

CHAPTER 4

ECONOMIC DEVELOPMENT



4.0 INTRODUCTION

Economic activity is a fundamental part of any community. Stores providing goods and services, businesses providing jobs, and restaurants and entertainment venues all contribute to the vitality of a community. Economic development is an intentional and focused effort to foster and promote the businesses that help to create a thriving community.

Economic development is a multipronged and ongoing process, a long-term commitment to improving a city's overall economic well-being and the vitality of businesses, and the standard of living of residents. Economic development goals, policies, and programs must be reviewed and adjusted over time as the economic climate of a city changes.

At the local level, economic development must focus on those factors that the City of Rio Vista is able to influence or control. The City can improve the community's economic climate, but its efforts will always take place in the context of the larger economic picture, which can aid or limit the City's efforts.

The City Council influences economic growth through decisions on the types and amounts of various land uses allowed in the City (addressed in the Land Use Element), by deciding where and when to expend City funds to build various types of public investments (roads, bridges, water and sewer capacity, civic facilities, etc.), and by giving direction to staff on where to focus efforts to attract and retain businesses.



Although not within the City's direct control, a skilled and educated workforce is a key driver of economic development. While it does not directly control the workforce: the City, the School District, and adult education programs can promote education and training programs that improve the productivity and employability of individuals, leading to higher incomes and enhanced economic growth.

Whatever strategies or programs are selected, economic development in Rio Vista is influenced by the economy at the regional, statewide, and national levels. Rio Vista's economic development activities will need to continue to be conducted in recognition of these external forces.

4.1 SETTING AND CONTEXT

Rio Vista is a small town with substantial assets and features that are a foundation for economic development. Rio Vista's Main Street and the waterfront, collectively viewed as Downtown Rio Vista, provide the potential for significantly increased tourism and commercial activity. The River and the Delta link Rio Vista to surrounding communities that provide extensive recreational activities and opportunities for Rio Vista to attract visitors to the City.

The majority of development in Rio Vista over the past 20 years has occurred in age-restricted residential communities in the Trilogy and Summit at Liberty projects. These projects have resulted in Rio Vista having an older median age compared to other Solano County cities. The median age of the

community presents opportunities and constraints that must be considered in the City's economic development efforts.

From 1911 through 1992, Rio Vista was home to the U.S. Army Reserve Center. In 2003, the Army Base property was conveyed to the City of Rio Vista and the new property offered the potential to significantly expand public river access. The deed transferring the property to the City includes limits on how the property may be used, with allowed uses including recreational, commercial, and research-oriented uses.

Rio Vista's Cannabis businesses operate within Solano County's overall restrictive Cannabis environment. As of 2023, there were seven active cannabis businesses in Rio Vista, with another five approved cannabis businesses yet to be constructed.

The City is home to Rio Vista Municipal Airport (the "Airport"), one of two general aviation airports in Solano County that are open to the public. To date, the Airport has had limited impacts on economic development, but has the potential to become a more significant contributor in the future.

The City's airport was opened at its current site in 1993. The former airport site has been developed as the Rio Vista Business Park and is home to a growing collection of commercial, light industrial and non-profit uses.

Rio Vista's location is both somewhat isolated (one State highway passes through the town and there are no directly adjacent communities) and regionally centralized (the City is proximate to numerous cities). Neighboring cities and communities include:

- Ten (10) minutes from Isleton
- Twenty (20) to thirty (30) minutes away from Antioch and Oakley
- Thirty (30) to forty (40) minutes from Fairfield, Suisun City, Lodi, Concord, Pittsburg, Dixon, Locke, Walnut Grove, and Vacaville
- Forty-five (45) minutes from Vallejo, Stockton, Elk Grove, and Courtland.
- Fifty (50) minutes to an hour from the cities of Manteca, San Francisco, Oakland, Napa, and Sacramento

KEY CONSIDERATIONS

- Rio Vista has a diverse economic base that includes the Downtown commercial core, the light industrial uses of City's Business Park, and heavy industrial uses focused primarily on construction and grading operations.
- Depending on the plans of East Solano New Community, the City's future development could be somewhat limited – this General Plan projects a City population of 16,500 people for the year 2045 and the City could be approaching buildout at that time. This level of population may not support all the economic development desired by the community.
- Rio Vista's population is considerably older (median age 64 years) than the rest of the state (median age 45.6 years) which impacts the services and development types needed in the community. The demographics of the community present both an opportunity and a constraint to economic development.
- The City's economic development prospects are tied to broader regional, state and national economic conditions. Aligning Rio Vista's economic development efforts with the broader trends will increase the City's potential for successful economic development.
- Demonstrating success in capturing public funds (grants) and private investment can raise the City's profile and promote economic development and revitalization.

EAST SOLANO NEW COMMUNITY AND THE CITY OF RIO VISTA

East Solano New Community proponents have proposed development immediately northwest of Rio Vista north of Highway 12 and both east and west of Highway 113. A voter initiative is anticipated for the November 2024 ballot initiative that, if approved by Solano County voters, would establish a 17,500+ acre first phase of the project extending from Rio Vista toward Suisun City. Whether voters will approve the project was unknown when this General Plan was prepared and adopted, but it appears likely the East Solano New Community will ultimately develop land in and around Rio Vista (the group currently owns 505 acres in Rio Vista southwest of Highway 12).

As a Solano County development, the City can comment on and attempt to guide the review of East Solano New Community development but cannot directly control the form of the project on lands outside of the City limits. Potential advantages and impediments to the City's economic development prospects that could result from the new development include:

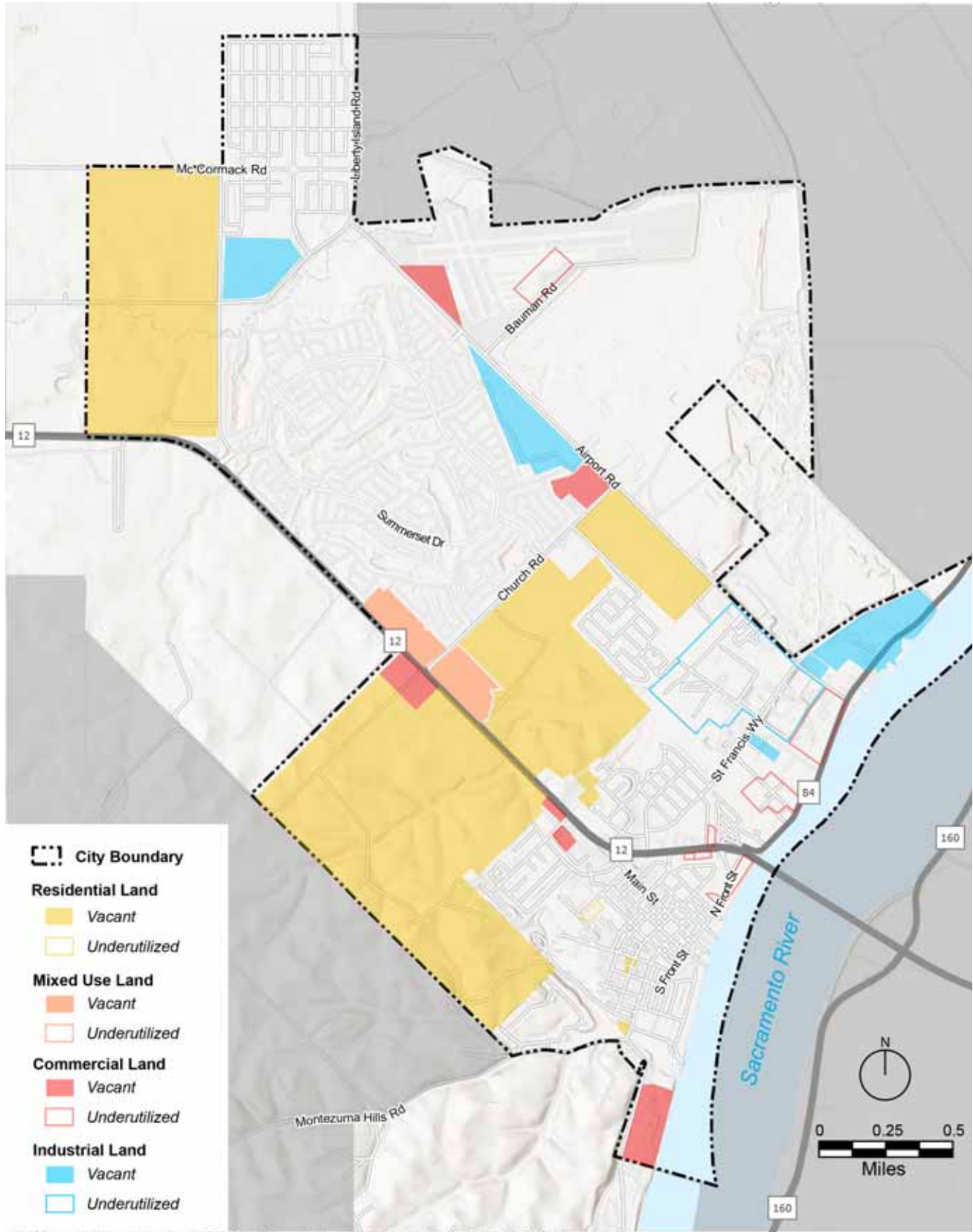
- Increased service area population that would support commercial and employment growth in Rio Vista.
- Proximity to a new employment center that would generate opportunities for existing and future businesses in Rio Vista.
- Generation of significant construction jobs in Rio Vista as well as potential business for Rio Vista construction firms.
- Depending on the location of homes, initial residents of East Solano New Community might rely on the businesses of Rio Vista to meet various retail and service needs.
- Potential for East Solano New Community businesses to compete with and draw patrons from Rio Vista businesses.
- Potential for new homes and apartments in the East Solano New Community to compete with the Rio Vista real estate market.
- Increased traffic congestion that could negatively impact businesses in Rio Vista.
- Impacts to the small town charm of Rio Vista, a key attribute of the City.

Should the East Solano New Community project proceed, it will unfold over decades. While the first phase of the project has been mapped, the timing and phasing of development, the ability for the project to succeed from a market perspective and the detailed form of development are all unknown. From an economic development perspective, the East Solano New Community has the potential to be a significant economic driver for Rio Vista, but if and when the project proceeds the City must actively work to ensure that the East Solano New Community is beneficial to the Rio Vista community and that its negative impacts on Rio Vista are mitigated to the greatest possible extent.

VACANT AND UNDERUTILIZED LAND

Land available for new uses is a key component for economic development. As of 2024, there was land within the City limits to accommodate residential, commercial and industrial development. Figure 4-1, Vacant and Underutilized Land, identifies a designation of vacant indicates the land is undeveloped while a designation of underutilized indicates the land is currently in use but that there is the potential for more intensive use due to the level of investment in improvements or the amount of undeveloped land in a given area.

FIGURE 4-1: Vacant and Underutilized Areas



Source: Solano County 2022, US Census Bureau 2022, Interwest 2023, ESRI

4.2 A VISION FOR ECONOMIC DEVELOPMENT

This Element establishes the context and overall approach for economic development in Rio Vista. The Rio Vista Economic Development Strategic Plan (EDSP) provides a detailed and action-oriented plan to promote economic development in the community. That plan establishes the following Vision Statement for Rio Vista:

Rio Vista is a vibrant, unique, riverfront community with “small town charm” and a rich agricultural heritage.

The EDSP establishes the following desired outcomes to achieve this Vision for economic development in Rio Vista:

- **Vibrant** - A vibrant, aesthetically pleasing City and active “core” – Rio Vista’s “core” being defined as downtown Main Street and its riverfront – that continually attracts visitors and residents to dine, shop, and recreate.
- **Unique** - A City with a strong marketing or “branding” strategy which sends a clear message to everyone of Rio Vista’s uniqueness as a charming, artistic, riverfront community, with a proud history of agricultural production.
- **Collaborative** - A City whose community, stakeholders, administration and staff, and elected officials work together continually, collaboratively, creatively, and responsibly as the City’s “economic development team.”
- **Small-Town Charm** - A City whose continuous economic growth does not compromise the quality of life and the welcoming “small-town charm” that feels like you are living in a simpler time.



4.3 ECONOMIC OPPORTUNITIES AND CHALLENGES

Rio Vista has worked steadily over many years to promote economic development in the community. Understanding the opportunities and natural advantages of the community, as well as the constraints to economic development, is critical to the success of economic development efforts. The City will consider the following opportunities and issues as it promotes economic growth in Rio Vista.

OPPORTUNITIES

- Rio Vista's character as the "Gateway to the Delta" and a small Delta town close to large urban centers presents opportunities for recreational and tourism related businesses.
- The riverfront is among Rio Vista's greatest assets. It creates a sense of place for the community and provides a waterway connection to residents and recreational boaters of the broader Delta and Bay Area.
- Properly developed and marketed, the waterfront in Rio Vista could be a tourist "hot spot" enhanced with more entertainment, concert events, restaurants, boutiques, and walkable paths that allow visitors and residents to enjoy Rio Vista's setting next to the Sacramento River.
- Sandy Beach Regional Park provides an attractive beach frontage along the Sacramento River that draws visitors to Rio Vista and can be leveraged in an overall City economic development strategy.
- The City's South Waterfront property (formerly the Rio Vista Army Base) offers the potential to increase public access to the riverfront, attract tourists and visitors to the community, and create new jobs in the City.
- Downtown will likely always be the center of retail and commercial activities in Rio Vista and has the potential to serve both Rio Vista residents as well as draw tourists from the broader region.
- The City owns numerous properties within the City limits and these assets can support and leverage economic development efforts.
- The City has constructed improvements in the Business Park and shovel-ready parcels with all utilities available for development.
- The East Solano New Community could provide opportunities for economic development and potential investment in Rio Vista such as an increased service population.

CHALLENGES

- The City is somewhat isolated with no visibility from major travel corridors such as Interstate 80 or Interstate 5. The City's presentation to Highway 12 generally lacks the appeal to cause commuters to stop and visit Downtown.
- Rio Vista's population will not, by itself, support the retail and commercial business desired by community members. The Downtown does not yet have the variety and number of businesses and activities that can serve community members and attract tourists to support economic growth.
- There is underutilization of retail spaces Downtown, and Downtown properties are not always well-maintained.
- It is not known if Rio Vista has a trained workforce prepared to meet the evolving needs of current and future Rio Vista businesses.
- There are not adequate employment opportunities for Rio Vista residents to pursue careers in the community.
- Traffic congestion associated with Highway 12 impacts the community and, during periods of traffic congestion, discourages residents from visiting Downtown.
- Rio Vista currently lacks adequate and higher-end hotel accommodations to encourage overnight stays from residents' family members and extended stays within City boundaries from tourists and travelers.
- The River Delta Unified School District faces challenges due to the geographically dispersed school locations and numerically low student populations that are inherent in rural communities.
- The East Solano New Community could present various challenges for the City, including increased traffic congestion and direct competition with Rio Vista businesses.
- There is a lack of health care services to meet the needs of community members.
- As of 2024, the City did not have dedicated staff to pursue economic development, constraining the City's ability to achieve desired economic development outcomes.

4.4 ECONOMIC DEVELOPMENT PARTNERS

The City may guide, encourage, and facilitate development in the community, but generally it does not develop land or fund the construction of new development. Success in economic development relies on partnerships with a range of public and private partners. Key considerations and partnerships include:

- The City can benefit from establishing and maintaining relationships at the local, regional, state, and federal levels that would provide opportunities to increase the City's visibility and name recognition, thereby making the City a more viable candidate for economic investment.
- The City is eligible for grants from regional, state, and federal agencies. Such funds can support construction of key infrastructure required to support new development.
- Rio Vista exists in a broader regional economy. Solano Economic Development Corporation works to promote economic development throughout Solano County; as does the Small Business Development Center.
- Local businesses are the backbone of Rio Vista's economy. Supporting these businesses' growth is a key City priority.
- Business and community organizations provide a forum to better understand local business needs and these groups can actively support and promote economic development in the City.
- The River Delta Unified School District and other educational and vocational institutions can help to provide a local workforce educated and trained to meet the needs of local businesses.
- Ultimately, private investors and developers must choose to invest in Rio Vista. These entrepreneurs make economic development a reality.

Cultivating relationships with all these partners, responding to the needs of these partners, and relying on their ability to support the City's efforts will maximize the success of Rio Vista's economic development efforts.

4.5 FUTURE LAND USE AND ECONOMIC DEVELOPMENT OPPORTUNITIES

Retail uses such as shopping at local stores, going to work in local businesses, and buying and furnishing new homes are closely related to the service area population – the number of people in and around the City that visit Rio Vista stores, businesses and restaurants. Rio Vista’s current population likely cannot support the range of commercial uses desired by its residents.

Growth that supports economic development can take place within the existing footprint of the City, primarily through the intensification of uses through the redevelopment of some existing lands and through the development of currently vacant land. Within the City limits, a major opportunity for new economic activity can be found in the Downtown area, where vacant storefronts and buildings can provide sites for new businesses.

Within Rio Vista’s boundaries are three potential residential project sites that have not yet been developed: the Brann Ranch project (Highway 12 and Liberty Island Road), the Riverwalk Project (Highway 12 and Church Road), and the City-owned property at Airport and Church Roads. The Riverwalk project has received entitlements and could proceed with construction when the owners determine economic conditions will support development. Brann Ranch and the City-owned property have both been the subject of planning efforts but had not been entitled for development as of 2023. As currently envisioned, these projects could add 1,900 homes in Rio Vista with close to 5,000 new residents. Additionally, property formerly owned by the Esperson family located southwest of Highway 12 has the potential to be developed but such development has been hampered in the past due to issues related natural gas rights and infrastructure.

Commercial and retail uses in Rio Vista are clustered primarily in and around the Downtown Area. Retail stores, professional services and restaurants are found along and near Main Street. While the majority of land in this area has been developed, the uses in some buildings do not take full advantage of the commercial potential of Downtown and present opportunities for expanded commercial uses.

Beyond retail uses, Rio Vista has a long-established base of industrial businesses focused primarily on construction related activities. Much of this industrial land has relatively low levels of improvement, providing opportunities for intensification of uses. Additionally, the City has invested in developing the Rio Vista Business Park, constructing roads and utilities for parcels ranging from one to seven acres that are available for immediate development.

These available properties provide opportunities for economic growth in the City. The City's overall economic development strategy will build on existing resources and expand opportunities by attracting businesses, residents, and visitors to Rio Vista.

Beyond the development potential currently within Rio Vista, the East Solano New Community project has the potential to create substantial new development immediately northwest of Rio Vista. The initial phase of the East Solano New Community, to be voted on by County residents in November 2024, would include housing for 50,000 residents and substantial new retail and employment development. If approved and ultimately developed, the East Solano New Community would fundamentally change the prospects for economic development in Rio Vista.

4.6 DOWNTOWN REVITALIZATION

Rio Vista's Downtown - generally bounded by Logan Street, North and South Front Street, California Street, and 7th Street - has been the focus of many efforts by the City to improve its economic vitality. The 2007 Waterfront Specific Plan governs land use on the waterfront northeast of Main Street and the 2014 R/UDAT study examined Downtown and envisioned ways to improve its vitality.

The R/UDAT study provides the following observations on development in Rio Vista's Downtown and along its waterfront:

“Rio Vista has developed numerous plans for both of these areas but has encountered significant difficulties in moving from concepts to concrete implementation.

The inability to implement is largely due to demographic and market conditions. The community has experienced both spurts of growth (65% increase in population over the past 15 years due largely to the addition of Trilogy active senior developments) and periods of economic decline (the loss of businesses and jobs, as well as associated fiscal impacts due in large part to the deep recent recession). Vacancy rates for commercial properties in the downtown area are high, while rents are currently too low to support new construction and significant rehabilitation at market rate terms.”

Almost a decade after the R/UDAT report was written, the same challenges face Rio Vista and Downtown, highlighting the fact that solutions are not simple and that a revitalized Downtown will require focused, long-term and continued effort.



4.7 GRADUAL EVOLUTION VERSUS FUNDAMENTAL SHIFT

Over the past 20 years the City's approach to economic development can be characterized as a gradual progression built on the community's assets. In this approach, incremental investment in the Downtown and along the waterfront have made the community's core more attractive and have brought in some new businesses. This approach of building on current assets and promoting growth of existing businesses provides a sound basis for economic growth.

However, economic development is constrained by certain fundamentals, including the service population (potential customers) within a certain distance of the City, the income levels of the service population and the visibility of retail and commercial businesses to potential customers. Rio Vista's fundamentals are not currently optimal, and this situation has in part led to the community's slow rate of economic development.

A shift in these economic fundamentals could result in the level of economic investment and growth desired by the community. Two fundamental shifts that could occur in Rio Vista would be a substantial increase in service area population (East Solano New Community) or creation of uses that would substantially increase tourism in the City (see Adventure Park in the City's Economic Development Strategic Plan). The City will have limited control over the East Solano New Community, but it will have the ability to respond to opportunities and challenges that the project might create.

Fostering new growth and new businesses in the Downtown and Waterfront and enhancing the area as a tourist destination could significantly improve the quality of life for Rio Vista residents. Such development could provide more attractions, services and stores to meet the needs of residents. However, such development would require substantial investment by the City and private sector partners.

4.8 ECONOMIC DEVELOPMENT (ED) GOALS, POLICIES, AND PROGRAMS

GOALS

Goal ED-1: A vibrant community that serves and attracts visitors, residents, and businesses.

Goal ED-2: A business climate that enables and promotes the expansion of existing businesses and the attraction of new businesses.

Goal ED-3: Increased employment in Rio Vista, and an educated, skilled, and competitive workforce in line with current future jobs in the City.

POLICIES

Policy ED-1: Pursue economic development and growth through sustained and creative actions.

Policy ED-2: Actively support and encourage the success and growth of existing local businesses and the attraction of new businesses.

Policy ED-3: Actively promote establishment and expansion of commercial businesses that increase local spending within Rio Vista and provide needed goods and services to residents and businesses.

Policy ED-4: Actively support and encourage hotels to locate in Rio Vista, especially full-service hotels with conference facilities or other amenities, but also bed-and-breakfast and other hotel options that will attract more tourism to Rio Vista.

Policy ED-5: Partner with other agencies and organizations at the local, regional, state and federal level, leveraging relationships and seeking partners to promote economic development in Rio Vista.

Policy ED-6: Target science, technology, engineering, artificial intelligence and mathematics (STEAM) related industries to promote long-term economic growth.

Policy ED-7: Encourage and support efforts of the River Delta Unified School District and adult education institutions to increase investment in educational programs and facilities.

Policy ED-8: Pursue economic development across all types of businesses, including entertainment, restaurants, retail, tourism, professional services, industrial and agriculture.

Policy ED-9: Support and encourage public, private and non-profit partnerships for strategic projects that align with the City's economic and community development goals.

Policy ED-10: Explore projects that can increase tourism in Rio Vista.

Policy ED-11: Support private efforts to create art in public places (i.e. murals, statues, etc.) to support City branding efforts and as a means of placemaking.

Policy ED-12: Promote improvements and investment on the current Highway 12 route through Rio Vista to create a more attractive and inviting character.



PROGRAMS

Program ED-1: Evaluate the staffing requirements to effectively implement the City’s economic development programs and secure adequate staffing, through City employees, contracted professionals, and volunteers as determined appropriate.

Program ED-2: Adopt, regularly update, and implement a Rio Vista Economic Development Strategic Plan (the “Strategic Plan”). Annually report to the City Council on past year efforts and achievements, and proposed activities for the next year. Annual updates will be compiled as appendices to the Strategy Plan.

Program ED-3: Develop and implement in a clear and focused fashion the branding of Rio Vista that conveys and creates an identity for residents and visitors to the community. Periodically revisit and refresh City branding efforts.

Program ED-4: Support and facilitate events in Rio Vista that attract residents and visitors/tourists to Rio Vista. Consider how existing and future events can support City branding efforts.

Program ED-5: Implement programs to enhance the appearance and aesthetics of the of Rio Vista. Such programs should consider both the public realm (streets, sidewalks, public waterfront areas) and the private realm (storefronts, open lots).





Program ED-6: Complete an inventory of vacant and underutilized properties in the City and prepare a plan for utilizing and leveraging such properties to support economic development.

Program ED-7: Work with the River Delta Unified School District, local employers and training/educational institutions to provide training and vocational programs that develop employment skills.

Program ED-8: Continue to monitor industry trends and evaluate and identify the industries, including emerging industries, that are best suited for Rio Vista.

Program ED-9: Maintain a tool kit of potential economic development mechanisms, including local tax and financial incentives, and regional, state and federal agencies programs and funding sources.

Program ED-10: Conduct a review of the zoning code and City permit processing procedures. Update policies, procedures, and regulations to promote a business-friendly atmosphere and a high-quality environment that is attractive to residents and businesses.

Program ED-11: Explore automation of City permitting systems, including supporting digital plan submittals and online project tracking, to expedite the review and permitting of projects.

Program ED-12: Promote a farm to table identity for Rio Vista by partnering with local farmers to promote demonstration agricultural gardens/facilities. Consider City- sponsored agricultural projects that would both attract visitors and generate meats and produce for local restaurants.

Program ED-13: Coordinate with and support the Solano Economic Development Corporation, the Rio Vista Downtown Association, Chamber of Commerce, and other groups working to promote Rio Vista's economic development.

Program ED-14: Provide safe and attractive access from outer neighborhoods to Downtown. Consider local streets, bicycle, pedestrian, golf cart, and alternative modes of circulation.

Program ED-15: Coordinate with local businesses and organizations to promote Rio Vista's strengths and tourist attractions in regional and statewide media to expand tourism.

Program ED-16: Consider development of a transient (visitors') dock to encourage Delta boaters to visit Rio Vista. Uses surrounding such a facility should serve and encourage boating visitors.

Program ED-17: Investigate and pursue opportunities to promote the availability of high-speed broadband internet services throughout the City, possibly including "free Wi-Fi" zones in select locations in the City.

Program ED-18: Promote and encourage services providers to install high-speed internet and high quality cell phone services in Rio Vista.

Program ED-19: Encourage commercial and industrial development by ensuring the availability of suitable sites for development and providing zoning that facilitates such uses.



Program ED-20: Evaluate the costs and benefits of relocating City Hall to allow development of the current City Hall property for tourism and commercial uses.

Program ED-21: Implement strategies to improve the character and appearance of the current Highway 12 route through Rio Vista, potentially including:

- Review of zoning regulations to promote retail development along the corridor, including development standards and allowed uses.
- Review and amend as appropriate sign regulations for the Highway Commercial zoning district.
- Seek grant funds to promote beautification of the Highway 12 corridor.
- Establish a stronger connection from Highway 12 to Downtown Rio Vista through street and frontage improvements and signage.

Program ED-22: Improve gateway signage on Highway 12 for travelers to stop in Rio Vista's downtown and waterfront area.