



Sonoma County Comprehensive Economic Development Strategy

2011-16
SONOMA
COUNTY



Table of Contents

- 1 Executive Summary**
- 2 Introduction**
 - 2.1 What is the CEDS?
 - 2.2 Public and Private Sector Participation
CEDS Strategy Committee
- 3 Profile: Sonoma County**
 - 3.1 Population
 - 3.2 Age
 - 3.3 Race
 - 3.4 Geography
 - 3.5 Transportation Access
 - Roadways
 - Railroads
 - Public Transit
 - 3.6 City and County Profiles
- 4 State of the Economy**
 - 4.1 Employment and Unemployment
 - Employment by Sector
CEDS Business Clusters of Opportunity
 - 4.2 Wages and Income
 - Total Personal Income

- Per Capita Income
- Wage by Occupation
- Poverty Rate

4.3 Education

- Education & Workforce Development

4.4 Wine and Agriculture

4.5 Travel & Tourism

4.6 Sustainability Efforts and Green Technology

4.7 Retail Sales

4.8 Real Estate and Infrastructure

4.9 EDA Measures of Distress

5 Economic Development Challenges and Opportunities (SWOT Analysis)

6 Economic Development Strategy

6.1 CEDS Goals

6.2 CEDS Action Plan

7 Vital Projects and Programs

7.1 Criteria

7.2 Summary of Project Proposals

7.3 Project Proposals

8 Alignment with California Economic Development Priorities

9 Performance Measures

10 Appendix

10.1 Reports & Projections

10.2 Programs & Projects

1. Executive Summary

The Great Recession of 2007-2009 dramatically changed the trajectory of the global economy, prompting regions everywhere to reassess their strengths, weaknesses, opportunities, and challenges. While Sonoma County escaped the worst of the housing downturn and ensuing financial crisis, the recession did impact the local economy in important ways that will have lasting impacts on economic and workforce development. The purpose of this Comprehensive Economic Development Strategy (CEDS) is to provide the county with a current roadmap that accounts for those changes and provides a way forward for succeeding in the new global economy.

In addition, this CEDS is intended to adhere to the requirements that must be met to qualify for assistance from the U.S. Department of Commerce's Economic Development Administration (EDA). The Economic Development Administration Reauthorization Act of 2004, a comprehensive amendment to the Public Works and Economic Development Act of 1965, as amended (PWEDA), requires a CEDS to qualify for financial assistance under EDA's various programs, such as public works, economic adjustment, and planning.¹ This CEDS, if approved, will help Sonoma County compete for this critical funding for economic development projects.

This CEDS represents the combined efforts of volunteers and staff to record and discuss economic development activities within the region. Staff collected input from businesses and community stakeholders through outreach events, such as the Economic Summit held in June 2011 which drew 400 attendees, and meetings with representatives from five business clusters, involving more than 100 individuals. Funding for the CEDS is provided by Sonoma County as part of its strategic development process.

Introduction

2.1 What is the CEDS?

The CEDS is designed to bring together the public and private sectors in the creation of an economic roadmap to diversify and strengthen regional economies. The CEDS should analyze the regional economy and serve as a guide for establishing regional goals and objectives, developing and implementing a regional plan of action, and identifying investment priorities and funding sources. A CEDS integrates a region's human and physical capital planning in the service of economic development. Integrated economic

¹ <http://www.eda.gov/InvestmentsGrants/Programs.xml>

development planning provides the flexibility to adapt to global economic conditions and fully utilize the region's unique advantages to maximize economic opportunity for its residents by attracting the private investment that creates jobs for the region's residents.

A CEDS must be the result of a continuing economic development planning process developed with broad-based and diverse public and private sector participation, and must set forth the goals and objectives necessary to solve the economic development problems of the region and clearly define the metrics of success. Finally, a CEDS provides a useful benchmark by which a regional economy can evaluate opportunities with other regions in the national economy. This process will help create jobs, foster more stable and diversified economies, and improve living conditions. It provides a mechanism for coordinating the efforts of individuals, organizations, local governments, and private industry concerned with economic development.

The EDA emphasizes that the CEDS is a planning process, not only a report to be produced every five years to meet funding requirements. The key to an effective CEDS is an ongoing, participatory planning process with input and direction from CEDS Strategy Committee members and community organizations. The planning process has been initiated by the Economic Development Board of Sonoma County, but includes involvement from both private and public sectors of the economy. A CEDS is also required to qualify for Economic Development Administration (EDA) assistance under its public works, economic adjustment, and most planning programs, and is a prerequisite for designation by EDA as an economic development district (EDD).

2.2 Public and Private Sector Participation

CEDS Strategy Committee

Working in collaboration with the Sonoma County Board of Supervisors, the CEDS Strategy Committee was created on September 13th 2011. As a team consisting of representatives from both private and public sector organizations, the Sonoma County Innovation Council has been designated as the CEDS Strategy Committee. To broaden representation on the CEDS Committee from the original membership of the Innovation Council, additional community and non-profit leaders were asked to serve. All members of the committee were appointed by the Sonoma County Board of Supervisors. The committee met three times during the months of September and October of 2011.

The Strategy Committee is made up of the following members:

Member	Title	Company	Sector Represented
Co-Chair Carson, Bill	Director of Operations	Windsor Golf Club & Rooster Run Golf Club of Petaluma	Business
Co-Chair Chavez, Oscar	Executive Director	Community Action Partnership of Sonoma County	Non-profit
Bill Silver	Dean	Sonoma State University	Education
Chris Snyder	District Representative	Operating Engineers	Non-profit
Cynthia Murray	President/CEO	North Bay Leadership Council	Non-profit
Gabe Gonzalez	City Manager	City of Rohnert Park	Government
Gus Pina	Administration	Dry Creek Rancheria	Government
Jack Buckhorn	Business Manager	IBEW Local 551	Non-profit
John Sawyer	Council Member	City of Santa Rosa	Government
John Webley	Principle	Innovative Labs	Business
Jonathan Coe	President/CEO	Santa Rosa Chamber of Commerce	Non-profit
Laurie Decker	Economic Development Specialist	City of Sonoma and Sonoma Valley Chamber	Government
Libby FitzGerald	Principle	FitzGerald Consultants	Business
Lisa Amador	Strategy and Business Development Executive	Sutter Medical Center of Santa Rosa	Business
Lisa Schaffner	Executive Director	Sonoma County Alliance	Business
Lorraine Wilson	Dean	Santa Rosa Junior College	Education
Mark Inman	West Coast Trader	Volcafe Specialty Coffee, LLC.	Business
Marlene Soiland	Owner/ President	Soiland Management Co., Inc.	Business
Peter O'Brien	Publisher	Streetwise Reports	Business
Randy DeCaminada	North Coast Account Services	PG&E	Business
Scott Kincaid	Senior Vice President	First Community Bank	Business
Scott Kirk	Attorney/BEA Chair	Spaulding McCullough & Tansil LLP	Business
Steve Herrington	Superintendent	Sonoma County Office of Education	Education
Tanya Narath	Executive Director	Leadership Institute for Ecology and Economics	Non-profit

At their first meeting on September 20th, the CEDS Committee was introduced to the process of preparing a CEDS document, its contents, its requirements for public input, the timeline for completion of the CEDS and the current and future role of Committee members. The meeting time was used to conduct a Strengths, Weaknesses, Opportunities, and Threats (SWOT) assessment, wherein Committee members engaged in a facilitated discussion about Sonoma County’s economic challenges and opportunities.

The second CEDS Committee meeting on October 11th was devoted to reviewing draft set of goals and a draft action plan as well as draft performance measures. CEDS Committee members stated that they wanted their CEDS to reflect the uniqueness of Sonoma County and to build on all the work and effort of the Innovation Action Council, the Workforce Investment Board and the many government and non-government organizations throughout the county that have been working to increase access to workforce training and apprenticeship programs, reduce drop-out rates and improve the competitiveness of Sonoma County businesses.

At its last meeting on October 25, the CEDS Committee reviewed and commented on CEDS goals and strategies, performance measures and project selection criteria and approved the draft CEDS with suggested revisions.

The Sonoma County Board of Supervisors met at their regularly scheduled and noticed meeting on January 10th, 2012 to approve the CEDS. Subsequently the CEDS was posted for public comment for a period of 30 days. After the public comment period passed the Board of Supervisors recommended that the CEDS be forwarded to the EDA for certification.

3. Profile: Sonoma County Population Trends and Predictions (2000-2030)

Year	Population	Annual Percent Change
1990	384,700	n/a
1991	394,070	2.40%
1992	402,835	2.20%
1993	410,785	2.00%
1994	416,791	1.50%
1995	421,676	1.20%
1996	427,005	1.30%
1997	434,133	1.70%
1998	442,025	1.80%
1999	449,455	1.70%
2000	456,899	1.70%
2001	464,543	1.70%

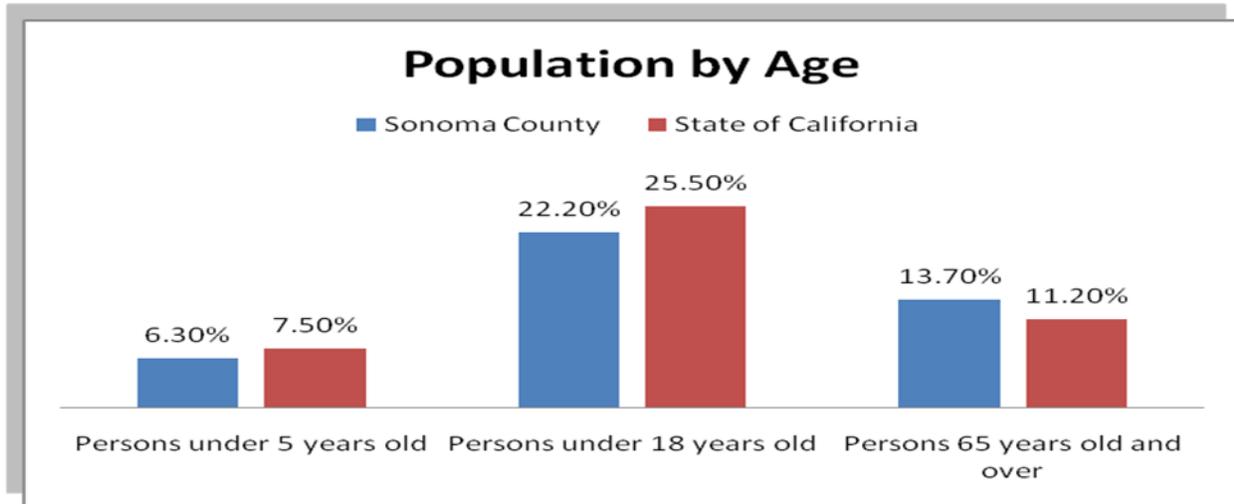
2002	468,501	0.90%
2003	470,829	0.50%
2004	473,521	0.60%
2005	475,461	0.40%
2006	476,956	0.30%
2007	479,668	0.60%
2008	484,470	1.00%
2010	493,285	1.80%
2015(p)	534,967	n/a
2030(p)	653,510	n/a

Source: California Department of Finance, Demographic Research Unit; Woods & Poole Economics - 2015 & 2030 Projections

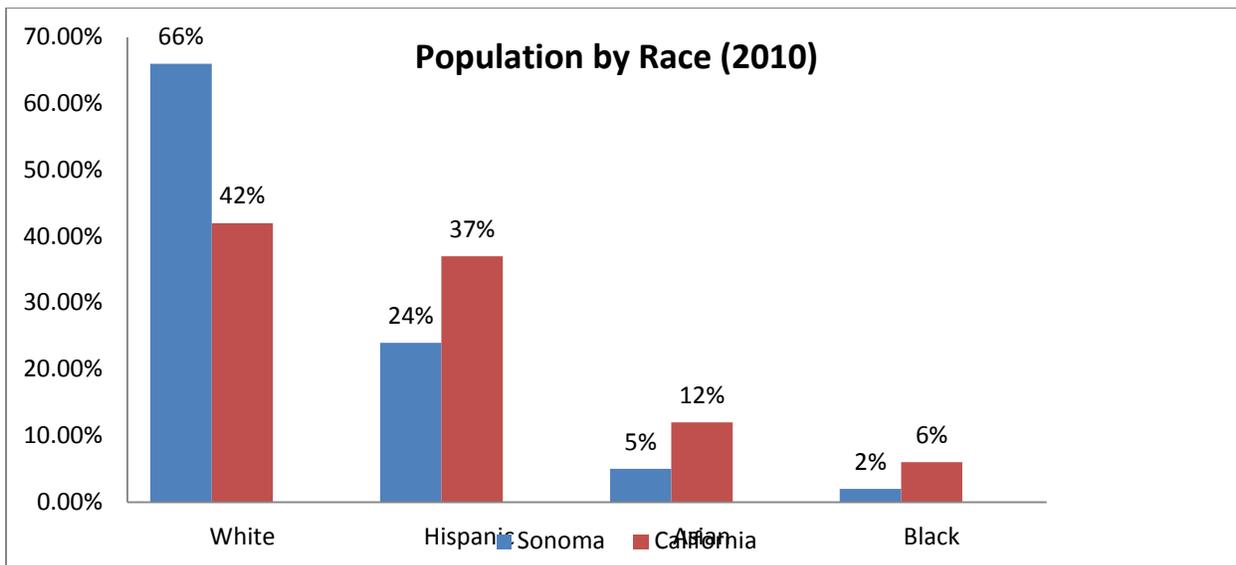
3.1 Population

Sonoma County's population as of 2010 was 493,285 and grew by 8.0 percent over the past ten years (2000-2010). This is a significantly lower rate of growth compared to the state as a whole, which is 14.6 percent. Projections for 2030 suggest continued slower growth than that of the rest of the state, with the county growing by 20.3 percent over the next 20 years, compared with 27.4 percent in the state.

Total population is the number of people who consider the area their primary residence. It does not include persons residing here less than half the year, or persons who are here temporarily, only for work (unless they consider this area their primary residence). The data is estimated annually by the California Department of Finance and reflects population estimates on January 1 of that year. The data is released annually on or around May 1.



Source: U.S. Census Bureau (2009)



Source: Department of Finance

3.2 Age

Population statistics by age are calculated by the California Department of Finance (DOF) and are updated every few years. This information is based on total net migration and fertility rates by ethnicity. There are few alternative resources, other than the data collected for the census, which would produce more accurate projections of population by age.

In Sonoma County, the largest age group, as of 2008, was the 50-59 year-old group with over 74,200 people. This group represents approximately 15 percent of the county’s total population, a proportion that is 2 percent higher than the state average. Since 1990, the number of people between the ages of 50-59 increased over 7 percent, while those between 30-39 decreased 7 percent, which correlates to a 2 percent decrease among children between 0-9. These trends may indicate that the number of jobs for those between 30-39 has declined, while people looking towards retirement are migrating into the area.

Age Distribution

Year	0-9	10-19	20-29	30-39	40-49	50-59	60-69	70-79	80+
1990	58,406	49,406	55,793	71,896	58,490	30,818	29,950	23,448	11,370
1991	59,797	50,677	56,115	73,312	62,197	31,991	29,564	23,967	12,024
1992	61,034	52,360	56,208	72,371	65,444	33,509	29,049	24,375	12,663
1993	61,588	54,240	55,924	72,293	68,277	35,716	28,634	24,682	13,208
1994	61,581	55,882	55,098	71,664	70,425	37,894	28,009	24,820	13,639
1995	61,505	57,576	54,420	71,129	72,667	40,201	27,783	24,971	14,083
1996	61,133	59,410	54,216	70,286	74,785	42,534	27,705	25,205	14,376
1997	61,431	61,307	54,890	70,015	75,692	46,842	28,149	25,482	14,765
1998	61,212	62,980	55,100	69,307	76,556	50,715	28,757	25,720	15,099
1999	60,862	64,528	55,318	69,194	77,041	54,612	29,583	26,111	16,243
2000	59,177	65,498	54,550	68,536	78,064	59,990	30,731	27,031	18,041
2001	60,294	67,058	55,618	66,931	78,201	63,470	31,551	26,514	18,605
2002	60,172	67,626	57,363	64,275	77,350	66,268	32,713	25,616	18,917
2003	60,637	67,891	59,667	61,566	76,543	68,629	34,512	24,923	19,172
2004	61,567	68,084	62,035	59,066	75,671	70,824	36,490	24,286	19,396
2005	61,643	67,836	64,275	56,657	74,109	72,718	38,296	23,630	19,210
2006	62,098	67,596	66,499	55,333	72,057	74,073	40,519	23,139	19,047
2007	63,085	67,604	68,388	54,855	69,908	74,129	44,054	23,025	18,849
2008	64,229	67,524	70,195	54,496	67,820	74,205	47,318	23,137	18,651
2015(p)	68,296	61,522	75,932	68,931	62,487	74,812	68,435	32,594	21,958
2030(p)	85,601	79,483	77,656	84,499	86,985	66,688	68,442	63,998	40,158

Source: California Department of Finance, Demographic Research Unit; Woods & Poole Economics - 2015 & 2030 Projections

3.3 Race

While sometimes difficult to measure, race and ethnicity of a population is based on self-initiated classification, meaning that individuals identify their own race or ethnicity in the census. There are five race categories: American Indian, Asian, black, white, and other. Alternative names for these classifications are also used to address matters of social

sensitivity, although the people classified in each of these categories remains the same. As with age distribution, population by race/ethnicity is a projection based on data from the 2000 Census. All projections are for July 1 of the given year.

Population by Race/Ethnicity

Year	Total	White	Hispanic	Asian	Black	American Indian	Other
1990	389,464	327,799	42,117	10,447	5,331	3,770	0
1991	398,644	331,264	46,182	11,386	5,622	4,190	0
1992	407,013	333,993	50,181	12,303	5,922	4,614	0
1993	414,562	336,061	54,074	13,202	6,190	5,035	0
1994	419,012	335,616	57,581	13,992	6,409	5,414	0
1995	424,335	335,927	61,157	14,801	6,649	5,801	0
1996	429,650	336,274	64,699	15,612	6,891	6,174	0
1997	438,573	339,443	68,791	16,549	7,183	6,607	0
1998	445,446	340,958	72,601	17,418	7,447	7,022	0
1999	453,492	343,385	76,590	18,329	7,737	7,451	0
2000	461,618	346,634	80,028	14,404	6,376	3,613	10,563
2001	468,242	345,520	85,586	15,821	6,542	3,824	10,949
2002	470,300	343,239	88,897	16,438	6,627	3,913	11,186
2003	473,540	341,269	92,822	17,239	6,735	4,035	11,440
2004	477,419	339,368	97,189	18,123	6,856	4,171	11,712
2005	478,374	336,378	100,376	18,585	6,877	4,230	11,928
2006	480,361	334,007	103,801	19,350	6,954	4,365	11,884
2007	483,897	332,054	107,832	20,346	7,185	4,513	11,967
2008	487,575	330,186	111,910	21,344	7,422	4,660	12,053
2015(p)	534,967	345,189	147,775	28,201	9,205	4,597	0
2030(p)	653,510	352,461	243,690	42,814	10,148	4,397	0

Source: California Department of Finance, Demographic Research Unit; Woods & Poole Economics, 2015 & 2030 Projections

Approximately 68 percent of residents in Sonoma County classified themselves as white in 2008, compared to 43 percent in California. The white population is expected to increase 4 percent by 2015 across the county. Hispanics represented the next largest group, with 23 percent of the population, compared with 36 percent in California. The Hispanic population is projected to increase 24 percent by 2015 in Sonoma County. Asians and blacks were the next largest groups, with 21,344 and 7,422 people, respectively. The Asian population is projected to increase 24 percent, and the black population is expected to increase 19 percent within seven years. American Indians were the smallest census-classified group, with 4,660 people. That number is expected to decrease significantly by 2015.

3.4 Geography



The southernmost boundary of Sonoma County is approximately 40 miles north of San Francisco on the coast of Northern California. Encompassing an area of 1,768.23 square miles, of which 1,575.88 is land. Sonoma County is the largest (in area) of the nine San Francisco Bay Area counties.² Within this area are five main regions: Sonoma County North, Russian River/West County, Sonoma County Central, Sonoma Coast, and Sonoma Valley. Neighboring counties include Marin (to the south), Mendocino (to the north), Lake (to the northeast), Napa (to the east), and Solano and Contra Costa (to the southeast). Features of the county include miles of rolling hills peaking with the Mayacamas and Sonoma Mountains, 76 miles of vast coastline, the redwood forest, and several state parks. Overall, the Census Bureau reports that there are 291 persons per square mile.³

Sonoma County has a total of nine incorporated municipalities: City of Cloverdale, City of Cotati, City of Healdsburg, City of Petaluma, City of Rohnert Park, City of Santa Rosa, City of Sebastopol, City of Sonoma, and the Town of Windsor. In addition to the nine

² United States Census Bureau (2000).

³ Figure based on report conducted in year 2000. Current estimates are likely higher.

municipalities, there are four American Indian Rancherias: Cloverdale Rancheria; Dry Creek Rancheria; Lytton Rancheria; and Stewarts Point Rancheria. As indicated in the population by ethnicity table above, there were 4,660 American Indians in Sonoma County in 2008.

3.5 Transportation Access



The countywide circulation and transit system consists of several state highways, nearly 1,400 miles of county maintained roads, several local and regional transit systems, paratransit services, and bicycle routes. While the Northwestern Pacific Railroad (NWPRR) right of way and tracks remain physically in place, the line was closed by the Federal Railroad Administration in 1998, making Santa Rosa the largest city in the continental United States to lose rail service.

Approximately 75% of the County's population is along the 70-mile long Highway 101 corridor, which serves as the County's primary transportation route. The Metropolitan Transportation Commission (MTC) forecasts that less than 9% of Sonoma County workers will commute out of county by 2030, but at the same time, there is anticipated to be a 48% increase in the number of trips within the County along the Highway 101 corridor.

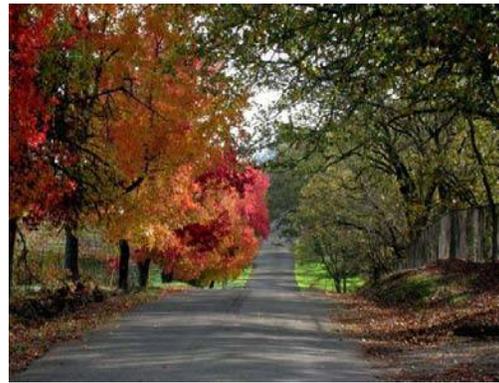
Sonoma County has limited public transit, few bicycle and pedestrian facilities, and large distances between housing, jobs, schools, and commercial areas. Because of these conditions, the County has become the most automobile-dependent county in the Bay Area, and is the only county in the region where the number of automobiles exceeds the total

population of the county. Additionally, many short trips to schools and within neighborhoods are made by automobiles due to lack of safe and convenient alternatives.

Bus transit serves the commute to San Francisco and Marin, as well as intra-County trips. Currently, intra-country transit is mostly utilized by people without access to automobiles, the elderly, students, and the disabled. Transit operators providing fixed route transit services within Sonoma County, include Golden Gate Transit, Mendocino County Transit Authority, and Sonoma County Transit, as well as various city provided services.

Roadways

The principal transportation outlets are Highway 101, which runs through the middle of the county, Highway 12 which originates in the south and curves up towards Santa Rosa and Sebastopol, and Highway 116, which connects Cotati to Sebastopol. In addition, Highway 1 runs along the coastline, Highway 128 connects St. Helena and Calistoga to Cloverdale before continuing north towards Mendocino County, and Highway 121 connects to Napa County.



A vast network of city, private, and county roads make up the remaining portion of inter-county roadway transportation. In fact, most area roads provide a scenic alternative to the busy freeway setting, often winding through the hillsides.

Railroads

There are few existing railways in Sonoma County that are providing significant services to the county. The Northwestern Pacific Railroad (NWPRR) extends from the Arcata/Eureka area in Humboldt County to the San Rafael area in Marin County. The railroad was heavily damaged in storms over a number of years and has not been in operation since 1998. However, there are several initiatives and programs aimed at the progression of a



transit system in Sonoma County.

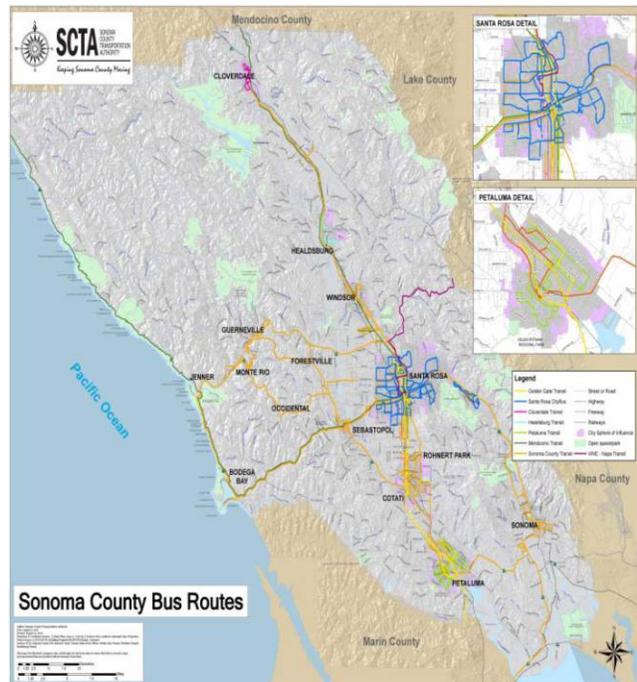
First, the Sonoma-Marín Area Rail Transit District (SMART) aims to build a 70-mile passenger railroad that connects the two counties (<http://www.sonomamarintrain.org/>). The rail line runs from the north end of Sonoma County, in Cloverdale, to Larkspur, where the Golden Gate Ferry connects Marin County with San Francisco. However, the current state of the railway makes it unsafe for trains. The SMART train aims to improve North Bay area transportation and provide an alternate to the congestion of Highway 101. Funding for this project remains incomplete.

Second, the Regional Climate Protection Authority (RCPA) is also advocating for the repair of the Sonoma-Marín railway (http://www.sctainfo.org/A_Vision_For_Our_Future). The stated ultimate goal of the RCPA is to ensure that the railway is used in a way that is economical, efficient and that meets the greatest needs of the region. If completed, the railway will include: commute/passenger service, freight, and tourism. In 2008, voters in Marin and Sonoma Counties approved a measure to establish a rail transit district from Cloverdale to San Rafael and impose a ¼-cent sales tax for 20 years to fund the district. Successful rail service in these counties may make it more feasible to start such service in Mendocino County

Public Transit

Public transportation in Sonoma County is limited, but there are some programs in place (www.sctransit.com). The Sonoma County Transit provides a low cost bus system and paratransit system. Though most of the routes are focused on inter-city and close proximity travel, the transit system offers routes all over the county.

Additionally, Sonoma County has one local airport, Charles M. Schulz-Sonoma County Airport, in the main city of Santa Rosa. Though air passenger travel has decreased at the County Airport (by as much as nine percent in 2009), increases in passenger traffic to San Francisco International Airport (SFO), and more visitors driving up from the Bay Area, have helped offset some of the weakness in overall passenger volume.



3.6 City and County Area Profiles

Each city within Sonoma County was invited to submit a profile of their city to be incorporated into the CEDS. As a result the following city profiles differ in format and the information incorporated within them varies. However, these profiles allow each city to give the EDA a clear idea of where it situated in Sonoma County, and its strengths, weaknesses, and needs.

CITY OF COTATI

Although Cotati incorporated in 1963, in reality Cotati has been a vibrant central Sonoma County town for over 130 years. Cotati's unique hexagonal street system is on the state historic register and was laid out in the 1890's. Cotati is approximately 2 square miles and is the smallest Sonoma County city. Located in the center of the County, along US Hwy 101, Cotati is approximately 8 miles from the cities of Santa Rosa, Petaluma and Sebastopol and is also located about 40 miles north of San Francisco. Cotati enjoys a marine climate with average daily high temperatures ranging from the low 80's in the summer months to the mid 60's during the winter. The average daily low temperatures range from 50 degrees during the summer months to 40 degrees during the winter. Cotati has an average annual precipitation of 30 inches, with February being the wettest month, and usually no measurable rain during the summer.

According to the 2010 Census, Cotati's population is 7,265 and is primarily white (81.6 percent) with smaller concentrations of Hispanic/Latino (17.3 percent), Asian (3.9 percent), two or more races (5.5 percent), and African-American (1.7 percent) residents. Cotati's population has increased by almost 800 people since 2000. From 2000 to 2010, median income in Cotati increased 23%, from \$52, 808 to \$66,083. However, the unemployment rate in Cotati is 10.7 percent. This is comparable to the County rate but below the state's unemployment rate.

The primary industries in Cotati are services, retail (including restaurants) and construction. Together, these sectors account for nearly 68 percent of the private sector employment in Cotati. Major employers include Lowe's Home Improvement, Oliver's Market, Direct TV and ProTransport (medical transport service). Much like most of our neighboring communities, by 2000, Cotati experienced the loss of the computer technology industry followed by the recession in 2008. However, from 2000 until 2010 Cotati still experienced a 35% increase in total taxable sales.

Factors Affecting Cotati's Economic Performance

- Much of the city is built out, with vacant or underdeveloped land available for new development generally located along the Gravenstein Hwy and Old Redwood Hwy. There are more than 60 acres available for development between these two regional arterials.
- Community participation is strong and many visitors identify with and enjoy Cotati because of its festivals, art installations, regard for the environment and small town charm.
- In 2009, Cotati adopted its Downtown Specific Plan. The plan unifies La Plaza Park, creating a 4 acre park and maintaining its historic hexagonal shape. The plan also identifies the reconstruction of Old Redwood Highway to the north of the Park as a pedestrian-oriented boulevard.
- Cotati has always been a center of musical diversity beginning in the '60's when well known bands, such as the Jefferson Airplane and Grateful Dead, played at local venues. Today, Cotati maintains it's musical heritage with numerous festivals and events, such as Cotati Jazz Festival, Cotati Accordion Festival, Four Nights of Festive Fun, Annual Kid's Day Parade and the Oktoberfest.
- Cotati maintains a thriving light industrial sector located off of Redwood Drive. Through the '90's this area was home to computer electronics-oriented businesses. Although the businesses have changed, this area remains successful with very few vacancies.
- Historic Downtown Cotati serves an active student population from nearby Sonoma State University. Locals, tourists and students enjoy Cotati's restaurants and entertainment venues. The City places a strong emphasis on maintaining and improving this long-standing entertainment district.

Role of the Private Sector

The City owns a parcel at the corner of East Cotati Avenue and Santero Way that will soon become the new Cotati Depot and Park and Ride. A corner portion of this site has been reserved for a commercial project. The City is in the process of purchasing a future park site on Old Redwood Highway, within the Northern Gateway, to support and enhance a workforce housing project, which will release an adjoining commercial project from the park requirement. The following list represents planned economic development-related projects in the City of Cotati. This list is not exhaustive but represents current priorities for future projects for which EDA funding may be appropriate, or which support key economic development goals and objectives in the City of Cotati.

- Old Redwood Highway Boulevard Improvements including sidewalk, median and associated landscaping and street furniture.

- Workforce Housing within Northern Gateway
- La Plaza Park unification and hex-about
- Sustainable Water Supply Recharge Project
- Hotel within the Northern Gateway District
- Mixed-used Development in Northern Gateway
- Mixed-use development along Gravenstein Highway

CITY OF CLOVERDALE

Incorporated in 1872, Cloverdale, CA is located at the northern end of the picturesque Alexander Valley, where the Mayacamas Mountains meet the Coastal Range. The Russian River flows through the center of the Valley, and the developed portion of the City is located on the valley floor. Cloverdale is at the extreme north end of Sonoma County, located on Highway 101, approximately 80 miles north of San Francisco and 80 miles east of the Pacific coast. Its nearest neighboring communities are the cities of Healdsburg (15 miles to the south) and Ukiah (30 miles to the north). The largest regional center, the City of Santa Rosa (population of approximately 160,000), lies about 35 miles south. Cloverdale is 2.7 square miles, with a population of about 8,500.

Cloverdale's economy has traditionally revolved around the agricultural, timber and railroad industries. It has experienced much economic change in its history, but is well positioned for the future. Cloverdale was always, and continues to be, ideally situated as a transportation hub, and that can be seen in its history.

From the opening of the first tavern in 1856, Cloverdale was a perfect stopping point on the pack trail that went from the valley floor through the hills to Ukiah and Humboldt, with stagecoach roads following in the 1860's and '70's. In 1872, the San Francisco and North Pacific Railroad extended from Healdsburg to Cloverdale, carrying agricultural products south to the Bay Area, and visitors north to destination hotels and resorts. Rail is making a comeback in Cloverdale, with both the North Coast Rail commercial/industrial line running adjacent to the City, along with the future Sonoma-Marín Area Rail Transit (SMART) passenger line.

In the early 1990's, the City received word that the long awaited Highway 101 Bypass was funded, and immediately began taking steps to address its impacts. Among other projects, it planned for compact growth; developed infrastructure in the south industrial area; and undertook the Cloverdale Boulevard beautification program.

As the northernmost community in Sonoma County, Cloverdale is among the most affordable, both in terms of its housing and its commercial and industrial potential. The community of Cloverdale is compactly designed, with a strongly defined downtown core making up its commercial center; and a smaller commercial center at the southern end of town off of the Hwy 101 south interchange. It has designated industrial areas along its southeastern boundaries.

Cloverdale's median household income in 2000 was \$42,309, and \$57,126 for 2010 – an increase of 35%. It has a labor force of 3,700, about half of whom commute out of the community to work.

Cloverdale's Economic Development Plan

Cloverdale has remained true to its roots, even as it progresses. In 2007/08, it undertook a branding and marketing study to ensure that it maximized to the fullest extent its existing assets, while preserving its heritage. The community's vision is Cloverdale as an arts and culture destination and a destination of great natural beauty.

Out of this effort, the Cloverdale Economic Development Plan (EDP) was created. The 5-Year Plan was first adopted in August 2010. It is made up of one goal: to promote Economic Development in order to create an environment where residents can live, work, and play. From that goal, five Objectives, 33 Strategies and 122 Steps were identified to carry out over the next five years.

The Plan is updated each year, with the most recently completed year dropping off and a new fifth year being added. The first update to the EDP has been completed.

A few of the highlights of the Cloverdale Economic Development Plan include:

- Activate the Opportunity Response (ORT) and Private Development (PDT) Teams to follow up on potential business leads, meet with existing businesses who may be missing growth opportunities, and collaborate with those businesses on solutions to barriers that may exist for their projects (ORT); and to collaborate on larger, more complex projects, projects with a general community benefit, or for short-term events needs to brainstorm solutions to policy inconsistencies or other barriers to success (PDT).
- Work with non-profits and other stakeholders on micro-business and artists & artisans' incubator projects.
- Rejuvenate Cloverdale's downtown core and establish public WiFi on and around Cloverdale Boulevard (Cloverdale's main thoroughfare).

- Develop the City-owned Thyme Square property, a 5.3 acre mixed use parcel at the southern entrance to Cloverdale’s downtown, to catalyze growth in the downtown, and to connect the downtown to the Cloverdale Depot to maximize integration of the SMART rail line into the community.
- Work with property owners on the proposed Alexander Valley Resort – a hotel/spa and golf course development that includes executive homes and smaller casitas.
- Support the efforts of non-profits as a vehicle to target business or tourism growth. Examples include the Alexander Valley Regional Medical Center expansion; and working with groups on recreational amenities such as a skate park and a dog park.
- Improve the Cloverdale Municipal Airport to maximize its commercial potential.

COUNTY OF SONOMA REDEVELOPMENT AREAS

Roseland

Roseland is a joint City/County Redevelopment Area. The Roseland Redevelopment Plan, approved by the Sonoma County Board of Supervisors in 1984, is designed to achieve two central community goals. First, the Plan seeks to revitalize the Sebastopol Road commercial corridor so that it may capture a reasonable share of the market for retail, office, other commercial and light industrial activities that may be generated by the greater Roseland community and the expanding industrial base in the southwest Santa Rosa area. Second, the Plan is intended to strengthen existing residential neighborhoods and expand the stock of affordable housing within the Project area and the greater Roseland area.

The Springs

In 1984 the Sonoma County Board of Supervisors approved the Redevelopment Plan for The Springs Redevelopment Project. This Plan is designed to provide an effective set of legal and financial tools and techniques that will enable the County, the Agency, and the local community to build upon the strengths of The Springs portion of the Sonoma Valley area—its environmental, historic, social and cultural resources and heritage—while overcoming its adverse physical and economic conditions, to achieve the fundamental goals of the General Plan.

Specifically, some of the goals and objectives of the Agency and this Plan for the Project Area include: improving public transportation, promoting home ownership for individuals and families, attracting diverse and local-serving retail, and promoting community events.

Russian River

The Redevelopment Plan for the Russian River Redevelopment Project was approved by the Sonoma County Board of Supervisors in 2000. History has profoundly impacted the development and occupancy of land in the Russian River area. The strongest historical impacts are those created by man: the logging of the forests, subdivision of the land, the provision of visitor and tourist attractions, and the construction of buildings, roads and railroads. Some of these activities have contributed to the problems that exist in the area today, including those conditions of physical and economic blight to be alleviated through implementation of this Plan. Other activities, such as the accommodation of visitors and tourists could provide the foundation for future revitalization of the area. Thus, history provides a framework for the assessment of both the Russian River area's present problems and future potentials.

CITY OF HEALDSBURG

The City of Healdsburg is located in northern Sonoma County on Highway 101, in close proximity to the Russian River. Incorporated in 1867, the Healdsburg city limits encompass 4.1 square miles located at the intersection of three rich agricultural valleys. Over the past decade, Healdsburg has become an important upscale wine country destination known for its tasting rooms, historic plaza, high-end hotels and fine dining.

Healdsburg is a “full service” city, providing electrical, water, and sewer services to its residents as well as police and fire departments. The City manages over 220 acres of active and passive park space. Included is the Healdsburg Ridge Open Space Preserve which offers incredible hiking in the City’s backyard. In addition to our parks and open space the City also has a full service Senior Center, Community Center and public pool. The City of Healdsburg is governed by a five-member City Council elected at-large by the citizens of Healdsburg. Each year, the Council elects a Mayor and a Vice Mayor. The Council sets policy for the City and adopts an annual budget. The Council appoints the positions of City Manager, City Attorney, and City Clerk. Municipal elections are held on even number years. The City is in excellent financial shape with significant reserves established in most areas.

Healdsburg is Sonoma County’s fifth largest city, with a population of 11,254 (2010). The city has seen a significant increase in older households over the last decade and a decrease in its younger population, with a 2010 median age of 40.8 years. Approximately three-quarters of its population is white, with a third being Hispanic or Latino. Healdsburg demographics have been shifting toward smaller households and singles.

A little over three-quarters of Healdsburg’s 4,794 housing units are single-family residences; fewer than 100 are mobile homes. Healdsburg has a somewhat lower rate of owner-occupancy than the rest of Sonoma County. There has been a recent trend of home purchases for use as second (or third) homes. These purchases attest to Healdsburg’s attractiveness as a weekend and vacation destination as well as the desire to own a home for eventual use as a retirement residence. Under a moderate growth scenario, it is projected that there will be demand for an additional 945 housing units in Healdsburg between 2010 and 2030.

Homes in Healdsburg generally command higher prices than much of California, given the city’s desirable climate; its surroundings of vineyards and world-class wineries, wooded hillsides and the Russian River; its proximity to the San Francisco Bay Area and a full range of services in nearby communities; and its historic small-town character. The median value of Healdsburg homes in 2000 was the fourth-highest of the nine cities in Sonoma County. During the current recession, Healdsburg homes have maintained their value better than

many other locations in Sonoma County, in part due to the fact that the demand for housing in the city has outpaced new supply.

Compared to Sonoma County, Healdsburg households have higher median (\$65,811 in 2009) and per capita incomes, and Healdsburg has a higher proportion of households in the highest income group. In 2009, an estimated 15 percent of Healdsburg households earned \$150,000 or more. Healdsburg also has a higher proportion of households in the lowest income group than the county.

Healdsburg does not serve as a bedroom community for a regional job center, but rather has a significant number of jobs for a city of its size. In fact, Healdsburg has a higher ratio of jobs to households than Sonoma County as a whole or the San Francisco Bay Area region. A substantial number of employed residents, about 23 percent, live and work within the city limits. Less than 30 percent of Healdsburg residents commute outside of Sonoma County, with less than three percent commuting to San Francisco.

In January 2010, there were approximately 6,600 jobs in Healdsburg. The current top employment sectors in Healdsburg are retail and restaurants; health, education and social services; professional and business services; transportation, communication and wholesale trade; and food production. With the exception of health, education and social services, these are also the fastest growing sectors in terms of number of jobs. Many of the new jobs are closely related to the growing appeal of Healdsburg as a center for food and wine-related businesses and an upscale leisure destination. The city is also seeing growth in software design, graphic design and other professional services serving the wine, food and tourism industry. Meanwhile, there has been a decline in employment in durable goods manufacturing, including lumber-related businesses.

Many of the top generators of retail sales in Healdsburg are now restaurants. One of the implications of the shift toward visitor-serving retail is that an increasing proportion of Healdsburg's retailers are impacted by seasonal fluctuations in visitation, experiencing decreased revenues in the winter months. Businesses that rely on visitors are also more likely to be influenced by broader economic trends. While visitor-driven retail sales have increased dramatically over time, this has also resulted in more volatility during the current recession.

Most of the firms in Healdsburg are small to medium in size. In 2010, only 3% of businesses in Healdsburg had 50 or more employees, and 59% of all businesses had one or two employees. Some of this shift to smaller firms can be attributed to the challenge of accommodating large firms in Healdsburg, due to the scarcity of low-cost R&D and industrial space.

Sales tax comprises one-third of the city's general fund revenue, followed by property tax at 26 percent. The city's transient occupancy tax is 12 percent. Sales tax was expected to increase an estimated 11 percent in FY 2010-2011, then remain relatively flat in FY 2011-2012. Property tax revenues have been unchanged over the last few years and no change is expected in FY 2011-2012.

Economic Challenges

The Healdsburg Economic Development Strategic Plan (2002) identified the following as weaknesses that inhibit local economic growth:

- Lack of affordable housing. Only 6.5 percent of the city's owner-occupied homes in 2000 were affordable to lower-income households. Nearly two-thirds of the jobs projected to be added in the city by 2015 will be in the service and retail sectors, which typically pay some of the lowest wages. The increase in low-paying jobs will have an associated increase in the demand for affordable housing.
- Lack of available land and office space for business expansion
- Cost of doing business in and with the City (e.g., utility hook-up fees)
- Infrastructure issues related to adequate sewer, roads, parking, etc. (e.g., lack of sewer and water service south of the Russian River)
- Need for additional "local-serving" retail services

Economic Opportunities

Adequate water, sewer and electric service

The City's existing water rights are adequate to meet projected water demands, even under drought conditions. The sewage collection, treatment, and disposal facilities that serve the city are owned and operated by the City and have adequate wastewater treatment capacity to accommodate projected demand. The City owns and operates its own electric distribution system and acquires wholesale-priced power through the Northern California Power Agency.

Transportation availability

Healdsburg is located on U.S. Highway 101, the principal coastal route between San Francisco and the Oregon border. Air transportation is available to Los Angeles, Las Vegas, Portland and Seattle on a daily basis at nearby Sonoma County Airport. Three major airports –in San Francisco, Oakland and Sacramento - are within a two-hour drive of the city. Limited service is also available at the Healdsburg Municipal Airport, which can handle

small jets. The city will be served by the SMART passenger train that will run along a 70-mile corridor between northern Sonoma County, and Larkspur, where the Golden Gate Ferry connects Marin County to San Francisco. Sixteen north- and south-bound trains will stop in Healdsburg on weekdays, and eight on weekends. Freight hauling is also anticipated to be reinstated to the area.

Healdsburg Redevelopment Agency

The RDA provides funds to foster commercial and industrial activity and provide affordable housing. This year's capital improvements projects budget is \$3.3 million and its affordable housing fund is \$3.6 million. The RDA offers several economic development programs to attract new businesses and retain and encourage the expansion of existing businesses, including the utility undergrounding assistance program, the grease interceptor program, the façade improvement assistance program and the water and sewer impact fee program.

One-Stop Permit Assistance Center

Representatives from the City's Planning, Building, Fire, Electric and Public Works Departments have dedicated two afternoons a week to meeting with potential developers and business owners about their proposals. Information about the review process and city requirements is provided at no cost.

Economic Development Office

The City maintains an economic development partnership with the Healdsburg Chamber of Commerce through the Economic Development Office. A part-time Economic Development Coordinator works as an ombudsman to the business community to promote business retention, assist with business expansion and attract new businesses that will add to the economic vitality and diversity of the city. The Economic Development Office partners with the Redwood Empire Small Business Development Center to provide no-cost business consulting services to existing and prospective businesses, business workshops on timely topics, in-depth business operation reviews, and assistance with new product development, patents, trademarks, copyrighting and import/export issues.

Educated work force

The proportion of Healdsburg adults who has achieved a Bachelor's degree has continued to grow, reaching 32 percent in 2009. Meanwhile, the percent of Healdsburg adult with a high school diploma or less has fallen considerably, to 15 percent.

Transit-oriented development

The City is preparing a redevelopment plan for Healdsburg's primary entry that may include a compact, walkable community centered on a high quality passenger train system. The city has recently seen a number of "smart growth" projects that reduce reliance on personal vehicle travel by being located near transit and services.

CITY OF PETALUMA

The City of Petaluma is located in southern Sonoma County, about 40 miles north of San Francisco. It was incorporated in 1858 on the shores of the Petaluma River, which empties into the San Pablo Bay and provides a direct shipping connection to the San Francisco Bay Area. The Petaluma River, combined with electric rail and steamship transportation, made Petaluma a thriving center of commerce in the late 19th – early 20th centuries, enabling the City's early entrepreneurs, including farmers and manufacturers, a means to sell their goods to the booming towns of San Francisco and Oakland. Today, the River is still used for commercial and industrial purposes, with an additional focus toward tourism and ecological preservation and recognition of the River's significance to the history of Petaluma.

Petaluma's location just north of Marin County and east of the Marin/Sonoma coastline still provides economic advantages. The City is far enough north of San Francisco to provide relatively affordable commercial, industrial and residential land, yet easy access to the rest of the Bay Area. Its central location relative to the farm and ranch lands in Marin and Sonoma Counties make it an advantageous location for food processing, especially for milk and poultry products. In fact, not long ago, Petaluma was the source of eggs for all of northern California. The weathered, but still standing, chicken coops from that earlier period can still be seen on the outskirts of the city. As Sonoma County has become well-known for its wine, Petaluma has been able to capitalize on its proximity to wineries by growing its hospitality sector.

Petaluma encompasses 14.5 square miles and is home to approximately 54,000 residents. Petaluma's population earns an average wage of \$79,000 per household and is approximately 69.4% White, 21.5% Latino, 1.2 % African American, 4.5 % Asian and 3.4 % other or combined races. Approximately 30% of the population has completed a bachelor's degree or higher. Petaluma's 21,000 housing units are 65% owner occupied and valued at \$360,000. The 360 manufacturing and food processing businesses employ over 3,700 of Petaluma's 24,000 employees.

Today, Petaluma, along with the rest of the nation, is facing one of the worst recessions since the Great Depression. Thirty percent of office space and twelve percent of industrial space is vacant and housing values have dropped. Retail sales, especially for automobiles and luxury items have fallen. Development impact fee revenues for the City have also declined as little to no new development is taking place. The drop in sales and property tax and impact fees has resulted in vacancies in all departments, reducing levels of service.

Despite the recent downturn, there are many trends that bode well for Petaluma's future. Petaluma is in an advantageous position to capitalize on tourism related to arts, wine,

culture, heritage and its natural areas, especially the marsh lands. Californian's increasing interest in and demand for healthy, good tasting foods has created opportunities for Petaluma's manufacturers of natural, organic and artisan foods and beverages, especially dairy products. Manufacturing, long decried as dirty, smelly and unattractive, is now re-emerging and can be a key to economic diversification and the provision of a range of high quality jobs. Petaluma is in the position of being able to leverage its existing strength in manufacturing to attract even more business activity. In terms of community livability and quality of life, the increasing desire for more compact forms of urban development located along transit corridors makes opportunities for new development, sparked by the construction of the SMART train, a catalyst for Petaluma's downtown.

CITY OF ROHNERT PARK

Rohnert Park, known as the Friendly City, is largely a middle-class, family oriented community. For its 40,971 residents, Rohnert Park is an ideal area in which to live and raise a family due to its proximity to schools and employment opportunities throughout the Bay Area; its focus on outdoor and recreational activities, as well as its open space. Rohnert Park was founded as a master-planned community in 1954, based on the neighborhood unit concept of clustering single-family homes around local schools and parks. In 1962, the City incorporated with a population of 2,775 encompassing 1,325 acres. Today, Rohnert Park's city limits span 4,400 acres; nearly half of which are dedicated to residential uses.

Open space, parks, trails and the natural environment is an important feature of Rohnert Park's community. According to the 2000 General Plan, there are 469 acres of park and recreation land within city boundaries. This includes the Community Center Complex, which is home to the Community Center, the Sports Center and Performing Arts Center. Additionally, there are 14 neighborhood and mini-parks, three neighborhood recreation centers, two community pools, a senior center and 96 acres of creek side open space.

In addition to Rohnert Parks' outdoor recreational activities, there are also numerous entertainment venues, theatres and community events that local residents as well as visitors enjoy. The Spreckels Performing Arts Center makes the performing arts accessible to all segments of the community. Spreckels actively partners with regional performing arts groups and organizations offering a variety of productions that appeal to broad segments of the community.

The median household income within Rohnert Park reached \$65,186 in 2010. This represents an increase of 25% from 2000 when the median income was \$52,353. Forecasts show that the median income will reach \$70,855 by 2015. In comparison to Sonoma County, Rohnert Park's median income trails slightly. The 2010 median income for Sonoma County was \$68,255 or approximately 5% higher than Rohnert Park's. By 2015, the County's median income is projected to reach \$77,826, approximately 10% higher than Rohnert Park's.

There is a broad variance in housing prices throughout Sonoma County with Rohnert Park being one of the more affordable markets and coastal Sonoma being the most expensive. Recent home sales through the second quarter of 2011 reached an average sale price of \$211,777 within the Rohnert Park/Cotati market.

The service, retail and manufacturing sectors are the top three industries in Rohnert Park with 48.2% employment in the service sector, 12.4% in retail and 9.6% in manufacturing.

Following a peak in sales tax revenues in 2006, Rohnert Park's sales tax has steadily declined. Rohnert Park's voters elected to add a ½ cent sales tax (Measure E) to the base rate, which is estimated to generate about \$2.4 million annually.

Rohnert Park is home to Sonoma State University (SSU). Each year, approximately 2,000 students graduate receiving diplomas in accounting, business administration, engineering, nursing, science and the wine industry. A 2010 study by the California State University system showed that SSU had an overall local economic impact of \$330 million and generates more than \$19 million in local tax revenue. Seventy percent (70%) of the students graduating with a master's degree in engineering science take jobs in the North Bay's technology industry.

In 2012, Rohnert Park will celebrate its 50th anniversary. As the community looks to the future, it strives to balance growth with its founding values, which include maintaining a small town feel, ensuring that there is sufficient open space and recreational activities, attracting a stable employment base, maintaining city services and infrastructure and enhancing the community's character.

Factors Affecting Rohnert Park's Economic Development

Rohnert Park's residents are well qualified and largely work in jobs that require professional expertise and training. However, the majority of the community's working population commutes to jobs outside of the city. It will be important for Rohnert Park to identify and focus on growth industries. Data provided by the State of California's Employment Development Department has projected that through 2018 growth industries in Sonoma County will include: scientific and technical services, business services, food services, leisure and hospitality and health care. These industries align with business cluster segments identified by the Sonoma County Innovation Council. Partnerships with Sonoma State University and the Sonoma Mountain Business Incubator will facilitate job creation efforts and enable City officials to effectively recruit employers within these growing fields.

Office vacancy rates have risen to 43%, which is the highest rate since 2006. Industrial vacancy rates are hovering around 11%, which is slightly lower than the high of 12.5% in 2009. Retail vacancy rates follow industrial vacancies fairly closely, and since 2009 have been above 10%. The vacancy rates for retail space currently remain steady at approximately 11%. In order to fill these vacancies Rohnert Park will need to work closely with property owners, commercial realtors and community partners to identify and act on opportunities to attract new business tenants. This may include working with property owners to identify ways in which their properties can be transformed to meet the unique needs of Sonoma Counties' growth industries.

The Sonoma Mountain Business Cluster is a non-profit business incubator fostering start-up businesses and encouraging business attraction to Rohnert Park. It plays a key role in returning jobs to the region and assists businesses by providing mentoring, resources and space for start-ups with a focus on sustainable-resource and socially relevant technologies. It is home to innovative high-tech businesses that will create sustainable well paying jobs. It is important for City officials to work closely with the Business Cluster, its tenants and commercial brokers to ensure that local properties are ready and available when these businesses are ready to expand.

Rohnert Park developed as a city of neighborhoods without a downtown focus. Its retail businesses are separated to the east and west of Highway 101 along main arterials. Developing an entry corridor at the 101/Rohnert Park Expressway interchange will serve to integrate the segregated retail/commercial corridor, thereby stimulating the local economy and generating renewed business interest. Rohnert Park will explore opportunities to create an entryway and improve physical aesthetics through monument signs, directional signage and streetscape improvements.

The Green Music Center is a state-of-the-art, regional music venue opening January 2012 at Sonoma State University. It will offer live symphonic and musical productions and can also be rented for private events. The Music Center will draw from a wider market and offer performances that do not directly compete with the Performing Arts Center. Cooperative marketing opportunities may exist for each theatre; working together each entity can help to promote the other and build greater awareness about performances.

Located in the southern portion of Sonoma County, tourists and visitors drive through Rohnert Park to reach popular wine destinations along the Russian River, Healdsburg and Sonoma. A proposed casino, to be built just outside City limits, will provide an additional attraction to capture visitors and those driving through Rohnert Park. To capitalize on this market, Rohnert Park will partner with the Sonoma Tourism Bureau and Rohnert Park Chamber of Commerce Visitor Information Center. This will help target tourists visiting Sonoma County and will identify opportunities to engage local hotels, entertainment destinations and build awareness about the outdoor and recreational activities for which Rohnert Park is historically known.

The construction of the SMART Train can help bring economic development opportunities to Rohnert Park and throughout Sonoma County. It will improve and provide an alternative means of transportation to the region. Improvements to transit will enhance business attraction efforts, facilitate job creation and encourage transit-oriented development.

The City of Rohnert Park has recently established an Economic Development team that will focus on implementing the Economic Development Plan adopted by Council in 2010. From that plan, specific Economic Development activities will be initiated. The main goal of the City's Economic Development program is to increase City revenues through sales and hotel occupancy taxes. Additional economic development activities will include collaboration with local business leaders, the Chamber of Commerce, and the Sonoma County Tourism Bureau to identify opportunities for retaining businesses, encouraging the community to support local businesses and marketing Rohnert Park to visitors.

CITY OF SANTA ROSA

Incorporated in 1868, the City of Santa Rosa, with a population of approximately 170,000 and encompassing 41.5 square miles, is the largest city in Sonoma County and the county seat. Santa Rosa is the largest city in California's Wine Country and fifth largest city in the San Francisco Bay Area, after San Jose, San Francisco, Oakland, and Fremont. The city is part of the North Bay region and lies along the US Route 101 corridor, approximately 55 miles north of San Francisco.

Santa Rosa has cool, wet winters and warm, mostly dry summers. Average annual rainfall is 30.45 inches, falling on 74 days annually. The average high temperature is 71.7°F, while the average low is 44.7°F.

Santa Rosa's population, according to the 2010 Census, is primarily white (71%), with concentrations of Hispanic/Latino (28.6%), Asian (5.2%), Native American (1.7%) mixed race (5.1%) and African-American (2.4%). Average household income is \$75,379.

Santa Rosa's public school system boasts 37 elementary schools, 10 middle schools and five high schools. SAT scores for college-bound high school graduates in Santa Rosa rank above the county, state and national averages. There are also ample top-rated private high school choices in the area. Santa Rosa Junior College, Sonoma State University, University of San Francisco and Empire College all offer programs that prepare students well for today's job market.

The primary industries in Santa Rosa are tourism, clean tech, biomedical/biotechnology, advanced technology, health/wellness, and food/wine product development. These industries make up the majority of the estimated 93,500 jobs in Santa Rosa. Major employers include the County of Sonoma, Kaiser Permanente, St. Joseph Health Systems, Agilent Technologies, Medtronic and JDSU.

Santa Rosa is home to city, county and state parks. There are 61 city parks totaling over 514 acres of parkland that include multiple community pools, playing fields, a lake, and even a simulated small-scale 1863 C.P. Huntington steam train. Spring Lake Regional Park is a 320 acre park featuring a three acre swimming lagoon and a 72 acre lake. Annadel State Park offers miles of trails for hiking, mountain biking, and trail riding.

Factors Affecting Santa Rosa's Economic Performance

Santa Rosa adopted its first Economic Development Strategic Plan in 2003 that included 14 target initiatives. In 2005 the City led the creation of the Economic Development Strategic Plan Phase II – "Competing in the New Economy," which focused on existing & emerging industry cluster development; innovation & entrepreneurial development; and business

climate, culture & communications. By 2008, the City had substantially completed all the strategic initiatives in Phase II and, in response to the changing local and national economy, Santa Rosa adopted its Economic Sustainability Strategy, focusing on job creation through business attraction to existing employment centers; existing business retention/expansion; entrepreneurial image & attraction; and infrastructure improvements. In 2010 the Economic Sustainability Strategy was augmented to add aggressive economic development measures to the City's zoning code and to continue to use and build on the 2008 plan by:

Focusing on building the entrepreneurial environment by facilitation programs that provide access to human and financial capital, intellectual property and economic innovation services; fostering local and regional partnerships and continuing to build a positive business climate; and

Maintaining and nurturing community economic assets by growing the local and regional economy and by attracting/retaining entrepreneurial individuals by supporting a dynamic urban core with a strong employment base, effective transportation system and diverse housing options while taking leadership in establishing vital neighborhood connections; maintaining and enhancing a business mix that sustains a balance of job creation/retention and revenue generation.

Much of the City's land area is built out, with few vacant parcels of land available for new development projects. The high vacancy rates countywide caused by the recession of the late 2000s have made commercial and industrial rents more competitive than in the past. There is limited vacant land for build-to-suit development, and limited incubator-size space in business/industrial parks, while there is also limited Class A and B office space in downtown Santa Rosa. Current office vacancy (2011 Q2) is 15.4%, while industrial vacancy is 12.5% and retail vacancy is 6.9%. These numbers show a steady improvement in vacancy rates since 2008.

Santa Rosa is the primary destination for regional retail and business services, serving not only Sonoma County but also Napa, Mendocino, Humboldt and Lake Counties. As the business, retail and service hub for these counties, Santa Rosa benefits from consumers willing to travel farther for its goods and services.

Santa Rosa has experienced the adverse impact of the economic downturn, offshore manufacturing movement, and associated loss of jobs. Questions and perceptions about Santa Rosa's competitiveness and ability to attract and retain business continue (specifically, the cost and ease of doing business in Santa Rosa). Forbes Magazine ranked the Santa Rosa metropolitan area 185th out of 200, on its 2007 list of Best Places For Business And Careers. It was second on the list five years before. The area was downgraded because of an increase in the cost of doing business, and reduced job growth.

Santa Rosa has long been perceived as a difficult place for business, however, Zoning Code adjustments made in 2010 and 2011 aggressively encourage economic growth and create an entitlement process that reflects the development realities of today.

The majority of Santa Rosa businesses have fewer than 20 employees. There are currently fewer managerial and technical jobs than in the Bay Area and more jobs in service, sales and production. Recent declines in total manufacturing, wholesale trade, retail, transportation and warehousing have led to declines in employment, wages and productivity.

In preparation for the proposed SMART train, the creation of a transit village, New Railroad Square, is currently underway. The project will be developed over five blocks on approximately 7.4 acres and includes affordable and market rate housing, a community health and fitness center, ground floor retail, commercial office space, site improvements including new streets and plazas, and nearly 600 parking spaces on a seven acre site.

Santa Rosa's history of innovation has led to a strong entrepreneurial environment with start-ups in medical technology and green manufacturing. There is a need for start-up capital, industry networking, and access to professional services that cater to start-ups.

Santa Rosa's proximity to the wine industry and organic food production has given it a strong tourism base supported by over 30 lodging operations from deluxe to budget. Growth in this sector has provided additional tax revenues to the City as well as a variety of skilled, unskilled, management and service level jobs for its residents.

CITY OF SEBASTOPOL

The City of Sebastopol is a small semi-urban community located in western Sonoma County, California on the western edge of the Santa Rosa plain. It is 50 miles north of San Francisco, 8 miles west of Santa Rosa, 10 miles from Bodega Bay and about 15 miles from the Russian River. The City was incorporated in 1902 and has a current population of about 7,800 and serves as the principal market center for approximately 50,000 western Sonoma County residents.

The City has a Council-Manager form of government, with five Council members elected at-large. The City operates its own police department, volunteer fire department, water and sewer utility along with other typical municipal functions. The City has a very low crime rate ranking it among the safest cities in northern California. Sebastopol is home to very well regarded public school systems. Park Side Elementary School recently achieved International Baccalaureate (IB) status. Analy High School was recognized among the top 500 high schools in the United States, ranking 184th according to Newsweek Magazine. The City has a diverse housing base and while like all other cities in California, it has been buffeted by difficulties in the housing market, Sebastopol homes have retained more of their value than many of its neighboring communities. The City has a total of 3,465 housing units, of which 94.5% are occupied. Owner occupied homes make up 52.9% of the housing stock. The population is broken down in terms of ethnic background as follows: White, 81.9%, African American, 1.0%, Asian 1.6%, Latino 12%, and 3.5% other or combined races. The City has a median family income of \$74,698 and 37.6% of its residents have a bachelor's degree or higher. The City's population has a 90.8% level of high school graduates.

Sebastopol has experienced difficulties in these economic times like other governments. The City has thus far been able to avoid any forced workforce reductions but has reduced the number of its workforce through attrition. The City employs 92 persons, of which 42 are volunteers in our police and fire departments. The City has a thriving volunteer fire department and is fortunate to operate a highly regarded reserve police officer program. The latter serves as a place for young persons who want to move into a full-time police career to learn the trade and a place for older public safety employees to continue in their careers in a reduced role. Many of the City's full time police officers had their start as reserve officers in the Sebastopol Police Department. The difficult economic times have caused the City to reduce its weekly work schedule from a 40 hour work week to a 36 hour work week with the exception of the Police Department. As a market town, the City is particularly sensitive to volatility in sales tax revenues and as consumer spending has dropped over recent years, it has resulted in reduced sales tax revenue and thus some service reductions.

The City is favorably located in one of the most beautiful areas of the country and is surrounded by redwood forest, apple orchards, open agricultural land and vineyards. Lying in the renowned Russian River Valley, the City and the area immediately surrounding it are home to world class wineries. Tourism associated with the wine industry, the beautiful Sonoma Coast, the environmentally critical Laguna de Santa Rosa and a myriad of bike paths and picturesque country roads make the Sebastopol area a favorite for bikers, hikers, weekend drivers and wine connoisseurs. In 2010, the City became the third U.S. City to achieve the prestigious Cittaslow designation as a place with special features and amenities that make it a unique and highly desirable place to live.

Prior to the growth of the wine industry, the City was the hub for a vibrant apple industry. A unique variety, the Gravenstein Apple, is found in only two places in the world and there are major events in the City in the spring and summer each year celebrating the Gravenstein and its place in the area's history. While the commercial apple industry no longer has a major presence, many growers in the area are planting new acreage of apples, including Gravensteins, and are finding a welcoming local market. Among Sonoma County cities, Sebastopol is the only incorporated city that lies significantly to the west of the Highway 101 corridor and this affords the City the ability to have a distinct small town feel while still being part of and within easy access to the more urbanized areas of Sonoma County and the Bay Area.

THE CITY OF SONOMA AND SONOMA VALLEY

Sonoma Valley is located in the southeastern corner of Sonoma County between the Mayacamas and Sonoma Mountain ranges, about 45 miles north of San Francisco. The Valley, birthplace of California's famed wine industry and the northern terminus of the California mission trail, has a total population of approximately 40,000. This includes the 10,000 residents of the City of Sonoma, and the residents of the unincorporated communities collectively known as "The Springs" (Boyes Hot Springs, El Verano, Fetters Hot Springs, and Agua Caliente), along with the nearby communities of Schellville, Kenwood, and Glen Ellen.

Tourism, wine production, and agriculture are the major economic drivers for Sonoma Valley. The Valley is home to almost 100 wineries and tasting rooms, and is a destination favored by visitors from around the world for its wine, food, culture, and history. Highway 12 is the primary transportation corridor, and is known in various segments as Broadway, West Napa Street, and Sonoma Highway.

The Sonoma Plaza is the historic and present-day center of the community, and is the location for the Sonoma City Hall, the Mission San Francisco de Solano and State Historic Park, and a large number of historic buildings that currently house shops, restaurants, and cultural venues. To the east of the city limits lies the Eighth Street corridor, a light industrial area that is home to a significant number of employers, including food processors, manufacturers, artisans, and wine-related businesses.

In Sonoma Valley, more than half of the employed population works in the services sector. The majority of local employers are small; more than 60% of Sonoma's jobs are found in businesses with fewer than five employees. Most businesses are locally owned, and home-based businesses are common.

The Sonoma Valley population is 26% Latino, and approximately one-third of the students in the Sonoma Valley Unified School District are English language learners (above both the county and state averages). The Springs area has the highest concentration of Latino residents in the Valley. Thirty-two percent of the households in The Springs have incomes below 200% of the federal poverty level. The Springs area also has unemployment rates that are higher than the County average.

Economic Development

A unique aspect of the community is the Sonoma Valley Economic Development Partnership, formed in 2004 by the Sonoma Valley Chamber of Commerce and the City of Sonoma. The County Community Development Commission, which has a redevelopment

project area in The Springs, joined the Partnership in 2006. The Partnership's advisory committee meets monthly to guide collaborative public-private efforts to support the local economy through business retention, expansion, and creation; strengthening existing industries; economic diversification; workforce development; sustainability; and strengthening the local business climate. The Partnership has been recognized as a model at the state and national levels, receiving a Helen Putnam Award for Excellence from the League of California Cities, and a Program Excellence Award from the International City Managers Association.

Among the Partnership's current goals, as identified by the Economic Development Advisory Committee (EDAC), are to:

- Develop programs to increase successful entrepreneurship.
- Support business retention by assisting existing businesses with disabled accessibility compliance.
- Improve visitor-oriented signage valley-wide through a coordinated City/County effort.
- Support downtown vitality efforts by the City.
- Support projects to leverage underutilized public spaces and improve infrastructure for the benefit of the local economy.

Redevelopment project areas in the City and in the Springs have been central to working toward these goals. Infrastructure improvements are a high priority in both areas, as is rehabilitation of commercial structures. The Strategic Plan for the Springs community of Sonoma Valley identifies improvements to Highway 12 as the top priority. Other high priority goals include creating a public plaza that is a central gathering place and part of a commercial activity hub; encouraging and supporting the development of health care services and facilities; and assisting development of new and existing businesses; among other goals. The City's redevelopment priorities include rehabilitation of historic structures and community facilities projects.

TOWN OF WINDSOR

The Town of Windsor is located 60 miles north of San Francisco along Highway 101 in the heart of Sonoma County. Incorporated in July 1992, Windsor is a family-oriented community with an exceptional quality of life. Windsor offers a wide variety of services and recreational amenities, excellent public and private schools, well-planned business areas, range of housing types ease of access to the Charles M. Schulz Sonoma County airport and Highway 101, and a historical downtown.

The Town's overarching Economic Development goal as determined by the Windsor's General Plan and Vision 2015 is, to provide an open and inviting business climate for new and existing businesses, a balanced economic environment, and diverse tax base. The General Plan goal for Economic Development is supported by six principal objectives:

1. Promote the retention and expansion of existing businesses and the attraction of new businesses that will increase the tax base
2. Promote the expansion and enhancement of economic informational resources
3. Promote diverse employment opportunities that support local residents and enable residents to live and work in Windsor
4. Reserve adequate land to accommodate commercial and future light industrial development to meet the needs for goods and services for the Town and to create jobs
5. Reinforce the Old Downtown area and Town Green as the civic and cultural heart of Windsor
6. Concentrate higher intensity/density activities in the Old Downtown

The focus of Economic Development in Windsor is on Windsor's existing competitive advantages and assets or benefits for growing the local economy while supporting innovative approaches to broadening the economic base. The fundamental principles of economic development in Windsor are as follows:

- Put existing business first, as 75-80% of job growth nationwide is based upon retaining and expanding existing businesses.
- Focus on sustainable development, including jobs and employers that will be self sufficient in their use of resources, work to improve greenhouse gas emissions and air and water quality and ones that will not 'pick up and move' when the global economy shifts.

- Encourage collaborative leadership and partnership, leveraging resources at the county and regional levels and cultivating diverse participation locally including all cultures and youth.
- Continue investing in quality community infrastructure for Windsor’s successful future.
- Create a specific multi-year action plan with realistic expectations.
- Be aware that economic development and growth take time. Patience and persistence are critical virtues.

Green Construction and Green Services

Green Construction and Green Services initiative combines a variety of industries that hold potential for developing green technology and for using green technology in the production of goods and services. This cluster includes: Green building, green procurement, waste reduction, green and clean technology (energy, transportation, materials, water).

The largest component of the industry is construction. It is an industry that already is putting into practice energy saving and other resource-saving devices. The town currently hosts 116 construction and green service businesses, representing 980 jobs. Added to this is a respectable cadre of engineering, technical and professional businesses. These existing businesses hold tremendous potential to expand and to grow (businesses and jobs).

The key Economic Development goals for Green Construction and Green Services are:

1. Promote Local Green Building Services & Practices
2. Provide Green Incentives
3. Develop a Green Building Industry Cluster in Windsor

Tourism Expansion

Windsor’s central location in the heart of Wine Country together with its characterization as a relaxing, welcoming, friendly, family-oriented destination encourages tourism expansion. Windsor can leverage the highly successful Sonoma County visitor market by focusing on the Russian River wine niche and family niche. Upgrading infrastructure and amenities is key to expanding tourism in Windsor.

Key strategies for the expansion of the tourism industry in Windsor include:

1. Family Destination Branding & Marketing

2. Improving Visitor Infrastructure
3. Attract New Family/Children's Venues to Create a Destination
4. Development of a Boutique Hotel
5. Expanding Meeting Space Venues
6. Tourism and Youth

Agriculture – Wine and Culinary Industry Expansion

The Windsor area's greatest economic resource may be the agriculture industry--both viticulture and specialty and/or organic farms. Capitalizing on these sectors through agri-tourism and culinary product expansion presents a significant opportunity for Windsor. In 2006, Sonoma County's agricultural production value rose to \$590 million, compared to \$483 million in 1999. Fruit and Nuts made up 74% of the County's production value in 2006, followed by Livestock & Poultry Products (13%). The Sonoma County Farm Trails, an organization dedicated to supporting sustainable agricultural diversity, has 263 members in Sonoma County, with several in the Town of Windsor. Sonoma County is a leader in sustainable grape growing and requires environmentally sound, socially equitable and economically viable production.

Key economic development for the expansion of the Wine and Culinary Industry include:

1. Local Collaboration and Marketing Connections
2. Holding a Signature Windsor Food and Wine Event
3. Development of a Culinary Center

Industrial Jobs Growth

The Town seeks to ensure that existing and new industrial lands are reserved for users with a high jobs per square foot ratio: The goal is to target a Developer to Build a Compact, Jobs-Intensive Industrial Park Similar to Shiloh Business Park. The Town has ample Industrial land located in the southwestern quadrant of Town. The Town desires to develop a high quality Industrial Park that targets existing clusters of industries that are expected to drive the economy in coming years in terms of their job and performance growth, and industry concentration.

4 State of the Economy

Employment and Major Employers

Sonoma County's total employment is approximately 216,400 and is expected to reach 235,800 by 2018. Of this total, about 21,000 workers are self-employed and another 5,800 are farm workers. Sonoma County has a fairly diverse economy with employment spread evenly between manufacturing (22,000), professional and business services (23,000) leisure and hospitality (21,000), education and health care (24,200) and retail trade (23,000). In addition another 12,800 are employed in construction and 8,500 are employed in financial activities.

**2008-2018 Industry Employment Projections
Santa Rosa-Petaluma Metropolitan Statistical Area
(Sonoma County)**

NAICS Code	Industry Title	Annual Average		Employment Change	
		2008	2018	Numerical	Percent
	Total Employment	216,400	235,800	19,400	9.0
	Self Employment (A)	21,000	21,400	400	1.9
	Unpaid Family Workers (B)	300	300	0	0.0
	Private Household Workers (C)	3,000	5,200	2,200	73.3
	Total Farm	5,800	5,900	100	1.7
	Total Nonfarm	186,300	203,000	16,700	9.0
1133,21	Mining and Logging	200	100	-100	-50.0
23	Construction	12,800	13,500	700	5.5
31-33	Manufacturing	22,000	21,600	-400	-1.8
	Durable Goods Manufacturing (321,327,331-339)	10,400	9,300	-1,100	-10.6
334	Computer and Electronic Product Manufacturing	3,200	2,900	-300	-9.4
	Nondurable Goods Manufacturing (311-316,322-326)	11,500	12,300	800	7.0
22,42-49	Trade, Transportation, and Utilities	35,100	36,500	1,400	4.0
42	Wholesale Trade	7,700	7,800	100	1.3
44-45	Retail Trade	23,000	24,000	1,000	4.3
22,48-49	Transportation, Warehousing, and Utilities	4,400	4,700	300	6.8
51	Information	2,800	2,600	-200	-7.1
52-53	Financial Activities	8,500	7,900	-600	-7.1
54-56	Professional and Business Services	22,900	27,800	4,900	21.4
61-62	Education Services, Health Care, and Social Assistance	24,200	28,300	4,100	16.9
71-72	Leisure and Hospitality	21,000	25,100	4,100	19.5
81	Other Services (excludes 814-Private Household Workers)	6,400	6,500	100	1.6
	Government	30,400	33,100	2,700	8.9

Source: California Employment Development Department, 2011

March 2009 Benchmark

Industry detail may not add up to totals due to independent rounding.

(A) Self-Employed persons work for profit or fees in their own business, profession, trade, or farm. Only the unincorporated self-employed are included in this category. The estimated and projected employment numbers include all workers who are primarily self-employed and wage and salary workers who hold a secondary job as a self-employed worker.

(B) Unpaid family workers are those persons who work without pay for 15 or more hours per week on a farm or in a business operated by a member of the household to whom they are related by birth or marriage.

(C) Private Household Workers are employed as domestic workers whose primary activities are to maintain the household. Industry employment is based on the Quarterly Census of Employment and Wages (QCEW) program.

Sonoma County’s Largest Employers
Reflecting the diversity of Sonoma County’s economy, the largest employers in the County include manufacturing, health care, financial activities, government and education.

Sonoma County’s Largest Employers

Employer Name	Location	Industry
DE JUNG MOTORSPORT	Cotati	AUTOMOBILE REPAIRING & SERVICE
SONOMA DEVELOPMENTAL CTR	Eldridge	COGNITIVE DISABILITY-DEV DISABILITY SVCS
KORBEL CHAMPAGNE CELLARS	Guerneville	WINERIES (MFRS)
FRIEDMAN BROTHERS HARDWARE	Not Available	STORAGE
CARL ZEISS VISION INC	Petaluma	OPTICAL GOODS-RETAIL
NORTH BAY CONSTRUCTION INC	Petaluma	GENERAL CONTRACTORS
PETALUMA VALLEY HOSPITAL	Petaluma	HOSPITALS
US COAST GUARD	Petaluma	FEDERAL GOVERNMENT-NATIONAL SECURITY
SONOMA STATE UNIVERSITY	Rohnert Park	SCHOOLS-UNIVERSITIES & COLLEGES ACADEMIC
STATE FARM OPERATIONS CTR	Rohnert Park	MANAGEMENT SERVICES
AMY’S KITCHEN INC	Santa Rosa	FROZEN FOOD PROCESSORS (MFRS)
ARMY NATIONAL GUARD RECRUITER	Santa Rosa	STATE GOVERNMENT-NATIONAL SECURITY
ARTERIAL VASCULAR ENGINEERING	Santa Rosa	ENGINEERING
J SANTANA REAL ESTATE APPRSLS	Santa Rosa	REAL ESTATE APPRAISERS
JDS UNIPHASE	Santa Rosa	OPTICAL INSTRUMENTS & LENSES (MFRS)
MEDTRONIC VASCULAR	Santa Rosa	PHYSICIANS & SURGEONS EQUIP & SUPLS-MFRS
SANTA ROSA MEMORIAL HOSPITAL	Santa Rosa	HOSPITALS
SANTA ROSA RECREATION & PARKS	Santa Rosa	PARKS
SONOMA COUNTY DEPT-EMERGENCY	Santa Rosa	GOVERNMENT OFFICES-COUNTY
SONOMA COUNTY HUMAN SVC DEPT	Santa Rosa	COUNTY GOVERNMENT-SOCIAL/HUMAN RESOURCES
SONOMA COUNTY RADIO MNTNC SHOP	Santa Rosa	GOVERNMENT OFFICES-COUNTY
SONOMA COUNTY SHERIFF DEPT	Santa Rosa	SHERIFF
SUTTER MEDICAL CTR-SANTA ROSA	Santa Rosa	HOSPITALS
FAIRMONT	Sonoma	HOTELS & MOTELS
SONOMA VALLEY HOSPITAL	Sonoma	HOSPITALS

Source: California Employment Development Department, 2011.

Clusters of Opportunity

The Sonoma County Innovation Action Council, supported by the Sonoma County Economic Development Board, has implemented a cluster-based approach to economic development. This approach involves working with networks of firms to identify and strategically address their competitiveness issues so as to facilitate their growth and economic success.

Industry clusters are geographic concentrations of competing, complementary, or interdependent firms and industries that do business with each other and/or have common needs for talent, technology, and infrastructure. The firms included in the cluster may be both competitive and cooperative. They may compete directly with some members

of the cluster, purchase inputs from other cluster members, and rely on the services of other cluster firms in the operation of their business.⁴

Sonoma County business leaders organized into cluster groups to identify potential areas of growth and improvement. Each cluster was able to identify new areas of development and advancement that could aid their prosperity and competitiveness in Sonoma County for years to come. The discussion from the clusters resulted in the creations of Action Plans, which identify and illustrate the necessary information pertinent to the CEDS.

Ultimately, nine clusters were identified that drive Sonoma County's economy: Wholesale Trade, Retail Trade, Health and Wellness, Wealth Management, Professional and Innovation Services, Construction and Green Services, Tourism, Advanced Manufacturing, and Agriculture, Food, and Wine. All of these sectors (except the Advanced Manufacturing cluster) have grown over the last decade; some, such as Professional and Innovation Services, Wealth Management, and Construction/Green Services grew by more than 50 percent.

These nine clusters provide a natural focus for the innovation-based economic development- strategies that will help companies in key industries adapt to challenging and changing global competition. Put simply, it means enhancing transaction efficiencies (reducing costs) and providing support (adding value) that is suitable to companies at different stages of development and in different industries.

Five of these clusters are characterized as bringing wealth into Sonoma County through export of their goods and services to other regions or through sales to visitors from outside the region. These five clusters are described below.

1.) Professional and Innovation Services

Professional and Innovation Services is a diverse cluster of small enterprises, which are focused on helping other firms implement innovative strategies. Their activities range from industrial design services; computer systems design; management, scientific and technical consulting services; scientific research; and architectural and engineering services. This cluster also includes professional services that provide "outsourced" functions to other companies, such as legal services; accounting; tax preparation; and payroll services. The Creative Professional Services cluster-along with wealth management services-have great potential in Sonoma County because of the areas highly educated population and attractive quality of life.

⁴ Porter, Michael E. 2000. Attitudes, Values, Beliefs, and the Microeconomics of Prosperity. In *Culture Matters: How Values Shape Human Progress*, ed. Lawrence E. Harrison and Samuel P. Huntington. New York: Basic Books

2.) Health and Wellness

Health and Wellness also has a promising future in Sonoma County. Given that the population is aging, there will be growing opportunities a diverse range of health care services-ranging from hospitals to ambulatory care, and nursing to residential and in-home health care. In addition, as indicated by the rapid growth of personal care, the Health and Wellness cluster includes diet, weight loss, and other personal care facilities; wellness programs are also in increasing demand. These wellness programs will experience a growing opportunity to connect to the Tourism cluster (e.g. spas that are a part of a hotel).

3.) Agriculture, Food, Wine, and Tourism

The Agriculture, Food, Wine, and Tourism clusters will continue to be key drivers of the Sonoma County economy. Though Agriculture, Food, and Wine will not likely be a source of new jobs, tourism will be-and the inter-relationships among these industries provides a distinctive ambiance and set of amenities important to the County's quality of life-including a particular attractiveness to talented innovators and entrepreneurs who are critical to the economic vitality of Sonoma County. By connecting food and wine, and health and wellness, the tourism cluster can keep moving to higher value-added jobs, providing tourists and residents alike with richer and more diverse experiences during their stay in Sonoma County.

4.) Sustainability Services: Construction and Green Services

The Construction and Green Services cluster combines a variety of industries that create potential for developing and using green technology in the production of goods and services. The largest part of this cluster is construction. It is an industry that is already putting into practice energy-saving and other resource-saving devices. The opportunity for further implementation of green services and technology will continue to grow; and there will likely be productive connections with other clusters as well. For example, the Creative Professional Services cluster includes research and development services that could support the application of green technologies. Innovations will also be necessary to support increasingly efficient use water and power, management of pests, and disposal of waste by the Agriculture, Food, and Wine cluster; the Tech-Producing cluster could potentially provide new green products and technology.

5.) Advanced Manufacturing

The advanced manufacturing cluster includes firms engaged in the production of medical technology equipment and supplies; navigational, measuring, electro-medical, and control instruments; and electronic components. Businesses in this cluster are pursuing a high

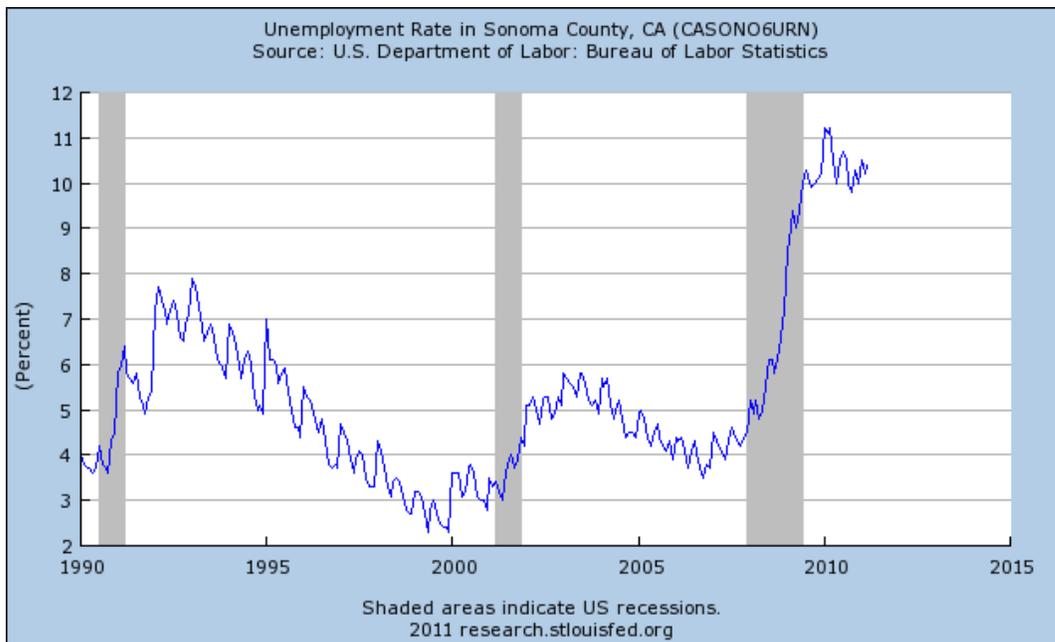
value manufacturing model characterized by speed, customization, agility, high value. These companies thrive in an environment that provides access to a talented workforce.

Across all clusters, there is a unique opportunity for Sonoma County to focus on the growth of “second-stage” companies. In 2009, the Edward Lowe Foundation examined the impact of second-stage companies. Their study showed that privately-held companies with 10-99 employees and revenue of \$1 million to \$50 million represented about 11% of the businesses and 44% of Sonoma County jobs. These percentages exceeded both national and state averages (38% and 40%, respectively). Second-stage firms have passed the uncertainty of the start-up stage and have potential to grow. These companies can adopt innovations and expand their research to global markets, and could be the source of much of Sonoma County’s future economic vitality.

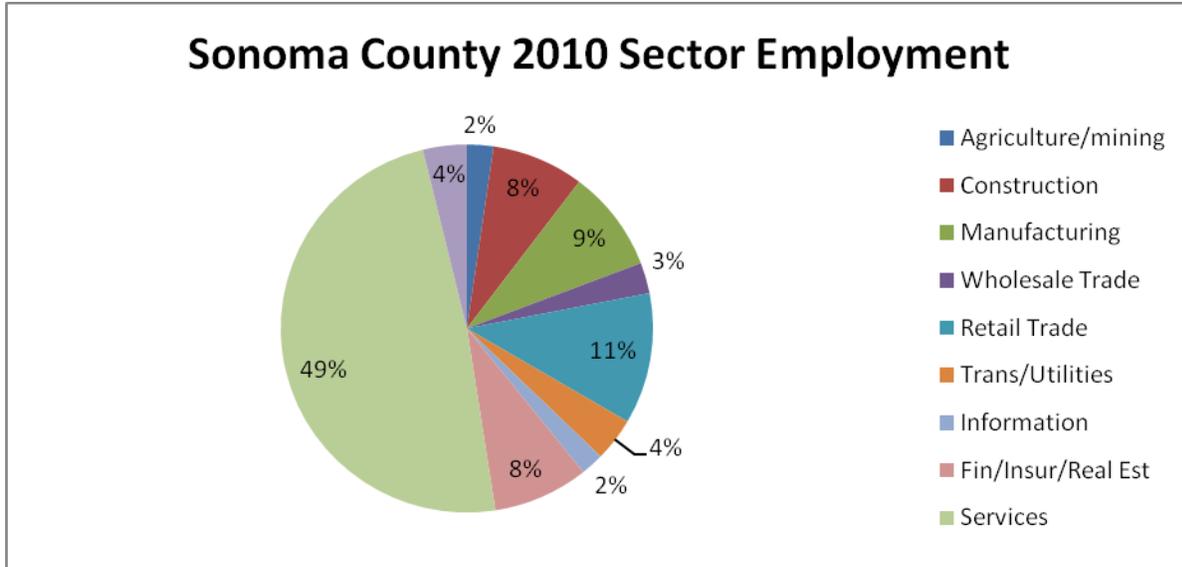
Sonoma County Historical Employment by Cluster in thousands

	Employment 2005	Employment 2010
Total, All Industries	198.3	181.2
Total, Clusters Only	86.8	80.6
Agriculture, Food & Wine	16.0	15.3
Construction and Green Services	18.8	13.0
Professional and Innovation Services	10.8	12.4
Health and Wellness	17.8	19.1
Advanced Manufacturing	4.4	3.8
Tourism	15.9	15.3
Wealth Management	3.1	1.7

Source: Moody’s Analytics



Sonoma County’s sector employment percentage largely matches the state. The highest employment industry remains the Services sector, followed by Retail Trade. The construction industry had the largest discrepancy between Sonoma County (8%) and California (5.9%).



Source: ESRI Business Analyst (<http://esri.com>)

4.1 Unemployment

The seasonally unadjusted unemployment rate for Sonoma County is 10% as of September of 2011, up considerably from 2008 when second quarter unemployment registered 5.2%. While Sonoma County’s 2011 unemployment rate is below California’s (12.1%), it is above the national level (9.1%).

4.2 Wages and Income

Total Personal Income

Total personal income is calculated by the U.S. Department of Commerce, Bureau of Economic Analysis. It is the sum of all income collected by individuals, including but not limited to earned income, government payments, and returns on investment. It does not include personal contributions for social insurance (such as payments to Social Security or Medicare). Total personal income is the basis for several other income indicators in this section. Growing personal income indicates a growing economy, as long as the growth is greater than the annual average inflation rate of 2.3 percent. The growth may be due to increasing incomes, increasing population, or some combination.

The total personal income in Sonoma County was over \$22.3 billion in 2008—a 4 percent increase from the previous year. When adjusted for inflation, there was a negligible increase of .20 percent in spending power in the same year. Adjusted total personal income is expected to increase to over \$32 billion by 2030. This projection indicates an economy that is steadily growing, with a buyer market that will continue to gain spending power in the future.

Sonoma County Total Personal Income (by year)

Year	Current-dollar personal income		Inflation-adjusted personal income	
	(thousands)	1-year change	(thousands, 2004\$)	1-year change
1990	8,754,354	n/a	\$12,652,620	n/a
1991	\$9,053,468	3.40%	\$12,556,535	-0.80%
1992	\$9,538,546	5.40%	\$12,842,704	2.30%
1993	\$9,905,633	3.80%	\$12,949,302	0.80%
1994	\$10,398,102	5.00%	\$13,253,721	2.40%
1995	\$10,859,377	4.40%	\$13,460,212	1.60%
1996	\$11,652,547	7.30%	\$14,029,102	4.20%
1997	\$12,743,027	9.40%	\$14,997,868	6.90%
1998	\$13,809,227	8.40%	\$16,003,454	6.70%
1999	\$14,614,087	5.80%	\$16,570,234	3.50%
2000	\$16,777,972	14.80%	\$18,405,104	11.10%
2001	\$16,968,675	1.10%	\$18,099,281	-1.70%
2002	\$16,966,662	0.00%	\$17,815,467	-1.60%
2003	\$17,252,954	1.70%	\$17,712,408	-0.60%
2004	\$18,040,407	4.60%	\$18,040,407	1.90%
2005	\$18,854,400	4.50%	\$18,236,539	1.10%
2006	\$20,382,458	8.10%	\$19,098,444	4.70%
2007	\$21,415,656	5.10%	\$19,510,844	2.20%
2008	\$22,274,144	4.00%	\$19,542,625	0.20%
2020(p)	n/a	n/a	\$25,378,253	n/a
2030(p)	n/a	n/a	\$32,808,433	n/a

Source: California Department of Finance, Demographic Research Unit; Projections (p): Woods & Poole Economics

Per Capita Income

Per capita income is calculated by the Bureau of Economic Analysis using its total personal income and the Census Bureau’s population estimates. It is defined as total personal income divided by total population. It is one of the primary measures of economic well-being in a community. Changes in per capita income can indicate trends in a county’s standard of living, or the availability of resources to an individual, family, or society. Per capita income tends to follow the business cycle, rising during expansions and falling during contractions.

The per capita income in Sonoma County in 2008 was \$46,143, about 3 percent more than the previous year. When adjusted for inflation, there was a decrease of 0.6 percent in per capita income, year over year. Adjusted per capita income is expected to rise to \$47,465 by 2020. Typically, the per capita income of Sonoma County has matched statewide trends, rising and falling with the California average.

Per Capita Income (by year)

Year	Current-dollar per capita income (thousands)	1-year change	Inflation-adjusted per capita income (thousands, 2004\$)	1-year change	United States
1990	\$22,419	n/a	\$32,401	n/a	\$19,354
1991	\$22,974	2.50%	\$31,864	-1.70%	\$19,818
1992	\$23,697	3.10%	\$31,881	0.10%	\$20,799
1993	\$24,114	1.80%	\$31,523	-1.10%	\$21,385
1994	\$24,948	3.50%	\$31,799	0.90%	\$22,297
1995	\$25,753	3.20%	\$31,921	0.40%	\$23,262
1996	\$27,289	6.00%	\$32,855	2.90%	\$24,442
1997	\$29,353	7.60%	\$34,547	5.20%	\$25,654
1998	\$31,241	6.40%	\$36,205	4.80%	\$27,258
1999	\$32,515	4.10%	\$36,867	1.80%	\$28,333
2000	\$36,721	12.90%	\$40,283	9.30%	\$30,319
2001	\$36,527	-0.50%	\$38,960	-3.30%	\$31,157
2002	\$36,216	-0.90%	\$38,028	-2.40%	\$31,481
2003	\$36,639	1.20%	\$37,615	-1.10%	\$32,295
2004	\$38,086	3.90%	\$38,086	1.30%	\$33,909
2005	\$39,635	4.10%	\$38,336	0.70%	\$35,452
2006	\$42,738	7.80%	\$40,045	4.50%	\$37,725
2007	\$44,715	4.60%	\$40,738	1.70%	\$39,506
2008	\$46,143	3.20%	\$40,484	-0.60%	\$40,947
2020(p)	n/a	n/a	\$47,465	n/a	n/a
2030(p)	n/a	n/a	\$55,267	n/a	n/a

Source: California Department of Finance, Demographic Research Unit; Projections (p): Woods & Poole Economics

Wage by Occupation

Every year, the California Employment Development Department produces an estimate of wages by occupation for counties and/or workforce investment areas. These estimates include average wages in the area for each occupation, as determined by the most recent state occupational survey. The data covers all jobs located in the county, regardless of the jobholder's place of residence. Management and legal occupations tend to be the highest paid general categories in Sonoma County. Occupations in Sonoma County bringing lower pay than the California average include management; architecture and engineering; and arts, design, entertainment, sports, and media occupations.

Wage by Occupation Sonoma County, CA, 2009

Occupation	Mean Hourly Wage	Mean 2009 Annual Pay	Mean 2009 CA Pay	Percent of CA Pay	Employment
Management Occupations	\$49.27	\$102,482	\$113,577	90.20%	9,930
Business and Financial Operations	\$32.48	\$67,574	\$72,127	93.70%	9,280
Computer and Mathematical	\$40.41	\$84,051	\$85,391	98.40%	2,900
Architecture and Engineering	\$36.45	\$75,807	\$84,968	89.20%	3,620
Life, Physical, and Social Science	\$35.49	\$73,807	\$73,494	100.40%	1,870
Community and Social Services	\$21.99	\$45,749	\$50,259	91.00%	2,250
Legal	\$55.55	\$115,534	\$110,242	104.80%	570
Education, Training, and Library	\$25.76	\$53,583	\$56,806	94.30%	12,050
Arts, Design, Entertainment, Sports, and Media	\$22.55	\$46,904	\$63,417	74.00%	1,960
Healthcare Practitioners and Technical	\$39.08	\$81,277	\$81,624	99.60%	9,440
Healthcare Support	\$15.90	\$33,071	\$30,307	109.10%	4,740
Protective Service	\$25.43	\$52,893	\$49,769	106.30%	3,630
Food Preparation and Serving-Related	\$10.77	\$22,401	\$21,709	103.20%	17,120
Building and Grounds Cleaning and Maintenance	\$13.55	\$28,171	\$27,051	104.10%	6,480
Personal Care and Service	\$14.34	\$29,833	\$26,893	110.90%	4,810
Sales and Related	\$19.08	\$39,693	\$38,760	102.40%	19,230
Office and Administrative Support	\$18.26	\$37,968	\$36,555	103.90%	28,190
Farming, Fishing, and Forestry	\$11.86	\$24,672	\$20,691	119.20%	2,200
Construction and Extraction	\$26.83	\$55,803	\$49,734	112.20%	8,960
Installation, Maintenance, and Repair	\$23.51	\$48,891	\$46,453	105.20%	5,610
Production	\$17.07	\$35,500	\$32,237	110.10%	11,280
Transportation and Material Moving	\$15.53	\$32,301	\$32,522	99.30%	10,860

Poverty Rate

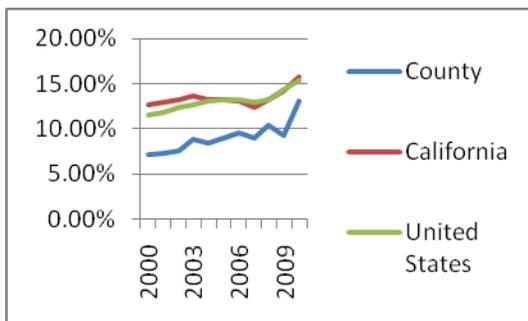
The U.S. Census Bureau measures poverty as that level of income where a household is able to live in a community with an average cost of living and spend no more than 30 percent of their income on basic food items and 35 percent on basic housing.

Poverty Rates 2000-2010

Sonoma County had an average poverty rate of 7.1 percent in 2000. By 2008, the county poverty rate had increased to 10.4 percent, which is lower than the statewide average of 13.3 percent.

Poverty Rates, Sonoma County			
Year	County	California	United States
2000	7.10%	12.70%	11.60%
2001	7.30%	12.90%	11.90%
2002	7.50%	13.30%	12.40%
2003	8.80%	13.70%	12.70%
2004	8.40%	13.20%	13.10%
2005	8.90%	13.30%	13.30%
2006	9.60%	13.10%	13.30%
2007	8.90%	12.40%	13.0%
2008	10.40%	13.30%	13.20%
2009	9.30%	14.20%	14.30%
2010	13.10%	15.80%	15.30%

Poverty Rates



Source: U.S. Department of Commerce, Bureau of the Census

4.3 Education

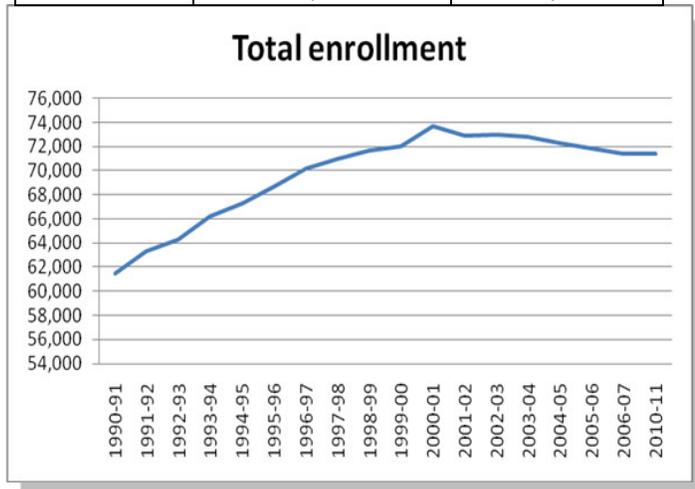
School Enrollment

School enrollment is the most useful indicator of change in the child population after the 2000 Census. As discussed in the age distribution indicator in section one, the decennial census is the only time when population by age is counted, and any data for later years is typically a projection of 2000 Census data. The child population is the most difficult to project because of changing family migration and fertility patterns. School enrollment provides the best data with which to estimate the population of children in the community. School enrollment data is also essential to determine the amount of government funding that schools receive. Funding is based primarily on enrollment and average daily attendance.

In the 2006-2007 school years, 71,412 students were enrolled in Sonoma County schools. This number represents a 0.6 percent decrease from the 2005- 2006 year, and yet enrollment has increased to approximately 71,435 in 2010. Total enrollment in the county has increased by 1,280 students since the 1996-1997 school years.

The decline in enrollment in the past decade can be attributed to many different causes and it is hard to pinpoint one factor driving down the total number of students enrolled in Sonoma County. However, the decline in enrollment is not just a trend seen in Sonoma County; nearly half of the school districts within the state are experiencing declines in enrollment. Some factors that may be causing the decline include rising cost of housing, which limits the number of

Annual Change in Enrollment, Sonoma County		
School year	Total enrollment	Annual percent change
1990-91	61,499	n/a
1991-92	63,280	2.90%
1992-93	64,280	1.60%
1993-94	66,182	3.00%
1994-95	67,233	1.60%
1995-96	68,661	2.10%
1996-97	70,132	2.10%
1997-98	70,967	1.20%
1998-99	71,644	1.00%
1999-00	72,034	1.50%
2000-01	73,689	2.90%
2001-02	72,867	1.20%
2002-03	72,964	-1.00%
2003-04	72,799	-0.10%
2004-05	72,267	-0.70%
2005-06	71,868	-0.60%
2006-07	71,412	-0.60%
2010-11	71,435	n/a



families and children who can live in certain areas, and job loss for heads of households, which may force families to move out of the area. Additionally, California has experienced a slow population growth in the past decade, and a drop in birthrates. Any of these factors could be contributing to the enrollment decline in Sonoma County.

High School Dropout Rate

High school dropout rates measure how many students fail to complete state-mandated curriculum requirements.

There were 1,008 students designated as high school dropouts in Sonoma County in 2009-2010, or a 15.7 percent dropout rate. This number is slightly lower than the 18.2 percent dropout rate for California.

The graduation and dropout rates continue to show a significant achievement gap between students who are Hispanic, African American, or English learners and their peers. The 74.4 percent statewide graduation rate and 18.2 percent statewide dropout rate—as well as rates calculated for counties, districts, and schools across California—were for the first time based on four-year cohort information collected about individual students using the state's California Longitudinal Pupil Achievement Data System (CALPADS). The 2010 cohort dropout rate will serve as a baseline in 2011. It is calculated for a four-year cohort as is the graduation rate. The new cohort dropout rate for the class of 2010 should not be compared to any rates from previous years because it is based on a different method of calculation. Also, it is not possible to calculate the exact percentage of change from the class of 2009.

2009-2010 Sonoma County Graduation and Dropout Rate by Race/Ethnicity

	Graduation Rate	Number of Dropouts	Dropout Rate
Hispanic/ Latino	67.6%	377	21.2%
American Indian or Alaska Native, Not Hispanic	51.8%	37	33.6%
Asian, Not Hispanic	84.3%	20	10.2%
Pacific Islander, Not Hispanic	73.3%	*	20%
Filipino, Not Hispanic	74.4%	*	12.8%

African American, Not Hispanic	57.9%	51	27.9%
White, Not Hispanic	82.9%	415	11.7%
Two or More Races, Not Hispanic	70.8%	19	19.8%
Not Reported	51.9%	17	31.5%
County Total	76.6%	944	15.7%

An asterisk (*) appears on the Internet reports to protect student privacy where there are ten or fewer students.

Source: California Department of Education

The National Center for Education Statistics (NCES) also reports a high school dropout rate. The adjusted high school dropout rate for Sonoma County (15.7%) is below the state average (18.2%). Students identifying as Caucasian, which make up 59.8% of the county's student population, had a dropout rate of 11.7 %. These rates do not reflect students transferred to alternative schools.

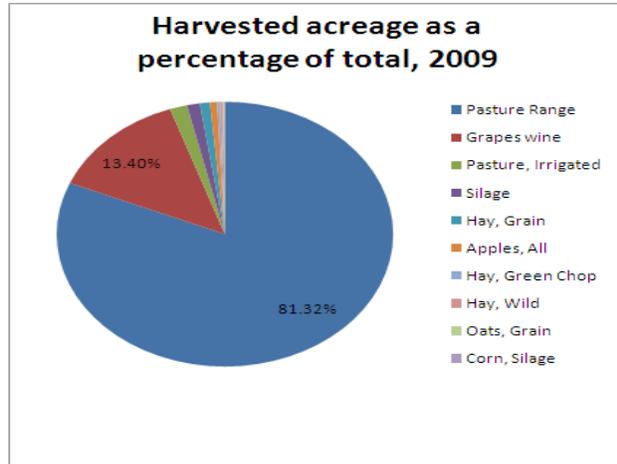
Education & Workforce Development

Sonoma County has a serious problem regarding the number of Hispanic and other minority students who fail to complete high school. Efforts by the education, business, and minority communities to resolve this problem are ongoing. In a recent survey of major Sonoma County businesses, 66% reported having difficulty finding qualified job applicants. The current level of education being provided does not fully equip students with the necessary real world job skills; and, the availability of career technical education courses offered in public schools is declining due to decreased funding.

4.4 Wine and Agriculture

In certain areas of Northern California, such as Sonoma County, agricultural production is a big part of the economy. The relative importance of agricultural production in an area affects the volatility of the local economy and determines what businesses are successful. Areas particularly dependent on a few agricultural crops can experience considerable instability in their economic performance as commodity prices fluctuate. In addition, seasonal unemployment is more pervasive in economies with a large agricultural sector, raising the average annual unemployment rate.

Sonoma County is located in a rich winemaking region with grapes being the primary cash crop in the area. Not only are more grapes harvested each year than any other crop in the county, they also fetch one of the highest prices in the market. The high value and abundant quantity of grapevines in Sonoma County have accounted for a significant portion of the county’s agricultural economy.



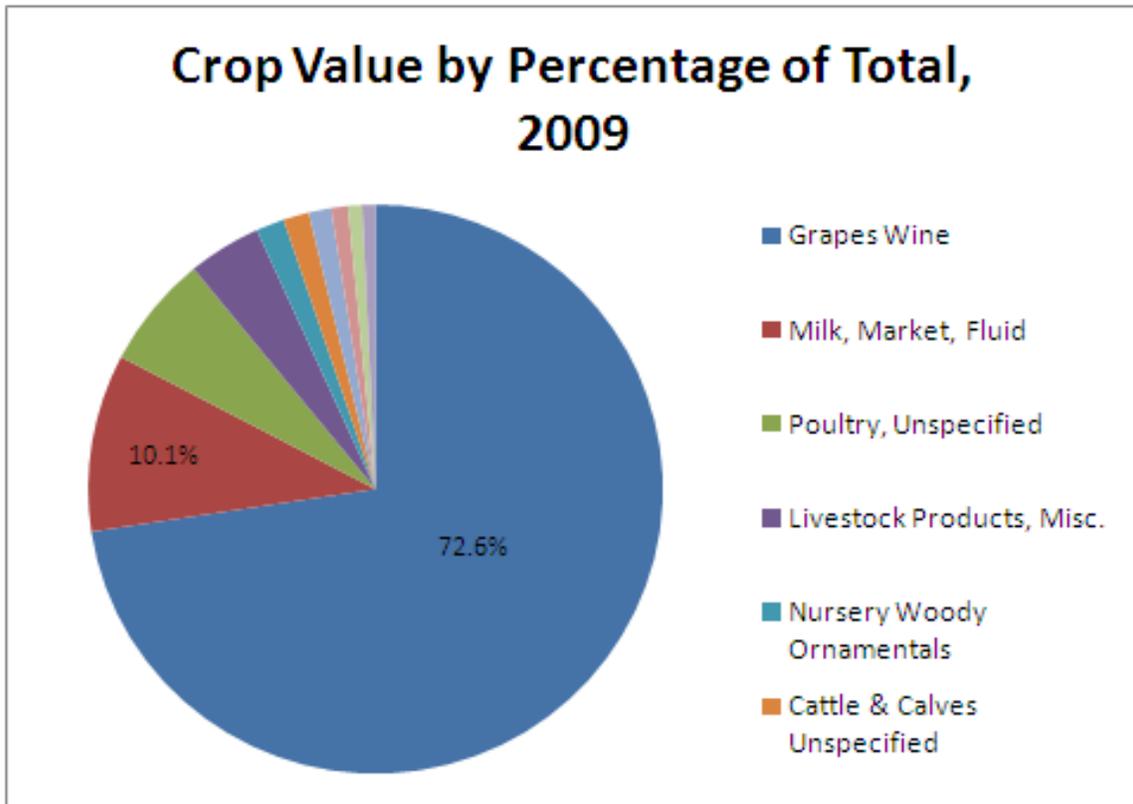
A total of 420,317 acres of land was harvested in Sonoma County in 2008, which accounted for nearly 42 percent of the land area in the county. This was a decrease of 0.6 percent from the preceding year, following a trend of 5 straight years with a decrease in harvested acreage.

Sonoma County Top Crops by Value, 2009	
Crop	Value
Grapes Wine	\$465,036,400
Milk, Market, Fluid	\$64,524,700
Poultry, Unspecified	\$41,034,600
Livestock Products, Misc.	\$26,398,700
Nursery Woody Ornamentals	\$10,214,900
Cattle & Calves Unspecified	\$9,290,400
Vegetables Unspecified	\$8,066,600
Nursery Products Misc.	\$6,037,800
Apples, All	\$5,117,800
Nursery Plants, Bedding	\$4,697,000

Source: California Agricultural Statistics Service, California Department of Finance

Top Crops Harvested Acreage (2009)		
Crop	2009	Percent of Total
Pasture, Range	341,819	81.3%
Grapes wine	56,306	13.4%
Pasture, Irrigated	6,927	1.65%
Silage	5,219	1.24%
Hay, Grain	4,090	0.97%
Apples, All	2,862	0.68%
Hay, Green Chop	1,223	0.29%
Hay, Wild	1,190	0.28%
Corn, Silage	250	0.06%
Oats, Grain	442	0.11%

Source: California Dept. of Agriculture



4.5 Travel & Tourism

Every year, the California Travel and Tourism Commission hires Dean Runyan Associates to estimate the impacts of travel spending by county. Dean Runyan specializes in economic and market research related to travel, tourism, and recreation.

Travel and tourism spending includes all purchases made by a traveler at the point of sale while visiting a county. Travelers include those making day trips, staying overnight, and people just passing through (buying gasoline, etc.). The travel can be for any reason, including but not limited to recreation, business, personal, and family visits. Travel expenditures are the base indicator for evaluating the impacts of travel and tourism in Sonoma County. It is an estimate from which the following three important indicators are calculated.

Sonoma County experienced a decrease of 7.2 percent in tourism expenditures between 2008 and 2009, reaching \$1.2 billion. However, the longer-term trend is positive. Between 1999 and 2009, Sonoma County saw an increase of 32 percent in total travel expenditures. Expenditures in the county increased faster than in the state (24 percent) during that same period.

Total Annual Travel Expenditures by County and State (Millions)

Source: California Travel and Tourism Commission, Dean Runyan Associates

Year	Expenditures in County	Annual Percent Change	Expenditure in California	Annual Percent Change
1992	\$668.60	n/a	\$50,700	n/a
1993	\$684.60	2.40%	\$51,600	1.80%
1994	\$703.00	2.70%	\$52,600	1.90%
1995	\$734.30	4.50%	\$54,200	3.00%
1996	\$785.30	6.90%	\$58,900	8.70%
1997	\$842.30	7.30%	\$64,100	8.80%
1998	\$888.80	5.50%	\$66,500	3.70%
1999	\$943.00	6.10%	\$70,900	6.60%
2000	\$1,005.30	6.60%	\$76,500	7.90%
2001	\$986.60	-1.90%	\$73,300	-4.20%
2002	\$990.50	0.40%	\$72,700	-0.80%
2003	\$1,016.80	2.70%	\$75,600	4.00%
2004	\$1,083.00	6.50%	\$80,700	6.70%
2005	\$1,148.10	6.00%	\$87,000	7.80%
2006	\$1,239.60	8.00%	\$91,800	5.50%
2007	\$1,305.20	5.30%	\$95,100	3.60%
2008	\$1,343.00	2.90%	\$97,500	2.50%
2009	\$1,246.30	-7.2%	\$88,500	-9.20%
2010	Available in 2012		\$95.1	7.40%

Travel spending produced 16,600 jobs in Sonoma County in 2009, accounting for 6.3 percent of the total employment in the county. Travel-generated employment accounted for a higher percentage of total employment in Sonoma County than in California, and the county saw a 2 percent decrease in travel-generated employment from 2008 to 2009. Sonoma County was responsible for 1.8 percent of the total travel-generated employment in the state.

Total Travel-Generated Employment (in thousands of jobs)					
Year	Travel-generated employment	Annual percent change	Total employment	County Travel-generated employment as a percent of total employment	California Travel-generated employment as a percent of employment
1992	14.4	n/a	207.1	7.00%	4.70%
1993	14.6	1.40%	210.8	6.90%	4.70%
1994	15.1	3.40%	218.5	6.90%	4.80%
1995	15.5	2.60%	221	7.00%	4.80%
1996	16	3.20%	232	6.90%	4.90%
1997	16.5	3.10%	242	6.80%	4.90%
1998	16.5	0.00%	253.2	6.50%	4.90%
1999	16.5	0.00%	263.4	6.30%	4.80%
2000	16.3	-1.20%	271.8	6.00%	4.50%
2001	15.3	-6.10%	277.2	5.50%	4.40%
2002	15.2	-0.70%	272.4	5.60%	4.50%
2003	15.3	0.70%	269.6	5.70%	4.50%
2004	15.6	2.00%	273.8	5.70%	4.50%
2005	15.5	-0.60%	275.4	5.60%	4.50%
2006	15.9	2.60%	276.7	5.70%	4.50%
2007	16.8	5.70%	280.9	6.00%	4.40%
2008	17	1.20%	282.1	6.00%	4.40%
2009	16.6	-2.0%	263.0	6.30%	4.40%

California Travel and Tourism Commission, Dean Runyan Associates

Tourism

Earnings listed in the next tourism indicator are an estimate of the amount of personal income generated from the jobs shown in the previous indicator. These earnings are comparable in definition to those shown in the Earnings by Industry indicator in section six. As with employment, the earnings indicator represents those in nearly all industries evaluated by the U.S. Department of Commerce.

Tourism earnings measure the personal financial benefit of travel and tourism in Sonoma County. If earnings are increasing faster than the number of jobs, then travel and tourism jobs are generating higher wages or the work season (if employment is seasonal) is expanding. Total annual tourism earnings are all the earnings of employees and business owners over the course of a year that can be attributed to travel expenditures, including wages and salaries, earned benefits, and proprietor income. Other earnings that do not directly relate to travel are excluded.

Sonoma County’s tourism industry generated \$418.7million in 2009, which is a 2.4 percent decrease from the previous year, and \$112 million more than the county generated in 1999. Statewide, tourism earnings decreased over 6 percent in 2009. Sonoma County’s total tourism earnings made up 1.4 percent of the total tourism earnings in California, and this percentage was much higher than the other Northern California counties. Statewide, tourism earnings appear to have increased in 2010, a hopeful sign for tourism in Sonoma County.

Total Annual Tourism Earnings by County and State (\$ Millions)

Year	Earnings in Sonoma County (\$)	Annual Percent Change	Earnings in California (\$)	Annual Percent Change
1992	\$ 211.6	n/a	\$ 16,434	n/a
1993	\$ 217.1	2.60%	\$ 16,744	1.90%
1994	\$ 223.9	3.10%	\$ 17,306	3.40%
1995	\$ 235.7	5.30%	\$ 17,997	4.00%
1996	\$ 250.9	6.40%	\$ 19,281	7.10%
1997	\$ 269.0	7.20%	\$ 20,833	8.00%
1998	\$ 290.4	8.00%	\$ 22,051	5.80%
1999	\$ 306.7	5.60%	\$ 23,571	6.90%
2000	\$ 325.0	6.00%	\$ 25,146	6.70%
2001	\$ 323.8	-0.40%	\$ 24,574	-2.30%
2002	\$ 327.7	1.20%	\$ 24,635	0.30%
2003	\$ 327.4	-0.10%	\$ 25,091	1.80%
2004	\$ 347.0	6.00%	\$ 26,520	5.70%
2005	\$ 356.1	2.60%	\$ 27,400	3.30%
2006	\$ 387.8	8.90%	\$ 28,950	5.70%
2007	\$ 416.6	7.40%	\$ 30,400	4.70%
2008	\$ 429.1	3.00%	\$ 31,000	2.30%
2009	\$ 418.7	-2.40%	\$ 29,100	-6.30%
2010	Available in 2012		\$ 29,900	2.80%

Source: California Travel and Tourism Commission, Dean Runyan Associates

Additionally, the Sonoma County Tourism Bureau (SCTB) was created as Sonoma County’s official destination marketing organization in 2005. With a professional team of sales and communications experts, the SCTB promotes the County as a premier overnight destination

for visitors. Above all, the SCTB promotes Sonoma County as America's foremost wine, spa, and coastal destination.

4.6 Sustainability Efforts and Green Technology

There are a number of programs in Sonoma County aimed at creating a sustainable community. These initiatives are designed to create a sustainable economy that is based on a framework of policies, programs, and investments that create quality jobs, protect the environment, and contribute positively to the quality of life for Sonoma County residents.

Most notably, the County of Sonoma has created an Energy and Sustainability division (www.sonoma-county.org/gs/energy). The Energy and Sustainability division is responsible for the planning, evaluation and administration of programs designed to reduce the County's impact on the environment. Division partners include Sonoma County Energy Watch (SCEW), Pacific Gas and Electric Company (PG&E), Sonoma County Energy Independence Program (SCEIP), Bay Area Quality Management District, and Electric Fleet Vehicles. Services include long and short range energy procurement and environmentally preferable purchasing strategies. The division manages energy efficiency and sustainability programs, and directs the County's employee commute planning efforts. Current resources include a Climate Protection Action Plan, as well as a Sustainable Energy Best Practices Guidebook.

Sonoma County Water has also joined sustainability efforts. Combined with their latest project to create Carbon Free Water by 2015, Sonoma County Water continues to pursue Farms to Fuel, which transforms animal manure into fertilizer and sustainable fuel, as well as Photovoltaic systems, which generate solar electricity.

As part of the County's sustainability effort, the Sonoma Green Business Program was established as part of the Bay Area Green Business Program. The program was developed by Bay Area public agencies in collaboration with the U.S. Environmental Protection Agency (EPA), California EPA Department of Toxic Substances Control and the business community, and provides environmental compliance certifications and recognition. More than 2,300 businesses and public agencies have been certified in the Bay Area since 1996.

4.7 Retail Sales

Retail sales in Sonoma County have been declining for the past several years. Sales decreased 5.25% to \$7.5 billion for the 2008 calendar year from \$7.9 billion in 2007 and continued to decrease an additional 19.17% for the first two quarters of 2009 compared to 2008. County unincorporated area local retail sales tax increased 0.61% for the 2008 calendar year over 2007 but decreased 22.81% for the first two quarters of 2009 according

to the California State Board of Equalization. Since retail sales are a major source of sales tax revenues, and sales tax revenues are one of the major components of local government funding, the impact on future public financing is substantial.⁵

4.8 Real Estate and Infrastructure

The housing downturn has significantly impacted housing affordability in Sonoma County. According to Zillow, an online clearinghouse for real estate research and listings, the median sales price in Sonoma County in September 2011 was \$327,200, down from nearly \$550,000 in 2005. While falling values adversely affect the net worth of homeowners, enhanced affordability can have positive outcomes for economic development. For example, today's lower home prices in Sonoma County may help local companies recruit younger workers who may have previously been priced out of the housing market.

Housing

County Total Housing Units

Year	Single-family units	Multiple-family units	Mobile Homes	Total Housing Units	Annual Percent change
2000	139,391	32,382	11,380	183,153	n/a
2001	141,014	32,564	11,379	184,957	1.00%
2002	142,541	33,045	11,379	186,965	1.10%
2003	143,925	33,707	11,365	188,997	1.10%
2004	144,952	34,208	11,383	190,543	0.80%
2005	146,119	34,394	11,388	191,901	0.70%
2006	147,296	35,119	11,397	193,812	1.00%
2007	148,448	35,593	11,413	195,454	0.80%
2008	149,650	36,757	11,437	197,844	1.20%
2009	150,288	37,266	11,449	199,003	0.60%
2010	150,667	38,206	11,459	200,332	0.70%

Source: California Department of Finance, Demographic Research Unit

Total housing units is the number of single- and multiple-family dwellings, mobile homes, and other dwelling units located within the regional limits. A housing unit may be the permanent residence for a family, a seasonal or second home, or it can be vacant. Occupancy may be by a single family, one person living alone, two or more families living

⁵ Projections based on 2009 study by Collaborative Economics (strategic planning).

together, or any other group of related or unrelated persons who share living arrangements. The total housing units is estimated annually by the California Department of Finance and the department uses this data to estimate population change.

The total number of housing units in Sonoma County broke the 200,000 mark in 2010 for the first time. This was an increase of 0.7 percent from the previous year. The number of housing units in the county increased over 9 percent between from 2000 to 2010, compared to 10 percent statewide. Multi-family units have increased the most in the county, with an 18 percent increase since from 2000 to 2010.

4.9 EDA Qualifications for Economic Distress

The Economic Development Administration has established a set of three criteria used to classify an area as being in economic distress:

- 1) The area has an unemployment rate that is, for the most recent 24-month period for which the data are available, at least one percentage point greater than the national average unemployment rate;
- 2) The area has a per capita income that is, for the most recent period for which data are available, 80% or less than the national per capita income; and
- 3) A "Special Need"

To supplement the county level data collected on employment and income from the California Employment Development Department, the CEDS also incorporates data at the census tract level for every tract in Sonoma County. This data enables the County and EDA to better understand the difference in needs among the many jurisdictions within Sonoma County. The data is from STATS America, a service of the Indiana Business Research Center at Indiana University's Kelley School of Business: www.ibrc.indiana.edu. This initiative is funded in part by EDA and Indiana University to provide communities easy access to information needed for economic development. The following three pages document the results of a search for census tract level data on income and employment in Sonoma County.



About Help Calendar

Measuring Distress - A Tool for Economic Development

A fast simple way to calculate whether a county, region, or neighborhood may meet grant thresholds for unemployment and income. Just select county or tract and the tool will create regions or neighborhoods based on your choices.

1. The current geography is COUNTY. Click **TRACT** to change

2. Select geography with Map and/or the Dropdowns

Show dropdowns for: Counties Clusters & Metros States

State: CA County: Sonoma

Sonoma Co., California

You may select up to 250 counties



You are in NAVIGATE Mode (Move Map, Zoom)
Click to switch to SELECT Mode

3. Year & Month 2011 | October

4. Get Report

Distress Criteria Statistical Report

Reference Date: 09 / 2011 (All data elements refer to this date or earlier)
Region Consists of: Sonoma Co. CA
Report Date: 10/19/2011 7:42:53 PM

Economic Distress Criteria—Primary Elements

	Region	U.S.	Threshold Calculations
24-month Average Unemployment Rate (BLS) <small>period ending August 2011</small>	10.32	9.47	0.85
2009 Per Capita Money Income (3 year ACS)	\$33,197	\$27,100	122.50%
2009 Per Capita Money Income (5 year ACS)	\$32,939	\$27,041	121.81%
2009 Per Capita Personal Income (BEA)	\$44,784	\$38,635	112.99%
2000 Per Capita Money Income (Decennial Census)	\$25,724	\$21,587	119.16%

Economic Distress Criteria—Geographic Components

	24 Months Unemp Calculation	Threshold	ACS 3 Year PCMI Calculation	Threshold	BEA PCPI Calculation	Threshold	Census PCMI (2000) Calculation	Threshold	ACS 5 Year PCMI Calculation	Threshold
Sonoma County, CA	10.32	0.85	\$33,197	122.5	\$44,784	113	\$25,724	119.2	\$32,939	121.8

Sources: U.S. Bureau of Census, Labor Statistics, and Economic Analysis, generated by STATS America

This site is made possible by a grant from the U.S. Economic Development Administration and was developed and is maintained by the ERIC at Indiana University's Kelley School of Business

LAUS bulk download files for counties are also available.

Comprehensive Economic Development Strategy (CEDS) 2011-2016

STATS America - Measures of Distress

http://www.statsamerica.org/distress/tract_distress.html

Tract 1534.04 Sonoma, CA	4.9	-2.3	\$40,521	148.9
Tract 1536.00 Sonoma, CA	5.8	-1.4	\$38,597	135.3
Tract 1540.00 Sonoma, CA	2.3	-4.9	\$49,061	170.3
Tract 1503.02 Sonoma, CA	9.0	1.8	\$27,743	102.6
Tract 1503.03 Sonoma, CA	1.1	-6.1	\$70,807	201.9
Tract 1503.04 Sonoma, CA	8.9	1.7	\$27,504	99.9
Tract 1512.01 Sonoma, CA	6.1	-1.1	\$30,218	111.7
Tract 1512.03 Sonoma, CA	7.1	-0.1	\$28,497	105.4
Tract 1542.00 Sonoma, CA	6.2	-1	\$27,827	103.3
Tract 1502.01 Sonoma, CA	6.4	-0.8	\$40,592	150.1
Tract 1505.00 Sonoma, CA	6.1	0.9	\$34,543	127.7
Tract 1506.03 Sonoma, CA	9.2	2	\$25,794	86.4
Tract 1506.05 Sonoma, CA	7.2	0	\$38,880	143.8
Tract 1507.01 Sonoma, CA	8.8	1.6	\$35,491	131.2
Tract 1509.02 Sonoma, CA	1.9	-5.3	\$55,180	204.1
Tract 1510.00 Sonoma, CA	6.4	-0.8	\$50,418	188.5
Tract 1531.02 Sonoma, CA	10.8	3.6	\$13,682	50.6
Tract 1532.00 Sonoma, CA	6.2	-1	\$23,436	86.7
Tract 1535.02 Sonoma, CA	5.7	-1.5	\$37,517	136
Tract 1537.03 Sonoma, CA	3.9	-3.3	\$30,567	111.2
Tract 1537.05 Sonoma, CA	6.3	1.1	\$37,509	140.3
Tract 1538.02 Sonoma, CA	6.8	-0.4	\$34,200	128.5
Tract 1539.01 Sonoma, CA	7.0	-0.2	\$40,917	151.3
Tract 1539.03 Sonoma, CA	4.9	-2.3	\$36,379	134.5
Tract 1543.01 Sonoma, CA	7.3	0.1	\$40,857	151.1
Tract 1502.02 Sonoma, CA	3.0	-0.2	\$54,412	201.2
Tract 1505.05 Sonoma, CA	4.8	-2.4	\$35,116	129.9
Tract 1507.02 Sonoma, CA	1.7	-5.5	\$43,555	161.1
Tract 1509.01 Sonoma, CA	4.9	-2.3	\$30,493	112.8
Tract 1511.00 Sonoma, CA	4.2	-3	\$34,632	128.1
Tract 1531.01 Sonoma, CA	6.5	2.3	\$19,370	71.6
Tract 1533.00 Sonoma, CA	10.1	2.9	\$26,059	96.4
Tract 1534.01 Sonoma, CA	5.6	-1.6	\$31,688	117.2
Tract 1535.01 Sonoma, CA	6.3	-0.9	\$41,352	152.9
Tract 1537.04 Sonoma, CA	12.2	5	\$32,170	119
Tract 1537.06 Sonoma, CA	3.3	-3.9	\$37,882	140.1
Tract 1538.01 Sonoma, CA	3.8	-3.4	\$33,363	123.4
Tract 1538.03 Sonoma, CA	5.6	-1.6	\$28,771	99
Tract 1539.02 Sonoma, CA	3.5	-3.7	\$28,960	107.2
Tract 1541.00 Sonoma, CA	3.6	-3.6	\$38,167	141.3
Tract 1543.02 Sonoma, CA	3.6	-3.6	\$42,957	158.9

Sources: U.S. Bureau of Census, Labor Statistics, and Economic Analysis, generated by STATS America.

This site is made possible by a grant from the U.S. Economic Development Administration and was developed and is maintained by the ERIC at Indiana University's Kelley School of Business.

This site is made possible by a grant from the U.S. Economic Development Administration and is developed and maintained by the Indiana Business Research Center at Indiana University's Kelley School of

As the data indicate, there are several geographic areas within Sonoma County, such as Tracts 1531.02 and 1506.03, that meet EDA's distress criteria.

5 Economic Development Challenges and Opportunities: (SWOT Analysis)

Strengths

Sonoma County has many strengths that provide a competitive advantage in the global economy. A partial list based on stakeholder input includes:

- Proximity to rest of the San Francisco Bay Area. Sonoma County is part of the San Francisco Bay Area, a region comprised of over 6 million people and three major cities—San Francisco, Oakland and San Jose. Sonoma County is within a 1.5-hour drive of San Francisco and Oakland and within a 2.5-hour drive of Silicon Valley. The San Francisco metropolitan area provides a large, local market for Sonoma County goods and services. While tourism attracts visitors from throughout the world, most visitors are from the Bay Area.
- Charles M. Schulz Sonoma County Airport. The airport is a key economic asset in that it provides a convenient means of transportation for the northern part of the Bay Area region. The master plan currently under development includes projects to lengthen the runway and replace the passenger terminal. Passenger volumes are expected to triple in 20 years.
- Robust Tourism Industry Built on Wine Industry and Natural Beauty. The Sonoma County vineyards, wineries, farms, orchards, coastline, natural areas and charming towns attract visitors from throughout the world.
- Strong, local food system and growing artisan food products sector. Sonoma County has built a strong local food system comprised of innovative growers, processors and distributors. Artisan processors of cheese, bread, wine, beer, jams and many other products are located throughout the county and contribute to the County brand.
- Relatively Diverse Economy. Sonoma County is fortunate to have a few very strong industry clusters, including food and beverage processing, including wine, dairy, eggs and natural meats, food and agriculture, diversified manufacturing, telecom products, health and green services.
- Higher Education. Sonoma County is fortunate to have several institutions of higher education, which both attract students to the county and provide on-going continuing education and workforce development programs.
- Sonoma Mountain Incubator. The Sonoma Mountain Incubator, located in offices once occupied by one of Hewlett Packard's research labs, provides start-up mentoring and business planning services, as well as reduced rates on rents to early stage technology based firms. Several other incubators are in the planning stages.

Weaknesses

Stakeholders also called attention to several areas that need to be addressed as part of a comprehensive economic development strategy.

- Costs of doing business and development permit timelines and costs are perceived to be barriers to economic development opportunities. These issues have been highlighted by the clusters of opportunity process and will be addressed through a working group sponsored by the Innovation Action Council. While some costs are relatively high, an analysis by Moody's show that Sonoma County's costs of doing business are 3 percent below the national average.
- High housing costs relative to areas outside the Bay Area. Housing prices have declined everywhere, and Sonoma County housing prices are still relatively lower than those in Marin and San Francisco counties, though they remain higher than prices outside the Bay Area.
- Traffic congestion. SR 101 corridor is particularly impacted along the Petaluma to Novato "Narrows", however new lanes added recently have greatly improved traffic conditions elsewhere.
- Lack of qualified workers for open positions. 66% of employers report difficulty in filling open positions.
- Very high drop-out rate among Hispanics. This is the fastest-growing segment of the population and workforce.
- Decline in career technical education in the high schools. This limits the availability of capable workers for manufacturing and other technical careers

Opportunities

- Specialized industry clusters, including Professional/Innovation Services, Health and Wellness, Sonoma Specialty Goods, Advanced Manufacturing, Software and Digital Media.
- Green tech, clean tech. The Sustainability Services cluster and the Advanced Manufacturing cluster are both projected to have positive growth by 2017.
- SMART. MTC recently approved \$33.1 million which will allow SMART to begin construction of the first segment from San Rafael to Santa Rosa and cities in between. The SMART system is eventually planned to extend from Larkspur to Cloverdale. Development of this transportation corridor may result in long-range opportunities related to expanded capacity and transit-oriented development.
- SB 375 and AB 32. The County has adopted a Climate Action Plan and these state programs are supporting Sonoma's efforts in developing new infrastructure such as SMART and in fostering growth in green technologies and industries.

Threats

- Ongoing innovations and re-structuring as well as globalization have resulted in companies having more choices in business locations. As such, some Sonoma County businesses have, in the past, relocated their operations to other regions or other countries.
- State budget crisis has reduced expenditures on critical infrastructure.

- Without innovations in capture and recycling of water, the limited water supply places constraints on business expansion and places the county at a competitive disadvantage.
- Without a greater supply of training programs, today's youth will not be trained to fill the higher-wage, higher skilled jobs.
- Increasing rate of poverty. Sonoma County had an average poverty rate of 7.1 percent in 2000. By 2008, the county poverty rate had increased to 10.4 percent.
- Redevelopment areas under state threat. State has legislated them out of existence in their current form – lawsuit pending.

6 Economic Development Strategy

6.1 CEDS Goals

The following eight goals articulate Sonoma County's priorities and broad direction relative to economic development. These goals were developed through a process of review of existing county and local economic development planning documents, community input through meetings of the Sonoma County Innovation Action Council (IAC)/CEDS Committee and findings from the SWOT assessment. Each of the eight goals is supported by a set of strategies to guide future economic development investment and activities that might be funded by the EDA or other federal, state and non-profit sources.

Goal 1: Support the development of jobs and business opportunities and support the growth and competitiveness of Sonoma County's primary business clusters, including: specialty goods (agriculture, wine & agri-tourism); tourism related industries; sustainability services, including green services and construction; advanced manufacturing, health and wellness; and professional and innovation services. Prepare for increased global competition as well as the emergence of new, more diverse economic opportunities.

Goal 2: Align education and workforce training and apprenticeship programs to employer needs. Coordinate efforts countywide, including those at the district and school level and by the Sonoma County Office of Education, the Workforce Investment Board, Santa Rosa Junior College, Sonoma State University, Chambers of Commerce and others.

Goal 3: Strengthen the economic vitality of Sonoma County to ensure a sufficient flow of public revenues to pay for critical community services and promote environmental preservation and other important public initiatives.

Goal 4: Improve educational attainment, especially for Hispanic residents, to help all future workers meet the greater demands of higher-skilled jobs.

Goal 5: Build demand for Sonoma County's products and services by better coordinating the branding and marketing of Sonoma County's strategic assets to local residents, visitors, businesses and prospective workers.

Goal 6: Leverage Sonoma County's green economy strengths to develop innovative approaches to using resources more efficiently and to foster growth of jobs, small business and micro-enterprise in the green technology and natural/organic sectors.

Goal 7: Provide more business retention and expansion assistance to existing businesses to facilitate the creation of new jobs and the retention of jobs that might otherwise be lost.

Goal 8: Encourage a collaborative and integrated approach to economic and community planning and development.

6.2 CEDS Action Plan

Goal 1: Support the development of jobs and business opportunities and support the growth and competitiveness of Sonoma County's primary business clusters, including: specialty goods (agriculture, wine & agri-tourism); tourism related industries;

sustainability services, including green services and construction; advanced manufacturing, health and wellness; and professional and innovation services. Prepare for increased global competition as well as the emergence of new, more diverse economic opportunities.

Strategies

1.1 Increase the effectiveness of local business networks and promote entrepreneurial growth and development. Support ongoing industry cluster groups to implement competitiveness strategies. These clusters include: agriculture/wine/agri-tourism; tourism related industries; advanced manufacturing; construction/green energy & retrofits; health & wellness; business & professional services.

1.2 Implement the recommendations of the 2011 Innovation Action Council's industry cluster working groups.

1.3 Foster the growth of second stage companies as well as start ups through such programs as business incubators, technology transfer programs and strategic alliances among businesses, academic institutions and government agencies.

1.4 Make necessary investments at the Charles M. Schulz Sonoma County Airport and the business parks surrounding it so that it better serves the business and tourism needs of the region.

1.5 Make necessary investments in water, energy and transportation infrastructure to better support local business.

1.6 Ensure that commercial and industrial land is available and "shovel ready" to support the growth and attraction of businesses that will complement existing industry clusters and further the county's sustainability goals.

Goal 2: Align education and workforce training and apprenticeship programs to employer needs. Coordinate efforts countywide, including those at the district and school level and by the Sonoma County Office of Education, the Workforce Investment Board, Santa Rosa Junior College, Sonoma State University, Sonoma County Hispanic Chamber and others.

Strategies

2.1 Align academic standards with new job requirements.

2.2 Work closely with employers to tailor training to upgrade skills as needed.

2.3 Promote use of existing apprenticeship programs to prepare more workers for jobs in higher skilled construction trades and develop new programs for manufacturing and other specialized production and processing industries.

2.4 Expand and enhance career technical classes in the high schools.

2.5 Invest in state-of-the-art training facilities and equipment to support state-of-the-art training.

2.6 Increase collaboration and coordination among economic and workforce development programs.

Goal 3: Strengthen the economic vitality of Sonoma County to ensure a sufficient flow of public revenues to pay for critical community services and promote environmental preservation and other important public initiatives.

Strategies

3.1 Support developments that have a net positive impact on the City, County and special district budgets.

3.2 Continue efforts to streamline the development and building permit approval process, thereby helping businesses expand and hire new workers and at the same time increase efficiencies in the public sector.

Goal 4: Improve educational attainment, especially for Hispanic and other minority residents, to help all future workers meet the greater demands of higher-skilled jobs.

Strategies

4.1 Provide mentors to students in need.

4.2 Coordinate the efforts of school districts, government agencies, and non-governmental organizations to reduce the drop-out rate.

4.3 Support existing programs that have proven effective at improving the graduation rate.

Goal 5: Build demand for Sonoma County's products and services by better coordinating the branding and marketing of Sonoma County's strategic assets to local residents, visitors, businesses and prospective workers.

Strategies

5.1 Work with business clusters to identify Sonoma County's unique strengths as a business location.

5.2 Work with local and regional tourism marketing groups to identify and build agreement on the county's distinctive tourism assets.

5.3 Enhance sales of local products and services to local consumers through appropriate branding and marketing.

5.4 Collaborate with local tourism marketing groups and business clusters to create a brand that communicates the county's distinctive assets and develop a strategic plan that identifies appropriate marketing targets and channels for reaching those targets.

Goal 6: Leverage Sonoma County's green economy strengths to develop innovative approaches to using resources more efficiently and to foster growth of jobs, small business and micro-enterprise development in the green technology and natural/organic sectors.

Strategies

6.1: Reduce barriers to resource efficiency, such as outdated development standards that prohibit the use of new, more sustainable building materials, equipment, and practices.

6.2 Encourage innovative projects that reduce green house gas emissions, use clean energy and improve energy efficiency.

Goal 7: Provide more business retention and expansion assistance to existing businesses to facilitate the creation of new jobs and the retention of jobs that might otherwise be lost.

Strategies

7.1 Simplify and reduce duplication in regulations and provide more assistance to businesses on permit processes, regulatory compliance and "green" incentive programs.

7.2 Support business growth and competitiveness by linking entrepreneurs to the resources they need to innovate. These could include linking entrepreneurs to technology transfer programs at local and other universities.

7.3 Coordinate with local economic development agencies and organizations to implement a business retention and expansion program (BRE) to strengthen and expand existing businesses.

7.4 Coordinate the provision of technical assistance, outreach and mentoring to small businesses, including the growing number of minority businesses.

7.5 Improve existing economic development websites to provide useful information for businesses and links to technical assistance resources.

7.6 Coordinate with the efforts of governmental agencies and non-governmental organizations to help increase access to capital for business start-up and expansion.

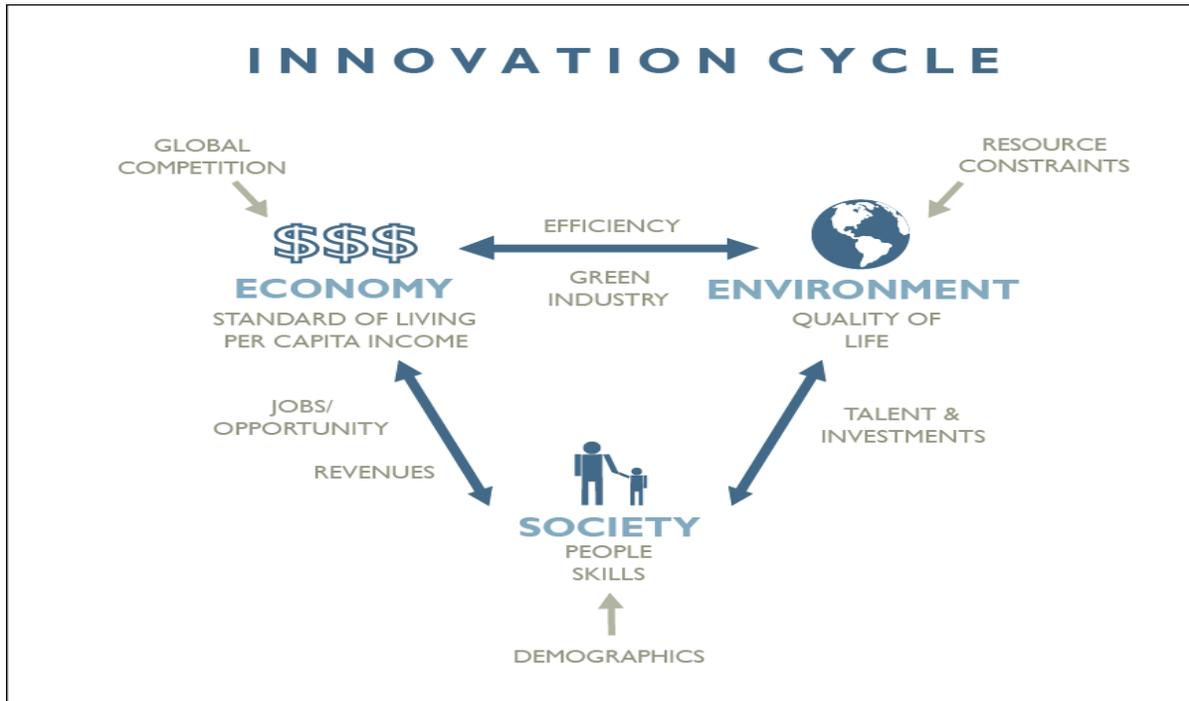
Goal 8: Encourage the continuation of collaborative and integrated approaches to economic and community planning and development.

Strategies

8.1 Foster a stronger economy and preserve the environment through integration of land use, transportation, resource and economic development planning.

8.2 Encourage collaboration among the Cities and the County on land use and infrastructure planning.

8.3 Encourage public/private partnerships in economic and community planning.



Source: Moody's Economy.com

7.0 Vital Projects and Programs

This section highlights local projects that could positively impact economic development for the Sonoma County region as a whole. In all, stakeholders participating in the CEDS process noted 41 projects, summarized in the table below. Not all eligible recipients may have been able to submit project proposals in time for inclusion in this initial CEDS, but since the CEDS must be updated annually for EDA, there will be many more opportunities to have their project proposals included in the next updated CEDS.

Project proposals will be evaluated by the CEDS Committee using the following criteria. The criteria for ranking projects was determined by the CEDS committee which worked with a consultant to create these guidelines. The criteria are presented in recommended rank order.

1. Policy Criteria
 - a. Consistency with CEDS goals and objectives
 - b. Consistency with applicable City/County economic strategic plan or approved community/general plan
2. Job Creation Criteria
 - a. Potential total new jobs created
 - b. Potential new jobs with higher than median wage for each potential occupation category
 - c. Potential jobs saved/retained
3. Potential additional private sector investment
4. Potential regional economic impact
5. Positive impact on transportation access/infrastructure/affordable housing and increases access or use of high-speed telecommunications
6. Fiscal Impact Criteria
 - a. Potential net fiscal impact
 - b. Potential sales tax generated

- c. Potential transient occupancy tax generated
- d. Potential property tax generated

7. Workforce Criteria

- a. Increases workforce skills
- b. Increases access to workforce training

8. Positive or minimal impact on environment

9. Promotes sound management of physical development

10. Promotes in-fill or reuse of existing structures

Summary of Sonoma County Vital Projects and Programs

Responsible Entity	Name of Proposal	Description
City of Cotati	State Hwy 116 Improvements	Hwy 101 to Alder
City of Cotati	Sustainable Regional Water Supply	Groundwater Recharge
County of Sonoma	Rio Nido & Monte Rio Road Improvement Project	Road and drainage studies for Rio Nido and Monte Rio roadways
County of Sonoma	Sonoma Valley Community Health Center	20,000 square foot green building facility to accommodate its expanding operations
County of Sonoma	Hwy 12 Donald St. Gap	Curb, sidewalks along Hwy 12 from Boyes Blvd. Encinas

Comprehensive Economic Development Strategy (CEDS) 2011-2016

		Lane.
County of Sonoma	Springs Monterey Avenue Public Parking Lot	Public parking lot at the corner of Monterey Avenue and Hwy 12
City of Healdsburg	Healdsburg Avenue 5-Way Intersection Improvements	Design and construct a round-about at the intersection of Healdsburg Avenue, Vine Street and Mill Street/Westside Road.
City of Healdsburg	Extend Water and Sewer Services to Southern Healdsburg	Extend City water and sewer lines across the Russian River to serve area now on septic & wells
City of Petaluma	Old Redwood Highway Interchange Project	The existing overcrossing will be replaced to accommodate future HOV lanes on Hwy 101
City of Petaluma	Tournament Sports Fields	New, tournament grade fields
City of Petaluma	Water Recycling Facility Primary Treatment Installation	Installation of Primary Belt Filter Screens
City of Rohnert Park	Dowdell Road Construction	Connecting three future specific plan developments
City of Rohnert Park	Eastside Trunk Sewer	3.5 mile gravity truck sewer pipeline from the east side of Rohnert Park to the City's sewer pump station west of Hwy 101.
City of Rohnert Park	Golf Course West (Wilfred) Rd. Construction	From Redwood to Dowdell
City of Santa Rosa	New Railroad Square	Mixed Use Project at the new SMART

City of Santa Rosa	Hearn Ave. Overcrossing	Replace Hearn Ave. Overcrossing to include four travel lanes.
City of Santa Rosa	New Downtown Parking Garage	Replace aging parking garage at 3d & D.
City of Sonoma	Sebastiani Theatre Rehabilitation	Rehabilitation of the building that is required for disabled access compliance.
City of Sonoma	Broadway Pavement Rehabilitation Project	Pavement repair and rehabilitation of SR12.
Town of Windsor	Arata Lane Interchange, Phase IIB- Northbound On-Ramp	Complete construction of the US 101/ Arata Lane Interchange.
Town of Windsor	Old Redwood Hwy Reconstruction—Windsor River Road to Windsor Road	Improve Old Redwood Hwy from Windsor River Road to Windsor Road
Town of Windsor	US 101/ Shiloh Road Interchange	Reconstruct the US 101/ Shiloh Road Interchange

Pursuant to guidance from EDA, the CEDS is intended to be a “living” document. The CEDS should adapt with changing economic circumstances. Similarly, this list of regionally significant projects will likely change according to shifting priorities, availability of local resources to use as match to potential EDA funding, and a wide variety of other factors that can be addressed during implementation of this strategy.

8 Alignment with California Economic Development Priorities

The State of California does not have a current economic development strategy. However, the Lieutenant Governor, in collaboration with several State agencies, regional economic councils, statewide business and commerce associations, the SBA and the Brookings Institute prepared a white paper to begin a statewide dialogue about how to realize sustainable growth and job creation. The white paper, “An Economic Growth and Competitiveness Agenda for California,” presented in August 2011, outlines an economic

action plan for the first six months of the FY 2011-2012 year. This action plan is founded on the following principles:

- State institutional reform, involving regulatory reform, and increasing access to business planning tools;
- Exports and trade, such as increasing California participation in federal trade missions and promotion events, re-establishing a state presence in foreign markets;
- Innovation, such as expanding commercialization efforts to leverage university patent leadership and eliminate underperforming state tax incentives;
- Manufacturing, wherein the state would promote a “California Made” initiative and to promote the adoption of the new manufacturing-oriented apprenticeship and training programs;
- Workforce development and education, through improved integration of training and education programs; and
- Federal advocacy to improve policies on trade, taxation and immigration.

The CEDS for Sonoma County has goals and strategies that address several of the guiding principals of the Lt Governor’s strategy, including regulatory reform, innovation, manufacturing and the promotion of apprenticeship programs and workforce development.

9 Performance Measures

The following measures will be used to evaluate the success of the CEDS goals and strategies on an annual basis when the CEDS is updated. If possible these measures will be compared to state and national averages where appropriate.

- Job growth by sector
- Jobs retained
- Change in the number of businesses
- Unemployment rate overall and youth unemployment rate
- Building permit trends for residential and non-residential construction/additions
- County sales tax and TOT collections
- Dollars spent on infrastructure improvements
- Number and dollar value of Capital Improvement and other infrastructure improvements made.
- Number of projects with net positive fiscal impact
- County average wage
- Graduation rate
- Percent of third graders reading at the proficient level
- Percent of high school graduates who have taken all course requirements for admission into UC/CSU
- API scores
- Estimated greenhouse gas emissions
- Percent of students who qualify for free lunch

10 Appendix

Many innovative programs and projects are underway in Sonoma County. Additionally, a number of recent reports have been developed on topics that pertain to the Innovation Council report. The list below, while not comprehensive, is designed to be illustrative of the spirit of innovation and anticipatory thinking that transpires in Sonoma County.

The following list of reports, programs, and projects are either available online at the websites listed below or by contacting the respective organization.

10.1 Reports & Projections

Airport Master Plan: <http://www.sonomacountyairport.org/masterplan/index.html>

City of Cloverdale Impact 2010: <http://www.cloverdale.net/>

City of Petaluma Economic Health and Sustainability: <http://www.cityofpetaluma.net/>

City of Rohnert Park Economic Development Action Plan: <http://www.ci.rohnert-park.ca.us/>

City of Santa Rosa Economic Development Strategy: <http://ci.santa-rosa.ca.us/>

City of Santa Rosa Economic Sustainability Strategy: <http://ci.santa-rosa.ca.us/>

City of Sebastopol Strategic Plan: <http://www.ci.sebastopol.ca.us/>

Climate Protection Campaign: Community Climate Action Plan: <http://www.coolplan.org/>

Human Services Commission Needs Assessment Report: <http://www.sonoma-county.org/health/>

Moody's Economy.com Sonoma County Economic Forecast: <http://www.sonoma-county.org/>

Sonoma County Department of Health Action Plan: <http://www.sonomahealthaction.org/>

Sonoma County Strategic Plan: <http://www.sonoma-county.org/strategic/index.htm> Sonoma County

Transportation Authority Transportation Plan: <http://www.sctainfo.org/>

Sonoma County Water Agency Urban Water Management Plan: <http://www.sonomacountywater.org>

Town of Windsor Economic Development Strategic Plan: <http://www.ci.windsor.ca.us/>

10.2 Programs & Projects:

Edward Lowe Foundation Second Stage Companies: <http://edwardlowe.org/>

Sonoma County Water Agency Geothermal Project: <http://www.sonomacountywater.org>

Sonoma Mountain Business Cluster: <http://www.sonomamountainbusinesscluster.com/>



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	State Hwy 116 Road Improvements
City:	Cotati
Agency Name:	City of Cotati, Cotati Community Redevelopment Agency
Project Description:	see below
<p>Highway improvements include travel lanes, bike lanes, sidewalks, signalization of intersection at Hwy 116 and Alder Avenue, and associated landscaping. Scope of work is from the west side of Highway 101 interchange to Alder Avenue.</p> <p>In order to facilitate development, installation of public improvements are proposed to be a joint effort of local, regional, state, and federal funds, in conjunction with developer participation. All environmental (CEQA and NEPA) and design work have been completed by CALTRANS. Developers can no longer absorb this cost.</p>	
Total Cost Estimated (\$):	\$6,000,000
EDA Assistance Sought (\$):	\$3,000,000
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	
No	
What Economic Development Objective(s) does this Project Address?	
Job creation. More than 35 acres of undeveloped and underdeveloped land cannot be improved until these public improvements are installed. This is a prime commercial site located adjacent to a Hwy 101 Interchange with great regional access and visibility. Installation of these public improvements will facilitate 300,000 square feet of commercial development.	
How many jobs will this project create/ retain?	
650	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Sustainable Regional Water Supply
City:	Cotati
Agency Name:	City of Cotati
Project Description:	see below
<p>Project consists of construction of a groundwater recharge project which takes excess water from the Russian River in the winter (when it's available) and banks it in the Santa Rosa Groundwater Basin. The purpose of this project is to provide regional water supply reliability and to more efficiently use our existing water resources without further taxing limited water supplies in the summer. This project has the potential for profound regional benefits. However, this particular project would be to construct one reverse well system for the benefit of the Cotati subregional area.</p>	
Total Cost Estimated (\$):	\$5,000,000
EDA Assistance Sought (\$):	\$2,500,000
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	
No	
What Economic Development Objective(s) does this Project Address?	
<p>Job creation and expansion. Sonoma County has a finite water supply. As development resumes it is our regional water supply that will restrict and ultimately stymie economic development. This project will assure continuing water resources. A Sonoma County Water Agency pilot study is now underway and scheduled to be completed in Fall 2011.</p>	
How many jobs will this project create/ retain?	
This project will provide water reliability for Cotati making future development feasible.	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Rio Nido & Monte Rio Road Improvement Project
City:	Rio Nido-unincorporated
Agency Name:	Sonoma County Community Development Commission
Project Description:	<p>The Sonoma County Community Development Commission has approved \$85,000 to undertake road and drainage studies for Rio Nido and Monte Rio as well as installing traffic calming measures at the entrance to Rio Nido. The CDC is requesting \$85,000 in matching funds for road resurfacing at the entryways to Rio Nido and Monte Rio.</p>
Total Cost Estimated (\$):	\$170,000
EDA Assistance Sought (\$):	\$85, 000
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	
The project is located in a local redevelopment project area known as the Russian River.	
What Economic Development Objective(s) does this Project Address?	
The road resurfacing of the entryways to Rio Nido and Monte Rio would support improved tourism and visitor access to both River communities which rely heavily on visitor traffic to support the local economy.	
How many jobs will this project create/ retain?	
It is estimated that 10 construction jobs will be created to carry out the road resurfacing project for both areas and Support local job retention for area businesses located in Monte Rio and Rio Nido that employ 150 people in the Area.	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Sonoma Valley Community Health Center		
City:	Boyes Hot Springs		
Agency Name:	Sonoma County Community Development Commission		
Project Description:	<p>The Sonoma Valley Community Health Center (SVCHC) is planning a new 20,000 square foot green building facility to accommodate its expanding operations. The preliminary draft plans from VPRM Architecture estimates a total of 14 exam rooms (2 large treatment rooms and 12 standard exam rooms). Additionally, the Program Report also calls for 5 dental operatories and 3 mental health rooms. The Sonoma County Redevelopment Agency is assisting with land acquisition costs estimated at \$2,025,000. The SVCHC estimates construction costs for the new health center to be \$5 million. The SVCHC is applying for construction funding in the amount of \$ 1million.</p>		
Total Cost Estimated (\$):	\$7,025,000		
EDA Assistance Sought (\$):	\$1 million		
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:			
The project is located in a local redevelopment project area known as The Springs.			
What Economic Development Objective(s) does this Project Address?			
The provision of affordable health care services for economically disadvantaged community as well as associated job retention and creation benefits.			
How many jobs will this project create/ retain?			
This project will retain 34 jobs and creat 16 new jobs. Estimated 82 construction jobs will be needed for the project.			



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Hwy 12 Donald St. Gap
City:	Boyes Hot Springs
Agency Name:	Sonoma County Community Development Commission
Project Description:	<p>The Sonoma County Community Development Commission is requesting \$975,000 in funding to complete the Section of Hwy 12 from Encinas Lane south to Verano. The CDC has provided \$5.735 million in funding for the curb, sidewalk and road improvements along Hwy 12 from Boyes Blvd. to Encinas Lane. The requested funding will go towards completing this phase of the project. All other funds have previously been committed and a funding gap exists to complete this section of the project.</p>
Total Cost Estimated (\$):	\$6,710,000
EDA Assistance Sought (\$):	\$975,000
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	
The project is located in a local redevelopment project area known as The Springs.	
What Economic Development Objective(s) does this Project Address?	
The provision of public infrastructure road improvements for economically disadvantaged community as well as associated job retention and creation benefits.	
How many jobs will this project create/ retain?	
It is estimated that 35 construction jobs will be needed for the project. In addition the improvements will support job retention efforts for area businesses that employ over 500 employees in the project area.	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Springs Monterey Avenue Public Parking Lot
City:	Boyes Hot Springs
Agency Name:	Sonoma County Community Development Commission
Project Description:	
<p>The Sonoma County Community Development Commission is requesting \$200,000 in funding to develop a public parking lot at the corner of Monterey Avenue and Hwy 12 in the Springs Redevelopment Project area. Ongoing road improvements have eliminated on street parking in the area which will negatively impact surrounding business owners. The CDC is providing \$200,000 in funding to acquire two parcels in the area. The requested funding will go towards developing the parcels into a centrally located public parking lot for area business owners.</p>	
Total Cost Estimated (\$):	\$400,000
EDA Assistance Sought (\$):	\$200,000
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	
The project is located in a local redevelopment project area known as The Springs.	
What Economic Development Objective(s) does this Project Address?	
The provision of public infrastructure parking improvements for local businesses and economically disadvantaged community as well as associated job retention and creation benefits.	
How many jobs will this project create/ retain?	
It is estimated that 15 construction jobs will be needed for the project. In addition the improvements will support job retention efforts for area businesses that employ over 500 employees in the project area. Business owners in the area have advised that the failure to provide a replacement for parking in the road right of way/shoulder areas will cause the closure of certain businesses immediately and the inability to lease, expand, or redevelopment commercial business property in the Springs.	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name: Healdsburg Avenue 5-Way Intersection Improvements

City: Healdsburg

Agency Name: City of Healdsburg

Project Description

This project is to design and construct a round-about at the intersection of Healdsburg Avenue, Vine Street and Mill Street/Westside Road to alleviate traffic congestion, improve air quality and visually enhance this important intersection. This intersection is also traversed by railroad tracks that serve NCRA and SMART. The improvements include at-grade railroad crossing safety devices consistent with a "quiet zone" designation. The project includes a pedestrian link for the Foss Creek Pathway from Vine Street to the Depot. Utility upgrades for water, sewer, storm drain and electric services are also part of the project.

Total Cost Estimated (\$):	\$2,400,000
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EDA Assistance Sought (\$):	\$1,000,000
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Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone: Yes

What Economic Development Objective(s) do(es) this Project Address?

1. Facilitation of the movement of commercial vehicles in support of the local economy
2. Facilitation of the movement of visitors to the downtown, who patronize its hotels, retail shops and restaurants and contribute sales tax and transient occupancy tax to the City of Healdsburg
3. Visual enhancement of the primary access point to the downtown, which will promote tourism
4. Promotion of a quieter noise environment, which will enhance the ambiance for visitors and hotel guests
5. Provision of adequate utilities and storm drainage, in support of the local economy

How many jobs will this project create/retain? Undetermined



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name: Extend Water and Sewer Services to Southern Healdsburg

City: Healdsburg

Agency Name: City of Healdsburg

Project Description

The incorporated area south of the Healdsburg Avenue Russian River Bridge is currently served by private wells and septic systems. This area is heavily blighted and the existing system of private wells and septic sewers limit redevelopment potential due to (1) inadequate treatment, (2) limited capacity and (3) inadequate fire suppression capability. This project will extend City water and sewer lines across the Russian River to serve this area by constructing gravity and force sewer mains, water distribution lines, water storage for fire protection purposes, and a sewer lift station.

Total Cost Estimated (\$): \$6,000,000

EDA Assistance Sought (\$): \$2,000,000

Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone: Yes

What Economic Development Objective(s) do(es) this Project Address?

1. The extension of services will allow the development of over 240 acres that include many underdeveloped, underutilized and vacant properties. Approximately 386,028 square feet of commercial development and 295,860 square feet of industrial development could occur in this area following the extension of services.
2. The extension of water service will provide fire suppression capability for protecting several important businesses in the area, including Capital Lumber Company.
3. The extension of services will allow the development of the southern gateway to the city with visitor-serving businesses that contribute sales tax and transient occupancy tax to the City of Healdsburg.

How many jobs will this project create/ retain?

New commercial jobs: 772

New industrial jobs: 295

Protected jobs: 38 jobs at Capital Lumber plus a large number of jobs at Grant Avenue Industrial Park



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Old Redwood Highway Interchange Project
City:	City of Petaluma
Agency Name:	City of Petaluma, partnering with California Department of Transportation and the Sonoma County Transportation Authority
Project Description:	<p>The existing overcrossing will be replaced to accommodate future HOV lanes on Highway 101. Old Redwood Highway (local street) will be widened to include bike lanes and make many operational improvements.</p> <p>Scheduled for construction in 2013</p>
Total Cost Estimated (\$):	\$41,000,000
EDA Assistance Sought (\$):	\$10,000,000
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone: No	
What Economic Development Objective(s) does this Project Address?	
<p>This newly construction freeway intersection will make was for a new terminal truck route which is critical to attracting and retaining businesses that rely on large-scale trucking for product deliveries.</p>	
How many jobs will this project create/ retain?	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Downtown Petaluma Trestle
City:	City of Petaluma
Agency Name:	City of Petaluma
Project Description:	Tournament Sports Fields
Construct lighted playing fields for soccer, lacrosse, and baseball	
Total Cost Estimated (\$):	\$10,000,000
EDA Assistance Sought (\$):	\$5,000,000
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	
No	
What Economic Development Objective(s) does this Project Address?	
The City lacks sufficient sports fields requiring tournaments to locate outside of the community. New, tournament grade fields would allow the City to host tournaments	
How many jobs will this project create/ retain?	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Water Recycling Facility Primary Treatment Installation
City:	City of Petaluma
Agency Name:	Economic Development / Water Resources & Conservation Department
Project Description:	Installation of Primary Belt Filter Screens
<p>Currently, certain industrial customers within the Water Resources & Conservation Department's service area are required to operate and maintain costly pretreatment systems in order to meet State permit requirements.</p> <p>The project consists of the installation of primary sludge belt filters and associated pump and piping infrastructure. This ancillary system to the new plant will eliminate the need for these individual systems and allow local industrial food based industries to discharge directly to the collection system and have the water recycling facility treat the waste. This would be more efficient because operational and maintenance obligations would be shifted away from the private sector and onto the public sector which is currently manned and operating the facility 24/7.</p> <p>The economic benefit to local industries would be significant in two ways. This would reduce required infrastructure costs currently born by these individual customers but it will also eliminate hauling and treatment costs for others which further address GHG concerns currently facing these businesses. This will in turn support expansion of these industries as well.</p>	
Total Cost Estimated (\$):	\$1,314,000
EDA Assistance Sought (\$):	\$675,000
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	
No	
What Economic Development Objective(s) does this Project Address?	
Petaluma will be able to attract food processors which create a deep and broad positive impact to the community's economy by spinning of more jobs throughout their vending and supplier needs.	
How many jobs will this project create/ retain? 30to 50 Construction / Expansion of Industry 2500+	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Dowdell Road Construction
City:	Rohnert Park
Agency Name:	Economic Development/Development Services
Project Description:	<p>Dowdell Avenue will be an important connector inside the commercial hub of Rohnert Park, connecting three future specific plan developments. It will tie together existing retail in redevelopment areas including Costco, Home Depot and Walmart and three new three specific plans. It provides access to these commercial areas from a new freeway interchange and all of southwest Santa Rosa.</p> <p>In total this supports 1.64 million square feet of commercial development, including office, light industrial and retail spaces, which using city averages, would support 2,624 new jobs.</p> <p>The northern part of the roadway is currently in design and needs to be constructed for a new hotel and restaurant which are currently in design and form the first segment of the Dowdell Specific plan. The larger Specific Plan includes 302,000 square feet of commercial space which cannot be developed without this roadway.</p> <p>This roadway also serves the Northwest and Stadium Lands Specific Plan areas. Both need this roadway to proceed. Northwest Specific Plan includes 1.2 million square feet of commercial space. The Stadium Lands specific Plan includes 140,000 SF of commercial development.</p> <p>This roadway connects the commercial hub of Rohnert Park to a new freeway interchange and Southwest Santa Rosa.</p> <p>This northern segment of this roadway is currently being designed by a private commercial developer. In this sense this seems to epitomize the private public partnership looked for in the grant. This project is funded by the City's Public Facilities Finance Plan. We can fully match the 50% with local funds. The estimated cost of the project is \$8.9 million.</p> <p>The roadway can be constructed in segments, we do not have to do it all under this grant. The scalable nature of this project provides flexibility to expand to shrink to the grant funding realities.</p>
Total Cost Estimated (\$):	\$8.9 million
EDA Assistance Sought (\$):	\$4.45 million
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	The roadway ties into a local redevelopment area and connects it to a new freeway interchange.
What Economic Development Objective(s) does this Project Address?	Job Creation
How many jobs will this project create/ retain?	2,624 jobs exclusive of construction of the specific plans.



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Eastside Trunk Sewer
City:	Rohnert Park
Agency Name:	Economic Development/Development Services
Project Description:	

The Eastside Trunk Sewer is a new 3.5 mile gravity trunk sewer pipeline from the east side of Rohnert Park to the City's sewer pump station west of Highway 101. Phase 1 of this multi-phase project was completed in 2009 at a total cost of \$13,761,934 with City monies and bond proceeds, providing additional reliability to the City's aging sewer conveyance system for current residents and businesses. Phase 2, which will extend from the intersection of East Cotati Avenue and Snyder Lane and connect with Phase I at Commerce Boulevard and Avram Avenue, will serve all new development on the east side of Rohnert Park. At 100% design and with all environmental work completed, Phase 2 only awaits the funds to be built. The pipeline is estimated to cost approximately \$11.8 million. When completed, Phase 2 will serve four specific plan areas – Sonoma Mountain Village, University District, Southeast Specific Plan, and Northeast Specific Plan – and commercial centers within those new developments, providing over 4700 new jobs.

Completion of the Eastside Trunk Sewer is needed before any development can occur. Notwithstanding its investment in Phase 1, the City cannot fund the remainder of the pipeline, nor can any single developer fund the rest of the project upfront. This creates a chicken-and-egg scenario: The pipeline is needed before any development can occur, but without development there is no way to generate the funds for fees to construct the trunk sewer. This significant barrier could be eliminated with grant assistance: A grant for half of the project cost would allow a developer to fund the remainder and break this log jam.

A completed Eastside Trunk Sewer would bring substantial economic benefits to the region by supporting Rohnert Park's nascent east side developments that will generate jobs, grow companies, bolster the local economic base, and increase the region's global relevance through its successful communities. For example:

- **Sonoma Mountain Village will create 4,414 jobs including 2,576 permanent on-site jobs by 2020.** Sonoma Mountain Village is on a site that was vacated by a major employer, Agilent Technologies, resulting in a loss of manufacturing and technical jobs due to changes in international trade. Prior to the closure Agilent had employed 3,000 people with plans to expand. Hit hard by the tech crash, Agilent closed its Rohnert Park manufacturing plant in early 2005 and shifted most production jobs to lower-cost factories in Asia. The loss of Agilent was followed by a loss of other technology companies including Next Level communications (300 employees) and Cross Check (150 employees). In addition, State Farm Insurance, which employed 1,100 in the mid-1990s, closed operations in 2010.

The Sonoma Mountain Business Cluster, the North Bay Innovation Hub (iHub), will be instrumental in the creation of more than 2,000 local jobs over the next 10 years. Primarily comprised of a business incubator specializing in sustainable resources and socially-relevant technologies, the North Bay iHub assists technology entrepreneurs and start-up companies in achieving success by providing an affordable physical infrastructure, an intellectual and entrepreneurial environment, a supportive service network and one-on-one mentoring. In 2010 the city gave \$888,000 of redevelopment dollars

to the nonprofit to help sustain future operations. 100 startup companies in the greater Rohnert Park area will benefit from this true partnership of business and government.

- **As the first “One Planet” community in North America, Sonoma Mountain Village attracts global attention and increases Sonoma County’s relevance in far-reaching environmental stewardship.** Sonoma Mountain Village’s success as the “greenest community in the world” can only happen if it progresses as an actual development in which people live, work and play. Without the completion of the Eastside Trunk Sewer, little additional development can happen here.
- **The University District Project includes 175,000 square feet of commercial space.** Located directly north of the Sonoma State University, this commercial area would also be uniquely situated for commercial opportunities related to patrons of the new Green Music Center – often referred to as the “Tanglewood of the West.” Using city averages, the University District Specific Plan commercial area would employ 330 persons.
- **Southeast Specific Plan also includes a small 10,000 square foot commercial segment.** This new development, like the University District and Sonoma Mountain Village, is also situated in close proximity to serve the students, faculty and visitors to Sonoma State University. Using city averages, the Southeast Specific Plan commercial area would employ 18 persons.

Total Cost Estimated (\$):	\$11.8 million
EDA Assistance Sought (\$):	\$5.9 Million
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	
The project is in a Redevelopment Area, and is one of six inaugural Innovation Hubs designated by the California’s Business, Transportation and Housing Agency	
What Economic Development Objective(s) does this Project Address? Job creation. Innovation. Green Technology and knowledge transfer.	
How many jobs will this project create/ retain? As noted above this will support 4,751 jobs. This figure is exclusive of construction jobs to build housing in three specific plan areas.	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Golf Course West (Wilfred) Road Construction
City:	Rohnert Park
Agency Name:	Economic Development/Development Services
Project Description:	<p>Golf Course West (Wilfred) from Redwood to Dowdell is the beginning of an important connector from a new freeway interchange, the commercial hub of Rohnert Park, three specific plan developments and all of southwest Santa Rosa. In total this supports 1.64 million square feet of commercial development, including office, light industrial and retail spaces, which using city averages, would support 2,624 new jobs.</p> <p>The roadway needs to be constructed for a new hotel and restaurant which are currently in design and form the first segment of the Dowdell Specific plan. The larger Specific Plan includes 302,000 square feet of commercial space which cannot be developed without this roadway.</p> <p>This roadway also ties the interchange and commercial hub of Rohnert Park to the future Northwest Specific Plan. Northwest Specific Plan cannot be constructed without this roadway. Northwest Specific Plan includes 1.2 million square feet of commercial space. This roadway segment ties into Dowdell. Which will connect the Stadium Lands Specific Plan. The Stadium Lands specific Plan includes 140,000 SF of commercial development.</p> <p>This roadway segment although short, is part of a regional connectivity plan. It connects the commercial hub of Rohnert Park and the new freeway interchange to Southwest Santa Rosa. Completion of this roadway will reduce congestion on Stony Point Road as traffic is moved from local roads efficiently to the freeway system. Improving circulation in this manner will reduce greenhouse gases a compared to alternative routes.</p> <p>This project is currently being designed by a private commercial developer. In this sense this seems to epitomize the private public partnership looked for in the grant. This project is funded by the PFFP. We can fully match the 50% with local funds. The estimated cost of the project is \$1,100,000.</p>
Total Cost Estimated (\$):	\$1,100,000
EDA Assistance Sought (\$):	\$550,000
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	The roadway ties into a local redevelopment area.
What Economic Development Objective(s) does this Project Address?	Job Creation
How many jobs will this project create/ retain?	2,624 jobs exclusive of construction of the specific plans..



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Hearn Avenue Overcrossing
City:	Santa Rosa
Agency Name:	Economic Development and Housing Department and Public Works Department
Project Description:	<p>The Hearn Avenue Overcrossing project will replace Hearn Avenue Overcrossing to include four travel lanes, bike lanes and sidewalks, and the Corby/Hearn intersection improvements. The project has sufficient Measure M and, Redevelopment Agency funds to complete the project study report and CEQA compliance. Inadequate infrastructure, particularly the inadequate street system, was identified in the 2000 Report to Council at the time of adoption of the Southwest Redevelopment Plan as a major impediment to the private sector's ability to develop and rehabilitate the area, thereby perpetuating blighting conditions, and was identified by the community as its number one concern. Hearn Avenue is a major east-west arterial roadway and high-volume street located within and adjacent to the Redevelopment Project Area and was also specifically identified as one of the primary infrastructure deficiencies in the Redevelopment Project Area. Completion of the new overcrossing will improve traffic flow to and from the major commercial centers located on Santa Rosa Avenue.</p>
Total Cost Estimated (\$):	\$31 million
EDA Assistance Sought (\$):	
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	
Project is partially located in and immediately adjacent to the Southwest Redevelopment Project Area	
What Economic Development Objective(s) does this Project Address?	
Public Works Infrastructure	
How many jobs will this project create/ retain? 484	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	New Railroad Square
City:	Santa Rosa, CA
Agency Name:	City of Santa Rosa, Department of Economic and Housing Development
Project Description:	New Mixed Use Project at the new SMART train station
<p>The New Railroad Square (NRRS) project is a mixed use, transit-oriented development located at the site of a future passenger rail station in the successful Historic Railroad Square section of downtown Santa Rosa, California, the seat of Sonoma County. The train is part of a two-county line that will also include a parallel bicycle path. The train will be owned and operated by the Sonoma Marin Area Rail Transit District (SMART), which also owns approximately 2/3 of the NRRS project site. The NRRS project involves direct public-private collaboration with this regional entity. In addition, the project is a public-private collaboration with the City of Santa Rosa, its Housing Authority and its Redevelopment Agency.</p> <p>The complete 400,000 sf project will be developed over 5 distinct blocks on approximately 7.4 acres. The full project includes over 279 units of affordable and market rate housing, a 41,000 sf community health and fitness center, 44,000 sf of ground floor retail, 45,000 sf of commercial office space, site improvements including new streets and plazas, and nearly 600 parking spaces, both structured and surface, on a seven acre site.</p> <p>The first phase of the full project will be the development of the Cannery, with 82 units of housing (68 of which will be affordable) built over a 41,000 sf community health and fitness center. This grant request is for the \$3M in site and utility costs related to the Phase 1 Cannery project, including the development of roads, sidewalks, parking, landscaping and lighting improvements.</p>	
Total Cost Estimated (\$):	\$3,000,000
EDA Assistance Sought (\$):	\$1,500,000
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone: Yes.	
What Economic Development Objective(s) does this Project Address?	
<p>EDA's investment will inject economic vitality to the area. Successful development of the Phase 1 Cannery project will catalyze development of the project's later phases, supporting the development of new commercial spaces for small and medium-sized businesses, and revitalize a long-abandoned Brownfield site and the surrounding community. The entire project will create hundreds of new jobs in an area of high unemployment and high poverty rate.</p>	
How many jobs will this project create/ retain?	
<p>Phase 1 is projected to create 194 construction jobs and 232 permanent jobs during operations. The full Railroad Square project is projected to create approximately 530 jobs during construction and 670 permanent jobs. (All figures include direct, indirect/supplier and induced/consumer jobs.)</p>	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	New Downtown Parking Garage
City:	Santa Rosa
Agency Name:	Economic Development and Housing Department
Project Description:	<p>This project will provide a new 700 space mixed-use parking garage structure, replacing the aging parking garage located at 3rd and D Streets. The project will provide an additional 380 parking spaces to meet current and projected parking demand in the downtown, and include approximately 18,000 square feet of ground level retail space. Completion of this project would encourage new development in the downtown on adjacent sites and the vacated garage site and provide additional long and short term parking for downtown shoppers, visitors, employees and residents. Further this project would utilize a private/public partnership to activate the commercial/retail space to create a vibrant street level, encourage pedestrian activity, and contribute to a vital 24-hour downtown.</p>
Total Cost Estimated (\$):	\$20 million
EDA Assistance Sought (\$):	\$5 million
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	
Project is located in the Santa Rosa Center Redevelopment Project Area	
What Economic Development Objective(s) does this Project Address?	
Public Works and Economic Development Facilities Program	
How many jobs will this project create/ retain? 248	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Sebastiani Theatre Rehabilitation Project		
City:	Sonoma, CA		
Agency Name:	Sonoma Community Development Agency (CDA)		
Project Description:			
<p>The Sebastiani Theatre, which was built in 1933 and is a registered historic building, is privately owned and leased by the Sonoma Community Development Agency on a long term basis. The Theatre is located on the historic town square and is operated under a sublease as both a movie theater and a venue for performances and community events. Operating revenues cannot support the extensive rehabilitation of the building that is required for disabled access compliance. Modifications are required to the entryway, doors, restrooms, snack bar, theater seating, stage, dressing rooms, and exits.</p> <p>Matching funds would come from a combination of a nonprofit fundraising organization, the Sebastiani Theater Foundation, and local redevelopment funds.</p>			
Total Cost Estimated (\$):	\$644,000		
EDA Assistance Sought (\$):	\$322,000		
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:			
Project is in a local redevelopment project area of the Sonoma Community Development Agency.			
What Economic Development Objective(s) does this Project Address?			
<p>Downtown revitalization and historic preservation. This historic building is a centerpiece of commercial core of the community, is both tourist and resident serving, and supports the surrounding restaurant, retail, and community uses. The project will allow continuation of the existing private-public-nonprofit partnership to preserve and operate a historic theater.</p>			
How many jobs will this project create/ retain? 25- 50 jobs for rehabilitation (temporary) and continued theater operation (ongoing). Significant additional job retention in uses in the surrounding area.			



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Broadway Pavement Rehabilitation Project
City:	Sonoma, CA
Agency Name:	Sonoma Community Development Agency (CDA)
Project Description:	<p>The work consists of pavement repair and rehabilitation of Broadway (State Route 12) from Napa Road/Leveroni Road to MacArthur Street. Broadway is within the City's commercial zone and is a State Route that runs through the City. The City has consistently requested that CALTRANS perform this pavement rehabilitation for the past 10 years but due to the lack of State funds available for roadways, the work has not been done. The road has deteriorated to the point that a simple overlay will not be sufficient and significant digouts and repairs of the sub-base are necessary. The City of Sonoma has been in communication with CALTRANS local assistance staff and CALTRANS staff has been supportive of City performing the work and CALTRANS would help expedite and streamline the review and permitting process.</p>
Total Cost Estimated (\$):	\$1.6 million
EDA Assistance Sought (\$):	\$800,000
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	
Project is in a local redevelopment project area of the Sonoma Community Development Agency.	
What Economic Development Objective(s) does this Project Address?	
Job creation and tourism development. The City's economy is tourism-based and Broadway is the primary gateway route to the city and the surrounding wine tourism region. In general, the citywide roadway conditions have been deemed by the regional transportation agency (MTC) as in a "very good" pavement condition index except for Broadway (S.R. 12) which the City's estimates to be in "poor" condition.	
How many jobs will this project create/ retain?	
The construction work itself will create approximately 30 jobs during the duration of the work (estimated to be approximately 4 to 6 months). This project will also contribute to the retention of several thousand tourism-related jobs in the region.	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Arata Lane Interchange, Phase IIB-Northbound On-Ramp
City:	Town of Windsor
Agency Name:	Town of Windsor Public Works
Project Description:	<p>This project will complete construction of the US 101/Arata Lane interchange project. This project also includes the relocation of a portion of Los Amigos Road north of Arata Lane. This project will provide increased transportation infrastructure that will permit the adjacent properties to develop as envisioned in the Town's General Plan.</p>
Total Cost Estimated (\$):	\$3,300,000
EDA Assistance Sought (\$):	\$3,300,000
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	
No	
What Economic Development Objective(s) does this Project Address?	
Job creation	
How many jobs will this project create/ retain?	
660	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	Old Redwood Highway Reconstruction-Windsor River Road to Windsor Road
City:	Town of Windsor
Agency Name:	Town of Windsor Public Works
Project Description:	<p>This project will improve Old Redwood Highway from Windsor River Road to Windsor Road. The project will include roundabouts, class II bicycle lanes, pedestrian walkways, transit stops and drainage improvements. Other elements may include a park and ride lot. This project will provide increased transportation infrastructure that will permit the adjacent properties in the downtown area to develop as envisioned in the Town's General Plan.</p>
Total Cost Estimated (\$):	\$7,000,000
EDA Assistance Sought (\$):	\$7,000,000
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	
Yes. This project is located within the Town of Windsor Redevelopment Area.	
What Economic Development Objective(s) does this Project Address?	
Job creation	
How many jobs will this project create/ retain?	
480	



SONOMA COUNTY

NEW PROJECT SUBMITTAL FORM

Project Name:	US 101/Shiloh Road Interchange Reconstruction
City:	Town of Windsor
Agency Name:	Town of Windsor Public Works
Project Description:	<p>This project will reconstruct the US 101/Shiloh Road Interchange to provide additional capacity, provide bicycle lanes and pedestrian walkways. This project will provide increased transportation infrastructure that will permit the adjacent properties (industrial/commercial areas) to develop as envisioned in the Town's General Plan.</p>
Total Cost Estimated (\$):	\$20,625,000
EDA Assistance Sought (\$):	\$20,625,000
Is the Project in a Designated Local, State, Federal Redevelopment or Enterprise Zone:	
No.	
What Economic Development Objective(s) does this Project Address?	
Job creation	
How many jobs will this project create/ retain?	
745	