



CITY OF CERES
ECONOMIC DEVELOPMENT
STRATEGY 2023

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A. INTRODUCTION

The City of Ceres' local economy is centered on agricultural production, manufacturing, and retail. The city has experienced only moderate population growth. Much of its workforce is commuting out, and given recent economic upsets, city leadership determined it was time to update its 2013 Economic Development Strategy.

The consulting team of Chabin Concepts and DSG Advisors visited the City of Ceres to document the city's ability to deliver on the customary site selection factors considered when businesses search for a new location. The findings of this work are detailed in the Gap Analysis section and are the basis of the work plan. The work plan focuses on guiding the economic development staff to prepare for and demonstrate to corporate decision-makers that the city of Ceres understands and can deliver on the location and workforce needs associated with the industries targeted for business attraction.

The city of Ceres has the assets to be competitive in economic development.

Vision

In 2035, Ceres has a continued connection to its agricultural heritage, a balance of housing and retail choices, ample job opportunities, an attractive downtown, rich cultural and community events, and abundant recreational opportunities. Ceres is a place where families want to raise their children and businesses want to locate and flourish. In Ceres, people enjoy a safe, healthy city with first-rate community amenities and a clean and sustainable environment.¹

Economic Development Goal

The primary goal of the economic development department is to **implement initiatives that facilitate the retention, expansion, and attraction of businesses that will retain and increase employment opportunities and more fully serve the needs of the City of Ceres residents.**²

Further, the economic development objectives presented below are gleaned from the city's guiding principles in the City of Ceres General Plan 2035, adopted in May 2018. Once implemented, the action items in the annual work plan should enhance the city's economic development competitiveness, leverage assets, and mitigate challenges.

1. Strengthen job opportunities with industrial and commercial growth while balancing the protection of prime agricultural lands with meeting growth and economic development objectives.
2. Encourage public and private investment for infill development and revitalization in existing neighborhoods and commercial corridors.
3. Ensure the development of a strong workforce by supporting a quality K-12 education system and industry-specific job training programs.
4. Balance the provision of streamlined services and entitlements with fiscal responsibility to support the city's future needs.

¹ Ceres General Plan 2035, p 1-14

² Ceres Economic Development Strategic Plan, 2013-2020

B. COMPETITIVE ANALYSIS

The Chabin Team visited the City of Ceres to identify its economic development assets, opportunities, challenges, real estate parcels, and industry investment targets. In addition, the investigation studied customary site selection factors businesses consider when searching for a new location. The matrix below summarizes the findings, which are the basis for the target industry recommendations and work plan. Section D. Gap Analysis gives a more detailed discussion of this analysis.

SWOT Summary

ASSETS and ADVANTAGES	<ul style="list-style-type: none">• The geographic location provides unparalleled access to several highways, interstates, freight and international passenger air and port services• Major west coast markets are less than a day's drive• Employers can easily draw from a population of over 460,000 and a workforce (age 16 to 75) of 265,000 in 20-mile radii• Excellent K-12 education system, CTE training resources and connections with several university and research centers in the region• Water rights, affordable electrical utilities• Housing is more affordable for the workforce when compared to the larger region• Pedestrian-friendly downtown, parks, well-supported and attended community events• Professional and service-oriented economic development staff
CHALLENGES	<ul style="list-style-type: none">• Limited market-ready sites or buildings for industrial or commercial uses• Large out commuting population• No growth in the incoming talent pipeline (population 0 to 19 years of age)• Limited staffing for development services (building and permitting departments)• No apparent consensus on economic development goals or vision, which is primarily due to the new council and new city staff• Limited budget and materials to support economic and business development efforts• Over-emphasis on attracting and developing sites for retail uses
OPPORTUNITIES	<ul style="list-style-type: none">• High demand in the greater region for small to medium size light industrial sites• Large tract of land identified as future industrial is an excellent match for in-demand uses• Apparent agreement on industry targets among educators, workforce training, economic development organizations, and city government• Support and demand for continuing the excellent progress made on downtown revitalization• Altamont Corridor Express (ACE) rail station stop planned for downtown Ceres will significantly improve pedestrian traffic and visibility of Ceres as a viable business location

Target Industries

City of Ceres leaders strive to achieve a sustainable local economy, an economy that creates wealth and stability. Strong local economies include three distinct industry sectors—traded, population-driven, and visitor-serving. Sustainable economic goals are more readily achieved by strategically targeting investment from each sector. This section defines the sectors followed by recommendations on industry targets that will help boost industry investment in Ceres.

The **traded sector** includes businesses providing goods and services to customers inside and outside the region; they export goods and import dollars. Typically, they are part of an industry supply chain, a producer or a supplier. Businesses in the traded sector provide the highest economic impact to a community.

The **population-driven** sector includes businesses providing goods and services to residents, e.g., medical care and groceries. Because it is a circulation of the same dollars, the economic impact of this sector is much smaller than those in the traded sector but very important to the local economy and quality of life.

The **visitor-serving** sector consists of venues and businesses that attract or serve visitors (tourists and business travelers) to the community, e.g., hotels and destination attractions. For Ceres, the visitor-serving sector is most likely tied to business travelers or those traveling on Highway 99. The economic impact of this sector increases when visitors stay longer and spend more.



Figure 1. A balanced economy consists of three industry sectors.

Ceres' Retail Sectors

The City of Ceres is interested in further developing its retail market sector by attracting retailers that would provide residents with more and higher-quality choices.

Stable economies include a healthy mix of employment in traded, population-driven, and visitor-serving sectors. Population and visitor-serving sectors are most visible as citizens interact with these businesses daily. In addition, these activities generate tax revenues that are important to supporting the community.

Traded sector investments are driven by a web of factors. Population and visitor-serving sectors follow a more straightforward formula when considering locations for new outlets. Retail location factors depend on trade area demographics—population size, age, income, educational level, etc.—and typical shopping habits. Only when the market demographics meet their criteria will retailers start to look at sites.

Ceres will begin to attract higher-end retailers as area demographics improve. Traded sector investments that create new high-paying jobs yield a more attractive location for more and higher-end retail players.

Ceres' Traded Sector Targets

While agriculture in California's Central Valley remains a driving force in the region, new industries are looking to escape higher operating costs in other areas to serve local markets, and to harness labor force

skills. Both agriculture and non-traditional industries offer opportunities for Ceres to grow the local economy. Agriculture is far from static. The ag sector continues to evolve as various inputs have impacted the industry in recent years. Among the factors bringing change to the economy are:

- Sustainable Groundwater Management Act (SGMA)
- \$15.50 minimum wage for agricultural workers
- AB 1060 overtime rules for agricultural workers
- High cost of energy

These shifts are bringing lower levels of employment and the need for a higher-skilled workforce as the adoption of new technologies and changing growing patterns transform the sector. These changes have shined a light on the need for more training resources to address evolving workforce needs, including:

- Robotics, automation skills
- Basic work skills - show up on time, work responsibility and safely
- Tractor drivers, forklift drivers
- Mechanics, welders
- Information technology, coding
- Transportation and logistics, truck drivers

Traded sector businesses weigh various factors when deciding on a location for their new business (see Figure 4 in the Gap Analysis section), many of which the city and its economic development team can influence. The consulting team weighed Ceres' community assets against our experience with economic development and corporate investment trends at local, regional, national, and global levels. The target industries recommended for the City of Ceres

- will serve to diversify the Ceres economy with higher-paying, traded sector jobs
- are aligned with county and regional economic and workforce development partner organizations
- have a presence in the larger region and may be inclined to expand into a nearby, more-affordable location
- offer the best chance of attracting new job-creating investments to the city of Ceres
- are a good match to the Ceres workforce and development sites
- will not significantly impact Ceres roadway and utility infrastructure

AG TECH	Agriculture Technology (Ag Tech) encompasses ag-related manufacturing, processing, and services. Ag Tech companies use advanced technology or provide services to improve yield, efficiency, and profitability, e.g., robotics, irrigation, temperature or moisture sensors, soil analysis, crop monitoring, pest management, and aerial imaging with GPS or drones.
RATIONALE	<ul style="list-style-type: none"> • Supports the existing ag employers in the region, many of whom are already using advanced technologies. • Businesses in this sector include machine shops, equipment and aircraft serving and repair, metal fabrication, engineering firms, vehicle repair, and light manufacturing—which are a good match for the existing Ceres area workforce and supported by workforce training programs and providers. • Support the needs of both local and outside markets.
VALUE PROPOSITION³	<ul style="list-style-type: none"> • Workforce availability, skills • Training resources • Supply chain • Roadway and utility infrastructure

ADVANCED MANUFACTURING	Traditional manufacturing uses mechanized and manual techniques to convert raw materials into a finished product. Advanced manufacturing refers to similar operations but ones that use innovative technology to improve products or processes. Advanced manufacturing firms constantly integrate new cutting-edge technologies—information, software, and automation—into their products and processes.
RATIONALE	<ul style="list-style-type: none"> • Supports existing processing, manufacturing, and advanced manufacturing operations in Ceres, Stanislaus County, and the entire central valley region. • The younger median age in Ceres (31.6) would be attractive to this industry. • While the educational attainment in Ceres is moderate, this is more than offset by access to dozens of colleges and universities within 100 miles.
VALUE PROPOSITION³	<ul style="list-style-type: none"> • Workforce availability, skills • Training and research resources • Supply chain • Roadway and utility infrastructure

³ See Appendices for suggested Value Propositions and guide to building your Key Message Platform

COLD STORAGE	Cold storage facilities are an essential part of the global supply chain. This segment of the warehousing and distribution industry provides storage for products and materials that require some form of temperature control, often food, pharmaceuticals, flowers, herbs, and other perishables.
RATIONALE	<ul style="list-style-type: none"> • There is strong demand for contract cold storage in the region, and Ceres has an opportunity to be the preferred location for investment. • Consumers are more conscious about food choices. As demand for healthy, fresh food increases, the requirement for its storage. • A Ceres distribution facility can easily serve more urban metro areas at a much lower cost. • Cold storage facilities are apt to use more technology than traditional dry warehouses, thereby offering more skilled and higher-paying jobs.
VALUE PROPOSITION³	<ul style="list-style-type: none"> • Reasonable power costs • Land available for new construction • Workforce and training programs

BIOFUELS	Biofuel is any fuel derived from organic matter, e.g., plants, algae, wood, and animal waste. These fuels are continually being replenished naturally and are considered renewable energy sources.
RATIONALE	<ul style="list-style-type: none"> • Feedstock exists, e.g., ag waste from ranching, orchards, crops. • Biofuels produced from locally generated raw materials reduce transportation costs. • There is a significant global market for products and increasing domestic demand. • Supports advanced manufacturing and ag tech target industries. • A good match for the Ceres workforce and existing training programs.
VALUE PROPOSITION³	<ul style="list-style-type: none"> • Raw materials • Workforce and training programs • University and research partnerships • Available land

Development Sites

The City of Ceres' best opportunity for meeting the site requirements of the target industries is to quickly move forward on obtaining control and preparing the land referred to as *future industrial* or *industrial reserve* land (between Service and Grayson Roads) for industrial development. The site is easily accessible from Highway 99. North of the site is Miller Industrial Park, an attractive park currently home to several light industrial users but is essentially built out.



Figure 2. City of Ceres' Industrial Reserve property (top) is about 610 acres. Assuming a design similar to the concept (bottom) and 25 percent building coverage, the site could accommodate 6.65 million square feet of buildings and several thousand new jobs.

C. ECONOMIC DEVELOPMENT WORK PLAN

The Economic Development Work Plan presented here incorporates the tactical recommendations made in the Gap Analysis. These tasks are led by the City of Ceres economic development department and supported by the city council, workforce, and economic development partner organizations. A dedicated team is required to move this plan forward and realize the opportunities available to the City of Ceres.

Operations

- Lead internal efforts to ensure consensus on economic development goals and an understanding of the importance of focusing on traded sector investment.
- Increase the capacity and budget for implementing an aggressive and effective economic development program and activities that will achieve the goals; add to staff capacity by expanding and strengthening partnerships and eventually adding support staff.
- Bring planning and building departments back to a full schedule by adding staff or staggering days/shifts to ensure staff is available to developers and businesses a full 40-hour week.
- Support and celebrate economic development partnerships by establishing a regular quarterly report to the council, supervisors, and partners on progress, successes, and challenges.
- Determine the appropriate key performance indicators (KPI) that align with City's economic development goals and schedule frequency reporting. Consider using a dashboard for reporting. The end of this chapter contains typical KPIs and data sources.

Real Estate and Infrastructure

- Immediately move forward on obtaining control and preparing the Future Industrial site for the market (development scenarios, design standards, infrastructure, and transportation improvements).
- Accelerate the implementation of Service Road widening and Highway 99 interchange projects to improve the attractiveness of southwest Ceres for new development.
- Prepare plans and a timeline for completing infrastructure improvements to priority properties and buildings; identify possible scenarios for site development.

Materials and Tools

- Bring in-house the task of keeping an inventory of available industrial and commercial sites and buildings. LOIS is the recommended platform. The property inventory can be accessed on the city's website and listed on the LocationOne site, which is marketed to corporate real estate and site selection professionals. Interested parties will have quick and efficient access to property information, and you will have market information suitable for proposals. See product information in the Appendix.

- Create a business case for each target industry that answers why they should locate in Ceres; share with partners (*Guide to Creating a Business Case* is in the Appendix); include market area maps in each business case. Then, use the business case on your economic development website and as a print marketing piece.
- Develop a stand-alone economic development website with up-to-date market information, maps, an overview of the development opportunities in Ceres, the permitting process, and other key information for businesses (see recommendations in Section D. Gap Analysis).
- Purchase MetroComp, an easy-to-use customized business and operating costs database on Ceres and targeted metro areas of your choice. MetroComp allows you to prepare a comparative business climate and cost report for specific industries, building size and type, occupations, utility usage, and more. Product information is in the Appendix.

Marketing Tactics

- Establish a collaborative business outreach program. For example, coordinate visits to local employers with economic and workforce development partners, identify challenges, and promote services for hiring, training, financing, expansions, etc.
- Once your product is ready for the market (real estate, infrastructure, marketing messages, etc.), implement a collaborative business attraction program with regional partners focusing on diversifying the economy and attracting the targeted industries.
- To augment regional partners' marketing efforts, contract with ResearchFDI for lead generation services focusing on the City of Ceres' product and targeted industries.

Marketing Budget

- Established a line-item budget for economic development. Based on national industry standards, the economic development budget for a community with a population of Ceres (about 50,000) should be \$8 to 10 per capita (\$400,000 to \$500,000) and a marketing budget of \$2.50 per capita (\$125,000).

- Estimated costs for the recommended tools and materials are:

LOIS property database and marketing	TBA
MetroComp (10 areas @ \$35/each)	\$3,000
Lead generation services (10 qualified meetings)	\$30,000
Target industry business cases content and design (4 @ \$10,000 each)	\$40,000
Economic development website	\$30-\$50,000

Performance Metrics

Practical performance measurements assess the effectiveness of the economic development work plan and the impact activities have on the local business climate. Economic development performance measurements should:

- measure what economic development staff can affect directly or indirectly based on their work plan and responsibilities
- measure specific metrics the municipality wants to track in terms of economic progress
- show progress over time and be compared to the trends in the region

<i>Typical Economic Development KPIs</i>	<i>Data Sources</i>
Change in employment, jobs, occupations Unemployment rate	Employment Development Department Bureau of Labor Statistics
Change in median household income	US Census
Change in taxable sales	Finance Department
Homeownership	US Census
Retail space available (SF)	CoStar
Commercial space available (SF)	CoStar
Industrial buildings available (SF)	CoStar
Industrial acres market ready	CoStar
Building permits issued	Building Department
Residents commuting out	US Census
City's economic development website	Webmaster or contracted SEO analytics
Inquiries, RFPs received and responded	ED Staff

D. GAP ANALYSIS

Business investment decisions are driven by considerations that reach far beyond properties. Business location selection comes only after carefully analyzing factors important to a company's near-term and long-term strategic interests.

Economic development best practices today acknowledge the complexities and work to ease the decision process by being prepared to show that the community is ready for corporate investment. The graphic below illustrates the variety of metrics considered during site selection. Collectively these factors can support or deny that a particular community is suitable for corporate investment.



The Chabin Team documented the City of Ceres's local assets and strengths on which investment is based. As presented in this section, our findings are the basis of the recommended target industries, value propositions, and economic development strategies. Strategies focus on preparing for and demonstrating to corporate decision-makers that the city of Ceres understands the strategic and tactical needs of the industries targeted for business attraction.

This Gap Analysis discusses what a competitive community offers businesses and how Ceres compares to that ideal. The discussion includes assets the city can leverage, and the readiness gaps the Chabin Team believes are needed to improve Ceres' economic development competitiveness.

These findings are based on a review of information gathered from interviews, personal observations, data research, and materials collected during the consulting team's community visit and form the basis of the resulting recommendations. Data sources and other details are in the Appendix.

Market Access and Transportation Infrastructure

The efficient movement of goods and people relies on a network of highways and arterial roads that connect sites to workers, customers, and vendors.

Ceres' Competitive Position

- State Route 99, a major north/south state highway, bisects the city.
- Another important north/south corridor, Interstate 5, is accessible via Highway 132 (22 miles north) or Highway 140 (37 miles south).
- Several major markets are less than 100 miles and under two hours (Sacramento, San Jose, San Francisco, Fresno).
- Additional major markets are less than a day's drive, e.g., Los Angeles (5 hours), Reno (3.5 hours), Las Vegas (7.5 hours).
- Four international airports (San Jose, Oakland, Sacramento, San Francisco) are less than 100 miles and about a dozen local or municipal airports nearby.
- Five of California's 11 major ports (Stockton, West Sacramento, Oakland, San Francisco, and Richmond) are within 100 miles.

Tactical Recommendations

- Prepare maps for online and print that depict Ceres' advantageous location and market access.

Competitive communities offer:

Highway access to and from business parks, sites, and employment centers that include at least two routes for trucks and employee vehicles

Access routes that are free of potential traffic flow impediments e.g., weight-limited bridges, low clearances, rail crossings, areas of traffic congestion, time-of-day restrictions

A commercial airport within a 60- to 90-minute drive

Rail cargo service and ocean ports as necessary

Pedestrian-friendly downtown, commercial and retail centers; local roadways that connect residents and visitors to amenities and recreational opportunities

Workforce and Education

In today's market, the primary business location factor is the availability and quality of workers. Therefore, location investigations start by verifying that a sufficient labor supply exists and that there is a pipeline of workers so businesses can attract the talent they need now and in the future.

Ceres' Competitive Position

- The median age in the city (31.6) is younger than in comparative areas (34).
- Access to three community colleges within 40 miles (Modesto Junior, Merced, San Joaquin Delta) with over 60,000 students enrolled; and access to six four-year state colleges and universities within less than 100 miles (Stanislaus, Merced, Sacramento, San Jose, Davis, Fresno); nearly 150,000 students enrolled.
- Career and technical education (CTE) courses at high schools are award-winning and there is good access to community college pathway programs.
- No stigma is associated with CTE and vocational careers.
- The existing partnership with CalPoly and UC Davis' ag programs.

Ceres' Competitive Weaknesses

- No growth in the overall size of the labor force; more concerning is that neither the city nor the county shows growth in the incoming talent pipeline, population 0-19 years of age (see next page).
- Educational attainment for the city population is moderate (less than 10% with a four-year degree); data is more favorable for the countywide population.
- Approximately 85% of the Ceres workforce commutes out for employment.

Tactical Recommendations

- Start an aggressive business attraction program focused on traded sector companies that will provide Ceres' workforce with higher-wage jobs in their hometown.
- Promote enviable access to and partnerships with higher education and workforce training.
- Continue to support the school district's efforts with CTE career pathways within the community and promote these resources to the business community.

Competitive communities offer:

A supply of workers with industry-specific skills and a strong work ethic

Available sources of new workers, e.g., population growth, balanced age distribution, graduates from two- or four-year colleges, certificate training programs

An education system adept at producing workers with skills that are aligned with industry needs and the needs of a rapidly changing global economy

Local wages and fringe benefits structure reasonable for the region

History of positive labor-management relations

Amenities that attract and retain talent

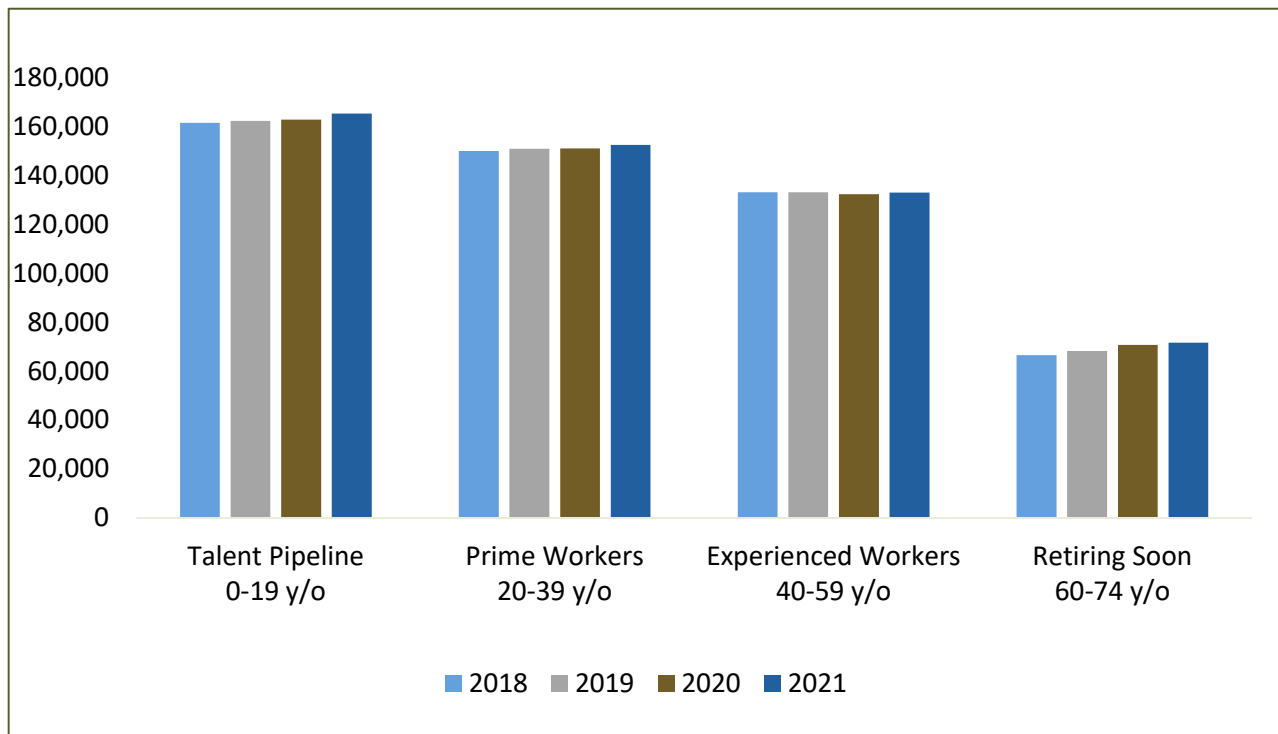
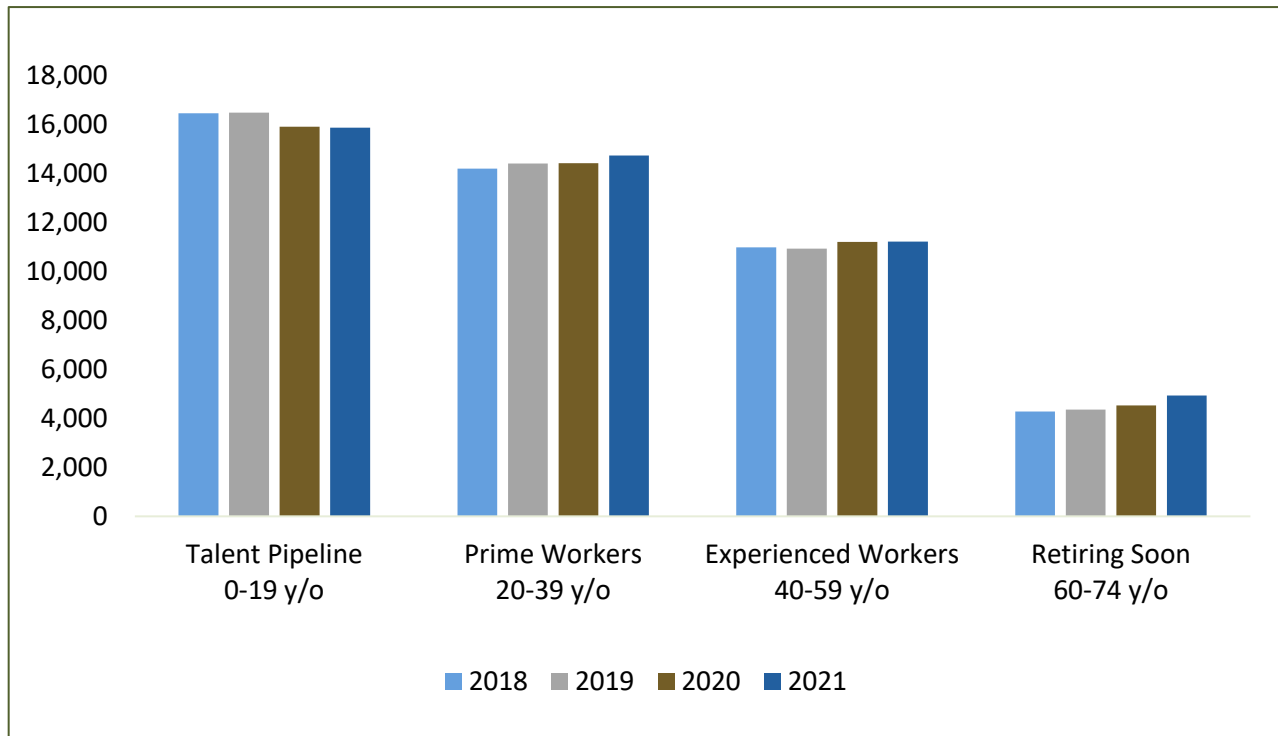


Figure 3. Growth/Decline of the Ceres (top) and Stanislaus County (bottom) Talent Pipeline

Real Estate and Infrastructure

Companies prefer sites or buildings that are shovel- or move-in-ready, sites supported by modern infrastructure that can accommodate current and future business needs. Getting properties market-ready can be a long-term endeavor. As communities work on preparing market-ready real estate, they should prioritize those properties that can be ready soon. Establish a plan to address any gaps in infrastructure and demonstrate a willingness to invest in required upgrades to expand and keep systems secure.

Ceres' Competitive Position

- Ceres is on the State Highway 99 corridor in an area of high demand for light industrial buildings and industrial sites.
- The 2035 General Plan designates a large tract of land for light industrial development east of Crows Landing Road and between Redwood Road and Grayson Road. Bringing these lands to the market will support market demand for industrial development.
- Land in the Crows Landing Road/Service Road area designated for industrial development is near water, sewer, electric, and natural gas services with the capacity to meet development needs and a strong potential for rail service to the site.
- Existing plans for six residential developments could provide as many as 3,500 units. Unclear at this point if these units will be priced for worker-affordable housing.
- Electric power provided through the Turlock Irrigation District (TID) is lower cost than most California areas outside the district, giving Ceres a competitive advantage. TID also has a reputation for delivering high-quality and reliable electricity.
- The planned widening of Service Road and enhancements to the Highway 99 interchange will provide safe and efficient movement of commercial and private vehicles between employment areas south of Service Road and Highway 99.
- The Ceres water system can support industrial, commercial, and residential growth. In addition, recently completed improvements to the system ensure continued water quality and system reliability; the city recently completed a stormwater improvement plan.
- The Ceres wastewater treatment system has excess capacity to service growth and the ability to expand capacity in the future as needs increase.

Competitive communities offer:

Identified priority sites, detailed profiles, maps, aerials, photos

Business or industrial park settings or ready-to-go sites of one to 100 acres that are served with all utilities and properly zoned

Available buildings for diverse uses and adequate parking; spec buildings or plan

Controls in place to prevent undesired development nearby

Reliable and detailed information on the development process, timing, and costs

Land in and around the city for residential construction that will support population growth

Reliable, modern, redundant, secure services at a reasonable cost

Services with capacity sufficient to meet and exceed the industry's near-term needs

Broadband telecom serving sites and buildings that can meet significant data transfer requirements

Ceres Competitive Weaknesses

- The attraction of industrial projects to the community is not supported by a centralized repository of available sites and buildings. A reliable land and building availability source gives potential investors an immediate understanding of local real estate assets.
- There is a low inventory of available industrial sites for development. The number of light industrial operations in the city has increased significantly over the last two decades. Many of these are located south of Service Road between Crows Landing Road and Morgan Road (see Figure 6). This area is nearing buildout. Without additional inventory entering the market soon, Ceres will lose the opportunity to attract new industrial investment.
- Ceres presently appears to have no or few available industrial buildings. Companies looking to expand existing operations or locate new facilities often start by looking for available buildings. When a community has no buildings, those investment opportunities look elsewhere.
- Service Road widening and Highway 99 interchange upgrade is five or more years away. However, these improvements will significantly enhance the attractiveness of southwest Ceres for new industrial, commercial, and residential development.

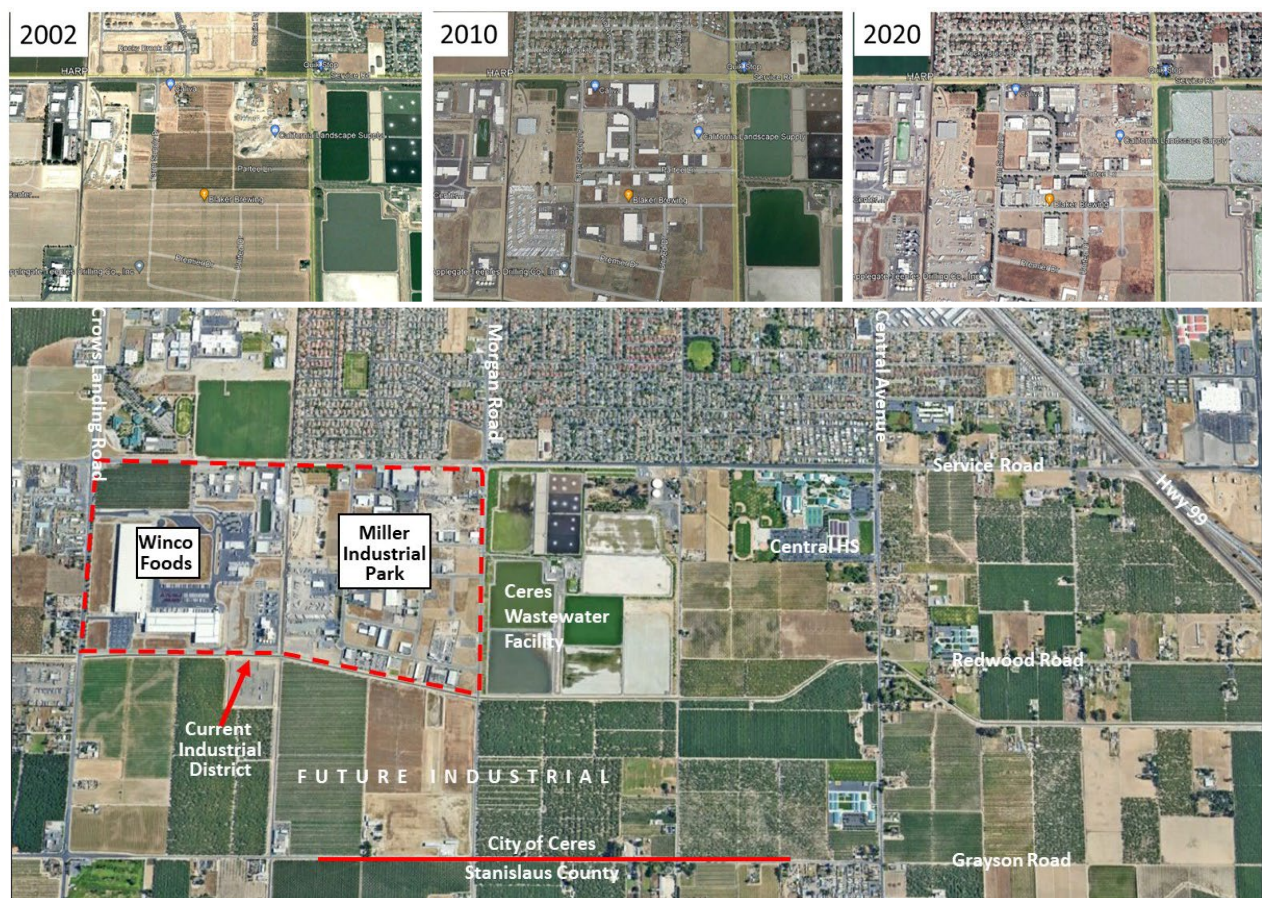


Figure 4. Limited industrial sites in the City of Ceres

- Bring in-house the task of keeping an inventory of available industrial and commercial sites and buildings. Make the list part of the City's economic development website, giving interested parties quick and efficient access to property information (the LOIS online property listing service is recommended as the platform for this function).
- Accelerate implementation of Service Road widening and Highway 99 interchange projects to improve the attractiveness of southwest Ceres for new development.
- Move forward on obtaining control and preparing Industrial Reserve land (between Service and Grayson Roads) for industrial development so the city is ready for target industry opportunities.



Quality of Place

Quality of place investment helps employers attract and retain skilled workers and professionals. Achieving and maintaining a quality community requires continued engagement and ongoing investment in infrastructure and cultural amenities.

Ceres' Competitive Position

- The cost of living in Ceres (114.8) is on par with the comparative cities.
- Housing is more affordable in Stanislaus County than in Merced or San Joaquin; still, only 40% of county residents can afford the median-priced home. The minimum qualifying income is about 60% higher than the median household income, as reported by the US Census.
- Several new housing developments are planned or underway.
- Excellent K-12 school system evidenced by a 90% graduation rate, 50% matriculation rate, internship programs for both students and teachers and strong industry partnerships.
- Two dual language schools support the significant (70%) Hispanic population.
- Parks and community events are soundly supported.
- Pedestrian-friendly and recently revitalized downtown; evidence of new businesses opening.
- One-half cent sales tax supports police and other safety officers; the local police department is approximately 1.2 officers per 1,000 population; four school resource officers dedicated to high schools; local dispatch; the county sheriff's office is in Ceres.
- Access to health care, hospitals, and specialty services.

Competitive communities offer:

Investments that support the safety, health, and welfare of its citizens

Housing options for a mix of incomes

Lifestyle, cultural, and recreational amenities that make it a desirable place to live

Ongoing monitoring of metrics that measure Quality of Place e.g., cost of living index, crime rates, graduation rates, housing (supply, diversity, affordability)

Tactical Recommendations

- Prepare case studies with employer testimonials to tout Ceres' quality of life.

Economic Development Operations

A community's economic development success depends on leadership's support, including a vision for the future, agreed-upon goals, and sufficient financial and human resources to implement an adopted program.

Ceres' Competitive Position

- No clear consensus on an economic development vision or goals due to several new council members and new economic development staff.
- There is no specific economic development budget to support department operations, programs, marketing, or business attraction. Funds from the Successor Agency for Redevelopment support economic development, downtown, and successor agency operations. Based on national industry standards, the economic development operating budget for a community with the population of Ceres (about 50,000) should be \$8 to 10 per capita (\$400,000 to \$500,000), with a marketing budget of \$2.50 per capita (\$125,000).
- Ceres' economic development program appears to focus on developing the retail market. A robust economic development program consists of business retention and expansion, marketing and business attraction for all industry sectors, and support for workforce development, innovation, and entrepreneurship.
- City staff is limited on materials, data, and tools to market the opportunities effectively or to respond to prospective interested parties.

Tactical Recommendations

- Increase the capacity for implementing an aggressive and effective economic development program by increasing the economic development budget to support the programs and activities that will achieve the goals.
- Secondly, add to staff capacity by adding support staff and expanding and strengthening partnerships. Bring the planning and building departments back to a full schedule by adding staff or staggering days/shifts to ensure full a 40-hour week coverage.

Competitive communities offer:

Community-wide consensus on vision and goals and support for economic growth demonstrated by assistance and entrepreneurial programs, financing, business retention programs

The ability to convey understanding of industry needs—real estate, infrastructure, workforce skills—with value propositions supported with proof points

The ability to demonstrate a clear and reasonable path to development and operating costs

Willingness to be forthcoming about real, perceived, natural, or man-made risks and hazards e.g., earthquakes, tornados, hurricanes, toxic waste, major weather events that can close transportation routes for extended periods

A community profile with an overview of the history, composition of the economy, demographics, shopping amenities for workers and residents, recreation assets

Ability to quickly compile and deliver a professional and accurate proposal package that is delivered electronically and available for print

Market-ready property profiles

Labor shed map, with data on occupations and wages, commute patterns

Directory of local employers

- Initiate a strong and consistent business attraction program focused on diversifying the economy and attracting the targeted industries.
- Create a business case for each target industry that answers the question of why they should locate in Ceres.
- Develop a stand-alone economic development website with up-to-date market information, maps, an overview of the development opportunities in Ceres, the permitting process, and other key information for businesses (see Figure 5).
- Use LOIS to maintain inventory and promote priority industrial, commercial, and retail properties.

Figure 5. Website content review and recommendations

WEBSITE FEATURES	RECOMMENDATIONS
GENERAL	The current website content focuses on residents. However, the audience for an economic development website is site selectors, corporate real estate executives, brokers, and new or expanding businesses looking for a location. First, capture their attention by answering <i>why the City of Ceres</i> . Then, tell them about the city's assets, opportunities, and successes.
LOCATION	Add state and regional maps on the ED home page to readily orient viewers to the city's location within the nation, state, region, and city's access to major highways.
ECONOMIC PROFILE	Use a simple dashboard supported by additional details on subject-specific pages as necessary <ul style="list-style-type: none"> • existing industry sectors by employment • largest private-sector employers • occupations found locally, particularly those relevant to your target industries • the industries you wish to attract and value propositions
DEMOGRAPHICS AND WORKFORCE INFORMATION	Link to the Opportunity Stanislaus' City of Ceres community profile for viewing or downloading.
K-12 EDUCATION	List K-12 schools with enrollment and graduation rates. Highlight schools' unique programs and partnerships with higher education, SPIE, school-to-work, and other initiatives.

Figure 5. Website content review and recommendations

WEBSITE FEATURES	RECOMMENDATIONS
HIGHER EDUCATION AND CAREER & TECHNICAL EDUCATION (CTE)	<p>Use a map to visually display the location and distance of community colleges and universities in the region (Modesto Junior College, Merced Community College, San Joaquin Delta College, Stanislaus State, Fresno State, UC Merced, UC Davis, and Sacramento.</p> <p>Include brief profile describing the typical enrollment, number of graduates, areas of study, majors, CTE and industry-specific programs, courses of study, and industry partnerships.</p>
SITES AND BUILDINGS FOR DEVELOPMENT	<p>No priority development sites are listed or discussed on the city's economic development website. Rather than try to keep current an ever-changing property database, focus on the industrial and large commercial development sites.</p> <p>Subscribe to LOIS to showcase development opportunities. LOIS is a cost-effective online site and market analysis tool for economic developers that site selectors and corporate real estate professionals favor.</p>
TRANSPORTATION	<p>Add maps to the economic development website that identify</p> <ul style="list-style-type: none"> • Major highways and transportation routes • Mileage and drive-time access to major markets • Freight rail and air services, ports, and passenger air service • Commute patterns
REGULATORY ENVIRONMENT	<p>Provide</p> <ul style="list-style-type: none"> • contact information (name, phone, email) • a flowchart and brief narrative on the permitting process and timeline • fees required (rate, basis, contact info) • other regulatory information or permits that may be required
TAX ENVIRONMENT	<p>Provide tax information in a simple table format. Include links to or contact information for each regulatory agency</p> <ul style="list-style-type: none"> • state and local personal and corporate tax profile (rate and basis) for income, property, sales, use, utility, inventory, special assessments, etc.
INCENTIVES	<p>Add federal, state, and local programs related to development, property acquisition, utilities, workforce hiring and training, financing, and taxes. For each, include</p> <ul style="list-style-type: none"> • description, e.g., type (waiver, deferral, subsidy), formula (rate and basis), eligibility criteria, and a contact email • case studies and testimonials that describe the benefit and savings (cost and time) local companies have received are an excellent marketing tool

Figure 5. Website content review and recommendations

WEBSITE FEATURES	RECOMMENDATIONS
UTILITIES	<p>For each utility serving the commercial and industrial properties, provide name and contact information for people who can discuss</p> <ul style="list-style-type: none"> • rates, incentives, and discounts • current capacity and recent or planned changes in rates or service • territory map, transmission/distribution map • location of substations • reliability rating and outage history
QUALITY OF PLACE	<p>Paint a picture of life in Ceres with narrative, photos, and statistics</p> <ul style="list-style-type: none"> • housing costs and availability, current and new developments, for sale and rentals • comparative cost of living from a third-party source (www.bestplaces.net) • climate (typical high/low temps, precipitation, elevation, humidity) • safety (current crime stats from the local police department on a per 1,000 population; the number of officers, special forces, or programs) • link to chamber or visitor bureau websites for arts, culture, and recreation activities and venues • healthcare (hospital beds and doctors per 1,000 population, specialties, senior care facilities) and childcare

E. ABOUT THE CONSULTING TEAM

CHABIN CONCEPTS, INC.

2550 Lakewest Drive, Ste 10 | Chico, California | 530.345.0364 | www.chabinconcepts.com

Chabin is an economic development firm that has served national clients since 1989. Clients range from metro cities to rural regions, including four state-level assignments in California, Washington, Oklahoma, and Oregon. Our projects include strategies, initiative development, economic base analysis, and back-office support to economic development departments. We have also assisted clients in receiving \$89 million in grant investments and \$26.6 million in CalCompetes tax credits.



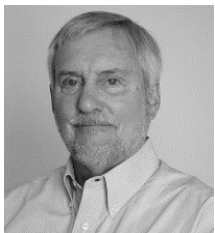
Vicki Doll led the City of Ceres Economic Development Strategy and Work Plan Update. She has been with Chabin since its inception and has worked closely with all our affiliate partners to ensure projects stay on track and clients receive seamless service.

Throughout her economic development career, she has written and implemented business retention and attraction strategies for industrial and retail markets. Her work includes evaluating the competitiveness of communities for industrial and retail development and gauging the feasibility of property use and reuse. Vicki is the lead contact for Chabin and its partners' tools for economic and workforce development

DSG ADVISORS INC.

122 N. Mantua Street | Kent, Ohio | 828.772.9374 | www.DSG-Advisors.com

DSG Advisors is an industry leader in best practices for corporate location selection and economic development. With more than 35 years of experience in the US and international corporate consulting, Don Schjeldahl, DSG founder, is an expert in corporate location strategy, community, and site selection for manufacturing and specialized industrial facilities.



Don has 35 years of professional experience in corporate location strategies, site selection for commercial and industrial clients, and business recruitment for economic development. Don has performed or directed more than 300 location strategy assignments for manufacturing plants, distribution centers, aviation facilities, research and development centers, newspaper plants, broadcast studios, and information processing centers. Don's location evaluations include urban centers and rural areas throughout the United States, Canada, Mexico, the United Kingdom, and Europe.

F. APPENDIX

- 1) Economic Scan
- 2) Key Message Platform
- 3) Guide to Building a Business Case
- 4) Location One product information
- 5) Responding to a site selector's RFP
- 6) MetroComp product information
- 7) Lead generation services information