	1.1%
Dried and dehydrated food manufacturing	84	353	270	323%	3	\$48,144	65.73	-0.7%	1.1%
Cheese manufacturing	767	962	195	25%	2	\$57,716	44.87	-0.5%	1.6%
Poultry processing	2,219	2,245	26	1%	24	\$29,420	19.80	0.9%	1.6%
Confectionery Merchant Wholesalers	167	316	149	89%	2	\$57,619	12.15	1.3%	3.4%
Fresh Fruit and Vegetable Wholesalers	148	859	711	480%	9	\$28,980	20.28	1.3%	3.4%
Printing									
Commercial lithographic printing	1,264	406	-858	-68%	3	\$41,134	4.58	-0.7%	2.7%
Commercial flexographic printing	125	277	152	122%	1	\$42,825	17.16	-0.7%	2.7%
Retail									
New car dealers	664	363	-301	-45%	13	\$42,824	0.77	1.2%	3.7%
Home centers	462	441	-21	-5%	5	\$25,596	1.37	1.2%	3.7%
Supermarkets and other grocery stores	1,320	1,381	61	5%	55	\$26,708	1.17	1.2%	3.7%
Pharmacies and drug stores	329	342	13	4%	27	\$40,956	0.96	1.2%	3.7%
Gasoline stations with convenience stores	320	308	-12	-4%	46	\$21,723	0.85	1.2%	3.7%
Other gasoline stations	194	270	76	39%	10	\$21,905	5.07	1.2%	3.7%
Discount department stores	942	1,297	355	38%	9	\$18,559	2.59	1.2%	3.7%
Warehouse clubs and supercenters	248	443	195	78%	2	\$26,662	0.74	1.2%	3.7%
Full-service restaurants	1,509	1,160	-349	-23%	74	\$15,615	0.50	0.9%	2.5%
Limited-service restaurants	2,111	2,388	277	13%	122	\$12,643	1.35	0.9%	2.5%
Snack and nonalcoholic beverage bars	289	395	106	37%	35	\$15,152	1.64	0.9%	2.5%
Transportation and Warehousing									
General freight trucking, local	165	272	107	65%	33	\$36,602	2.51	2.2%	3.3%
General freight trucking, long-distance TL	361	278	-83	-23%	16	\$46,356	1.14	2.2%	3.3%
Other specialized trucking, local	322	704	382	119%	31	\$48,491	6.92	2.2%	3.3%
General warehousing and storage	354	319	-35	-10%	6	\$36,870	1.16	2.4%	3.6%
Business Support Services									
Commercial banking	309	258	-51	-17%	28	\$37,540	0.39	0.3%	3.6%
Managing offices	898	796	-102	-11%	11	\$70,669	0.86	0.5%	4.5%
Temporary help services	519	449	-70	-14%	6	\$18,616	0.38	2.1%	3.8%
Health Care									
Offices of physicians, except mental health	923	1,095	172	19%	139	\$55,883	0.94	3.2%	3.0%
Offices of dentists	403	401	-2	0%	72	\$45,422	0.94	3.2%	3.0%
General medical and surgical hospitals	1,330	1,230	-100	-8%	5	\$74,004	0.56	1.7%	2.3%
Nursing care facilities	634	796	162	26%	9	\$26,703	0.94	2.4%	2.7%

2.4.5 Industries with Negative Growth – 2006-2012

The following table shows those industry sectors with negative growth in Merced County between 2006-2012 as compared to the Central Valley (Fresno, San Joaquin, and Stanislaus Counties). Also included is current number of firms, average wages and location quotients, except manufacturing location quotients are low. The Projected Annual U.S. Growth 2010-2012 indicates these sectors will be growing in output and expect utilities and manufacturing to continue growing in employment over the next ten years.

Description	Merced County				Central Valley				Merced County-2012			Projected Annual U.S. Growth 2010-2020	
	Employment		Growth 2006-12		Employment		Growth 2006-12		Firms	Avg Wage	Location Quotient*	Employment	Output
	2006	2012	Absolute	Percent	2006	2012	Absolute	Percent					
UTILITIES	314	288	-26	-8%	3,349	3,757	408	12%	12	\$106,918	1.03	-0.7%	2.0%
CONSTRUCTION	3,619	1,659	-1,960	-54%	55,692	27,428	-28,264	-51%	233	\$39,784	0.60	2.9%	3.8%
MANUFACTURING	9,996	8,367	-1,629	-16%	81,260	70,420	-10,840	-13%	122	\$43,564	1.41	-0.1%	2.8%
RETAIL TRADE	7,501	7,400	-101	-1%	92,510	85,813	-6,697	-7%	459	\$24,385	1.00	1.2%	3.7%
INFORMATION	1,420	399	-1,021	-72%	10,747	7,006	-3,741	-35%	31	\$45,363	0.29	0.5%	4.7%
FINANCE AND INSURANCE	1,209	987	-222	-18%	22,809	17,919	-4,890	-21%	137	\$44,218	0.35	0.9%	3.3%
REAL ESTATE	802	580	-222	-28%	11,055	9,279	-1,776	-16%	125	\$27,323	0.60	1.3%	3.1%

Source: IMPLAN ES202 data, Bureau of Labor Statistics Employment and Output Projections, 2012; Census Bureau Quarterly Survey of Plant Capacity Utilization, Q1 2013.

2.4.6 Businesses by Number of Employees

Using the latest information from Dun & Bradstreet, 2011, table below is a snapshot of the percent of businesses by size of employees. As with most counties,

- 72% of all private businesses have *less than 5 employees*
- 84% have *less than 10 employees*,
- 12% have between 10-50 employees, and
- Only 3% have over 50 employees.

	Number of Employees											Total
	1	2 to 4	5 to 9	10 to 24	25 to 49	50 to 99	100 to 249	250 to 499	500 to 999	1,000 to 2,499	unknown	
Private Sector												
Number of Firms	2,159	2,761	837	587	214	120	54	10	5	1	104	6,852
Distribution	32%	40%	12%	9%	3%	2%	1%	0.15%	0.073%	0.015%	2%	100%
Average Annual Sales	\$100,000	\$200,000	\$500,000	\$1,600,000	\$3,400,000	\$6,200,000	\$27,800,000	NA	\$4,800,000	NA	NA	\$400,000

Source: Dun & Bradstreet Marketplace, 2011.

2.5 Factors Affecting Economic Development

This section contains an analysis of Merced County's economic development issues, challenges, and opportunities. It is the basis for the programs and strategies presented in the Action Plan.

Assets and Opportunities

- **Industry** — Merced County has a diverse industrial base that includes many smaller employers and large employers (e.g. Gallo, Foster Farms, Alveraz Sweet Potato). Eighty-three percent of County employers have less than five employees. Because of high volumes of truck traffic, there may be potential to attract trucking-related businesses and services.
- **Small Business** — Opportunity exists to collaborate with UC Merced and other partners to create small business / entrepreneur development centers to guide startups.
- **Higher Education** — UC Merced is the newest university in the United States, established in 2005, it is the first research university of the 21st century. UC Merced currently houses schools of Engineering, Natural Sciences, and Social Sciences/Humanities and Arts. Two additional schools are planned, Management and Medicine. Enrollment increased 7% from 2012 to 2013; 6,195 students came from a record application pool of over 18,000. To help meet this growth, the campus added new housing to accommodate 2,100 students with on-campus housing. The UC Merced 2020 Plan is forecasting the need to accommodate 10,000 students by 2020. Additional university, colleges and vocational schools are located in and near (20 +/- miles) Merced communities.
- **Innovation** — UC Merced's research funds totaled \$17.3 million in 2013. These funds are supporting diverse projects including: (1) new applications for medicines used to treat the effects of insulin resistance; (2) science related big-data analysis; (3) water-related research to address California's water security and its link to the health of the Sierra Nevada ecosystems; (4) establishing a branch of the Blum Center for Developing Economies; and (5) unmanned aerial data-gathering drones for tasks such as monitoring air quality in wildfires before humans are put in harm's way, monitoring natural gas pipelines for leaks, and monitoring crop growth, soil health and moisture.
- **Quality of Life** — Countywide, the property crime rate compares well with surrounding counties; but the violent crime rate is on the higher side of the surrounding counties. There is a variety of sport activities for children and adults. Emerging community events draw visitors into the communities as do a variety of housing options, population diversity, low cost of living and seismic stability.
- **Transportation** — New access to/from Freeway 99.

Problems and Challenges

- **Real Estate** — limited number of industrial sites or business park locations; few shovel ready sites; and limited portfolio of buildings.
- **Infrastructure** — inadequate and old, deteriorating infrastructure to many of the industrial / commercial sites; reduced water supplies.
- **Water** – continued reduced water supplies and drought.
- **Industry** — an over-reliance on agriculture and ag-related industries; need some diversification; limited services for small business; predominantly low-income jobs; limited professional jobs. Experiencing high level of layoffs 2011-2012. Recovery will take twice as long as the state.
- **Regulatory** — increasing environmental restrictions driving up cost in food processing; transportation and utility rates.
- **Education and Workforce** — significant unskilled labor pool, limited skilled/technical pool to match industry needs; need for more training.
- **Transportation** — traffic congestion, Hwy 99 an impacted transportation corridor, ingress and egress challenging at some intersections.
- **Programs and Funding** — loss of redevelopment and enterprise zone program; limited city and county funding streams for activities, services, and improvements; limited economic development staff.

Closures and Downsizing

2010		2011		2012		2013	
Company & Number of Affected Employees		Company & Number of Affected Employees		Company & Number of Affected Employees		Company & Number of Affected Employees	
Product Dev. Corp	13	City of Merced	64	Patterson Foods	489	Sam's Food City	18
Lao Family of Merced	14	Merced Sun Star	20	Livingston Med Group	25	Wimpy's Restaurant	10
Pepsi	40	Merced County	120	Delhi School District	27	Blockbuster	14
Lifetime Doors	30	Werner Ladders	140	Merced City Schools	44	Dignity Health	18
		La Nita's Restaurant	25	Merced COG	2	Orchard Supply	35
		Lowe's	100	Merced H.S. District	19	Merced Co. Head Strt	7
				Merced Co. Schools	22	Jamba Juice	14
				Savemart Grocery	100	MCAG (Landfill)	10
				Hostess Brands	14	Catholic Charities	3
				Directory Distrib.	8		
				Fashion Bug	20		
Annual Totals	97		469		770		129

Source: Merced County WorkNet

2.6 Corporate Location Assessment

During November 2013, Site Selector Don Schjeldahl conducted a site location assessment in Atwater, Livingston, Gustine, Los Banos, and Dos Palos and at Castle Airport & Commerce Center. The purpose of the Corporate Location Assessment was to identify those factors that would cause Merced County to be **uncompetitive** as compared to other counties/communities in the region during a location search.

Following the Corporate Location Assessment, a site selection training session was held with economic development staff of cities, county, workforce development and utilities to review findings as well as prioritize action strategies to address the competitive disadvantages for companies expanding and locating throughout Merced County.

Figure 2 - Corporate Location Assessment Findings

Merced County Location Assessment Findings⁶

- Lack of ready-to-go sites with complete infrastructure at the sites.
- There are smaller sites in industrial parks, limited on larger sites with infrastructure.
- Limited existing and ready-to-go buildings, no pre-approved buildings for development.
- Several sites have opportunity, need further planning and infrastructure.
- Sites need to be well documented on stage of development, allowable use, location of infrastructure, cost to bring infrastructure to sites, permitting process, transportation access.⁷
- Castle, an under-utilized asset, would benefit from a master plan so users fully understood the development plan forward.
- Cost of property higher than competitor areas given need for infrastructure improvements.
- Traffic congestion along Hwy 99, challenge is egress and ingress for trucks.
- Unattractive landscape along corridor – weighs on quality of life.

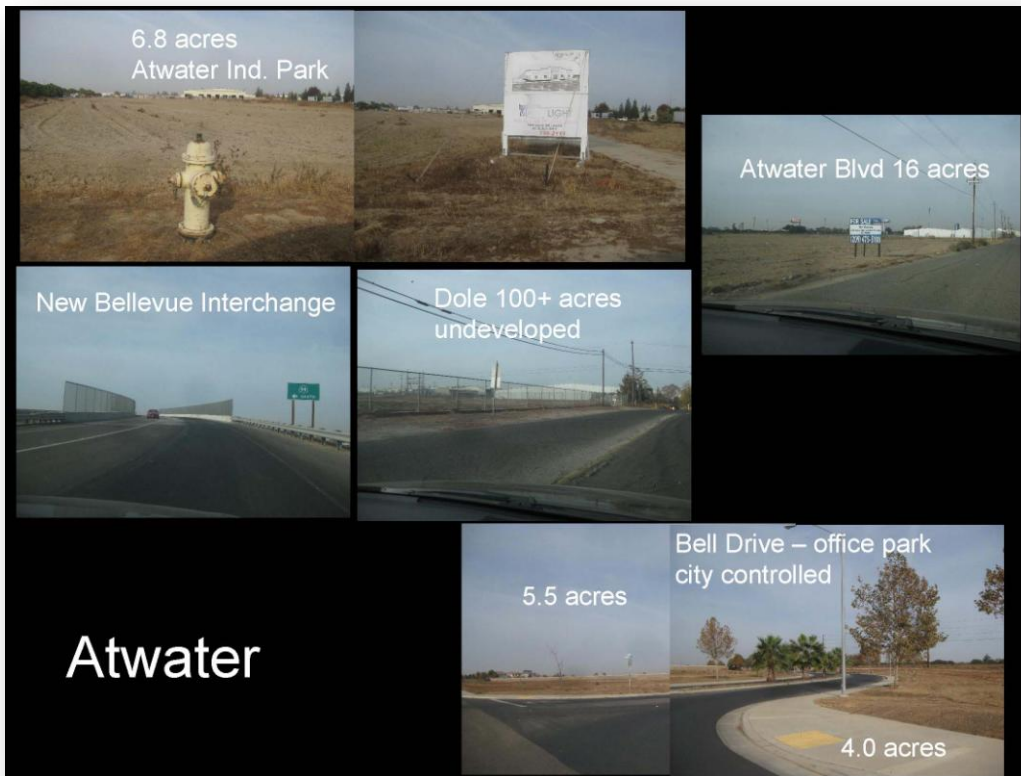
⁶ Corporate Location Assessment conducted by site location consultant Don Schjeldahl and Audrey Taylor, Chabin Concepts, Nov 2013. Work Session Manual included in the Appendix

⁷ Building & Site Templates included in Appendix

2.6.1 Sites & Building Portfolio

During the Corporate Location Assessment sites and buildings were visited in each city as well as Castle Commerce Center.

The following pages document site and building findings. In the eyes of the Site Selector, Don Schjeldahl, the lack of ready-to-go sites and buildings, is one of the County's biggest weaknesses as it relates to business attraction and expansion.



- Atwater**
- Few small sites with infrastructure.
 - New interchange.
 - Dole property excellent location to interchange, requires infrastructure.

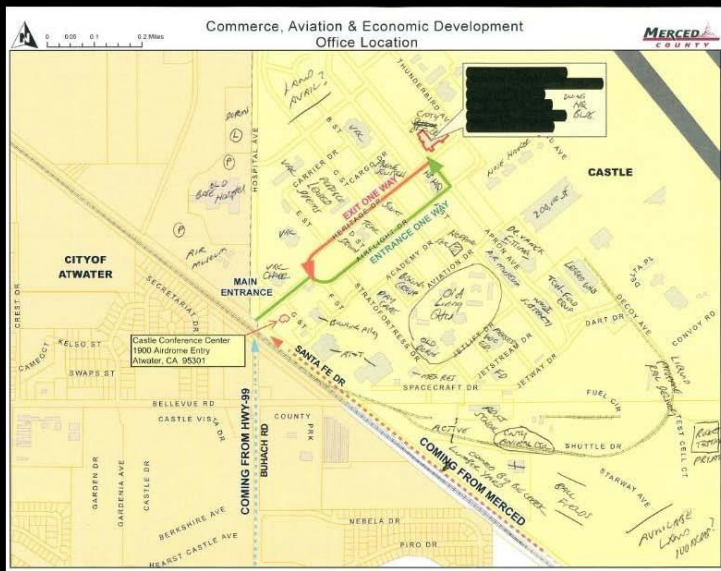
Castle



Airside development has a different develop trajectory from the rest of Castle

Castle

- Major asset
- Would benefit from a Master Planned Development.
- Traffic issues at entrance.
- Ingress/egress issues from Hwy 99, new interchange being developed.

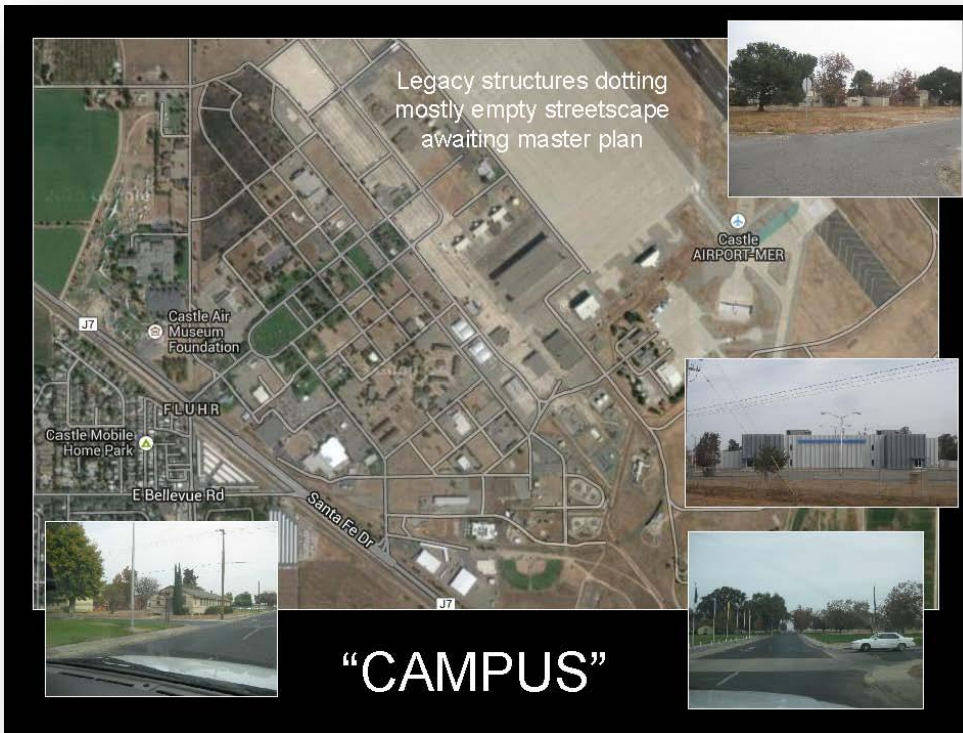


Groundside is unplanned and unfocused, and consequently under performing



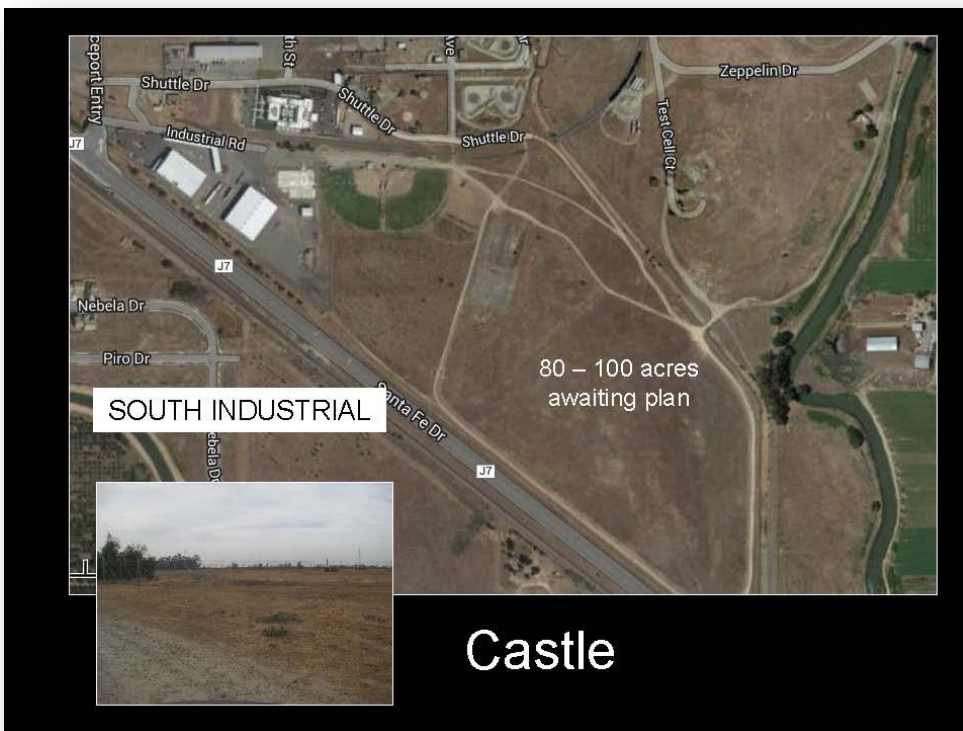
Castle/Atwater

- Opportunity at north end of Castle to link with Atwater, 95 acres, to create an office, light industrial campus tied to the UC Merced Sierra Nevada Research Institute.



Castle Airport

- Has opportunity to become a campus, needs a master plan and would require major financing.



South Castle Airport

- A potential mega-site that could, with some pre-work be certified shovel-ready – one of the few large size sites in Merced. Need infrastructure and access planning.



Serious property access challenges apply to virtually all sites in the Atwater/Castle portfolio. Resolution is years and \$10s of millions away.

Atwater and Castle

Castle Airport and Atwater

- Access to Castle is a major challenge for any company considering a location.
- Should attempt to mitigate as much as possible with long-term plans for fixing the access and safety issues.



**GALLO
300+
ACRES**

LIVINGSTON



Livingston

- Mega-site opportunity with 300 acres and possible access to Hwy 99.
- Need to document property, i.e., existing infrastructure, environmental issues, i.e., flood plain, required infrastructure and distances to infrastructure.



Gustine

- Several smaller sites, good opportunities with 20-50 acre sites – good for food processing if water is available.
- Two old buildings, could have possibility with right owners but costly to bring back to operations. Not priority buildings.



Los Banos

- Good park development, small sites. Room for expansion.
- Existing building has potential for right user.

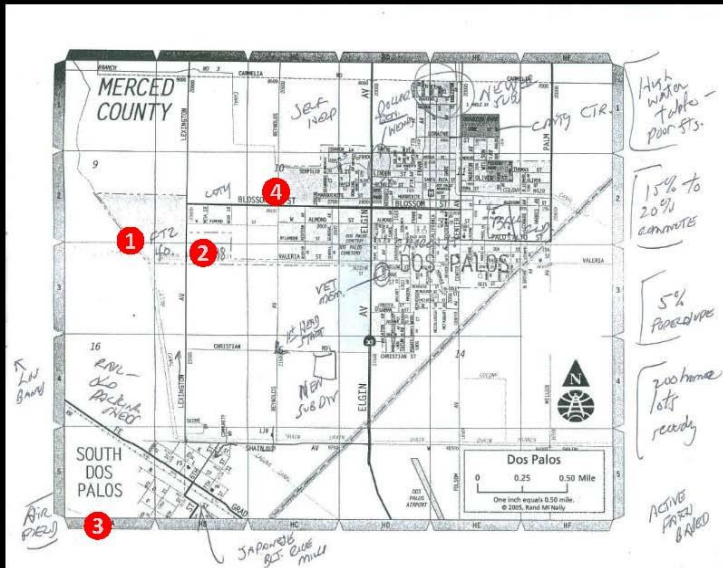
LOS BANOS – 165 / I-5



1 to 1,000 acres?

West Side

- Strategically the county should consider a mega-site for warehousing, distribution or manufacturing on the West Side with good access to I-5.
- Future growth will be on the I-5 corridor with all the congestion on Hwy 99.



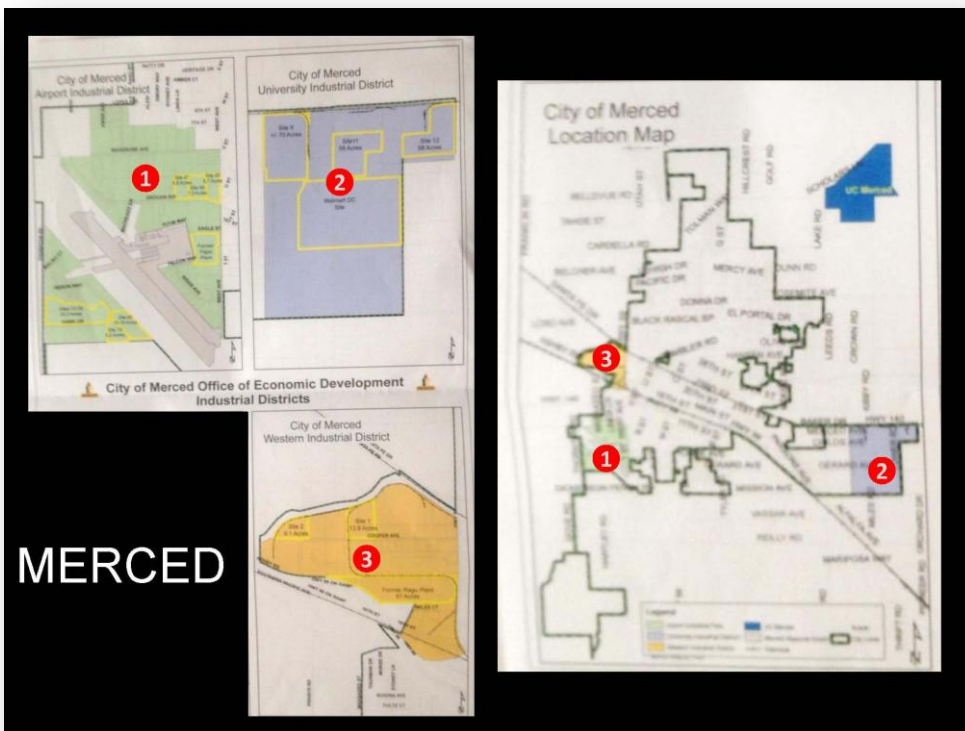
DOS PALOS



DOS PALOS

Dos Palos

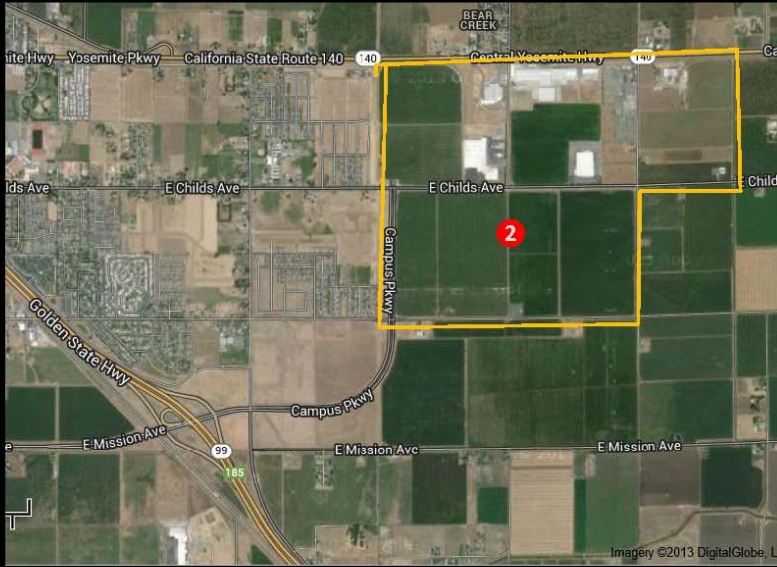
- Along with Gustine, one of the smaller cities in Merced County, but there are 4 good sites that could be potentially used by supplier type companies.
- Sites need to be reviewed and well documented for marketing.



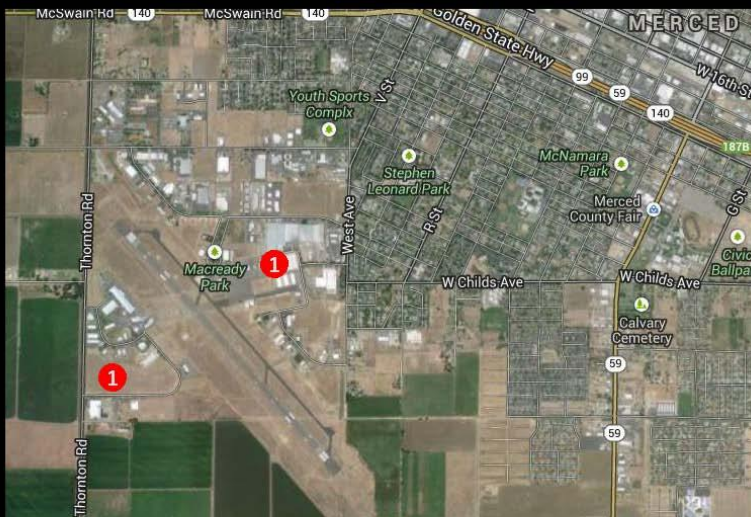
MERCED

City of Merced

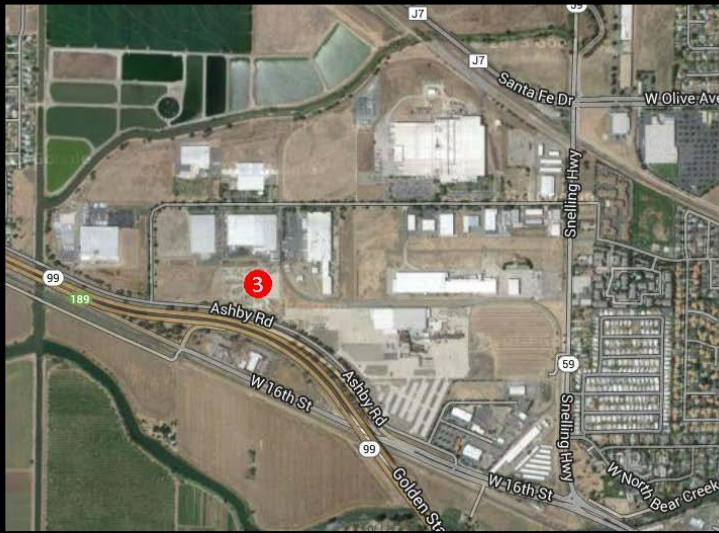
- Has three major development areas, all well documented.
- Airport Park
- Western Industrial District
- University Industrial District



University Research Park



Airport Industrial Park



West Industrial Park

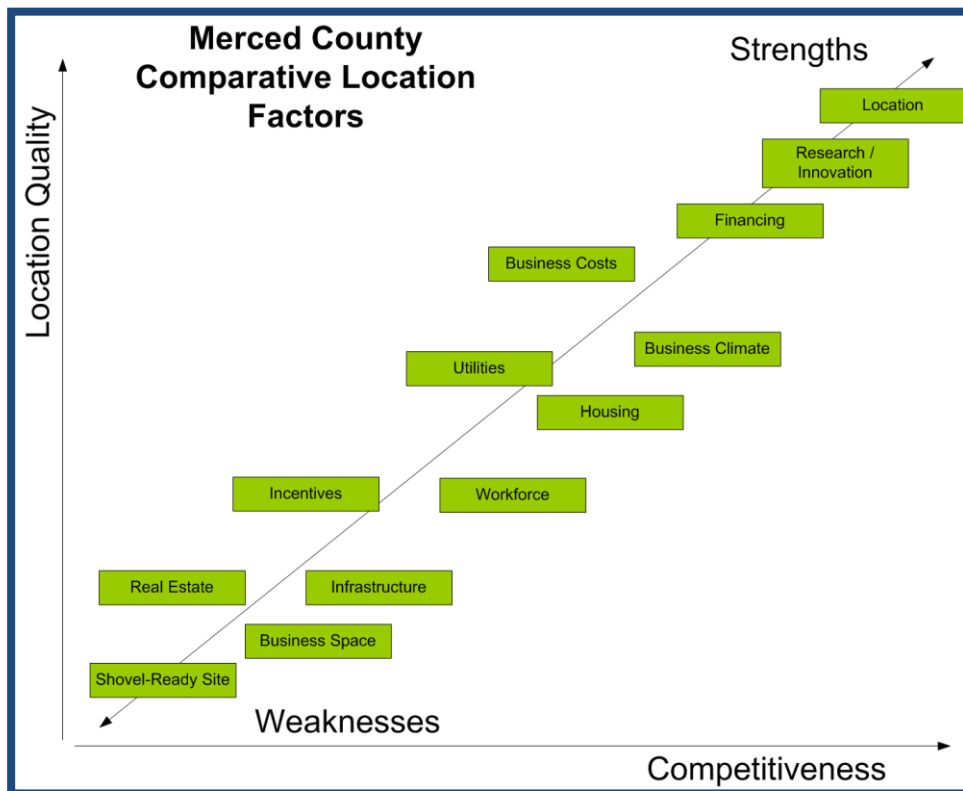
Comparative Location Factors

As noted, the Corporate Location Assessments identifies factors that would cause Merced County to **not** be competitive as compared to other counties/communities in the region during a location search.

The Corporate Location Assessment coupled with the research analysis is plotted on the Comparative Location Factors graphic below which scales strengths and weaknesses of a Merced County location.

This became the basis for engagement with stakeholders in identifying priorities and strategies for Merced County to increase their competitiveness and position in the market place.

Figure 3 - Merced County Comparative Location Factors



3.0 Goals, Objectives and Action Plan

3.0 Goals, Objectives and Action Plan

One of the goals of this project was to also bring all the economic development players in Merced County together to participate in the Comprehensive Economic Development Strategy (CEDS) and the Action Plan particularly around business attraction, lead/prospect handling, and business retention.

Initial meetings were held with the economic development representatives and the county to identify their goals and deliverables for this economic development strategic plan. City representatives expressed their appreciation that the County was taking leadership to pull together an economic development collaborative model as most were not doing economic development on a full time basis and there could be synergies gained and resources leveraged by working as a Team.

Agreement was reached on three key items that would help bring the team together and assist in actual economic development activities:

1. Organizational – How to work as a team, better understand delivering the right product, bring more value to each and as a whole, better understanding of the process and needs of business;
2. Positioning – Create a positioning brand agreed upon by the Merced stakeholders;
3. Marketing Tools – Provide a shell economic development website, branded templates, and forms all of which would be available for Team members to use (to the extent possible within the project).

Setting Goals & Objectives

The economic development Steering Committee⁸ prioritized action strategies to address the competitive disadvantages for companies expanding and locating throughout Merced County. Three goals were identified that represented the priorities of the cities/county as well as actions needed to become competitive in the marketplace:

1. Grow Our Economy (four objectives)
2. Enhance Our Competitiveness (four objectives)
3. Develop Our Talent (three objectives)

⁸ Economic Development Goal Work Session held with the site selection training to prioritize goals, objectives and select Merced Brand Positioning.

The action plan is built on accomplishing the three economic development goals defined by the CEDS Steering Committee:

1. Grow Our Economy

The overriding goal of the action plan is to create jobs for local residents by expanding and attracting new businesses to Merced County. This goal initiative addresses:

- Formalizing a Merced County Business Alliance between the county & cities with a Memorandum of Understanding and protocols for handling leads and prospects seeking expansion or location.
- Adopting a Merced County positioning brand (county/cities) that builds a “can-do” reputation and differentiates Merced County in the Central Valley.
- Formalizing Business Retention/Expansion program.
- Launch marketing in phases, first building Merced County’s reputation, preparing quality materials highlighting value proposition of a Merced County location to target businesses, and moving to direct target prospect marketing and business calls.
- Collaborate with cities and other organizations to leverage limited resources to accomplish job creation and economic growth.

2. Enhance Our Competitiveness

The Corporate Location Assessment conducted identified “shovel-ready” sites, building inventory, infrastructure, and perception of lengthy permitting times, Merced County’s biggest challenge for new locations and expansions. This goal initiative addresses:

- Concentrating on planning to mitigate infrastructure constraints.
- Building a “location-ready” and fast-tracking process.
- Evaluating mega-site or Business Park on West Side.
- Reusing Castle as a key magnet park.

3. Develop Our Talent

Workforce development and support organizations serve a critical role for providing quality labor force to existing and new businesses. An area’s labor force (talent) is one of business’ top five location decision factors for investing in an expansion or relocation. This goal initiative addresses:

- Building “work-ready” labor force reputation.
- Collaborating and planning for target business-driven education.
- Linking higher education industry-occupation focus with business development opportunities.

The following pages outline action steps for accomplishing the objectives for each Goal Initiative.

Planning worksheets⁹ are provided in the Appendix for the Merced County Business Alliance members to identify timelines and roles/responsibilities for accomplishing the action items.

⁹ Strategy worksheets for Action Step Planning – Timelines – Roles & Responsibilities

Goal 1 – Grow Our Economy

Objective 1 – Create a countywide, collaborative team structure which is focused on readiness, competitive advantage, and responding to the needs of business.

Actions

1. Form the Merced County Business Alliance to include economic development representatives from each city, representatives from utilities, workforce development, education (Merced College & UC), SBDC and other organizations providing direct services to existing or new businesses.
2. Define role of the Business Alliance members to provide input, guide and participate in launching the strategy – build trust in the collaboration.
3. County and cities agree to structure through a Memorandum of Understanding¹⁰ which includes scope of collaboration.
4. Approve a protocol for handling existing and new business prospects, include with Memorandum of Understanding.¹¹
5. Establish regular meeting dates. Initial meetings should set timelines and roles/responsibilities for action items. Each meeting should review:
 - New prospect/business leads and their status (maintain a confidential pipeline record), address methods to improve responses and success rates.
 - Any RED teams needed for existing projects.
 - New programs being implemented.
 - Monthly marketing news.
 - Region issues occurring that may need to be supported.
 - Reports from each member.
6. Adopt Merced County Brand Positioning
7. Complete Website Portal:
 - Train each member on the administrative back-end to input information.
 - Begin to populate with more business information, i.e., single profile sheets for each city.¹²
 - Website can be upgraded with other tools which should be decided on by the members:
 - Proposal system, mobile version, property – use mapping tool, sMaps, Google-based to show all county feature properties.
 - Begin preparation of case studies and news.
8. Offer Professional Development:
 - Organize meetings or work sessions at least two times a year to bring industry, economic development, real estate, marketing or other pertinent expertise to continually stay atop of best practices in the industry.
 - Provided training as needed.
 - Include members in conferences, such as, Meet the Consultants hosted by TeamCalifornia.

¹⁰ Draft Memorandum of Understanding prepared and reviewed by all cities, Appendix

¹¹ Prospect/client protocol drafted and included with draft MOU, Appendix

¹² Brand Kit – City profile sheet (short)

Objective 2 – Expand existing companies in traded sectors through a formalized Merced Business Retention/Expansion Program (BRE).

Actions

- Merced County WIB/WorkNet could champion a Merced County Business Retention & Expansion Program by formalizing a program with the Business Services Unit to leverage their business outreach with other service providers:
 - Using business data strategize methods of outreach to traded and business employment sectors to better serve and obtain information that is critical to businesses within sectors.
 - Review current outreach methods, services and assistance programs.
 - Engage cities and other providers in design of outreach program, messages and handling business responses.
 - Coordinate with city Economic Development staff on business outreach within each city.
 - Create with partners sector roundtables.
- Manage, track and coordinate business outreach, sector strategies, service delivery and business needs:
 - Research and acquire a BRE customer relationship management (CRM) tool that partners can access to share information on businesses.¹³
 - Use CRM system to analyze industry sectors and businesses targeted for outreach calls.
 - Use system to record and report activities.
- Organize Business Retention Expansion team members, business message and schedule:
 - Identify members that can be involved in the program as providers of industry information, outreach participants and/or service providers (education, utilities, city staff, financing, trade, research, SCORE, SBDC, associations, etc).
 - Develop messaging and marketing pieces that inform businesses of the various services available, use as introduction or leave-behind (Merced County Positioning Brand).
 - Post information on all websites.
 - Plan outreach schedule and industry sector meetings.
- Provide follow-up services/contacts to every business contacted:
 - A business retention/expansion ombudsman should ensure all issues/opportunities identified with a business are responded to.
 - Update all information in the CRM system.
 - Prepare a Case Study¹⁴ for any business assisted.
 - Recognize business in a BRE newsletter, target audience, existing businesses.

¹³ ExecutivePulse, Customer Relationship Management (CRM) System, <http://www.executivepulse.com/>

¹⁴ Case Study template is included in the Brand Kit

Objective 3 – Launch a branded target business attraction campaign.

Actions

1. Initiate a Marketing Soft Launch to build brand reputation and awareness:
 - Complete website with needed and complete materials, continue to update, link to all websites
 - Launch a branded newsletter¹⁵ (send at least quarterly).
 - Initial target audience, site selector database¹⁶ and existing pipeline of businesses and leads.
 - Issue email announcements.
 - Continue general prospecting through existing channels, CCVEDC, Team California.
2. Prepare for Marketing and Prospecting:
 - Create key message platform around “1-2-3 Done”.
 - Prepare a branded family of marketing materials – map, business case for target sector.
 - Create a strong value-proposition around labor:
 - Labor shed maps drawn based on occupations (east and west sides of Merced County), data on specific occupations, data on skill levels, labor availability/cost, quality of the labor, graduates, and existing skills training as well as services.
 - Conduct a primary labor survey with the existing businesses; labor surveys carry high credibility with companies seeking locations.
 - Prepare site and building sheets on all key and feature properties that are ready to go.¹⁷
 - Permitting flow charts (ensure permitting and permitted use are on property sheets).
 - Proposal preparation, ensure everyone is aligned on information or ability to get information quickly to respond to business or site consultant inquiries.
3. Prepare Sector Strategy Marketing Campaigns (i.e., current Dairy Products planning):
 - Target industries were identified, each of these sectors should be reviewed to understand the needs and opportunities, and for developing the business cases¹⁸ for marketing.
 - Engage Ag sector in determining opportunities in the Value-Added sector and methods to approach.
 - Engage UC Merced in aligning emerging sectors with their efforts.
 - Engage Merced College in developing the value proposition for Business Services.
4. Launch Business Attraction/Target Marketing:
 - Invite broker/industry to roundtables (around a sector, present what is available – product, labor force, quick permitting).
 - Direct Marketing, obtain prospect list for sector targeting (marketing, calls, proposals).
 - Identify venues to best reach targets – tradeshows, conferences, associations.
 - Business case for the sector.
 - Direct prospecting calls.
 - Plan social media strategy – blog on website, LinkedIn groups, Twitter, and YouTube.
 - Develop earned media strategy.

¹⁵ Electronic newsletter template provided in Brand Kit. Subscribe to MailChimp or Constant Contact for a newsletter system.

¹⁶ A site selector database is provided under separate cover for marketing. This database should be review, edited to reach those Merced is targeting and supplemented with own lists. List will have a +/- 10% return rate, individuals move position often in the industry.

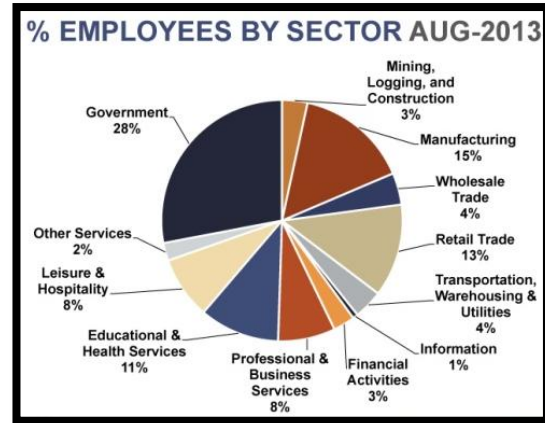
¹⁷ Site and building templates provided with the toolbox

¹⁸ Business Cases, samples included in toolbox

Existing Business Data for Marketing for Objective 3

The County of Merced has a diverse business base with nearly 6,000 business firms. Leading industry sectors based on Location Quotient (LQ)¹⁹, which measures the concentration of an industry in Merced County versus the national average, include:

- Agriculture,
- Food Processing,
- Construction Suppliers,
- Energy, Printing
- Transportation Equipment & Other Manufacturing,
- Transportation Services,
- Retail,
- Business Support Services, and
- Health Care & Social Services.



As noted in the Percent Employees by Sector chart, industry sectors with largest number of employees are government 28%, manufacturing 15%, retail trade 13% and educational/health services 11%. As with many Central Valley counties, 84% of the businesses have less than 10 employees; 13% have 10-100 employees and only 3% have more than 100 employees.

Figure 4 charts stages of industry and business sectors.

Figure 4 - Existing Business & Industry Base

Growth	Emerging	Supporting	Legacy
Robust, growing, projected growth and ability to be magnet.	New business or industry emerging in the local mix.	Integral to supply and quality of life, growing.	Traditional stable, mature industries.
<ul style="list-style-type: none"> ▪ Agriculture ▪ Food Processing ▪ Energy ▪ Printing ▪ Transportation 	<ul style="list-style-type: none"> ▪ Physical & Engineering Research ▪ Information industries ▪ Testing Laboratories ▪ BioTech R&D ▪ Social Science & Humanities Research 	<ul style="list-style-type: none"> ▪ Business Services ▪ Computer Related Services ▪ Professional Technical Services ▪ Health Care ▪ Retail ▪ Social Services 	<ul style="list-style-type: none"> ▪ Sectors of Agriculture ▪ Construction ▪ Construction Suppliers

Many of the county’s existing firms offer great opportunity for job creation, even one job at a time. This highlights the need for a more formalized countywide business retention and expansion program.

¹⁹ Economic Business Base Analysis included in CEDS Appendix. Location Quotients (LQ) measure the concentration of an industry in Merced County versus the national average. Industries with Location Quotients of 1 or greater have an above average concentration in the county economy. All industry sectors listed have a LQ of 2 or greater.

Target Industry Analysis for Objective 3

The target industry sectors were selected through a quantitative analysis using a universe of target industries for the Central Valley, which was supplemented with additional information about employment and establishments at the national, state, regional and local level.

Through a multiple step screening process targets²⁰ were identified with strong location quotients and with growth projection in employment and production output.

Figure 5 - Merced County Target Industry Sectors

SECTOR	INDUSTRIES
Value-Add Processing Related to Ag Industry Assets: <ul style="list-style-type: none"> ▪ Existing agricultural sector ▪ Central Location ▪ Labor 	<ul style="list-style-type: none"> ▪ Snack food, sweet potato chips ▪ Fluid milk products, yogurt, et al ▪ Dry, condensed evaporated dairy products ▪ Ice cream and frozen dessert ▪ Creamery butter ▪ Artisan cheese ▪ Mayonnaise, dressings & sauces ▪ Roasted nuts and butter ▪ Animal food ▪ Fats and oils refining and blending
Manufacturing Support Sector Assets: <ul style="list-style-type: none"> ▪ Central Location within Central Valley ▪ Labor ▪ Market Demand 	<ul style="list-style-type: none"> ▪ Agriculture & food product suppliers ▪ Agricultural equipment manufacturing ▪ Wood & paper products ▪ Chemicals ▪ Transportation equipment ▪ Measuring & control device manufacturing ▪ Sporting & athletic goods manufacturing ▪ Printing ▪ Transportation & warehousing
Emerging Technology Assets: <ul style="list-style-type: none"> ▪ Existing Ag Sector ▪ UC Merced 	<ul style="list-style-type: none"> ▪ Information industries ▪ Computer related services ▪ Professional technical services ▪ Research & Development ▪ AgBio & BioIndustrial
Business Services Assets: <ul style="list-style-type: none"> ▪ Labor ▪ Merced College ▪ Potential Facilities 	<ul style="list-style-type: none"> ▪ Data processing, hosting & related services ▪ Financial transactions processing ▪ Third party administration of insurance & pension funds

Potential weakness that may need to be addressed for locating target sectors:

- existing buildings, shovel-ready sites.
- infrastructure, Broadband/connectivity

²⁰ Appendix Merced County Business Base Data & Target Industry Analysis

Brand Positioning for Objective 3

The economic development stakeholders were also asked during the work session, after a review of all the various marketing tools, websites and messages, to select a brand look and feel from concept mock-ups. It was agreed that one of the major goals for having a consistent look and feel was to create a brand reputation that would differentiate Merced County from other counties in the Central Valley.

Stakeholders selected a visual map that denotes the location, infers bring your plant here, strong colors, and a message "1-2-3 Done". The message demonstrates a reputation for getting things done and differentiates Merced County in the Central Valley where location is mainly promoted; this message is focused on the business.

Figure 6 - Merced County Proposed Positioning Brand



Why a Positioning Brand?

- Builds a reputation
- Promotes a promise
- Differentiates
- Collective perception about product and service
- Can be owned by everyone
- Create understanding and belief
- Creates something for consumers to connect with
- Creates motivation
- Creates action
- Creates advocates
- Creates value

Tagline

The County added a tagline.



To include all economic development representatives, partners and others interested in Merced County economic development selected an all encompassing term.



Brand Kit

To launch a branding reputation campaign, a brand kit was developed with over 15 pieces²¹ and is included in the Appendix. Also a website²² was created and delivered with an easy to use contact management system so each city could have access to the website. The intent is to have a central economic development portal linked to all websites.

²¹ App – Brand Kit, templates, forms, power point, letterhead, business cards, graphics.

²²Website – in Beta, County working with partners to input data. Economic Data included in website. Access for view <http://merced.risa.edu/site.com/user>, Username: chabin, Password: concepts

Objective 4 – Identify collaborative opportunities to leverage resources.

Actions

1. Downtown is a priority of all the cities and unincorporated communities in the county. Downtowns play a significant role in creating the sense of place where businesses want to locate:
 - Consider jointly retaining/funding an experienced Downtown Manager that could be a “circuit” rider assisting each unincorporated and incorporated community with their downtown strategies, marketing, building inventory, event planning and recruitment of businesses.
 - Use the Main Street model as a guide.
 - Prepare downtown vacant building/site inventories, post to website
 - Apply for USDA Rural Development funding.
 - Coordinate with Small Business Development Center.
 - Leverage and schedule event planning so all receive benefit from each and every event.
2. Collaborate on securing funding and programs that have been lost to the area:
 - Look at new programs opportunities and how all can benefit, i.e., financing districts
3. Jointly meet with state and federal representatives on key issues affecting the county.
4. Work closely with trade associations in Merced County to support their efforts and align how they will benefit economically to the county/cities:
 - Help support legislation.
5. Collaborate on tools that can be used by all.

Goal 2 – Enhance Our Competitiveness

Objective 1 – Address real estate infrastructure constraints (cities and county).

Actions

1. Shovel-ready real estate product is the biggest challenge and should be addressed prior to any formal direct industry sector marketing:
 - Identify key sites and buildings to begin to inventory, and prepare as “ready”.
 - Develop plans to address weaknesses of sites, i.e., infrastructure, access.
 - Identify some key sites that can be shovel-ready certified.²³
 - Identify and document a mega-site.
 - Identify potential funding/financing sources for infrastructure:
 - Transportation access.
 - Connectivity.
 - Infrastructure to sites.
 - Document all infrastructure capacity in each city/development area (sewer, water capacity).
 - Apply for and/or create financing mechanisms for infrastructure improvements.
 - Where feasible, prepare “spec building on paper”, 25, 50 and 100,000 sq ft footprint, to be as close to “pad” ready as possible. Develop for several locations. Find willing property owners to participate.

Objective 2 – Work collaboratively to be “location-ready” and facilitate fast-tracking permits.

Actions

Permitting time is always an issue; most business attraction projects are already behind their timeline (why — 50% seek existing buildings).

1. Department heads of the cities and county should collaborate to identify ways to streamline the permit process across the board.
2. Look at other communities that have adopted similar permitting processes to accelerate the permit process.
3. Develop flow charts and timelines for different project scenarios (some projects will never be fast tracked due to state and CEQA requirements but a good flow chart can help clients to understand that facet of the process).

²³ Shovel-ready, certified site samples included in Tool Box.

Objective 3 – Evaluate opportunities for developing a Business Park on the West Side.

Actions

1. Opportunities will continue to grow for warehousing and distribution and even food processors on the I-5 corridor, this is a huge opportunity for the county. The cities closest to I-5 do not have the land to develop a Business Park or mega-site.
 - Work with Los Banos and Gustine to identify potential properties close to I-5 for developing mega-sites or a park.

Objective 4 – Continue to plan and position the reuse of Castle.

Actions

1. Move forward on recommendations from the 2014 Castle Commerce Center, Regional Logistics System and Market Evaluation prepared by GLD Partners.
2. Identify funding for a master plan which could create a campus that includes property in Atwater. Also provides a visual of the opportunity.
3. Continue current research and marketing.
4. Prepare a family of marketing materials – maps, building, sites (with infrastructure), access and future plans.
5. Continue efforts and planning for the California High Speed Rail and Heavy Maintenance Facility

Goal 3 – Develop Our Talent

Objective 1 – Work with Workforce Development to create a “work-ready” labor force.

Actions

1. Engage Workforce Development and Merced College in the planning and execution of the Economic Development Strategy:
 - They need to be team members in developing the labor marketing tools.
 - They will be key partners for developing information for target business cases.
 - Align workforce development with economic development in promotions, newsletters.
 - Be the Champion to lead, manage Business Retention/Expansion Program, Goal 1, Obj. 2, and coordinate with cities.
2. Assist WIB/WorkNet in implementing the Merced WIB Strategic Plan to ensure it is a California High Performance WIB
 - Participate with WIB/WorkNet to access funding to develop specialized curriculum, research or sector programs.
3. WIB/WorkNet and Merced College have an excellent working relationship and tools to prepare workers.
 - Promote a “worker” accreditation program as a key marketing tool – a worker-ready location.
 - Work with schools and ROP to design remediation training for key skill sets as a component of the worker accreditation curriculum.
 - Involve key industry employers to identify skills gaps in the existing labor force and in Work-Ready Certificate or skills gap training program designs (this is done with Merced College now).
 - Ensure that employers participating in the program are effectively linked with accredited workers.
 - Promote programs.
4. Create a method to fully document the talent and skill sets available in Merced County, i.e., a talent bank:
 - Those with existing talent/skills.
 - Those in training.
 - Those obtaining certificates.
 - Those that can be recruited.

Objective 2 – Collaborate with higher education on business-driven education and training around key targets.

Actions

1. Merced College hosts Deputy Sector Navigators for Central Valley Region in the sectors of Retail, Hospitality & Tourism, and Global Trades & Logistics.
 - Leverage this resource and other Sector Navigators (ag) for research on industry needs.
 - Promote this resource to existing businesses.
2. Inventory specific sector training and curriculum for promotions and target sector business cases, specifically:
 - Maintenance Mechanics Skills standards for food manufacturing.
 - Certified Global Business Profession curriculum for logistics.
 - Customer Service Academy.
3. Collaborate with WorkNet on outreach with existing employers, by industry sector, to determine the skill sets necessary to excel in particular occupations and industries.
 - WorkNet should include economic development in their roundtable meetings with industry.
4. Collaborate with Business Attraction Team to understand key industries and occupations of the industries being targeted for attraction.
 - Develop curriculum for target industry occupations, if not already developed.
 - Provide information on talent/training available for the target industry.

Objective 3 – Collaborate and Capitalize on UC Merced presence

Actions

1. UC Merced’s goal is to be the emerging research institution for the 21st century. Implement recommendations in the ULI, UC Merced, Advisory Report, September 2012:
 - Coordinated vision and message.
 - A focused working group of senior representatives from the city, county and UC with clear priorities and objectives (this recommendation has been started and needs to be continued).
 - Use “problems” faced by the city and county (infrastructure, water, energy, etc) as case studies in the university curriculum.
2. Link higher education industry-occupation focus with business development opportunities and talent retention.
3. Investigate opportunity of EdTech Incubators.²⁴
 - Integration of education, technology, innovation and young professional students.

²⁴ EdTech, <http://gettingsmart.com/>

Measuring Progress

Key performance measures are identified for each goal's objectives:

Goal 1: Grow Our Economy

Objective 1	Create county-wide, collaborative team structure
Performance Measures	<ol style="list-style-type: none"> 1. Team Formed, MOU Signed 2. Collaboration scope and annual priorities 3. Adopt Lead Handling Protocols 4. Implement Brand Positioning & collaborative tools
Challenges	Limited resources and staff capacity to manage City economic development professional wearing many hats
Objective 2	Business Retention/Expansion Program
Performance Measures	<ol style="list-style-type: none"> 1. Organizing a formal program 2. Number of outreach meetings 3. Number of businesses assisted 4. Job Placements
Challenges	Champion to lead and manage a full-fledge program
Objective 3	Business Attraction Campaign
Performance Measures	<ol style="list-style-type: none"> 1. Organize Marketing & Prospecting throughout County 2. Conduct Labor Survey 3. Launch Market Campaign 4. Measure leads, prospects and conversions
Challenges	Time for organizing to compete and funding
Objective 4	Collaborative Opportunities to Leverage Resource
Performance Measures	<ol style="list-style-type: none"> 1. Organize cities around their priority of revitalizing downtowns 2. Funding secured for programs and activities 3. Advocacy initiatives
Challenges	Time and resources, agreement on how to share and leverage

Goal 2: Enhance Our Competitiveness

Objective 1	Address real estate infrastructure constraints
Performance Measures	<ol style="list-style-type: none"> 1. Identify priority sites for infrastructure 2. Implement a shovel-ready program 3. Apply for / receive infrastructure financing 4. Prepare "spec buildings on paper" (where feasible)
Challenges	Infrastructure financing
Objective 2	Location-ready & Fast-Track Permitting
Performance Measures	<ol style="list-style-type: none"> 1. Develop project flow charts to demonstrate permit process for priorities sites or different development scenarios
Challenges	Collaboration of different permitting agencies

Objective 3	Develop Business Park West Side
Performance Measures	1. Meetings with Gustine & Los Banos 2. Identify potential sites
Challenges	Land controlled by private parties
Objective 4	Castle Commerce Center
Performance Measures	1. Measure progress on Castle specific strategies 2. Business locations/expansions 3. Job Creation 4. Infrastructure improvements
Challenges	Funding resources

Goal 3: Develop Out Talent

Objective 1	Work-Ready Labor Force
Performance Measures	1. Merced County WIB, high performance measurements 2. Document occupational skill sets 3. Worker Accreditation Program (if feasible)
Challenges	Funding
Objective 2	Higher Education Training For Target
Performance Measures	1. Delivery of training specific to business targets
Challenges	Funding
Objective 3	Capitalize on UC Merced Presence
Performance Measures	1. Collaboration with UC on industry-occupation program/service 2. Innovation centers
Challenges	Funding

In addition to progress on each goal/objective measure, using an Economic Impact Model, customized to Merced County, would provide direct, monetary economic impacts of job placements and capital investments. Also a dashboard on the website could be developed to publicly report on progress.

Metrics that can be included on a dashboard could include:

1. Economic Indicators²⁵
2. Businesses visited, by sector
3. Businesses served
4. Business & Prospect Inquiries
5. Shovel-Ready Sites & Buildings
6. Fast-track Permit Process (documented)
7. Locations/Expansions
8. Jobs created
9. Economic Impact²⁶

²⁵ An economic indicators report is provided in CEDS report, covering 2007-Current (2012/13) and could be used as a benchmark for measuring progress on the indicators.

4.0 Project & Program Priorities including Capital Improvements

4.0 Project & Program Priorities including Capital Improvements

The U.S. Economic Development Administration (EDA) requires a CEDS in order for a community or region to apply for investment assistance under EDA's Public Works or Economic Adjustment Assistance programs. One of the central objectives of this CEDS is the identification and review for appropriateness of primary development and redevelopment opportunities.

EDA has established a number of investment programs designed to assist regions and communities to become more competitive in the global economy. The agency allocates its investment assistance through competitive grant processes for public work projects and other funding investments. EDA's investment opportunities include:

- Collaborative Regional Innovation
- Public/Private Partnerships
- National Strategic Priorities
- Global Competitiveness
- Environmentally-Sustainable Development
- Economically Distressed and Underserved Communities

4.1 Economic Development Priorities

The economic development priorities identified by the CEDS Steering Committee are:

1. Shovel-ready industrial sites
2. Business attraction, job creation
3. Downtown revitalization
4. Transportation infrastructure
5. Workforce training
6. Retain Merced College/UC talent
7. Reuse of Castle

4.2 Capital Improvement Projects

The following pages list the capital improvement projects for the County of Merced, unincorporated areas of Merced County and the Cities of Atwater, Dos Palos, Gustine, Livingston, Los Banos and Merced.

COUNTY OF MERCED – PRIORITY 1 PROJECTS, 2014

County of Merced 2014 CEDS	
Project	District 2 - Complete Campus Parkway to UC Community (Childs Avenue north to Yosemite Avenue): This project is the critical link between State Highway 99 and the UC Merced campus. The project is designed in 3 phases; Phase 1 (Hwy. 99 to Childs Ave) was completed in Dec. 2010. Both Phase 2 (Childs Ave to Hwy. 140) and Phase 3 (Hwy. 140 to Yosemite Ave) are funded through right-of-way acquisition, but construction funding is still needed.
Benefit	This project will foster transportation access to and from the University and University Community (which will approach 35,000 when fully developed) and Highway 99, stimulating commercial development and increase sales, use and property taxes.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3
Start Date	Projected two to three years
Completion	Phase 1 completed (Hwy. 99 to Childs Ave) Dec. 2010
Total Cost	Phase 2 – \$33 mil construction funds needed Phase 3 – \$54.6 mil construction funds needed

County of Merced 2014 CEDS	
Project	District 3 - Atwater / Merced Expressway (Phase I): This project, to be constructed in several phases, involves the design, land acquisition, and construction of a highway to connect State Highway 99 to Santa Fe Road including intersections at Hwy. 99 and Santa Fe Avenue. The project is the single most critical project in the development of Castle Commerce Center, as the facility has no viable commercial access to Highway 99. Phase 1A-Reduced (New Hwy. 99 Interchange to Green Sands Ave.) is funded with Prop 1B State Bond funds and construction began in Oct. 2013. Phase 1A-Remainder (Replace Buhach Road overhead bridge & widen to four lanes) pending identification of funds. Phase 1B (construct new expressway from Green Sands Ave north to Santa Fe Drive) is an overcrossing structure and is pending identification of funds. Phase 2 (construct new expressway from Santa Fe Drive overcrossing structure to Hwy. 59) is pending identification of funds. Phase 3 (construct new expressway from new Hwy. 99 interchange south to connect with Hwy. 140) is pending identification of funds.
Benefit	The Atwater-Merced Expressway will improve transportation access to and from the Castle Commerce Center and provide direct access to and from State Highway 99, a major north-south truck transportation route.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3
Start Date	Oct 2013
Completion	10+ years
Total Cost	Phase 1A-Reduced \$52 mil Phase 1A-Remainder \$45.9 mil Phase 1B \$66.2 mil Phase 2 \$83.9 mil; Phase 3 \$71.8 mil.
EDA Contrib.	\$30M

County of Merced 2014 CEDS

Project	District 5 - South Dos Palos: This community has the oldest sewer line system in the area. Designed by standards no longer allowed, the sewer line pitch and size leaves sewage in the lines longer than permitted by health regulations. Replacing the 50+ year old lines is needed by the unincorporated communities (including Midway and South Dos Palos) being serviced by the City of Dos Palos.
Benefit	Project will improve quality of life, and enhance future growth & development in an area with one of the highest unemployment rates in the country.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3
Total Cost	\$2.5M

County of Merced 2014 CEDS (Countywide)

Project	<p>Community Main Street Enhancements Program</p> <p>This program would provide a funding opportunity to build and enhance current main streets located within Merced County. The project will help revitalize fund needed improvements to our communities’ main streets to promote economic growth and improve public health and safety by creating a more pedestrian-friendly environment. The project will address the following key elements to help bolster the economic health of these unique and ethnically-diverse communities:</p> <p>Infrastructure Improvements:</p> <ul style="list-style-type: none"> • Façade improvements • Promoting business visibility • Street Landscaping • Improved Lighting • Safe and pedestrian-friendly sidewalks
Benefit	Repurpose current main streets located within Merced County to enhance the quality of life and promote economic viability by providing a safer and consumer-friendly environment.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3

County of Merced 2014 CEDS (District)

Project	<p>Agriculture Technology Development Center</p> <p>Create a Technology Development Program Center to be located at Castle Commerce Center, to allow for funding of agriculture research and develops entrepreneurial technological innovations that have the potential to provide significant economic benefit to the County. Eligible activities would include <i>University-based</i> research and development that will lead to new or significantly improved products or processes, have a high probability of commercial success, and provide significant economic benefit to Merced County and its agriculture community.</p>
Benefit	The research and development of entrepreneurial technological innovations for the agriculture industry would promote the use of technology in economic development related to the largest industry in Merced County.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3

County of Merced 2014 CEDS (District)

Project	<p>Redevelopment of Castle Commerce Center</p> <p>In order for Castle Commerce Center to be fully developed as an industrial park, certain improvements are necessary to position it to become competitive as a choice location, such as:</p> <ul style="list-style-type: none"> • Perform a Comprehensive Soil Test Assessment to comply with California Code of Regulations, Title 24, Section 1803A; • Demolish and remove blighted and/or uninhabitable buildings or structures remaining from the Air Force; • Conduct a current, thorough condition assessment and inventory of the infrastructure. <p>These issues hinder potential development due to added costs. The University of California-Merced's Solar Research Institute is located at Castle, making it a prime location for clean energy and green technology businesses. By improving Castle's infrastructure and appearance would serve to promote the area as a prime location for new or expanding business, resulting in job creation and economic sustainability.</p>
Benefit	Create a business and industrial park to promote job creation and economic sustainability.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3

County of Merced 2014 CEDS (District)

Project	<p>Business incubators at Castle Commerce Center</p> <p>The venture will promote economic growth and advance the business creation process to increase entrepreneurial success and individual opportunity, strengthening Merced County. The concept is to create a small business incubator that will provide local start-up businesses along with recent college graduates a low-cost space that is necessary during the infancy stages of a business. When the business reaches the point where it is able to succeed on its own, it is expected that the business will expand out of the "nest" into its own facilities creating jobs in the local community.</p> <p>The Project would help provide the necessary physical and organizational structures and facilities needed for the operation of a business incubator on a Greenfield site at Castle Commerce Center.</p>
Benefit	<p>The Merced County Business incubator will promote a variety of economic and socioeconomic needs to the community including:</p> <ul style="list-style-type: none"> • Creating jobs and wealth • Fostering a community's entrepreneurial climate • Technology commercialization • Diversifying local economies • Building or accelerating growth of local industry clusters • Business creation and retention • Encouraging women or minority entrepreneurship • Identifying potential spin-in or spin-out business opportunities • Community revitalization
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3

COUNTY OF MERCED – PRIORITY 2 PROJECTS, 2014

County of Merced 2014 CEDS	
Project	District 1 - State Highway 140 – Planada: Currently one of the busiest street corners in the County is Hwy 140 and Plainsburg Road. Besides local traffic, Highway 140 is the only all-weather route to Yosemite National Park, a park that sees 3 to 4 million visitors per year. The corner in question, located in the community of Planada, is without a traffic light or traffic control system yet an area with a significant amount of residential foot traffic. Thus, the corner is extremely dangerous. The envisioned project would install a handicapped accessible walkway.
Benefit	Project would safely permit walking traffic to cross Highway 140 and eliminate hazards to pedestrians.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3
Total Cost	\$10M estimated

County of Merced 2014 CEDS	
Project	District 5 - Dos Palos Water Plant/Sewer System Expansion: The plant, operating under a Joint Powers Authority involving the City of Dos Palos and several unincorporated communities, is at capacity and needs to be expanded. Systems are currently inadequate and offer no expansion capacity for development
Benefit	The affected communities have no opportunity for economic growth without a plant upgrade.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3
Total Cost	\$17M estimated cost

County of Merced / Joint City 2014 CEDS	
Project	UC Merced Medical School Innovation Healthcare Technology Cluster
Benefit	Develop an innovation healthcare technology cluster for the advancement of healthcare technology and expansion of educational opportunities leading to substantial employment in the medical field. This project promotes healthcare innovation, advancements in health-related technology and regional improvements to improve the overall health, education and quality of life for residents of the cities and county of Merced and the overall San Joaquin Valley.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

County of Merced 2014 CEDS (District 3)	
Project	Highway 99 Connection with Santa Fe Avenue Infrastructure Project This project would provide adequate infrastructure to connect State Highway 99 to Santa Fe Avenue by way of Bellevue Road. The project is a critical component in the development of Castle Commerce Center, as it will provide accessibility to and from Castle Commerce from Highway 99 for agricultural and other product transportation.
Benefit	Promote the development of Castle Commerce Center as an agricultural and other product transportation hub.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

County of Merced 2014 CEDS (Countywide)

Project	Countywide Dairy Environmental Impact Report The project will provide funding to conduct a countywide Environmental Impact Report for dairy expansion and development projects. Conducting a countywide EIR would significantly impact growth in Merced County's largest industry by helping to reduce the time and money spent doing them individually. The savings will help create new cash flow for the dairies to expand and create more jobs.
Benefit	The project would reduce the cost and time it takes to conduct individual project EIRs, creating a new cash flow for dairies to expand and create more jobs in the county.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

County of Merced 2014 CEDS (Countywide)

Project	Dairy Permitting Assistance Program Develop a Dairy Permitting Assistance Program designed to provide funding to dairy producers by offsetting the cost of obtaining all necessary permits when undertaking capital improvement projects or expansions that will result in a significant increase in Merced County Dairy production. <i>Dairy is Merced County's largest industry.</i>
Benefit	Promote economic development and opportunity for Merced County's largest industry by helping to expedite the dairy permitting process for capital improvement projects or expansions.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

COUNTY OF MERCED – PRIORITY 3 PROJECTS 2014

County of Merced 2014 CEDS

Project	District 5 - Santa Nella Project Area – Infrastructure Improvements: This area is projected to grow significantly over the next two decades but already has inadequate water, sewer and road capacity. Centered at the confluence of State Highway 33 and Interstate 5, this area requires impact relief now.
Benefit	Adequate infrastructure will accommodate future developments throughout this project area. Water, sewer and roads are currently at maximum capacity, hindering opportunity for future business development. Due to the prime location along the I-5 corridor, growth is expected. This improvement will facilitate new business development, and long-term employment.
Priority	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input checked="" type="checkbox"/> 3
Total Cost	\$31.5M estimated cost

County of Merced 2014 CEDS

Project	District 5 - Santa Nella Project Area – Recreational Facilities: Due to projected growth over the next two decades, recreational facilities need to be developed in the Santa Nella area to enhance quality of life for existing and future residents.
Benefit	Promote economic development, job creation and enhance quality of life for the community and vast amounts of visitors frequenting the area along the I-5 corridor.
Priority	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input checked="" type="checkbox"/> 3

CITY OF ATWATER – PRIORITY PROJECTS, 2014

City of Atwater 2014 CEDS	
Project	Predevelopment study – Atwater Business Park Utilities: Business Park Utilities: Initial concept planning has been completed with the assistance of an EDA Planning Grant. The Business Park – Industrial Park area is designated in the north - west area within the City’s General Plan – adjacent to the Castle Airport Aviation Development Center – former Castle Air Force Base. Currently 95 acres have been annexed into the city however this area is lacking infrastructure to support job growth and investment. An adjacent vacant area within the City’s Sphere of Influence of approximately 350 acres which is also designated for business – industrial park uses could be a future phase. The planning project identified the basic needs to develop the area however funding is needed to complete the design – engineering, entitlements, environmental work, and for construction. No source of funding is currently identified except for private property – developer contributions. The project will need all basic infrastructure extended into the area.
Benefit	It is estimated that development of the first phase, on 95 acres, would generate 400 jobs.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

City of Atwater 2014 CEDS	
Project	Bellevue Road West Side Interchange: The City and Dole Fruit Company are constrained by inadequate roadways maintained by Merced County which are needed to connect from Bellevue Road to the newly constructed Bellevue Road – West Side Blvd Interchange and Hwy 99. Bellevue Road is the existing backbone to the commercial district and bisects the City. Currently the planning area does not have any public infrastructure or utilities which will be provided in the road way extension project into the proposed right of way. Costs are unknown.
Benefit	These roadway improvements would open up the area to mixed use development in the project planning area of approximately 600 acres.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3
Total Cost	Unknown

City of Atwater 2014 CEDS

Project	City Entrance Enhancement for Atwater Boulevard – North Sub Area: City Entrance Enhancement for Atwater Boulevard – Atwater Boulevard is the former Hwy 99. It is classified as Business 99 and runs parallel to the UP Rail system and many older commercial and multifamily properties. The area is dilapidated and in need of redevelopment to remove blight. The public infrastructure is in good to adequate condition however traffic control is an issue at several locations. The proposed project has a preliminary study completed which yielded suggestions for improvements however funding is needed to complete design, entitlements, engineering, and construction. This project would include a visual welcome sign and other decorative street or way finding signage, bollards, a raised median with landscaping, and new decorative street lights.
Benefit	The intent of the project is to improve vehicular safety and also to enhance the aesthetics of the area.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3
Completion	Anticipated completion time is 2014.
Total Cost	\$ 3 million

City of Atwater 2014 CEDS

Project	Downtown Core Area Revitalization: This project will replace failing decorative cross walks and other amenities in the Downtown Core area of Atwater including Broadway and the side streets. Project will include new street lights, decorative paver stone roadway crossings, additional landscaping and irrigation system, parking lot maintenance, replacement of streetscape amenities (benches, trash cans, etc.) and replacement of seasonal street decorations.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3
Completion	Anticipated completion time is 2014.
Total Cost	\$2 million anticipated cost which is likely to be funded through redevelopment bond proceeds.

CITY OF DOS PALOS – PRIORITY 1 PROJECTS, 2014

City of Dos Palos 2014 CEDS	
Project	South Dos Palos: This community has the oldest sewer line system in the area. Designed by standards no longer allowed, the sewer line pitch and size leaves sewage in the lines longer than permitted by health regulations. Replacing the 50+ year old lines is needed by the unincorporated communities (including Midway and South Dos Palos) being serviced by the City of Dos Palos.
Benefit	Project will improve quality of life, enhance future growth & development in an area with one of the highest unemployment rates in the country.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3
Total Cost	\$2.5M

CITY OF DOS PALOS – PRIORITY 2 PROJECTS, 2014

City of Dos Palos 2014 CEDS	
Project	Dos Palos Water Plant: City owned and operated, the plant, provides water treatment and distribution to a JPA which includes the City and <u>five</u> unincorporated community districts. It is operating at capacity, needs to be upgraded to meet new State requirements, and expanded to accommodate growth.
Benefit	The affected communities have no opportunity to grow without a plant upgrade.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3
Total Cost	\$9M estimated cost

City of Dos Palos 2014 CEDS	
Project	City of Dos Palos Water System Expansion: This project would provide adequate resources to expand the current water system allowing for expansion capacity for development
Benefit	Project will improve quality of life, enhance future growth & development in an area with one of the highest unemployment rates in the country.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3
Total Cost	\$9M

City of Dos Palos 2014 CEDS	
Project	Dos Palos Wastewater Facility: City owned and operated, the facility provides sewer collection and treatment to a JPA which includes the City and <u>two</u> unincorporated community districts. It is operating at capacity. Additional post treatment retention ponds will be necessary to accommodate growth.
Benefit	Project will improve quality of life, enhance future growth & development in an area with one of the highest unemployment rates in the country.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3
Total Cost	\$ 5 estimated cost

City of Dos Palos 2014 CEDS

Project	City of Dos Palos Wastewater System Expansion: This project would provide adequate resources to expand the current water system allowing for expansion capacity for development
Benefit	Project will improve quality of life and enhance future growth & development in an area with one of the highest unemployment rates in the country.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3
Total Cost	\$ 5M

CITY OF GUSTINE – PRIORITY 1 PROJECTS, 2014

City of Gustine 2014 CEDS	
Project	<p>Downtown Revitalization - This project would provide an opportunity to build and enhance the current downtown main street located in Gustine. The project will help revitalize the main street to promote economic growth and improve public health and safety by creating a more pedestrian-friendly environment. The project will address the following key elements to help bolster the economic health of the community:</p> <ul style="list-style-type: none"> • Infrastructure Improvements • Façade improvements <ul style="list-style-type: none"> ○ Promoting business visibility • Street Landscaping • Improved Lighting • Safe pedestrian-friendly sidewalks
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3
Start Date	Current
Completion	Ongoing
Total Cost	\$ 3.7 million

City of Gustine 2014 CEDS	
Project	<p>Gustine Industrial Park Project - Planning and construction design for phase 1 of an industrial park on property designated in the southeast of the City's General Plan. The City and property owner will provide non-federal funds. Plans for the industrial park will be developed by the end of 2009. Status: Project is study phase.</p>
Benefit	The park will accommodate new industrial investment resulting in 120 employees.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3

CITY OF GUSTINE – PRIORITY 2 PROJECTS, 2014

City of Gustine 2014 CEDS	
Project	<p>Infrastructure for Commercial and Industrial Users - This project will improve water and wastewater systems to facilitate new and continued investment by the City's business. The city will collect impact fees to fund non-federal share of construction. Status: Project is in study phase.</p>
Benefit	The improvement will facilitate new business development and employment helping to enhance the overall quality of life.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

City of Gustine 2014 CEDS	
Project	Innovation Technology Center - Loan funding and technical support for City of Gustine to extend assistance to technology oriented business interested in establishing in the City. City has identified ALSB/John Sherohman as an interested business who will grow Aluminum Tinamide Crystals. The project is in the planning phase.
Benefit	The Business innovation technology center will promote a variety of economic and socioeconomic needs to the community including: <ul style="list-style-type: none"> • Creating jobs and wealth • Fostering a community's entrepreneurial climate • Technology commercialization • Diversifying local economies • Building or accelerating growth of local industry clusters • Business creation and retention • Encouraging women or minority entrepreneurship • Identifying potential spin-in or spin-out business opportunities • Community revitalization
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

City of Gustine 2014 CEDS	
Project	Segment C Roundabout Improvements This project would construct a truck-accessible roundabout at the intersection of 6 th Avenue and 4 th Street. Including: <ul style="list-style-type: none"> • Splitter island with landscaping • Provide a mountable truck apron with a rolled curb configuration • Realign South Avenue and provide vehicular traffic for parking and access to businesses, allowing for opportunities to close the street for plaza events • Decorative paving • Install public art in the center of the roundabout
Benefit	Promote economic development, job creation and enhance quality of life.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3
Start Date	Ongoing Started in 2010

CITY OF LIVINGSTON – PRIORITY PROJECTS, 2014

City of Livingston 2014 CEDS	
Project	Wastewater Systems & Water System Improvements – This project would provide adequate resources to improve the current wastewater system and water systems allowing for expanding capacity for future developments allowing for employment creating opportunities.
Benefit	Project will improve quality of life, enhance future growth and development in an area with one of the highest unemployment rates in the county.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3

City of Livingston 2014 CEDS	
Project	Infrastructure Improvements along Robin Avenue and Vinewood Avenue – This project increases economic development potential by providing new infrastructure around a highly developable part of the city helping to promote business development. This project's construction would provide adequate road infrastructure, new utilities (wet and dry), street lights, street landscaping, sidewalks, street re-paving, on-street parking, and other improvements to bring this area into a shovel-ready development site.
Benefit	Project will improve quality of life, enhance future growth and development in an area with one of the highest unemployment rates in the county.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3

CITY OF LOS BANOS – PRIORITY 1 PROJECTS, 2014

City of Los Banos 2014 CEDS	
Project	Innovation Place Network Business Plan and Operations Model: This project will create a business plan to guide a network of small business and entrepreneur services in tandem with Merced College and the cities of Los Banos and Merced. Matching funds have been committed by the public and private partners. The performance measurement is a completed business plan by June 30, 2009. Status: Pre-application for EDA funds submitted.
Benefit	The plan will lead to new incubator facilities and promote small business development.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3

City of Los Banos 2014 CEDS	
Project	Industrial Park Infrastructure Project - This project would provide adequate infrastructure to connect Mercey Springs Rd to Interstate 5. The project is a critical component in the development of the industrial park, as it will provide accessibility to and from Mercey Springs Rd and Interstate 5 for product transportation. The industrial park project will be a joint public private partnership between the City of Los Banos, Merced County and the private sector developers.
Benefit	Promote the development of an industrial park on the Westside of Merced County. The industrial park would facilitate new business development and long term employment.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3

City of Los Banos 2014 CEDS	
Project	Ground Water Recharge Project - This project would provide the City of Los Banos the necessary resources to bring their wells to current state regulations.
Benefit	Provide residents and businesses with a reliable, high quality and relatively inexpensive source of water. This project will help provide farmers with better crop security potentially creating and saving hundreds of jobs.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3

CITY OF LOS BANOS – PRIORITY 2 PROJECTS, 2014

City of Los Banos 2014 CEDS	
Project	Ward Street Improvements – This project will widen and improve 900 feet of Ward Street, south of State Route #152 in the City of Los Banos designed to truck traffic standards. The City will collect impact fees to fund the non-federal share of construction. Status: Project is in the study phase.
Benefit	This improvement will facilitate new business and employment in the Los Banos Business Park and provide truck access via future Pioneer Road to Highway’s #165 and I-5.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

City of Los Banos 2014 CEDS	
Project	Pioneer Road Connection (Ward Street to #165) – This project will construct improvements to link the Los Banos Business Park/Ward street to State Highway #165 and improve access/egress and reduce truck traffic on congested Highway #152. The city will collect impact fees to fund non-federal share of construction. Status: Project is in study phase.
Benefit	The improvement will facilitate new business development and employment.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

City of Los Banos 2014 CEDS	
Project	Los Banos Wastewater Plant Industrial Site – This project will prepare a site to accommodate the relocation of a major industrial processing employer forced to move due to residential encroachment. The City has identified a site and engaged in preliminary 38 discussions and planning to accommodate the business and its 100 employees. Funds will be derived from sale proceed and private capital investment to supplement federal funding requested for public infrastructure.
Benefit	The performance measurement shall be the retention of the business and its jobs.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

City of Los Banos 2014 CEDS	
Project	Rail Corridor, Trail and Community Center Construction – The project will facilitate downtown revitalization and augment the array of community facilities for residents. The City has identified a site and undertaken preliminary design and planning, including extensive public input.
Benefit	The improvements will encourage downtown business development and potentially create hundreds of new jobs.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

City of Los Banos 2014 CEDS	
Project	Ortogonalita/#152 Intersection Upgrades – This project will improve vehicular access/egress through the city and enhance safety. The city will collect impact fees to fund non-federal share of construction. Status: Project is in study phase.
Benefit	The improvement will facilitate new business development and employment.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

City of Los Banos 2014 CEDS	
Project	#152/Los Banos International Trade Route Intersection Improvements - This project will construct improvements to link the Los Banos local road network to the future International Trade route. The city will collect impact fees to fund non-federal share of construction. Status: Project is in study phase.
Benefit	This will improve access/egress and reduce truck traffic on congested Highway #152. The improvement will facilitate new business development and employment.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

City of Los Banos 2014 CEDS	
Project	Henry Miller Agricultural Industrial Park - This project will provide infrastructure for local agriculture-based industries facing future relocation due to the city's commercial growth.
Benefit	This will help retain local agricultural businesses that employ more than 100 local residents in an area not likely to be impacted by housing development.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

City of Los Banos 2014 CEDS	
Project	Main Street Enhancements Project - This project would provide an opportunity to build and enhance current main streets located within the City of Los Banos. The project will help revitalize economically disadvantaged communities' main streets to promote economic growth and improve public health and safety by creating a more pedestrian-friendly environment. The project will address the following key elements to help bolster the economic health of these unique communities: <ul style="list-style-type: none"> • Infrastructure Improvements • Façade improvements <ul style="list-style-type: none"> ○ Promoting business visibility • Street Landscaping • Improved Lighting • Safe pedestrian-friendly sidewalks
Benefit	Repurpose current main streets located within Los Banos to enhance the quality of life in the community.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

CITY OF LOS BANOS – PRIORITY 3 PROJECTS, 2014

City of Los Banos 2014 CEDS	
Project	Innovation Place Network (Facility): This project will establish two new business incubators (Los Banos, Merced) to commercialize technology and innovation. Funds to establish the incubators will be derived from federal and state resources to leverage private sector capital investment for facilities. The performance measurement will reflect client counseling, small business starts, generated employment, incubator tenancy and new products sales. Status: pending study.
Benefit	Assist small business start ups and create new employment in the region
Priority	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input checked="" type="checkbox"/> 3

CITY OF MERCED – PRIORITY 1 PROJECTS, 2014

City of Merced 2014 CEDS	
Project	Innovation Place Project: Development of an entrepreneurship center focusing on small business development, commercialization, and technology transfer. UC Merced will serve as the lead agency with the City of Merced providing building space. Small business training will be provided by the Alliance Small Business Development Center. Tenant improvements are slated to start in late Fall 2014. The goal is to expand the facility and operations to a full accelerator program for students and start-up business. The location will be downtown with the goal to become an active anchor to stimulate business growth and activity in the downtown.
Benefit	The Center will lead entrepreneurs to an accelerator program with mentors.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3
Start Date	Fall 2014
Completion	Facility to open by July 2015
Total Cost	\$ 500,000-\$1,000,000

City of Merced 2014 CEDS	
Project	Waste Water Treatment Plant (WWTP) Expansion: Phases IV and V have been completed expanding the capacity of the wastewater treatment plant from 10 MGD to 12 MGD. Future phases are required either on or off-site for processing of wastewater from wet users such as food processors, dairy, and nut companies.
Benefit	To support the growth of the City and UC Merced
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3
Start Date	Immediately, such a project could generate 500 jobs.

City of Merced 2014 CEDS	
Project	Technology Corridors - Campus Parkway and Bellevue Road: The construction of the Campus Parkway is critical for the growth and development of UC Merced and economic vitality of the City of Merced. Bellevue Road is seen as a critical thoroughfare linking UC Merced’s research and development center to the main campus. Staff has completed a draft Community Plan for the Bellevue Corridor. The plan focuses on land use with an emphasis on economic development.
Benefit	Completion and development of both corridors would support UC Merced efforts to build a world-class medical center for the San Joaquin Valley.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3

City of Merced 2014 CEDS	
Project	Merced Center Project: The Merced Center Project calls for the construction of three story parking garage, Merced College Business Center, and LEEDS certified green hotel. The project is seen as catalyst for downtown Merced and would be a tool for revitalization. The Merced Center Garage and Merced College Business Resource Center are constructed. Rather than a LEEDS certified green hotel, University of California Merced is considering the site for public-private office project.
Benefit	The project would serve as UC Merced’s Downtown satellite facility and would be a major employment center and downtown anchor.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3

City of Merced 2014 CEDS	
Project	Downtown Merced: The State of California has dissolved all redevelopment agencies. The opportunity to use tax increment financing along with other creative funding schemes is gone. More investment is needed for downtown to secure its future.
Benefit	Downtown serves as the community’s central business district, and is often evaluated for vitality by potential business clients. A strong heart of the City helps promote a vibrant community.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3
Start Date	In progress
Completion	On going

City of Merced 2014 CEDS	
Project	Wastewater Facilities for Wet Users Construct pre-treatment facilities at strategic locations within the respective industrial parks for food processing, nut processing and dairy processing users.
Benefit	Draw major value-added processing industries to Merced generating jobs and serving as a catalyst for the local economy.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3
Start Date	June 2016
Completion Date	June 2018
Total Cost	\$10 Million
EDA Contribution	\$10 Million

City of Merced 2014 CEDS

Project	Campus Parkway Phases II and III Extend Campus Parkway from Childs Ave/Highway 99 to Yosemite Avenue connecting to the University of California Merced.
Benefit	Extension of the thoroughfare will promote goods movement, research and development facility location opportunities, and job creation.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3
Start Date	June 2016
Completion Date	June 2018
Total Cost	\$65 Million
EDA Contribution	\$20 Million

City of Merced 2014 CEDS

Project	Fiber Cable Installation – Merced Airport Industrial Park Install fiber cable line at all major thoroughfares in the Airport Industrial Park.
Benefit	Retention of existing businesses and job creation in the Airport Industrial Park.
Priority	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3
Start Date	June 2015
Completion Date	June 2016
Total Cost	\$2 Million
EDA Contribution	\$2 Million

CITY OF MERCED – PRIORITY 2 PROJECTS, 2014

City of Merced 2014 CEDS	
Project	South Airport Industrial Park (SAIP) Expansion: The SAIP is near capacity and needs room for expansion. Two parcels are adjacent to the SAIP and are zoned M-1 (Manufacturing 1) by Merced County. Infrastructure could readily be extended to support the expanded SAIP.
Benefit	The City of Merced needs shovel-ready sites to assist companies locate and expand quickly.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3
Start Date	Not Started

City of Merced 2014 CEDS	
Project	Merced Municipal Airport: The City has recently adopted a new Master Plan in December 2007. Enplanements have continued to increase at the airport.
Benefit	Business investors and clients of UC Merced have noted that expansion of the Merced Municipal Airport is necessary to facilitate and draw new companies and jobs to the community.
Priority	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3

CITY OF MERCED – PRIORITY 3 PROJECTS, 2014

City of Merced 2014 CEDS	
Project	Railroad Grade Separations: Essential to goods movement, public safety and emergency vehicles, and air quality is the need to build grade separations along the Burlington Northern Santa Fe and Union Pacific Rail Lines. Both main lines are identified as major trade and goods movement corridors. The first railroad grade separation was completed at G Street/23rd Street at the Burlington Northern Santa Fe tracks. Other projects are needed along major thoroughfares.
Benefit	The grade separations would reduce air emissions and promote better vehicular circulation.
Priority	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input checked="" type="checkbox"/> 3

City of Merced 2014 CEDS	
Project	Brownfield Remediation: Downtown Merced is the location of three major Brownfield remediation projects. Two sites have developers waiting for the cleanup to be completed.
Benefit	Once cleaned, the sites would serve as the location for major economic investments.
Priority	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input checked="" type="checkbox"/> 3
Total Cost	\$10M to \$15M estimated development value for all sites

Appendix

1. Public Notice
2. Merced County CEDS Background Document Research 2014.
3. Merced County Economic Indicators Report 2007-2013.
4. Merced County Economic Business Base Data Analysis (Excel file with Merced County Economic Development Department, prepared by Applied Economics).
5. Merced County Data Tables, prepared by Chabin Concepts, Inc.
6. Corporate Location Assessment, Site & Building Findings, conducted by Site Selector Don Schjeldahl, Schjeldahl & Group.
7. Corporate Location Assessment Work Session, Nov 2013, conducted by Don Schjeldahl and Audrey Taylor, Chabin Concepts.
- 7a. Corporate Location Work Session Manual, Nov 2013.
8. Strategy & Marketing Work Session, Nov 2013, conducted by Chabin Concepts.
9. Action Planning Work Sheets
10. Merced County Brand Kit
11. Memorandum of Understanding & Lead/Prospect Protocol, Draft, December 2013.
12. Economic Development Tool Box includes templates, form and samples for Data, Marketing, Branded Templates, Property-Building, Prospecting, Samples

About the Project Team

Chabin Concepts' core competency is in realistic, achievable and measurable actions. Our goal is to assist in positioning cities, counties, regions and states to win new jobs and investment by engaging the community and leadership in strategic planning **and** tactical implementation – *delivering a "Roadmap" to accomplish the mission.*

The County of Merced Comprehensive Economic Development Project team included:



Audrey Taylor, President and CEO, Chabin Concepts

With over 34 years experience, Audrey has assisted and represented over 350 communities in California, Colorado, Oregon, Washington, Texas, Nevada, New Mexico, Oklahoma, Hawaii, and Alaska. She has worked with companies such as 3M, Graphic Packaging International Sony, Spectra-Physics, Joy Signal, Rio Pluma, and NCI Building in strategic location analysis. She has served five California Governors in different capacities currently serves as the Marketing Chair for TeamCalifornia. audrey@chabinconcepts.com



Sarah Murley, Co-Founding Partner, Applied Economics

Sarah has over 30 years' experience in urban and regional economic analysis, particularly in economic development and public finance. She has conducted economic base analyses, business climate assessments, target industry analyses, supplier identification strategies, occupational assessments and labor market analyses, and community improvement plans for numerous cities, counties, and economic development agencies. smurley@appliedeconomics.net



Don Schjeldahl, Don Schjeldahl Group

For more than 30 years Don has assisted companies in developing and implementing location strategies for office operations, manufacturing plants, and distribution facilities locating client facilities in both urban centers and rural areas throughout the United States, Canada, Mexico and Europe. Don's most recent facility location was Sierra Nevada Brewery's east coast expansion. Don partners with Chabin Concepts on assessing community readiness for attracting new facility locations and site location training. don@donschjeldahlgroup.com

Chabin Team – *delivering strategic solutions, tactics, and tools.*