

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JANUARY 27, 2015**

A. Roll Call by City Clerk

The Shirtsleeve Session of January 27, 2015, was called to order by Mayor Johnson at 7:00 a.m.

Present: Council Member Kuehne, Council Member Nakanishi, Mayor Pro Tempore Chandler, and Mayor Johnson

Absent: Council Member Mounce

Also Present: City Manager Schwabauer, City Attorney Magdich, and City Clerk Ferraiolo

Council Member Nakanishi left the meeting at 8:15 a.m.

B. Topic(s)

B-1 Receive Reports from the San Joaquin Partnership on Lodi Commercial Land Survey and from the Lodi Chamber of Commerce on Vision 2020 (CM)

Shelley Burcham, Vice President - Client Services of the San Joaquin Partnership, provided a PowerPoint presentation on the San Joaquin County Land Survey. Specific topics of discussion included economic indicators from 2010 to present; population in San Joaquin County, Stockton and Lodi; unemployment rates; housing costs; real estate statistics; existing building inventory; available building inventory within Lodi; new construction within San Joaquin County from 2012 through 2015; land survey entitlements; available land; industrial/commercial land available; San Joaquin Partnership; Bay Area industrial building base; 2014 records set; warehouse versus e-commerce; and whether the community is prepared to move forward. Ms. Burcham further presented a handout listing the five largest buildings per jurisdiction in San Joaquin County.

In response to Council Member Kuehne, Ms. Burcham stated that the range of 319 to 807 new jobs in 2014 takes into account initial jobs, as well as jobs relating to build out.

In response to Council Member Nakanishi, Ms. Burcham stated the purpose of attracting Bay Area companies is to bring higher wage jobs into this community. In further response, Ms. Burcham stated she would provide Council with information regarding average wages for San Joaquin County.

Pat Patrick, President of the Lodi Chamber of Commerce, provided a PowerPoint presentation on Vision 2020. Specific topics of discussion included an overview of Vision 2020; economic competitiveness; work force development; tourism; Lodi livability; community and business health; Lodi Well; next steps for the City and the Chamber; the City being a leader or co-leader in economic competitiveness, livability, and tourism; the City being a partner in workforce development; and where City leadership is needed.

In response to Mayor Johnson, Mr. Patrick stated that he expects there will be continued support for wellness programs following the takeover of the hospital, adding there have been long-time programs in Lodi by the Adventists and churches that have helped many people achieve healthy lifestyles.

Mr. Patrick distributed a handout listing the detailed strategies for each vision focus area and asked for Council Member participation by inviting them each to join a Vision Action Team (VAT).

In response to Council Member Nakanishi, Mr. Patrick stated some of these action plans are already underway or complete, including the process of reviewing and upgrading parks through

the Parks, Recreation, and Cultural Services Department and the Recreation Commission, as well as the creation of a Harbor Pilot program following the City's hiring of the Business Development Manager position.

At the request of Mayor Johnson, City Manager Schwabauer provided an update regarding the closure of General Mills. He reported that staff is in communication with the General Mills personnel assigned to remarket and repurpose the property and that the company has hired a broker and produced a brochure, with the City's assistance, detailing the abilities and services the City can provide, as well as details about the property. General Mills expects to have the brochure available in February to begin marketing the property. Mr. Schwabauer added that General Mills is a private business that will continue to operate until January of next year and that, although the goal is to remarket the property as soon as possible, the company should be afforded the opportunity to continue to operate profitably throughout its time here. Mayor Johnson assured the public that everything possible is being done by the City and General Mills to remarket the property as expeditiously as possible, but the City does not own the property and cannot get actively involved in the company's process. Mr. Schwabauer added that, with a property of this size and unique assets, the initial step is to market the property as a whole and potentially backfill with another company that could provide 400 plus jobs in the community. If that attempt is unsuccessful, the next step would be to market the property in a piecemeal fashion; however, it will take some time to work through each of these steps.

Mayor Johnson stated that he was concerned with the lack of industrial and "shovel-ready" land, stating this inadequacy makes Lodi less competitive for bringing in new jobs.

Terry Quashnick provided information regarding the Silicon Valley-based company Cepheid, which has a facility in Lodi, stating that he is working with top executives to convince the company to move a satellite production facility to Lodi, potentially at the General Mills site, which would create many jobs and be of great benefit to the community.

Council Member Kuehne expressed appreciation to the Chamber and all of the volunteers who worked so hard on putting together this plan, stating he felt encouraged by the information.

Mayor Pro Tempore Chandler also communicated his appreciation to the Chamber and volunteers and expressed his interest in participating on the Economic Competitiveness and Tourism VATs.

Council Member Kuehne expressed his interest in participating on the Livability VAT.

Mayor Johnson reiterated his concern that Lodi's greatest challenge is the lack of available land for new business and stated he would bring this issue forward as his top priority at the Council's future goal setting session.

In response to Mayor Pro Tempore Chandler, Ms. Burcham stated that Lodi should focus on attracting agricultural and food processing industries. She reported that most food processing companies are looking for linear, efficient buildings in order to make their products as low-cost as possible. Lodi's assets in attracting businesses to its community include having its own electric utility as an alternate to PG&E and the railroad on the east side that has dual rail service.

In response to Mayor Johnson, Ms. Burcham stated that the repeal of the Enterprise Zone negatively affected business attraction to communities, adding that San Joaquin County had many census tracts at the poverty level that were being helped by the Zone. In further response, Ms. Burcham stated that most businesses already know about a community before doing a site visit and their primary considerations are location, target industry, and workforce. Incentives offered by a city are considered and can be helpful, but they are not the major deciding factor.

In response to Mr. Schwabauer, Ms. Burcham stated that Lodi is sitting in a suitable location because of its proximity to the Bay Area, international rail lines, airport, and highways, all of which enable goods to be transported easily.

Richard Vasquez, Delta College Board Trustee, expressed his support in working with community leaders in Lodi to promote the Vision 2020 plan and to encourage development that would further stabilize the community.

Mayor Johnson stated that Mr. Vasquez met with Business Development Manager Adam Brucker regarding the Delta College satellite facility and is amenable to further conversations on this topic. Mayor Pro Tempore Chandler stated he was on the original task force regarding this matter and suggested Mr. Vasquez contact him to further discuss this effort.

Michael Locke stated he believed Lodi needs fully-approved sites for investors to visualize an end result that would convince them to move here and that Lodi must maintain its uniqueness and continue to promote its wine industry.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 8:21 a.m.

ATTEST:

Jennifer M. Ferraiolo
City Clerk