

ECONOMIC
DEVELOPMENT

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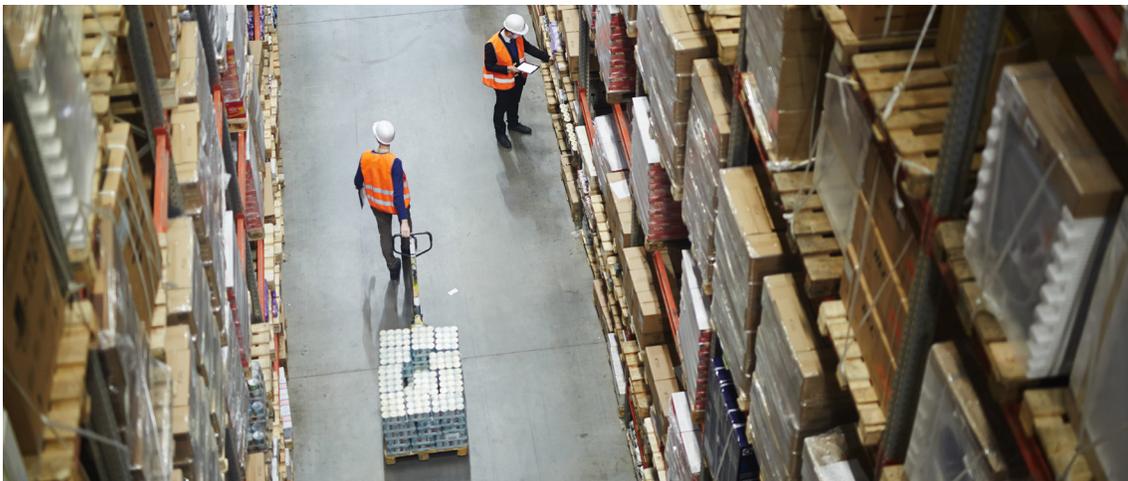


Dixon grew up around the Central Pacific Railroad, and today its access to the regional transportation network remains a valuable asset for economic development. Located between the Bay Area and the Central Valley along Interstate 80 and the Union Pacific Railroad main line, Dixon is strategically positioned within an important regional transportation corridor. Dixon has land available for development within the city limit, and within 25 miles, there is a labor pool of over 200,000 people with a broad spectrum of skills to draw on. Dixon also has desirable housing and a small town feel that make it an attractive place to raise a family or establish a business.

Today Dixon is a bedroom community, with 85 percent of its workforce commuting to jobs in other cities. It stands to reason that while the income that comes home with these employees provides essential support to Dixon's retailers and professionals, personal investment in the community is not as strong as it might be were more residents able to work in the city where they live. As more people are able to both live and work in Dixon, retail sales leakage will be reduced, and it will become easier to find support for local organizations, enlist

coaches for youth sports and encourage candidates for public office. The City's economic development efforts, therefore, are focused on building the primary job base, and expanding the opportunity for Dixon's residents to find meaningful employment in Dixon

Building on Dixon's assets and understanding its opportunities and challenges, the Economic Development Element articulates a strategy that seeks to grow the local economy and enhance the quality of life in Dixon, while respecting the community's history and agricultural heritage. Benchmarks and performance metrics that align with Dixon's community vision should be established in order to assure focus and appropriate use of resources. Dixon's economic development and prosperity also involves a variety of initiatives addressed in Chapter 3, Land Use and Community Character, Chapter 5, Mobility, and Chapter 6, Public Facilities and Services. Where policies and actions in other chapters in the plan have co-benefits that will help achieve the goals of this chapter, connections with those chapters are highlighted and cross-referenced.



4.1 ECONOMIC PROFILE

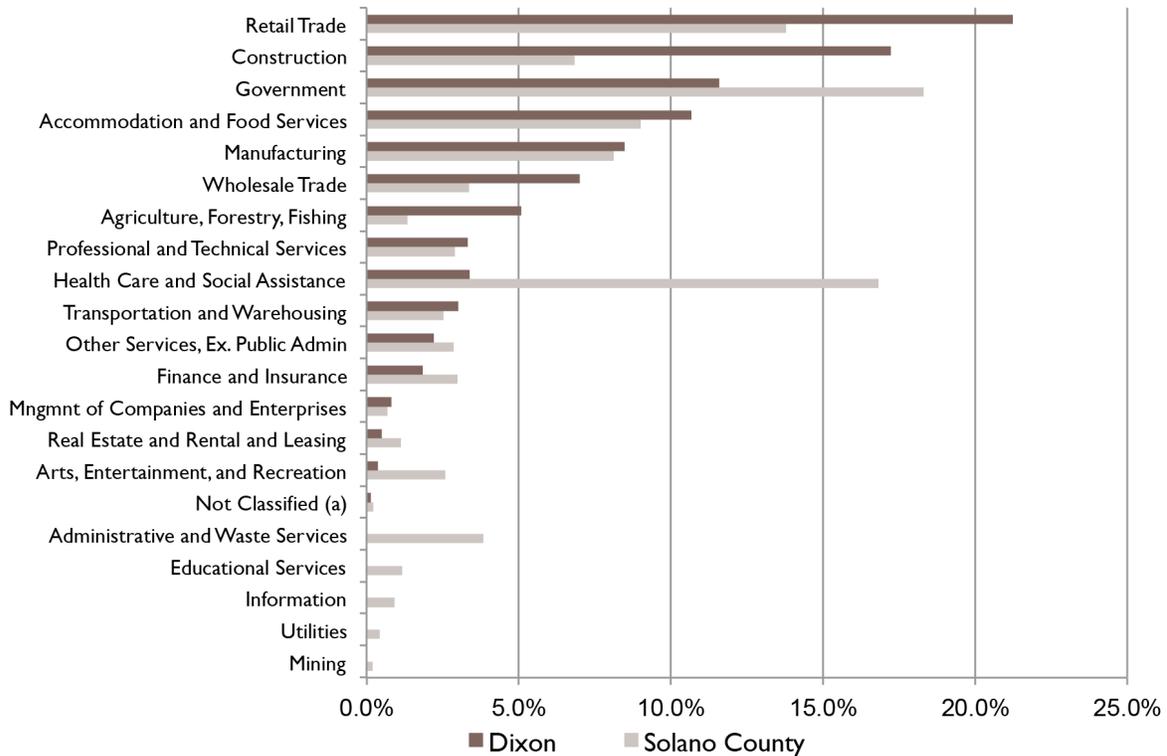
Since 2010, Dixon has seen steady employment growth, on par with but slightly below the Solano countywide rate. Principal employment sectors in Dixon include retail trade, construction, government, accommodation and food services, and wholesale trade. Major employers in the city are shown on Table E-1. In addition to the retail and government sectors, Dixon's major employers are active in healthcare logistics and services, and construction equipment and services, and meat processing and packing. Superior Meat Packing Company and the Campbell's Cannery, adjacent to the city but outside the planning area, are also important employers in the region.

Table E-1: Principal Employers, Dixon and Immediate Surroundings

| Employer | Employees |
|-------------------------------|-----------|
| Dixon Unified School District | 330 |
| Wal-Mart | 268 |
| Dixon Canning | 220 |
| Altec Industries | 173 |
| Basalite | 165 |
| Superior Packing | 150 |
| Cardinal Health | 244 |
| City of Dixon | 101 |

Source: City of Dixon, Comprehensive Annual Financial Report, 2014; BAE 2015.

Figure E-1: Industry of Employment by Place of Work



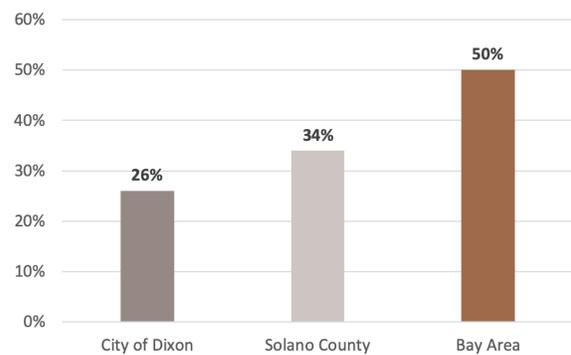
Sources: California EDD, QCEW 2013; BAE, 2015.

Dixon has maintained a ratio of about one job for every four residents over the last decade. While the city has concentrations of jobs in government and financial services, the share of white-collar professional jobs is lower than in the county as a whole and jobs in Dixon tend to be in industries that pay lower than average wages. Educational attainment is lower on average in Dixon than in the county, and the state. However, housing is generally more affordable in Dixon than in other Solano County communities, which can make Dixon an attractive choice for young families.

Sales tax revenues have seen robust growth since 2015 and are the single largest contributor to the City's general fund. Per capita sales tax revenues are consistently higher in Dixon than the

county or Bay Area average. Property tax revenue represents the second largest contribution to the general fund, having grown gradually since 2015 thanks to a combination of rising home values and new development.

Figure E-2: Population Age 25+ with College Degree



Sources: Nielsen, 2015; BAE, 2015.

4.2 MARKET OPPORTUNITIES

RETAIL

A large portion of all retail sales in the community is captured by the Wal-Mart Supercenter, which serves residents of Dixon and surrounding communities. Other retail businesses in Dixon primarily serve local residents, although there is a concentration of local businesses in the auto, farm equipment, and boat sale

categories that also attract substantial sales from buyers located outside of Dixon. With four freeway interchanges, there is an opportunity for Dixon to capitalize on the visibility from Interstate 80 and expand highway-oriented retail sales.

MANUFACTURING, WAREHOUSING, AND LOGISTICS

The industrial sector is an important aspect of Dixon's economy and the city has a significant amount of warehouse, distribution and industrial space. With road and rail connections to the Port of Oakland, Sacramento, the Central Valley, and points beyond, Dixon is located

along the principal goods movement corridor of a mega-region that stretches from Monterey Bay to Sacramento. More than \$1 trillion worth of goods move through the region's ports, warehouses, industrial districts, and rail yards each year and that figure is projected to

double by 2040. Over 75 percent of freight in the region is moved by truck and with its ready access to Interstate 80 and land available for development, Dixon is poised to leverage its location for job creation and economic growth. There may also be opportunities for rail-served businesses to set up in the city, given the location of vacant or industrial land adjacent to the tracks in the planning area.

The logistics industry is evolving in ways that create opportunities for a community like Dixon. A growing trend is toward facilities that not only sort and store materials, but that also involve on-site assembly and other tax revenue generating opportunities

AGRICULTURAL TECHNOLOGY

Dixon's proximity to the University of California at Davis (UC Davis) also presents opportunities for synergistic growth. UC Davis is a leader in research and development of agricultural technologies; however, the university is largely built out and there is little space in Davis for new firms seeking to commercialize ongoing research. Woodland and West Sacramento have seen investment in research and development facilities aimed at commercialization of new technologies, and Dixon could also attract similar investment in the Northeast Quadrant, located just six miles from UC Davis.

Increasingly, agricultural operations are making use of "big data" to optimize the process of growing crops and raising livestock. Known as "precision agriculture," this practice seeks to improve the efficiency, profitability, and sustainability of agricultural operations while protecting the environment. Data is used to guide short and long-term decisions where and when to apply fertilizers, chemicals, and seed, as well as

through e-commerce. In the future, logistics facilities may also conduct advanced manufacturing on-site. Given the rising cost of land values and rents in the Bay Area and Sacramento, Dixon can potentially attract warehouse and distribution facilities (particularly with e-commerce fulfillment or similar tax revenue generating uses), logistics and manufacturing firms seeking to expand or relocate from outer Bay Area communities. These firms typically seek properties 10-acres or more in size, and there are several parcels in the Northeast Quadrant and the Southwest Dixon Specific Plan area, west of Batavia Road which satisfy that requirement.

in what quantities. Technology has always driven advances in agriculture and today the US is experiencing another pivotal moment as farmers adopt advanced sensing, satellite monitoring, robotics, and drones to manage costs and mitigate the risks of climate and weather. Although agricultural jobs account for only a small share of local employment today, this evolving field represents an opportunity for Dixon to link its agricultural heritage with future economic development.



PRECISION AGRICULTURE



Precision Agriculture is the application of technology to improve efficiency of farming operations, manage risks associated with climate and weather, and control costs. In an early example of precision agriculture, in the 1990s John Deere developed a tractor connected to a global positioning system (GPS) that used satellite technology to steer tractors tilling fields. The technology helped reduce overlapping passes and resulted in less wasted seed, fertilizer, fuel, and time. Since then, the application of high technology in farming has increased worldwide, and by 2040, precision agriculture is projected to grow into a \$40 billion industry globally.

4.3 DEVELOPMENT READINESS

Readiness begins with a clear understanding of what the City aspires to become. This vision will shape policy, spawn collaboration with both public and private sector partners, drive a variety of initiatives and determine the allocation of fiscal resources. Recognizing that the City does not control all that affects it, the vision will direct those things within its control, providing a blueprint for continual improvement of the community. The City's economic development program becomes an extension of its vision.

The availability of large tracts of land in the north and south of Dixon is an opportunity and an asset for the community. These important sites have excellent access to the regional transportation network and good visibility from Interstate 80; however, improvements to water, sewer, and

stormwater infrastructure are needed to support private development.

The completion of a new wastewater treatment plant in 2017 has removed one constraint on development, and the City continues to pursue partnerships and funding strategies to address needs. The designation of a portion of the Northeast Quadrant as a Priority Production Area as part of a Metropolitan Transportation Commission pilot program intended to strengthen regional industrial clusters and grow middle-wage jobs in sectors involving production, distribution, and repair services may also help the City obtain grants and technical assistance to set the stage for growth.

In an environment where corporate site selection is more competitive than ever and companies have many choices when looking to expand or relocate, success in economic development will depend

largely on readiness for development. Today's emphasis is on "certified sites," where infrastructure is either installed, to the property line, or available within a six-month period based on an adopted plan and schedule. In order to effectively leverage its land assets, Dixon will need to rely on a combination of traditional and innovative financing tools.

There are several assessment districts in Dixon formed by property owners to provide upfront financing for infrastructure improvements such as storm drain facilities, sanitary sewer facilities, water distribution facilities, and utility undergrounding. Bonds are issued to provide funding for the facilities, and then repaid incrementally with an annual charge placed on the property tax bill. Other funding options include available grants and loans.

GOAL E-1: Ensure development readiness and position Dixon to capitalize on its strengths.

POLICIES

- E-1.1** Maintain strategic priorities and ensure adequate funding for high-growth, core activities.
- E-1.2** Maintain a mix of land uses that allows the opportunity for a balance of retail, commercial/industrial, and residential development within the City of Dixon.
- E-1.3** Promote development of shovel-ready opportunity sites as a tier one economic development priority.
- E-1.4** Establish a high priority to economic development activities, and maintain resource levels so as to ensure effective delivery of business attraction, retention and expansion assistance.
- E-1.5** Coordinate economic development activities with infrastructure planning efforts to ensure that to the extent possible, appropriately sized utilities are available to support development of the most feasible, top-priority opportunity sites.
- E-1.6** Encourage the planning and development of well-designed business and industrial areas which meet modern standards in terms of parcel size, location, and access to broadband.

ACTIONS

- E-1.A** Evaluate economic development staffing levels and hire additional staff as needed to execute the City's economic development strategy.

- E-1.B** Identify industrial and commercial opportunity sites, to produce a land inventory. The inventory should provide pertinent details (e.g.: size, location, land use/zoning designation, infrastructure location and sizing, price, property representative, special features).
- E-1.C** Maintain extension of infrastructure to NE Quadrant as a top tier economic development priority. Identify funding sources, and continue partnerships with state and federal government as well as with private sector partners.
- E-1.D** Develop and implement design standards for business/industrial parks to establish appropriate parameters for lot size and coverage, building heights and setbacks, parking, landscaping, truck docks, loading and service areas, signage and fencing, and screening.

4.4 LOCAL BUSINESS SUPPORT

HOME-GROWN BUSINESS SUPPORT

Home-grown and expanding businesses are an important part of the local economy and the City can support and encourage entrepreneurship and business growth through a range of actions. This involves connecting business owners and entrepreneurs to resources and funding in order to support the growth of their operations locally,

and it involves streamlining regulations to support business creation and growth. In addition, encouraging local businesses to buy from one another rather than from businesses in other communities can help “keep the dollars local” and support the success of Dixon businesses.

WORKFORCE DEVELOPMENT

Creating a supportive climate for successful local businesses also involves increasing workforce preparedness. The availability of skilled labor is an all-important factor for companies when deciding where to locate their businesses. With an emphasis on education and training to foster a more highly skilled workforce, Dixon can bolster the competitive advantage its affordably priced housing offers to attract new

businesses in higher wage sectors. In turn, higher household incomes would increase tax base and provide more customers for local businesses. To do so, the City will develop and maintain partnerships with regional service providers such as Solano Community College and the Solano Workforce Development Board in order to both anticipate and respond to opportunities presented by prospective employers.

GOAL E-2: Support local business retention and growth to expand employment opportunities in Dixon, increase the City’s tax base, and enhance quality of life.

POLICIES

- E-2.1** Encourage the development and retention of small business startups — particularly in securing assistance with business planning, access to capital, and formation of an executive team.
- E-2.2** Partner with existing Dixon businesses, the Chamber of Commerce, and other groups to stimulate the growth and expansion of local businesses and address the City’s economic development needs.
- E-2.3** Promote strategies to increase local business-to-business commerce.
- E-2.4** Grow the residential base in Dixon to support a vibrant local retail sector and minimize retail sales leakage.
- E-2.5** Encourage development of a local labor force with skills to meet the needs of the area’s businesses and industries.

ACTIONS

- E-2.A** Support a business retention/expansion (BR&E) program that focuses on primary employers—defined as those that generate the majority of their revenue from the sale of products or services outside the region.
- E-2.B** Continue to provide access to tools and assistance for starting and growing a business in Dixon, such as referrals to the Small Business Development Center (SBDC) and the Development Impact Fee Deferral Program.
- E-2.C** Work with financial institutions to promote small business lending opportunities that support and encourage local entrepreneurship and business growth.
- E-2.D** Maintain and promote a list of small business lending programs that may provide funding to Dixon businesses that are denied access to capital through private markets.



- E-2.E** Identify and incorporate zoning that supports innovative businesses located in residential neighborhoods and mixed use areas. Identify revisions to the City’s home occupation permitting process to allow for a more “over-the-counter” approval process.
- E-2.F** Implement a local procurement program that encourages sourcing supplies and services from local businesses.
- E-2.G** Collaborate with Dixon Chamber of Commerce to create and implement a “Shop Local” campaign.
- E-2.H** Work with educators (e.g., UC Davis; community colleges; Dixon Unified School District), Solano Workforce Development Board, Solano EDC, and other resource providers to foster development and implementation of applicable training programs and to identify opportunities to jointly spur growth in strategic industry sectors.
- E-2.I** Identify, pursue, and secure funding opportunities from federal, state, and local government sources as well as private sector financing for economic development, marketing, workforce training, and business recruitment.
- E-2.J** Provide Dixon employers with information on federal, state and local State incentive programs, particularly Employment Training Panel job training reimbursement and California Competes tax credit programs.

4.5 BUSINESS ATTRACTION

Dixon has concentrations of jobs in manufacturing, logistics, food processing, biotechnology, and agricultural technology. These sectors have a presence in the surrounding region and have potential for growth in the future. Focusing economic development efforts on attracting new business in these and similar sectors and helping existing business to expand represents a solid strategy for growth, as the success of these business has been demonstrated in the region. Building on this foundation and targeting growing industries that pay higher than average wages or provide significant tax revenue generation opportunities will help ensure a strong and stable economy, increase tax revenues, and support investments that enhance the quality of life in the community.



GOAL E-3: Grow a diverse primary job base by attracting new businesses that build on Dixon’s strengths.

POLICIES

- E-3.1** Focus business attraction efforts on primary employment sectors that have been identified as targets, demonstrate strong growth potential, and pay higher than average wages or provide significant tax revenue generation opportunities.
- E-3.2** Actively recruit new businesses to build on existing industry concentrations in Dixon, including businesses in the following sectors: manufacturing, logistics, food processing, biotechnology, and agricultural technology.
- E-3.3** Leverage Dixon’s location and connections to the regional road and rail network to attract new businesses.
- E-3.4** Undertake and encourage placemaking and community development projects that enhance the city as a desirable place to live and work, and as a talent attractor.
- E-3.5** As a member of the Solano EDC, continue to support and participate in regional economic development initiatives, including joint marketing initiatives, business attraction strategies, and workforce development efforts.

ACTIONS

- E-3.A** Cultivate partnerships with UC Davis, angel and venture capital investors, and the local agriculture industry to promote agricultural technology, innovation, and possible business locations in Dixon.
- E-3.B** Work with the Solano Transportation Authority, the Solano Economic Development Corporation (EDC), Solano County, and other partners to explore strategies for a viable new rail served business site south of Tremont Road immediately northeast of the Dixon City limit.



- E-3.C** Explore development of an incentive program for employers relocating to Dixon and for existing employers expanding in Dixon. The City at its discretion may choose to customize incentives on a case-by-case basis, as part of site selection negotiations.
- E-3.D** Study impact fees and fiscal impacts as an integral part of economic development planning.
- ED-3.E** Produce marketing materials and refine the City's economic development web pages and social media platforms to promote Dixon as a great place to invest or to live.
- ED-3.F** When appropriate and as resources allow, participate with Solano EDC, CALED, and GoBIZ as a partner on trade missions, advocacy efforts, image campaigns, trade show attendance, and other marketing efforts.
- ED-3.G** Develop and launch a Dixon Digital Ambassador program, eliciting participants from the community to assist in efforts to extend awareness of Dixon's assets, events, etc.



4.6 DOWNTOWN DIXON

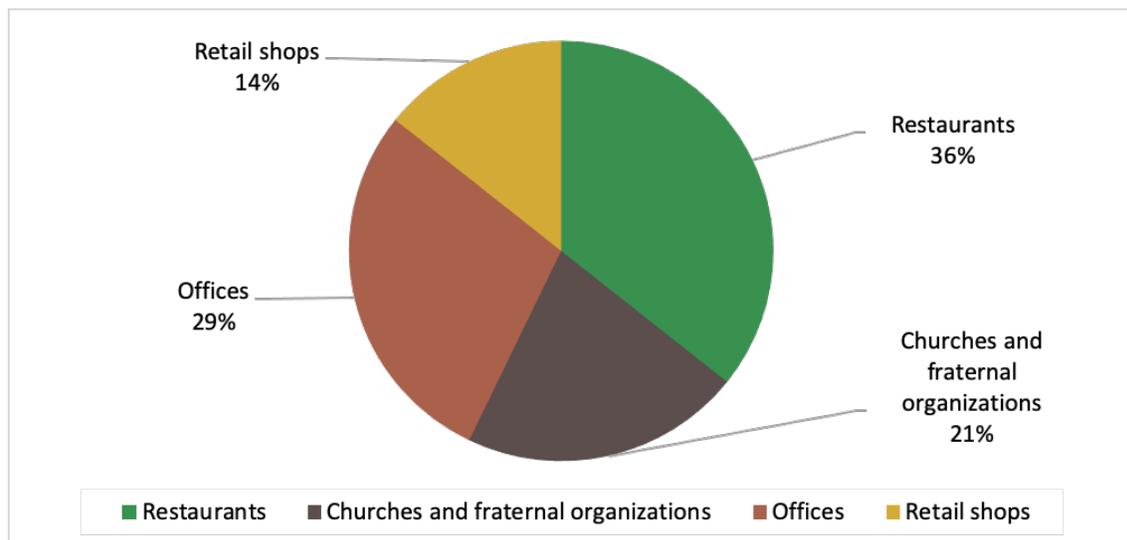
Downtown Dixon is a gathering place for the community, with locally owned businesses, restaurants, and cultural facilities. Churches draw people from around the community for services and events, while the shops and restaurants along First Street provide a “Main Street” atmosphere. The Dixon Carnegie Library is a historic landmark and an activity center downtown, and office workers contribute to the daytime vitality. The Pardi Market Plaza, envisioned as a vibrant town square, will further bolster the role of Downtown Dixon as a social and cultural hub of the community.

Downtown Dixon’s distinctive character is an asset to promote and enhance. The mix of daytime and nighttime uses and look and feel of downtown contribute equally to the atmosphere. New residents and office workers can support the vitality of the area, providing customers for businesses throughout the day. Opportunities exist for infill

development and investment in seismic retrofits and other improvements will allow for development of second floor residential and offices uses. Refreshing the Downtown design guidelines for buildings and public spaces developed in the 1990s is important for ensuring quality of design over time and ensuring that new development is in keeping with the downtown context. The addition of street trees, paving treatments, outside dining areas and bicycle facilities to complement downtown branded signage can also add to Downtown Dixon’s Main Street appeal.

With easy access via State Route 113 and A Street, Downtown Dixon can also be a destination for visitors from surrounding communities who may come to enjoy an event, a meal, or the small-town charm. The addition of passenger rail service with a scheduled stop in Dixon would provide an another way to increase visitors to the community.

Figure E-3: Downtown Composition



Source: BAE 2015.

GOAL E-4: Establish and support Downtown Dixon as the city’s cultural focal point, the dominant community event area, and a destination business and entertainment center that attracts both residents and visitors.

POLICIES

- E-4.1** Recognize that protecting local historic character and providing a vital mix of daytime and evening uses is integral to the economic success of Downtown Dixon.
- E-4.2** Create design standards for public benches, lighting, waste receptacles, signage and landscape to provide a consistent visual thematic impression.
- E-4.3** Promote and encourage context-sensitive, mixed use residential, office, retail, and restaurant development on infill sites downtown.
- E-4.4** Actively support and promote locally owned small businesses that cater to the needs of Dixon residents and visitors to differentiate Downtown Dixon from other commercial areas of the city.
- E-4.5** Foster attractive and safe public spaces and streets downtown through the implementation of the adopted downtown design guidelines and supporting public art and music programs.
- E-4.6** Partner with the Downtown Dixon Business Association, the Dixon Library, and other groups to promote Downtown Dixon as a focal point for arts, music, culture, and entertainment in the community.
- E-4.7** Support annual festivals, live music, and regular events that contribute to the economic vitality of Downtown Dixon.

ACTIONS

- E-4.A** Consult property owners, real estate brokers, and developers to identify barriers and incentives for investments needed to transform second floor spaces into viable office and residential spaces.
- E-4.B** Explore the economic feasibility of potential new business opportunities, such as a theatre/ cinema, brew pub, ice cream shop, and



other types of community-oriented businesses.

- E-4.C** Work with local property owners, the Downtown Dixon Business Association, the Dixon Chamber of Commerce, the Dixon Library, and other community stakeholders to establish passenger rail service to Downtown Dixon. This will entail a coordinated effort to ensure that STA and CCJPA station criteria are met, including metrics for daily boardings.
- E-4.D** Support local initiatives to develop and implement a public art program downtown.

(See also Goal LCC-4 in the Land Use and Community Character Element for additional policies and actions related to Downtown Dixon; Goal LCC-3 for policies and actions related to historic preservation; and Goal M-5 in the Mobility Element for policies and action related to passenger rail service and access to Downtown Dixon).

4.7 THRIVING COMMERCIAL GATEWAYS

With four interchanges on Interstate 80 and State Route 113 running through the heart of the community, highway-oriented commercial businesses make an important contribution to Dixon's economy. Gas stations, hotels, and food service businesses catering to commercial and passenger vehicles traveling through Dixon generate injections of retail sales into the community. The cluster of regional retail establishments along North Lincoln Street also attracts consumers from the surrounding area, as does Wal-Mart located further north.

Beyond serving the needs of travelers, businesses in these high-visibility locations convey an image of the community and fostering attractive entry points into the city can raise the image of Dixon in the region. Attractive building design, landscaping, and signage can help build a sense of place at key commercial gateways and announce arrival in Dixon. Taking action to address code violations and vacancies in high-visibility gateway locations is also critical so that blight does not deter from the image of the community.



Given the presence of major regional retailers in surrounding communities, opportunities for additional regional retail in Dixon are limited; however, Dixon's highway-oriented businesses also serve the local community. Dixon Plaza and the cluster of retail businesses on Pitt School Road in the vicinity of the Park & Ride facility serve local residents and Dixon commuters, as well as visitors to the community. Ensuring that retail businesses at key entry points to Dixon continue to serve both residents and visitors can help promote thriving commercial gateways.

GOAL E-5: Leverage the value of Dixon’s location along major regional transportation corridors to promote commercial development.

POLICIES

- E-5.1** Promote highway-oriented retail at freeway interchanges to capture sales tax revenue from motorists on I-80.
- E-5.2** Ensure that commercial centers visible from State highways in Dixon are attractively designed and easy to navigate.
- E-5.3** Enhance the visual character of commercial properties at freeway interchanges by encouraging facade improvements, distinctive signage, and other elements.
- E-5.4** Support and encourage retail uses such as auto dealers, farm equipment sales, and boat sales that attract shoppers from Dixon and the surrounding area along the city’s major commercial corridors.
- E-5.5** Foster nodes of retail shops and services along commercial corridors in Dixon to serve the daily needs of residents and employees.

ACTIONS

- E-5.A** Prioritize efforts to fill vacant commercial space by networking and marketing vacant locations in high visibility locations at freeway interchanges and along major corridors.
- E-5.B** Work with Caltrans and adjacent property owners to implement a coordinated landscaping and design strategy along State highway corridors.
- E-5.C** Develop and implement design guidelines and highway signage standards for Dixon’s freeway interchanges and commercial corridors.
- E-5.D** Investigate methods such as a facade improvement program and attractive city entry signage to encourage upgrades to highly visible locations such as freeway interchanges, community entryways, and major corridors.
- E-5.E** Study the need for business improvement districts to fund improvements that enhance the character of key commercial areas of the city.
- E-5.F** Update the zoning code to encourage concentration of retail and services catering to daily needs in nodes along commercial corridors.

(See also Goal LCC-5 in the Land Use and Community Character Element for additional policies and actions related to neighborhood commerce).

4.8 BUSINESS-FRIENDLY TOWN

A business-friendly community is one that proactively cultivates an environment where businesses and entrepreneurs can succeed. A skilled workforce, good schools and a desirable quality of life will attract employers, but equally important is a commitment to supporting local businesses and facilitating employment growth. This involves offering efficient development services; establishing clear and consistent rules and regulations; and providing training and networking programs that help businesses start up, comply with the local rules, and meet other professionals in their industries.

Communities that have a business-supportive culture are better able to weather challenging economic periods, and having staff to do the legwork and support business attraction and expansion is key. Monitoring data and tracking performance of economic development activities will also help the City can evaluate trends and adjust course if needed.



GOAL E-6: Partner with businesses and entrepreneurs to make Dixon an attractive, easy place to do business.

POLICIES

- E-6.1** Foster a healthy and diverse business base in Dixon through the use of clear and consistent regulatory and permit processes.
- E-6.2** In collaboration with the Dixon Chamber of Commerce, the Downtown Business Association, and other local groups, identify and remove unnecessary constraints to business development.
- E-6.3** Regularly assess Dixon’s competitiveness as a place to do business and maintain development regulations and fees accordingly.
- E-6.4** Continuously improve the community development process so that it facilitates the efficient and timely processing of development applications and projects.

ACTIONS

- E-6.A** Periodically benchmark Dixon’s regulatory and permit costs against comparable communities, adjusting as needed to ensure competitiveness.
- E-6.B** Establish a dashboard that reports economic, educational, and occupational indicators that can be tracked over time and used to assess the city’s progress and competitiveness, as well as to rank it in comparison to selected similar cities in California and the U.S.
- E-6.C** On an ongoing basis, solicit customer service feedback from businesses and individuals who do business with the City.

