

SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 3.7  
(ID # 25293)

MEETING DATE:  
Tuesday, July 09, 2024

FROM : EXECUTIVE OFFICE

SUBJECT: EXECUTIVE OFFICE: Approval of the Response to the 2023-2024 Blythe, California Awakening of a New 'Gateway City' and Directive for the Response to be Sent to the Grand Jury, Presiding Judge, and County Clerk-Recorder.; All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve, with or without modification, the attached response to the 2023-2024 Grand Jury Report: Blythe, California, Awakening of a New 'Gateway City'; and
2. Direct the Clerk of the Board to immediately forward the Board's finalized responses to the Grand Jury, the Presiding Judge, and the County Clerk-Recorder.

ACTION: Policy

Juan C. Perez, Chief Operating Officer

7/2/2024

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MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Spiegel and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: July 9, 2024  
xc: E.O., Grant Jury, Presiding Judge, Clerk-Recorder

Kimberly A. Rector  
Clerk of the Board

By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	N/A	N/A	N/A	N/A
<b>NET COUNTY COST</b>	N/A	N/A	N/A	N/A
<b>SOURCE OF FUNDS: N/A</b>			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	23/24- 24/25

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

In or around April 4, 2024, the County of Riverside Grand Jury published the 2023-2024 Grand Jury Report: Blythe, California, Awakening of a New 'Gateway City'. Penal Code Section 933(c) requires Board of Supervisors comment on the Grand Jury's recommendations pertaining to matters under the Board's control. In addition, responses must be provided to the Presiding Judge of the Superior Court within 90 days of receipt of the report.

**ATTACHMENTS:**

- ATTACHMENT A. 2023-2024 Grand Jury Report: Blythe, California Awakening of a New 'Gateway City'**
- ATTACHMENT B. Grand Jury Response: Blythe, California Awakening of a New 'Gateway City'**
- ATTACHMENT C. Kosmont Report: Blythe Region Economic Development Overview February 2024**

  
Tina Grande 7/2/2024

  
Minh C. Tran, County Counsel 7/2/2024



Courtesy: Caltrans

## *Blythe, California* *Awakening of a New ‘Gateway City’*

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### SUMMARY

Blythe is a city in the Palo Verde Valley of the lower Colorado River Valley region. It is an agricultural area and part of the Colorado Desert along the Colorado River.<sup>1</sup> Blythe is uniquely centered between two multicultural megalopolises<sup>†</sup>, approximately 224 miles east of Los Angeles and 150 miles west of Phoenix. “Blythe is within 4 hours via car of 10% of the United States’ population.”<sup>2</sup>

Blythe (City) has experienced challenging times and, according to some reports, it “never fully recovered from the Great Recession”<sup>3</sup>. The City reduced its workforce, small businesses left and Kmart closed. In 2022, a flood washed away part of the eastbound Interstate 10, seriously impacting travel between California and Arizona.<sup>4</sup> However, city management has taken proactive steps to recover from those conditions.

In 2019, the California State Auditor, in its local government high-risk dashboard, ranked the City “number three on the auditor’s list of California cities with the greatest overall risk to fiscal health. It has since improved to ninth”<sup>5</sup>. (*There are over 470 California cities ranked*). In its 2021 update, the State acknowledged the City’s positive efforts to improve and that most of the audit issues have been “fully addressed”.

The 2021/2022 Riverside County Civil Grand Jury looked into Blythe’s financial status and economic outlook. Its published report cited factors, events and economic conditions which the Grand Jury interpreted as symptomatic of a city in decline. Blythe’s own independent auditor’s report for fiscal year ending June 30, 2022, expressed “substantial doubt” about Blythe’s ability to continue as a “going concern”<sup>‡</sup>. Blythe’s independent auditor’s report for fiscal year 2023 noted “significant improvement” in key areas, but the statement of ‘doubt’ has not yet been lifted.<sup>6</sup>

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<sup>†</sup> *Megalopolis-an area in which there are several large cities whose suburbs meet or nearly meet.*

<sup>‡</sup> *Going concern: financially stable enough to meet its obligations and continue its business for the foreseeable future.*

By the time the 2021/2022 Civil Grand Jury report was published, the City was already succeeding in its efforts to improve.<sup>7</sup> Blythe’s response, in a September 2022 letter to Riverside County (County) officials, described some projects and initiatives that, if successful, would greatly enhance the City’s fiscal and community health. Specifically, they involve marketing Blythe to attract retail development, creating a ‘distribution hub’ for commercial shipping, developing the Colorado River area, and installing vehicle charging stations to capture an emerging market.<sup>8</sup> The City’s message suggested a brighter future.

Then, in December 2022, the California Department of Corrections and Rehabilitation announced that the Chuckawalla Valley State Prison (CVSP) in Blythe will be closed by March 2025.<sup>9</sup> It is anticipated this closure will negatively impact the local economy. The City launched its “**SAVE CHUCK**” movement to appeal for a reversal of that decision.

The 2023/2024 Riverside County Civil Grand Jury wanted to learn about Blythe’s plans for continued improvement, especially in light of the planned closure of CVSP. It became apparent that a new study would be timely and compelling in order to learn about the City’s new business development plans and the potential investment opportunities.

In this report, the Grand Jury considers Blythe’s drive toward economic resiliency, specifically the following plans and initiatives:

1. California State Auditor’s recommendations
2. Retail Strategies Project
3. Blythe as a ‘distribution hub’
4. Recreational Opportunities at Blythe Airport
5. Development of the Colorado River Corridor
6. Vehicle Charging Stations Initiative and proposed project plans
7. The ‘**Save Chuck**’ Movement
8. Blythe Economic Resiliency Study (Riverside County)

If the City’s proactive measures are successful, along with its continuing efforts to nurture the City’s financial health, Blythe will not only continue as a “going concern”, but will thrive.

~

## **BACKGROUND**

The City’s population is currently around 17,500, which had steadily declined over the last 10-20 years, according to census data.<sup>10</sup>

The City of Blythe was incorporated on July 21, 1916, as a General Law City. It operates as a “Council-Manager” form of government where the people elect a city council of five citizens to serve a four-year term and a mayor who serves a term of two years. The mayor appoints a City Manager.<sup>11</sup>

The City provides the following services:

- Public safety (police and fire)
- Highways and streets
- Water and sanitation
- Health and social services
- Culture-Recreation
- Public improvements
- Community development (planning, building, zoning)
- General administrative services

Blythe's economy is primarily agriculture and tourism. Known for its "agricultural abundance", it produces vegetables, cotton, alfalfa, and melon crops. Blythe also benefits from being a "popular tourist destination" due to its position in the Palo Verde Valley and the Colorado River Valley. The winter months are the busiest for visitors and tourists, who come for short-term vacations, for the holidays, or for a change from colder climates.<sup>12</sup>

Much has been written about the City's financial health. According to an independent financial audit for fiscal year ending June 2022, certain factors raised "substantial doubt about the City's ability to continue as a going concern". But the auditor's report also states that the City has plans in place to reduce expenditures and to address liabilities in its General Fund, as well as other funds with deficit positions.

The City's ability to continue as a "going concern" will depend on their progress.<sup>13</sup> A California State Auditor's report also noted that the City continues to make good progress. This will be explained in the DISCUSSION section.

The governmental agencies that supply or manage services to Blythe are: State of California, County of Riverside, Palo Verde Unified School District and various special districts. The County of Riverside has a significant stake in Blythe, which staffs and maintains the following agencies:

- Riverside County Sheriff's Department
- Riverside County Probation Office
- Blythe Courthouse
- Riverside County Behavioral Health Clinic
- Palo Verde Transit Agency
- Riverside County Department of Social Services
- Riverside County Animal Shelter

Riverside County officials, who were interviewed, believe that the County is committed to delivering high quality and cost-effective services to the residents of the City of Blythe. City officials, however, report that the County's services often "stop at the hill" (Indio), meaning the services provided are limited or non-existent due to distance from the other more densely populated parts of Riverside County.<sup>14</sup>



## **METHODOLOGY**

- **Research:** There is a considerable amount written about Blythe, which is readily accessible on the internet. Items of interest for this report are cited in the REFERENCES section:
  - News articles
  - Grand Jury reports
  - California State Auditor's reports
  - Independent Financial Auditor's reports
  
- **Interviews:** The Grand Jury conducted interviews in order to learn about the City's programs, projects and plans. The interviews included:
  - Riverside County officials and department heads
  - City of Blythe leadership
  - Blythe Chamber of Commerce
  - Palo Verde Unified School District
  - State of California Auditor's staff
  - Members of the Riverside County Board of Supervisors
  - Caltrans representatives
  
- **Visitations:** To gain a better understanding of the community, the following visits were made by Grand Jury members during the month of October 2023:
  - Riverside County Sheriff's Department at the Blythe jail
  - Sheriff Colorado River Station
  - Police Department, City of Blythe
  - Riverside County Probation Office in Blythe
  - Riverside County Fire Department/Cal Fire Station 44
  - Palo Verde Unified School District
  - Palo Verde Cemetery District
  - Palo Verde Irrigation District
  - Riverside County Behavioral Health Clinic
  - Riverside County Department of Social Services
  - Palo Verde Transit Agency
  - Palo Verde Hospital/Health Care District
  - Agricultural Commission
  - Riverside County Department of Social Services in Blythe
  - Riverside County Animal Control, Blythe
  - Riverside County Airport, Blythe Airport
  - Ironwood State Prison
  - Chuckawalla Valley State Prison

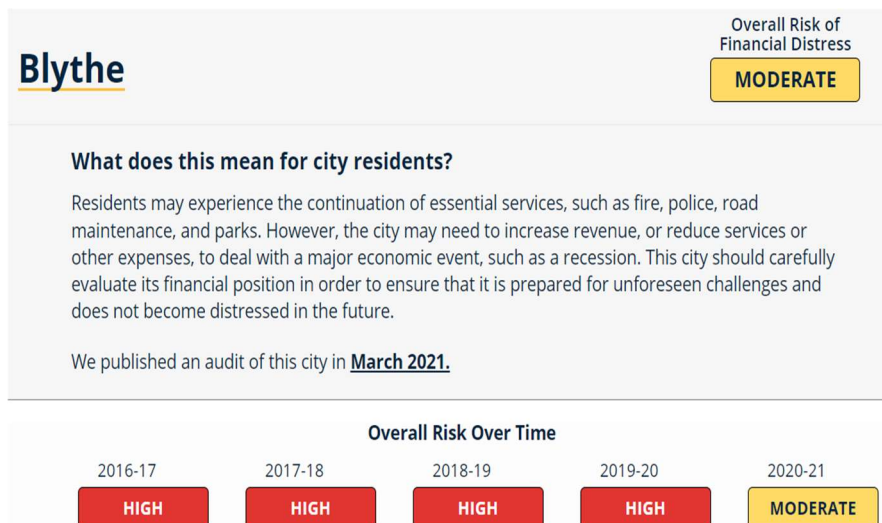


## DISCUSSION

### 1. CALIFORNIA STATE AUDITOR

The Grand Jury reviewed the California State Auditor’s reports on Blythe, specifically the “Local Government High-Risk” dashboard and the “Corrective Action Plan and Assessment”.

California State Auditor’s High-Risk Dashboard: This report ranks over 470 cities in California based on detailed information about their fiscal health. This dashboard ranked cities in order of financial stability, from worst to best.<sup>§</sup> In the 2020-2021 City Rankings chart below, Blythe is ranked #9, which is indicative of improvement in the city’s financial position.



<sup>§</sup> The California State Auditor's Office removed the local government high-risk dashboard from its website in October 2023, so no further updates are available.

Blythe’s overall rating was upgraded to “Moderate” and the report documented improvements in essential categories, as follows:<sup>15</sup>

Revenue Trends: “...city’s revenues have increased, on average, 19 percent annually over the last few years. Substantial growth in general fund revenues gives the city greater flexibility to respond to economic changes and pay rising costs of services”.

General Fund Reserves: “... city has enough funds set aside in reserves to cover its expenses for about 3 months in the event of a fiscal emergency...reserves have been growing, on average, by 128 percent annually”.

Debt Burden: “... city's long-term debts = 74 percent of total government revenues... sufficient revenues to pay its debts”.

The audit was published in March 2021. The 2021/2022 Civil Grand Jury report did not reflect these improvements, but instead referenced an earlier ranking, showing Blythe as third worst on the list.<sup>16</sup>

Blythe's Corrective Action Plan from September 23, 2022: The California State Auditor’s Report #2020-802 outlined various audit issues and recommendations.<sup>17</sup> Blythe submitted its original Corrective Action Plan in May 2021 and its fourth update in September 2022 (most recent).

The 2023/2024 Civil Grand Jury contacted the State Auditor’s office for a 2023 update and learned that no further updates are available, or being worked on, at this time. However, in its latest assessment, the State noted that Blythe’s financial position was improving, that the City showed progress on implementing some of its recommendations, and that the City’s Corrective Action Plan positively reflected its “economic development efforts”.

According to the State Auditor’s report, Blythe has completely addressed the following recommendations:

Public Safety- Blythe has taken steps to ensure that the City’s fire department has equipment that meets industry standards, has funded the replacement of its fire vehicles and has a schedule for replacing the City’s three oldest vehicles.

High Vacancy Rate- The City identified five properties for nuisance abatement, cleaned up another property and is working with the property owners on four other properties. The City also identified properties eligible for receivership. This allows the City to bring the buildings on those properties “up to code”, rather than demolishing them. City administration is working on the legal issues that must be addressed first.

Community Development Block Grant Funds (CDBG)\*\* - The City is employing CDBG funds to make exterior home improvements to blighted or sub-standard housing to decrease vacancies in “unlivable homes”. The State understands that effectively dealing with vacant buildings will take

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\*\* CDBG funds are federal funds that provide for affordable housing, anti-poverty programs and infrastructure development.



considerable time. Since the City's efforts have and continue to reflect good progress, the State considers this recommendation "fully addressed".

Contract Management- The City plans to purchase new software with a contract management module that includes identifying the contract amounts and terms. In the meantime, the City will utilize a "contract tracking spreadsheet" to record total contract amounts, contract dates/durations, and any special contracts terms. The Director of Finance, or designee, will be required to review and update the spreadsheet at least monthly.

The State Auditor's report expressed some concern related to the City's financials:

1. General fund reserves: The City's reserve policy is to maintain a three-month reserve balance, which it has met. In the State's analysis, it may be insufficient to cover "other concerns", which were not specified in their report.
2. Lack of a long-term strategic plan: A formal strategic plan is needed to "guide the City's budgetary decision-making and address long-term needs to achieve financial stability".

In the September 2022 update to the State Auditor, City administration responded to each of the above items, as follows:

#### **Item #1: General Fund Reserves**

As of fiscal year ending June 2023, the City's final revenue budget reflected a substantial increase over the original budget, which was attributed to "better-than-expected favorable outcome in transit occupancy tax, sales tax, and program revenues within community development department", as described in the Management's Discussion and Analysis section of the Independent Auditor's report, dated December 7, 2023.<sup>18</sup>

#### **Item #2: Long Term Strategic Plan**

Blythe's leadership reported in its 2022 response to the Grand Jury's report that the City initiated a plan, beginning in 2008, to reduce and control expenditures, resulting in balanced budgets each year thereafter. The City's goal was to move out of its negative financial positions and to "rebuild the city's financial health". The General Fund is no longer in a deficit position, has "healthy reserves", meaning at least 3 months to cover expenses, and the City is now focused on further development.<sup>19</sup>

The Independent Auditor's report for fiscal year 2022-2023, as presented to the City Council on December 7, 2023, confirmed that the General Fund has improved "dramatically" (\$2.6 million improvement). An in-depth analysis of the General Fund since 2008 showed significant progress, specifically over the last 3-4 years.<sup>20</sup> Notwithstanding the City's 'significant progress', the "on-going concern" problem, which has existed since 2008, will likely continue.

The State Auditor’s report acknowledged that the City is making progress on the following recommendations:<sup>21</sup>

1. To attract retail businesses and increase revenue, the City should develop a plan to engage with stakeholders, such as City residents and local business owners, to initiate a formal economic development effort.
2. To ensure that the City is adequately prepared to address long-term financial, budgetary, and operational challenges...it should develop a five-year strategic plan by June 2022... [It] should define the City’s priorities...goals... intended outcomes.
3. To ensure that the City has a critical administrative component in place that will allow it to plan its next steps to improve its financial stability and continue providing services to residents, it should begin the process for hiring a permanent city manager by June 2021.

In the September 2022 update to the State Auditor, City administration responded to each of the above items, as follows:

**Item #1: Develop a plan to attract retail businesses in order to increase revenues.**

Starting in January 2022, the City “initiated a three-year agreement with **Retail Strategies, LLC** <sup>22</sup> to attract new retail development, develop a plan to attract retail businesses and to increase revenues”.

**Retail Strategies LLC** is a “national expert in recruiting businesses on behalf of communities....” City leadership is working closely with their team to set goals for attracting new business, rebuilding the City by increasing revenue, and attracting tourism and new business development.

**Item #2: Develop a five-year strategic plan to define the City’s priorities, goals, and expected outcomes.**

The City responded that it is now “focused on development and on streamlining” the City's development process (project reviews). The City’s 5-year strategic plan will include the specifics from the Retail Strategies project when completed.

In the Grand Jury’s opinion, the major components of a wide-ranging strategic business plan must include the observations and recommendations of two major initiatives, specifically, Retail Strategies and the Blythe Economic Resiliency Study (Kosmont Companies). Both programs are currently underway, works-in-progress, and have near-term completion dates. Essentially, those efforts could be considered ‘strategic planning’.

The planned closure of CVSP adds a level of uncertainty for developing such a plan in the proximate time frame. City leadership has been engaged with the Brown University studies regarding prison closures around rural communities. The studies may also provide further ideas for developing priorities, goals and success measures.

**Item #3: Hire a “permanent” city manager.**

The City does not disagree with the recommendation, and in its last update to the State, indicated that plans will be in place for starting the “hiring process in early 2023”. This recommendation has been in the California State Auditor’s report, the City’s own Independent Auditor’s report and in the 2021/2022 Civil Grand Jury report. Nevertheless, no hire occurred in 2023.

City leaders emphasize the importance of maintaining a consistent, focused and stable leadership with the current projects and initiatives that are critical to the success of the City. The Interim City Manager has been in her multi-faceted role for over 5 years, is at the forefront of the City’s development efforts and related projects, and has the trust of the Mayor and the City Council.

It is also important to note that her visibility and competence as the Interim City Manager is well recognized by County officials and other entities. An example of how she represents the City of Blythe follows:

On April 7, 2022, the City of Blythe hosted the 64th Annual Palo Verde Valley Outlook Conference, entitled **“BLYTHE IS A GROWING MARKET”**.<sup>23</sup> There were over 20 Riverside County department heads and officials in attendance.

The theme of the Interim City Manager’s presentation was **“Blythe IS Growing”**. She presented an overview of new development in the City, the cannabis market, enhanced community services, economic development, grant funded projects, and quality of life initiatives.

**Business Development:** The City saw an increase in PRC (Project Review Committee) submissions, along with new business licenses, since 2021. The presentation highlighted the City’s three-year agreement with **Retail Strategies, LLC**. As a “national expert in recruiting businesses and strategically developing communities”, Retail Strategies is “going to champion Blythe” and will have businesses with expansion plans take a look at the City of Blythe.

**Cannabis Business:** The City of Blythe now has four operations, including two dispensaries, cultivation, manufacturing and distribution operations. The four legally-licensed canna-businesses operating in Blythe include: Flora Holding (manufacturing and distribution), The Prime Leaf (dispensary), High Times (dispensary), and Lotus (cultivation, manufacturing, and distribution). Cannabis projects in development: UKPE Developments; Cornerstone International Investment Group; LG Harvest, LLC; Puffzy, Inc.; T.O.R.O., LLC; Edelweiss Sustainable Farms; and, Fitzgerald Agriculture Complex.

The Interim City Manager, in her report, explained that the Blythe City Council envisioned that the cannabis business would “revitalize the east and west ends of our City” with living wage jobs and increase in tax revenues. The City has issued over 50 cannabis employee work permits. The businesses are donating to the community, partnering with the chamber of commerce and other local organizations. The City wants to continue to see this industry grow, eventually attracting other non-cannabis enterprises.

**Quality of Life:** The Blythe Police Department leads the City’s Quality of Life programs that are focused on addressing the public safety issues related to homelessness, traffic violations, graffiti abatement and blight abatement/receivership programs.

The City is “investing City funding into cleaning up and removing blighted properties”. There are properties whose market value will be improved through a receivership process, bringing them into compliance. Ultimately these efforts will help to beautify the City.

## **2. RETAIL STRATEGIES, LLC**

Blythe is investing \$135,000 of American Rescue and Recovery Act (ARRA) funds for its partnership with Retail Strategies to attract and recruit retail.<sup>24</sup> The city will receive a “tailored retail recruitment plan along with retail and broker outreach by the Retail Strategies team”.<sup>25</sup>

Retail Strategies is a national expert in recruiting businesses and strategically developing communities as “alluring locations for national businesses and destinations for tourism and quality of life amenities”. The City anticipated that its return on investment (ROI) will be realized in new sales taxes, new jobs, and new businesses.

Retail Strategies has noted that Blythe has high traffic counts from cars on their way in and out of California. According to the Western Region representative, there are “several high-quality retail sites in the city that our team looks forward to promoting as we reach out to the local property owners...and Retail Strategies is excited to be entering into a partnership with the city and I am encouraged to see that the city’s leadership is willing to allocate ARRA dollars towards a partnership like this. Our partnership will help Blythe immediately and for years to come.”

The key components of the project can be described as follows:

- Conducting a real estate market analysis of the businesses located in Blythe
- Identifying “areas of opportunity with expanding businesses”
- Helping community leaders understand their market and the opportunities
- Working with potential businesses, property owners, brokers, and developers

The Grand Jury contacted Retail Strategies for more information, but representatives advised that because the work with the City is “privileged”, they could not discuss project details. However, through other informal interviews, the Grand Jury learned that there are ongoing discussions with 3-4 large retailers who have expressed an interest in Blythe. Due to confidentiality, those retailers could not be revealed at this time.

Related to these efforts, on November 22, 2023 the City of Blythe’s official social media page announced the groundbreaking of two significant projects:

*“Chipotle and Grocery Outlet have officially broken ground and are anticipated to be completed by mid-2024,” stated the City of Blythe. “You can find Chipotle at 100 S Lovekin Blvd. Blythe, CA 92225 ([Southeast] corner of Lovekin and Hobsonway) and Grocery Outlet at 691 W(est) Hobsonway Blythe, CA 92225 (in*

*the All Star Cinemas Shopping Center). Stay tuned for some delicious and convenient additions to our cityscape!”<sup>26</sup>*

### **3. BLYTHE AS A DISTRIBUTION HUB**

City officials believe Blythe is geographically in a “unique position”. Contrary to a prior report depicting it as isolated, the City wants to be known as being in the “middle of everywhere”.

In its response to the 2021/2022 Grand Jury report, city leadership emphasized that Blythe is “within driving distance of four major metropolitan areas across three States. With an increase in online shopping, Blythe is in an excellent location to be a distribution hub for the Phoenix, Las Vegas, San Diego, and Los Angeles metro areas, as well as the Coachella Valley”.

But how do large logistics centers select locations for new warehouses? According to research, there are a variety of factors, such as population density, availability of labor, transportation costs, taxes and incentives, local infrastructure, and potential customer demand. In addition to these key factors, construction costs and other costs associated with building a warehouse as compared to its return on its investment.<sup>27</sup>

Other factors that large logistics centers take into account when selecting new warehouses include:

- Proximity to population centers for faster and cheaper delivery of goods to customers
- Transportation infrastructure with good highway access and proximity to major rail lines
- Warehouse size and layout large enough to accommodate the needs

These requirements may seem insurmountable for a city like Blythe, but in an interview with a city official, the Grand Jury learned of the possibility that Blythe is being considered for at least one large (100-bay) warehouse in an undisclosed location. The Grand Jury understands and accepts that details of such a development need to remain confidential and cannot be disclosed at this point.

The relative proximity of the Blythe Airport, managed by Riverside County, could provide a transportation alternative for businesses looking to expand their reach with warehouse locations, in order to better serve their customer base.

According to the Riverside County Aviation Division leadership, should Blythe attract the development of a shipping hub that could take advantage of the airport, the Aviation Division would charge a 20- to 30-year ground lease or rental contract, and private enterprise would build its own facility. At the end of the contract, the facility would revert to County ownership and the occupant would be subject to rent.

### **4. RECREATIONAL OPPORTUNITIES AT BLYTHE AIRPORT**

The Blythe Airport, at 3900 acres, is the largest of the Riverside County’s aviation facilities. A private vendor, MFF Solutions, provides parachute training for military clients from all over the world. Recent non-U.S. military clients have included the United Kingdom and Singapore. Such training takes place throughout the year.

According to County Aviation Division leadership, the County would like to encourage private pilot-training and/or a sky-diving school at the Blythe Airport. Because the Aviation Division is an enterprise fund, she says of such opportunities that she would “chase them down and make them work.”

The Grand Jury’s research shows that the nearest pilot-training school is 89 miles away in Thermal and that the nearest skydiving school is 151 miles away in Phoenix. (There are also skydiving schools in Perris – 169 miles away – and Lake Elsinore – 180 miles away.)

Blythe Airport staff reports an abundance of uncovered space for the storage of private airplanes. There are, however, no airplanes currently available from fixed-based operators to rent to pilots who cannot afford their own.

## **5. DEVELOPMENT OF THE COLORADO RIVER CORRIDOR**

The Colorado River Corridor Plan, adopted in March 2007, is a waterfront-oriented land use plan that will complement other areas of Blythe.<sup>28</sup> The City’s vision for this area includes:

- Providing housing opportunities with livable neighborhoods
- Preserving valuable open space in balance with traffic circulation needs
- Developing recreational and resort land uses
- Protecting existing agricultural land uses
- Creating a multi-purpose recreational trail system
- Providing additional river access points

The plan establishes connections between all of the lands within its boundaries to provide integration and balance between the Blythe riverfront and the rest of the city. Blythe is an agricultural community that offers many other amenities including golfing, camping, hunting, fishing, and off-roading.

According to its leadership, the City is working on “several projects to capture this market through development of the Colorado River, making Blythe a gateway to California and providing amenities to travelers”.

The Colorado River Corridor Plan intends to maintain a “small-town atmosphere”, encourage the development of resorts and hotels, and “other visitor-serving commercial uses”. One such business might be for the sale or rental of river recreational boating equipment, like SEA-DOO’s, which could spark other small business ventures.

The City wants to be vigilant in managing growth in the area and in the timing of development projects. For example, the City is concerned that commercial solar energy facilities, if established, may interfere with achieving the goals of the Colorado River Corridor Plan and may be incompatible with residential and other land uses in the City. City officials believe it could also adversely impact the quality of life for residents.



The City had received applications for construction and operation of a photo-voltaic (PV) solar array with battery storage to be located within the Colorado River Corridor Plan. That land is in agricultural production. The City anticipates it will receive more applications for construction of similar facilities in the Colorado River Corridor Plan and throughout the City.

Therefore, in October 2023, the City Council adopted a “moratorium ordinance” in order to study and assess approaches for regulating the scale, design, and location of such facilities to ensure compatibility with residential and other land uses.<sup>29</sup>

This ordinance, with an initial duration of 45 days, will not prohibit developers from submitting new applications, nor prohibit the processing of permits during the moratorium. It only suspended the issuance of development permits.

The City’s leadership claims that there is no intent to prevent or stall development. However, as solar facilities start developing in the community, the City wants to ensure they do not contradict or compromise the development plans for this area.

## **6. VEHICLE CHARGING STATIONS**

Pursuant to the State of California's mandate for zero-emission vehicles, all new automobiles and light trucks sold in California will be required to be zero-emission by 2035.

**The National Electric Vehicle Infrastructure Program (NEVI) provides funding.** The White House announced the U.S. Department of Transportation (DOT) requirements for customers looking to install Electric Vehicle (EV) chargers. The goal is a nationwide network of 500,000 EV chargers by 2030 across the United States, creating millions of new American jobs.<sup>30</sup>

***“Commercial property owners are scrambling to adjust to the changing world of transportation”***<sup>31</sup>

The above statement was part of a recent headline in a Los Angeles Times article about the growth of charging centers as the “first step of commercial landlords scrambling to adjust to a historic burst of change in the world of transportation...”<sup>32</sup> The report emphasizes that “convenience stores, fast-food chains, movie theaters and big-box retailers are hoping to cash in on EV chargers”

According to this article, by next January, a nationally known coffee seller will have 40 fast-charging stations at one of its 24-hour operations somewhere on Interstate 15 between Los Angeles and Las Vegas. The developers of the charging stations are planning to handle over 10,000 vehicles per month.

It is expected that customers at fast-food restaurants and convenience stores will “buy things while their cars charge”. A major convenience store chain recently announced its plans to “build one of the largest fast-charging networks of any retailer in North America and already has chargers in four states, including California”, according to the article.

One of the world's largest restaurant brands, is partnering with a leading provider of EV charging solutions to build “EV Charging Oasis” parks. They will be known as “charging parks” with

multiple charging stations at some of its new or remodeled restaurants across the country. The charging parks will include “picnic tables, Wi-Fi, restrooms, green space and playgrounds”.<sup>33</sup>

There are many other companies installing charging stations connected to retail services that want to “attract customers with time to kill.”<sup>34</sup>

City officials believe that Blythe can establish similar facilities in order to capture a new market. The City’s vision is to provide ample, well-provisioned vehicle charging stations to serve not only passenger vehicles, but trucks traveling between Phoenix and the ports of Los Angeles. According to Caltrans traffic statistics on Interstate 10, approximately eleven million vehicles currently pass through Blythe annually.<sup>35</sup>

The City has obtained grant funding for a charging station project. Initial project preparation began in November 2023. The contractor is WattEV.<sup>36</sup>

**WattEV Electric Truck and Vehicle Charging Station:** The “WattEV Project” plans to install electric truck and vehicle charging station located and designed to serve traffic on Interstate 10. It includes a solar generation field and a set of 10 natural gas backup generators.<sup>37</sup>

The EV charging station will have forty-six passenger vehicle charging stations and seventy-two truck charging stations. It will also include development of a lounge and convenience store with restrooms and an administrative office. The station will be operated by a staff of three employees per shift with three shifts per day for a total of nine employees over a 24-hour period.

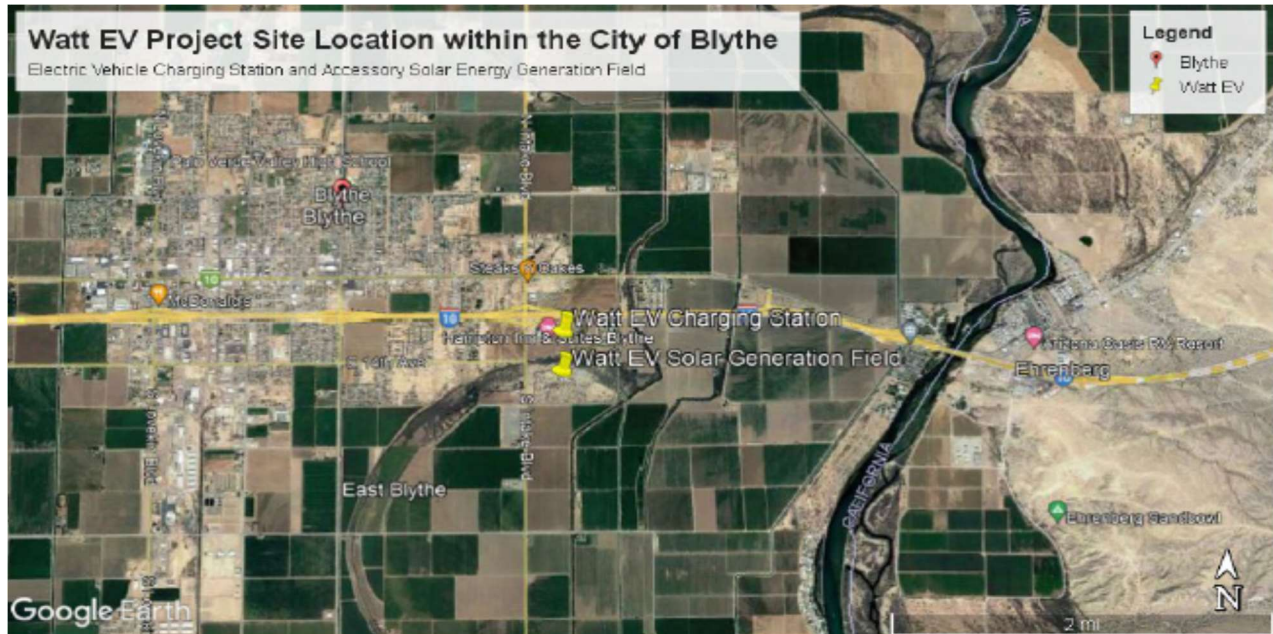
The development of the WattEV site is expected to take 6-8 months. The backup generators and solar field will be installed in stages over 24 to 48 months as operations increase.



*Source: WattEV Project Plan: Solar generation field on the southern parcel and a set of 10 natural gas generators as backup power.*

The current zoning and ‘General Plan’ allow for the development of electric vehicle charging stations. The City has completed its review and determined that the proposed development qualifies for a Categorical Exemption from the provisions of California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 18183. The project will have no adverse environmental impact and is consistent with a Community Plan or Zoning. The City concluded that the project does not require additional environmental review pursuant to CEQA. A detailed assessment of the potential environmental effects and of mitigation measures is provided for key resource topics such as air quality, biological and cultural resources, energy use, greenhouse gas emissions, land use and is consistent with the City’s General Plan and zoning policies concerning noise and traffic.

The City Council directed the filing of a Notice of Exemption for a Categorical Exemption pursuant to CEQA Guideline for the WattEV Electric Vehicle Charging Station Project which will be located on E. Donlon Street in southeast Blythe. The motion passed with a unanimous 'aye vote'.<sup>38</sup>



Source: WattEV Electric Vehicle Charging Station Project

**Update February 21, 2024:** In a recent article in the Palos Verdes Times, it was reported the City of Blythe was awarded \$19,635,156 in support of its Electric Vehicle (EV) charging infrastructure project.<sup>39</sup>

*“In a significant step towards sustainable transportation, the City of Blythe has been awarded a groundbreaking grant of \$19 million. This marks a major milestone in the City’s commitment to environmental stewardship and public-private partnership excellence. Facilitated through the U.S. Department of Transportation (DOT) Charging and Fueling Infrastructure Discretionary Grant program, this grant funds the installation of the WattEV Electric Vehicle (EV) Charging Station project in Blythe,” stated a City of Blythe press release on Feb. 15 via the Tripepi [sic] Smith public affairs firm. “Strategically located along the I-10 Corridor, this ambitious project promises to serve as a vital charging point for travelers navigating the route between Phoenix and Los Angeles. The collaboration between the City and WattEV aims to significantly expand publicly accessible EV charging, hydrogen, propane, and natural gas fueling infrastructure. This initiative stands as a crucial development in promoting alternative fuel options within the community and for those passing through.”*

The project is described as the development of a publicly accessible, multi-class, electric vehicle charging facility in the County of Riverside. It will include:

- Six megawatt charging standard chargers for heavy-duty vehicles
- 30 DC fast chargers for light-duty vehicles
- Solar and battery energy storage systems
- Amenities such as rest areas and bathrooms

“The project not only places Blythe in a pivotal position in the nation’s electrification efforts but also ensures the City’s readiness to support the growing demands for alternative fueling infrastructure.”

Blythe’s Interim City Manager commented, “...Blythe is driving the transition to clean transportation .... We are proud to partner and collaborate with WattEV on this significant project that positions Blythe as a leader in the clean energy initiative ... fostering more economic growth for our future”.

## **7. THE “SAVE CHUCK” MOVEMENT**

**December 6, 2022:** In a press release titled “**Planned Closure of Chuckawalla Valley State Prison**”, the State reported that the California Department of Corrections and Rehabilitation (CDCR) will begin the process to close Chuckawalla Valley State Prison (CVSP) in Blythe with an anticipated closure in March 2025.<sup>40</sup>

The State expressed that it “will support the local community and workforce with an economic resiliency plan and workers will be offered transfers to nearby facilities.” The governor’s office “plans to work directly with community stakeholders in Riverside County to help support workers and foster a bottom-up economic resilience plan for the community impacted by the closure of CVSP”.

According to the report, CDCR’s leadership carefully evaluated the options for prison closures and took into account several factors, such as the operating costs, impact on the communities and the workforce, and the “housing needs for all populations”. Other factors it considered include “long-term investments in state-owned and operated correctional facilities, public safety and rehabilitation, and durability of the state’s solution to prison overcrowding”.

The City of Blythe estimates that revenues will decline \$2.9 million from the closure of CVSP and the Palo Verde School District is projected to lose \$4.9 million over time.<sup>41</sup> An official of the school district explained that the school district anticipates a general reduction in school enrollment caused by job losses of CVSP employees, inmate families who reside in Blythe, and other types of resident job losses due to the closure. And, in its 2023 independent audit report, the City wrote that “the economic impacts anticipated due to closure of the state prison in 2025 will be catastrophic to the City”.

City officials sent a formal letter to the Governor requesting that he reconsider the closure of CVSP, pleading that it will have a “disproportionate impact” on the City of Blythe and the Palo Verde Valley.<sup>42</sup> The City also proposed that closing the California Rehabilitation Center (CRC) in the City of Norco, instead of CVSP, would make more sense based on the reasoning detailed in their letter.

There has been no reply. County administration remains committed to the “*Save Chuck*” campaign as does Norco, which supports the closure of CRC.

Early in 2023, the City hired/partnered with Tripeppi Smith & Associates and launched its “*Save Chuck*” campaign. Tripeppi Smith is a public relations firm that works with clients in developing “outreach campaigns, video production, content writing, messaging, graphic work, technology infrastructure and websites”.



In collaboration with the City, and its supporters, Tripeppi Smith created an impressive, all-encompassing website for ‘*Save Chuck*’ ([savechuck.org](http://savechuck.org)).<sup>43</sup> A presentation by City leadership at a Community Outlook Conference on April 6, 2023 highlighted the mounting support it has garnered.

The Gonsalves & Son Firm was also hired to conduct lobbying in the State Capitol. It has extensive legislative experience representing clients before the California State Legislature and State Departments.<sup>44</sup>

Additionally, the City announced its participation in a “collaborative research initiative” with a noted professor of Brown University who has expertise in urban studies. The focus of the research is on the “socio-economic impact of the potential closure of Chuckawalla Valley State Prison”.<sup>45</sup> The professor’s students presented their preliminary findings at a special City Council meeting in early December 2023 to inform on the initial stages of their research and the path ahead.<sup>46 47</sup>

The research was based on the modeling from prior studies on why rural communities want prisons, what prisons mean to the community, and looking into alternatives for those rural communities to increase opportunities. They engaged with Blythe’s community leaders to assess the economic impact resulting from the prison closure, and to what extent it could impact the City’s revenues, education, and health care.

According to the report, “The City is not in a great financial position, so the closure is worrisome”. Because prison jobs help to sustain Blythe’s economy, the job losses resulting from the closure will have a detrimental impact.

The goal of their research is finding “alternative solutions” for dealing with the prison closure, which could include investing in natural resources, public safety, healthcare and energy; something the City of Blythe can build on.

In the presentation, the professor provided a list of preliminary recommendations, focusing on how the City can navigate the prison closure while “uplifting the community and generating economic revenue.”

- Investing in public safety, public health, natural resources, and tourism
- Investing in the parks and advertising the beauty of Blythe to attract more tourism, creating new jobs
- Investing in improving conditions for doctors and other healthcare professionals to attract new employees and for expanding medical facilities. The prisons are currently keeping the hospital in operation, so closure will have a detrimental impact
- Investing in renewable energy could enhance revenue for the City, while decreasing energy costs and reducing carbon emissions
- Using the airport for freight to attract new companies that may need that resource
- Opening a warehouse in Blythe to offset job losses from the prison closure
- Repurposing the prison to use as a warehouse (i.e., Amazon), a renewable energy facility or a data center should be considered

The professor also noted that Blythe's economy is primarily agricultural, but with the "loss of water and overall changes in the economy", it may suffer after the prison closes. Determining to what extent the prison closure will have on Blythe's economy will require more research and resources. At this point, however, he states that the impact will be significant.

City leadership commented: "If the State of California finalizes the closure of this prison, this promises to be a seismic change in our community. We welcome the efforts of this research team to study this transition and help us pursue a just and equitable future for Blythe."

In the City Council meeting on December 12, 2023, a staff report provided updates on the '**Save Chuck**' campaign and outlined the vast support it has garnered, which was detailed in another letter sent to the Governor.<sup>48</sup> It was also reported that an Assembly member plans to write his own letter to the Governor and will issue a press release, announcing that he is "still fighting this fight with the City".

The City also gained the support of two State Senators. The Riverside County Board of Supervisors, the Coachella Valley Association of Governments, twenty two cities of Riverside County, the Palo Verde Irrigation District, Cal Cities, Crime Victims United, Crime Survivors, and law enforcement in Riverside County, San Bernardino County and Orange County, sent their own letters to the governor.<sup>49</sup>

The County has established a working group planning for the mitigation of the prison closure. This group includes representatives from the Board of Supervisors, the Office of Economic Development and the Department of Public Social Services.

In October 2023, members of the Grand Jury attended a presentation and tour of both CVSP and Ironwood Prison. The 'warm closing' process, conducted by the Human Resources team, was already underway. That process includes plans for transferring staff or finding other assignments.



Prison officials discussed plans for moving some inmates to the Ironwood Prison and for maintaining the facility in maintenance mode only.

The Grand Jury commends the City’s leadership for its concerted efforts to convince Sacramento to reconsider this action and to continue to fight for Blythe’s survival.

## **8. BLYTHE ECONOMIC RESILIENCY STUDY**

**September 12, 2023:** Riverside County Board of Supervisors approved \$75,000 in federal funding to conduct an economic resiliency study in the City of Blythe.<sup>50</sup>

Office of Economic Development (OED) leadership commented that the pandemic had “disproportionately impacted the City of Blythe and the surrounding unincorporated communities”. Therefore, OED had started working on an economic resiliency study, utilizing the economic recovery category of the American Rescue Plan Act of 2021 (ARPA) funding.

In response to the scheduled closure of CVSP, OED contracted with the Kosmont Companies to “identify economic development opportunities and initiatives in the Blythe area.” Presumably, that would encompass Ripley and Mesa Verde. That contract was under a separate procurement, so OED proposed using ARPA funds for that project. In our interview with OED leadership, it was noted that this effort is directly involved with the “*Save Chuck*” movement.

As reported in OED’s letter to the Board, this study “will assist in understanding market demand and feasibility for new economic activity in the city and surrounding communities, including industrial opportunities and tourism/recreation that can encourage new development in the area to support the needs of residents, employees, and local businesses”.<sup>51</sup>

In an interview with The Riverside Record<sup>††</sup>, leadership of the Office of Economic Development added, “What we’re trying to accomplish with this study is to identify what potential future economic development opportunities and initiatives could be undertaken in the Blythe area to create jobs, tourism, and investments”.<sup>52</sup>

OED leadership further explained that while the study will not be a “detailed study with implementation plans” it should identify what could benefit the area and the “partners that should be involved in some of the things that could be undertaken.” In the same article referenced above, a County Supervisor said “the county does what it can to support the community when it comes to economic development, but said the City’s remoteness is an ongoing challenge”.

The Grand Jury requested an interview with the Kosmont Companies to obtain further details about their project, how it would support the “*Save Chuck*” campaign, and how the County would be involved as a potential partner.

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<sup>††</sup> *The Riverside Record* is a member of LION Publishers — a professional journalism association for independent news publishers.

A company representative simply referred the request to OED for response. It was denied, with the explanation that the study has not been completed. However, OED committed that the Grand Jury will be provided a copy of the completed presentation.

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In addition to the forgoing initiatives the following areas were considered: Riverside County Services, Blythe Courthouse, Blythe Chamber of Commerce and other City initiatives.

### **RIVERSIDE COUNTY SERVICES**

Grand Jury panel members visited Blythe in October 2023 to gain a better perspective on the County's services, to identify potential issues and to learn about current trends. Based on interviews, City officials believe that the County needs to make more of a commitment to Blythe. Some services have been closed, or hours of operations cut.

The Grand Jury interviewed Riverside County administration to gain an understanding of how the County determines the level of services provided to Blythe. The cities in the County of Riverside are "stand alone", meaning the County does not dictate what services are provided and to what extent. There is no specific template that determines the service levels for County services in every city. Also, County services are provided on a 'full-cost recovery' basis, not based on what the city can afford, even if it is "economically depressed".

Blythe noted in its 2022 letter that, "due to the distance between Blythe and the rest of eastern Riverside County, County services routinely stop at the 'hill', so it takes longer and costs more for Blythe residents to access the services provided elsewhere in the County. For example, the County considered closing the County-operated Animal Shelter that has supported the City of Blythe and the Palo Verde Valley for several years".

According to city officials, they had reached an agreement with the County to transfer the shelter to the City in order to save the shelter from closure.<sup>53</sup> The City would have been burdened with the cost of services that should be provided by the County, but they did not want their animals "transported 100+ miles to the Coachella Valley in extreme temperatures".

Grand Jury members visited the shelter and learned about the very costly repairs and upgrades needed to keep the shelter in operation. One major system upgrade could cost in excess of \$400k.

The communication between County and City officials has apparently stalled and there does not seem to be a decisive action plan to address the repair issues and the continued operation in Blythe. Two members of the City Council serve on an Animal Shelter Committee, which is one of the ad hoc committees appointed by the mayor.

### **BLYTHE COURTHOUSE**

Beyond County control, another example of service cuts exists at the Blythe Courthouse. The Blythe Courthouse is open 3 days a week.<sup>54</sup> The City of Blythe is requesting that the courthouse be

open 5 days a week. Courthouse hours are not determined by the County, but instead by the State Superior Court. City management is drafting a letter, requesting the expansion of the Blythe Courthouse hours of operation. The key points of the request are:

- Court cases continued to increase, which “puts pressure on court staff and the District Attorney's office.
- Court operating only three days a week causes hardships for residents who experience delays in having their cases heard.
- Reduced hours of operation put pressure on local law enforcement resources who are required to travel to the Coachella Valley for court hearings that could be heard in Blythe if the court was open five days a week.
- The closure of Chuckawalla Valley State Prison will not reduce caseloads or minimize the need for Blythe residents to have court service 5 days per week.

### **BLYTHE CHAMBER OF COMMERCE**

At the 2022 Outlook Conference, the Blythe Chamber of Commerce highlighted its projects, including “building stakeholder partnerships, promoting tourism, increasing community morale”.

In fiscal year 2022-2023, the Blythe City Council allocated \$30,000 in ARPA funding to support the work of the Blythe Chamber of Commerce in promoting tourism. The activities designed to promote tourism include advertising, publicizing, and distributing information to attract and welcome visitors to the City. Allocations will also be made in 2023-2024 and 2024-2025.<sup>55</sup>

The Chamber is also working on new signage for Blythe and the Palo Verde Valley. Working with the California Department of Transportation (Caltrans), the Chamber plans to update the freeway signage and design new **Welcome to Blythe** signs that will “showcase the Chamber's new logo”. New field crop signs will “showcase the various crops that are produced in the valley”.

The Chamber is currently working with Caltrans on an “**I-10 Blythe Pavement, Beautification, and Safety Enhancements** project.” This project is funded by the Clean CA Grant. It includes installing a large State monument sign. The beautification work on Interstate 10 starts at the State line and runs through Mesa Verde (approximately 88 miles), so “people coming either way in this direction, they will see how important we are being a gateway city.”

The beautification project also includes installing a large ‘**Blythe Gateway Monument**’, as shown in an artist’s rendering on the title page of this report, to show Blythe as a “gateway into the State”.

According to Caltrans, “The project was scheduled to start January 2024, but will be on hold until March 2024 due to some structure change orders/approvals. The Overall Estimated Cost is \$9.5 million. The overall size of the monument will be 18’H x 14’W x 6’D”.

***Clean California:*** This project will “...beautify and enhance roadside areas along Interstate I-10 in the City of Blythe. The state entry monument will welcome visitors and serve to further the area’s economic development potential”.<sup>56</sup>

According to Caltrans, the project objective is to improve “unsightly roadsides” to enhance community pride. The State’s gateway monument will have the California grizzly bear, the California poppy, and various stone and concrete features.

The project will also have several safety enhancements designed to “deter unsafe dwelling use and enhance the visual character”, low-maintenance landscaping, decorative gravel and boulders, and a rock blanket.

In a recent press release, “The California Department of Transportation (Caltrans) continues work on a \$241 million pavement, beautification, and safety enhancements project on Interstate 10 (I-10), in and near Blythe”.<sup>57</sup>



*VISION: A brighter future for all through a world-class transportation network.*

## **OTHER CITY INITIATIVES**

To further illustrate other ways in which the City is working to enhance its image and continue with progress towards economic resiliency, the following are some examples:

**Urban County Community Development Block Grant Program (2024-2025):** The City has used Community Development Block Grant (CDBG) funds to support the Harmony Kitchen, the Emergency Food Pantry and to improve City parks.<sup>58</sup>

A portion of the 2023-2024 funds were used to start a Home Enhancement Program. Funds are allocated for improvements to homes owned by low-income persons. After work is completed, the owner must remain in the home for 5 years.

The program is coordinated with Riverside County which hires local contractors to perform the work. Five homes have been identified for funding with a total of thirteen homes to be rehabilitated.

The City’s Development Services staff has identified 104 homes in need of rehabilitation or replacement. They want to continue the work under the program, which will not only beautify neighborhoods, but allow low-income persons to stay in their homes.

The County of Riverside’s Five-Year Consolidated Plan provides funding for community, economic and social development activities. It assists the County, and the “cooperating cities”, in assessing their community’s needs. Blythe is a “cooperating city”.

The City is to provide a summary of its 2024-2029 community needs, outreach efforts and the City's five-year funding priorities. In preparation for its report, the City conducted a resident survey to help identify community priorities. The residents were most concerned with the following:

1. City streets and sidewalks
2. Community cleanliness
3. Safety and security
4. Water and sewer infrastructure
5. Parks and landscaped areas

Based on the results of the survey, the City Council identified its priorities for the 2024-2029 Five Year Consolidated Plan, as follows:

1. Housing Rehabilitation through the Home Enhancement Program
2. Park Improvements
3. Street and Sidewalk Improvements
4. Water and Sewer System Improvements

The CDBG allocation for fiscal year 2024-2025 is \$97,808 to support the City's Home Enhancement Program in partnership with Riverside County. The City’s leadership also set the Community Development priorities for CDBG funding for the 2024-2029 Five Year Consolidated Plan.

Chuckwalla National Monument: The **Protect the California Desert** organization is working with its congressional representative to call on President Biden to use the Antiquities Act to designate the Chuckwalla National Monument in Riverside and Imperial Counties and to protect lands adjacent to Joshua Tree National Park.<sup>59</sup>

The proposed monument, as currently drafted, will designate 660,000 acres of desert land streaming from the Salton Sea to the Colorado River. Its purpose is to “ensure equitable access to nature, honor cultural landscapes, protect the desert's unique biodiversity, wildlife habitat and landscape connectivity, and history”.



*Los Angeles Times, "California's Majestic Desert Must Be Preserved," by Mark Butler, November 25, 2023*

City officials are concerned about how the monument will impact the City and its residents. Because there have been no discussions with the City about the monument, the City Council has directed the Mayor to forward a Letter of Opposition, outlining the City's concerns. They would also like to meet with the congressional representative to request modifications, specifically to exclude the area east of Desert Center, California.<sup>60</sup>

As proposed, the monument designation will restrict public access to lands surrounding Blythe and the Palo Verde Valley. Hunting, camping, rock-hounding, and off-roading, which bring tourism and economic benefits to the City, will be impacted.

Solar development in Blythe will also be restricted. Solar projects have provided economic benefits to the business community and to the City. For example, the City's hotels and restaurants benefited greatly with the number of solar construction projects during 2020-2021. The tax revenues from those projects helped the City through the ensuing years.

City officials believe that restricting solar development contradicts state and national priorities for "sustainable and renewable energy". With the California mandate to have only zero-emission vehicles by 2035, solar projects are essential to power the grid. Blythe believes it is "well-positioned to capture economic benefits" from renewable energy projects, and to secure its future after the closure of Chuckawalla Valley State Prison.

According to a recent article in the Los Angeles Times, proponents of the Chuckwalla National Monument maintain that the goals for "conserving nature and meeting renewable energy" will be accomplished. It will support the goals of the Desert Renewable Energy Conservation Plan that identifies areas suitable for renewable energy development. "The proposed monument avoids lands suitable for energy projects and protects areas important to conserve for their biological, cultural and historic values."<sup>61</sup>



## CAN THE CITY OF BLYTHE BECOME A GATEWAY CITY?

*“Gateway Cities are midsize urban centers that anchor regional economies around the State. For generations, these communities were home to industry that offered residents good jobs and a “gateway” to the American Dream. While Gateway Cities face stubborn social and economic challenges, they retain many assets including historic architecture, strong connections to transportation networks, museums, hospitals, universities, and perhaps above all, authentic urban fabric.”*<sup>62</sup>

Although this definition would seem to preclude it from meeting the criteria as a Gateway City in the foreseeable future, Blythe’s ongoing work to enhance its financial status, improve its image aesthetically, and to attract new business enterprises, should improve its station as just an isolated, distant town near the Arizona border.



*Downtown Blythe California at Dusk in the Imperial Valley,” Image Credit Jacob Boomsma*<sup>63</sup>

**Living in Blythe:**<sup>64</sup> A local resident and owner of cannabis dispensaries commented, “...the fighting spirit to survive... is a natural characteristic of people who live in a remote desert town like Blythe”. The City leadership’s work to address “...the financial hardships are just the latest in a string of challenges residents will rise to overcome....When the chips are down, Blythe survives.” He added: “Welcoming new industries, like cannabis, is one way the city has to continue to adapt to remain vital...the next step could be music and the arts, marketing Blythe as a town where people can live cheaply and have the freedom to explore new ventures and ideas.”

Several other residents interviewed for the article expressed similar feelings about their lives in the City. The Chamber of Commerce describes the community spirit as...

*“SMALL TOWN, BIG HEART” - “SMALL TOWN, BIG FUN”*

Grand Jury members, who had an opportunity to talk with residents, heard some of their concerns about the future. They expressed some concern that the City Council is not listening to them, although no complaints have been submitted. A consistent comment was that they want Blythe to maintain a small town character.

This is a good story in the making. The Grand Jury commends the City of Blythe’s leadership for its continuing drive toward economic resiliency and for refusing to give up on the City’s future.

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## FINDINGS

**F1:** A formal long-term strategic plan is needed to “guide the City’s budgetary decision-making and address long-term needs to achieve financial stability”. Blythe, in its Corrective Action Plan submitted to the State Auditor, acknowledged and agreed to develop the plan by the end of June 2023. This has not been completed.

**F2:** A five-year strategic plan, as recommended by the State Auditor, can be a separate plan, or a part of the ‘long term strategic plan’, referenced in F1. The plan is to define the City’s priorities, goals, and expected outcomes. It has not been developed.

**F3:** The position of City Manager has remained unfilled. The City’s administration is currently headed by an Interim City Manager, who is also the City Clerk. .

**F4:** According to the Independent Auditor’s Report (2023), there were no findings or issues with the City’s internal control and financial compliance. The City’s General Fund has improved “dramatically” (\$2.6 million improvement). An in-depth analysis of the General Fund since 2008 shows significant progress, specifically over the last 3-4 years. *“You are to be commended for that. You still have work to do, but have made significant progress”*.<sup>65</sup> However, two significant liabilities related to government pension obligations and Other Post-Employment Benefits were noted. These are impacted by factors not within the City’s control (i.e., interest rates). The auditors expressed continued doubt about the City as a ‘going concern’, which has existed since 2008, and believe it will probably continue for “some time”.

**F5:** Currently, according to Blythe airport staff, there is plenty of capacity for the storage of private planes, but no availability of plane rentals for pilots who cannot afford their own.

**F6:** In their report, the professor and students of Brown University did not include specific data on how much the prison closure will cost the economy, except to emphasize that it will be significant. Determining the financial impact on the economy will require more research and resources. The studies are conducted at no cost to the City; funding is through the University, the Urban Institute and the Justice Labs of America.

**F7:** There will need to be further conversations with legislators on how the City will be able to recover after the prison closure. Those conversations will require the services provided by the lobbying firm, Joe A. Gonsalves & Son.

**F8:** Blythe’s city government believes that the County needs to make more of a commitment to Blythe. The County has, however, been an active participant in the campaign to keep Chuckawalla Valley State Prison open.

**F9:** Blythe’s leadership has been responsive to new economic possibilities, notably cannabis cultivation, manufacturing & distribution, and electric vehicle charging stations.



## **RECOMMENDATIONS**

**R1:** Develop a long-term strategic plan, as recommended by the State Auditor. The plan is to guide the City's budgetary decision-making, to address the long-term needs to achieve financial stability following the closing of Chuckawalla Valley State Prison, and to chart a path for improving its status as a 'going concern'. Plan is to be completed and included in the City's response to this report by end of September 2024.

Based on Findings 1, 2 & 4

Financial Impact: No incremental costs

**R2:** Develop a five-year strategic plan, as recommended by the State Auditor, to define the City's priorities, goals, and expected outcomes, based on the findings of the Retail Strategies project and the Blythe Economic Resiliency study. Plan is to be completed and included in the City's response to this report by end of September 2024.

Based on Findings 1, 2 & 4

Financial Impact: No incremental costs

**R3:** The City of Blythe should be clear as to its intention to hire a fulltime City Manager. If it is to hire, the Grand Jury recommends that a deadline be established no later than year-end 2024, following the adoption of a long-term strategic plan. The new city manager will be accountable for implementation of the City's long-term and strategic objectives, as defined in R1 & R2.

Based on Finding 3

Financial Impact: \$200k - \$250k (annual total compensation)

**R4:** The Riverside County Office of Economic Development should develop a plan and present it to the Riverside County Board of Supervisors by year end 2024, in conjunction with the Blythe Airport management team, to attract businesses engaged in the storage and rental of small aircraft.

Based on Finding 5

Financial Impact: No incremental costs

**R5:** Blythe should accept that Chuckawalla Valley State Prison will close, as currently scheduled, and change its focus to developing a strategy by year end 2024 for what Blythe can do to negotiate financial support from the State. The City should continue to work with the professor from Brown University, the Urban Institute, and the Justice Labs of America to conduct further research to make clear the socio-economic impact on the City.

Based on Finding 6

Financial Impact: No incremental costs

**R6:** The agreement with Joe A. Gonsalves and Son lobbying firm has a term of one year with a total compensation of \$50,000. The City should amend the agreement for an additional year.

Based on Finding 7

Financial Impact: \$100,000

**R7:** Riverside County should negotiate with the State for assistance in mitigating the negative economic impacts anticipated by the closure of CVSP, by developing implementation plans to work

directly with community leaders to support workers affected by loss of jobs, and to create an economic resilience plan for the community. Implementation plans to be presented to the Riverside County Board of Supervisors no later than year-end 2024.

Based on Finding 8

Financial Impact: No incremental costs

**R8:** The City and the County’s Office of Economic Development should continue to seek out new economic opportunities, like renewal energy projects, that are consistent with the preservation of Blythe’s small-town appeal. A General Plan describing their vision for those efforts should be presented to the Blythe City Council and the Riverside County Board of Supervisors by year end 2024.

Based on Finding 9

Financial Impact: No incremental costs



### **REQUIRED RESPONSES**

The following responses are required pursuant to Penal Codes §933 and §933.05:

- City Council, City of Blythe: R1, R2, R3, R5, R6, R8
- Board of Supervisors: R4, R5, R7, R8



### **INVITED RESPONSES**

- Interim City Manager: R1, R2, R3, R5, R6, R8
- Director, Office of Economic Development: R4, R8
- Director, Riverside County Aviation Division: R4



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Report Issued: 4/4/2024

Report Public: 4/9/2024

Response Due: 7/9/2024

**2023-2024 Grand Jury Report**  
**Blythe California Awakening of a New ‘Gateway City’**  
**April 4, 2024**  
**Riverside County Board of Supervisors**

**GRAND JURY RECOMMENDATIONS:**

**Grand Jury Recommendation #4:**

**R4: The Riverside County Office of Economic Development should develop a plan and present it to the Riverside County Board of Supervisors by year end 2024, in conjunction with the Blythe Airport management team, to attract businesses engaged in the storage and rental of small aircraft. Based on Finding 5; Financial Impact: No incremental costs**

**Response to Grand Jury #4:**

Recommendation will not be implemented because it is not warranted or reasonable.

The Grand Jury Report states that this Recommendation is based on Finding #5: Currently, according to Blythe airport staff, there is plenty of capacity for the storage of private planes, but no availability of plane rentals for pilots who cannot afford their own.

There are extreme temperature issues during the summer that would impact a year-round flight school or club. These limitations are the reason that the current primary use of the airport is military training in high performance aircraft. It's also important to acknowledge the unique context of the community. With only eight registered pilots, and eight registered aircraft in Blythe, the demand for rental services is extremely limited.

The County of Riverside retained Kosmont Companies to provide economic development advisory services in connection with an Economic Development Overview of the Blythe Region. Kosmont Companies developed a report dated February 2024. This report was presented to the City of Blythe on March 28, 2024 and to the community at the Blythe Economic Outlook Conference April 4, 2024.

The report includes a three-year action item framework for the City of Blythe. It identifies the Blythe Airport as a community asset and highlights utilizing public property, such as the Blythe Airport for growth potential. The airport has restrictions including height, aeronautical uses, and federal approval processes. However, the Blythe Airport may be a good location for industrial and testing applications, such as aircraft assembly and manufacturing, testing operations, and UAV operations and testing. Due to the remote location, Blythe provides a level of privacy that is challenging for most airports, which is a strategic benefit to the airport and the community. The

report does identify opportunity areas near the airport that have less restrictions. These other airport sites are freeway adjacent and have good visibility to the 1-10.

By taking a holistic approach that considers the specific dynamics of the area, the County of Riverside, in cooperation with the City of Blythe, can ensure that the county's efforts are targeted towards meaningful and effective solutions that benefit the region. The County of Riverside appreciates the Grand Jury's insights and remain committed to fostering a thriving aviation environment.

#### **Grand Jury Recommendation #5:**

**R5: Blythe should accept that Chuckawalla Valley State Prison will close, as currently scheduled, and change its focus to developing a strategy by year end 2024 for what Blythe can do to negotiate financial support from the State. The City should continue to work with the professor from Brown University, the Urban Institute, and the Justice Labs of America to conduct further research to make clear the socio-economic impact on the City. Based on Finding 6; Financial Impact: No incremental costs**

#### **Response to Grand Jury #5:**

Recommendation will not be implemented because it is not warranted or reasonable.

Department comments: This recommendation relates to the City of Blythe. The County of Riverside is actively engaged with the city and will assist the city where possible.

#### **Grand Jury Recommendation #7:**

**R7: Riverside County should negotiate with the State for assistance in mitigating the negative economic impacts anticipated by the closure of CVSP, by developing implementation plans to work directly with community leaders to support workers affected by loss of jobs, and to create an economic resilience plan for the community. Implementation plans to be presented to the Riverside County Board of Supervisors no later than year-end 2024. Based on Finding 8; Financial Impact: No incremental costs**

#### **Response to Grand Jury #7:**

Recommendation has been implemented.

As stated in the response to Recommendation 4, the County of Riverside contracted with Kosmont Companies to create an economic development overview for the Blythe area. That report was completed in March 2024. In that report there are several areas that were identified as potential economic development opportunities for the Blythe region. Many of the areas of opportunity include efforts that the City of Blythe and the County of Riverside have undertaken over the last several years. Notable examples

include the development of small business programming through the Coachella Valley Small Business Development Center and, most recently, the development of the Blythe Marketfest supported by a \$180,000 grant to the County through the U.S. Department of Agriculture. It should be noted that in the report produced by Kosmont Companies, cost estimates were provided to implement the various areas of opportunity.

Additionally, the Riverside County Workforce Development Division (RCWDD) applied for \$999,995 to Employment Development Department (EDD) Dislocated Worker Additional Assistance Projects in April 2024. The RCWDD team has been collaborating with key stakeholders since March, 2024 to create a strategic transitional plan aimed at strengthening the local workforce and mitigating negative impacts induced by the closure of the Chuckawalla Valley State Prison (CVSP). These efforts are being led by RCWDD and entail discussions and input from key regional stakeholders, including Palo Verde College, EDD Blythe, and the LAUNCH Apprenticeship Network.

The proposed project entails employing two full-time case managers and providing approximately 120 participants with career technical training and supportive services. The case managers will directly assist impacted residents through a satellite office in Blythe. They will provide direct service delivery to participants by conducting personal and career skills assessments to develop an individualized service plan based on their goals and needs while connecting them to training and employment opportunities.

The anticipated outcome of this program includes assisting impacted Blythe residents in securing employment in high-demand industries that offer sustainable wages and ultimately foster economic resilience and prosperity in this community. RCWDD is working alongside EDD to have the clearance process of this application finalized within the coming month to secure the allocation of funds without undue delay.

Additionally, Executive Office staff continues to explore opportunities working with our State legislative delegation and various State and County departments to seek additional funding to help address and mitigate the impacts of the CVSP closure.

### **Grand Jury Recommendation #8:**

**R8: The City and the County's Office of Economic Development should continue to seek out new economic opportunities, like renewal energy projects, that are consistent with the preservation of Blythe's small-town appeal. A General Plan describing their vision for those efforts should be presented to the Blythe City Council and the Riverside County Board of Supervisors by year end 2024. Based on Finding 9 Financial Impact: No incremental costs**

### **Response to Grand Jury #8:**

Recommendation has been implemented.

The Grand Jury Report states that this Recommendation is based on Finding #9: *Blythe's leadership has been responsive to new economic possibilities, notably cannabis cultivation, manufacturing & distribution, and electric vehicle charging stations.*

The City of Blythe and the County of Riverside continue to coordinate on new economic opportunities to strengthen the region's economy. The Office of Economic Development has developed a general economic overview for the Blythe region addressing areas of opportunity for economic development. This item has been addressed through this effort with Kosmont Companies as outlined in the response to Recommendation #4. This report was presented to the City of Blythe on March 28, 2024 and to the community at the Blythe Economic Outlook Conference April 4, 2024.

The County of Riverside will assist the city where possible to implement the action items in the three-year framework outlined in the report. The report does call attention to challenges such as lack of diversification, lack of skilled workforce, demand, and environment including geography, climate and aesthetics of some current businesses. The report does emphasize opportunities, including renewable energy, logistics, EV charging, innovation in agriculture, residential development that will come with increased job opportunities, and regional collaboration, which is ongoing with the County of Riverside.

District 4 staff and various County departments, including the Executive Office, Housing and Workforce Development, and Office of Economic Development hold regular meetings with city staff to discuss the impacts of the CVSP closure and future opportunities for economic development in the region.

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# RIVERSIDE COUNTY – BLYTHE REGION ECONOMIC DEVELOPMENT OVERVIEW

February 2024



El Segundo, CA 90266

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# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

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## PROJECT BACKGROUND

- The County of Riverside (“County”) retained Kosmont Companies (“Kosmont”) to provide economic development advisory services in connection with an Economic Development Overview (“Overview”) of the Blythe Region (which includes the Palo Verde Valley communities of Blythe, Palo Verde, Mesa Verde, and Ripley).
- This Overview aims to address existing economic conditions / regional real estate trends and provide potential opportunities / economic development strategies that the City of Blythe and County can pursue for business attraction, expansion, and retention.
- By prioritizing economic development strategies and pursuing opportunities, the Blythe Region can potentially achieve improved economic vitality by attracting new investment, new residents, and new tax revenues.
- The Blythe Region’s economy is centered around agriculture, service / retail, and recreational tourism, as well as the nearby state prisons. Changes in population and workforce over the past few decades have affected occupancy / utilization of commercial spaces. Economic, financial, and market conditions are key variables in the Region’s economy and impact new commercial / business development.
- Kosmont’s approach to this Overview includes:
  - Kickoff Meeting
  - Existing Conditions: Demographic / Economic / Market Overview
  - Stakeholder Outreach
  - Opportunity Site / SWOT Analysis
  - Strategies and Action Items
  - Economic Development Toolkit

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

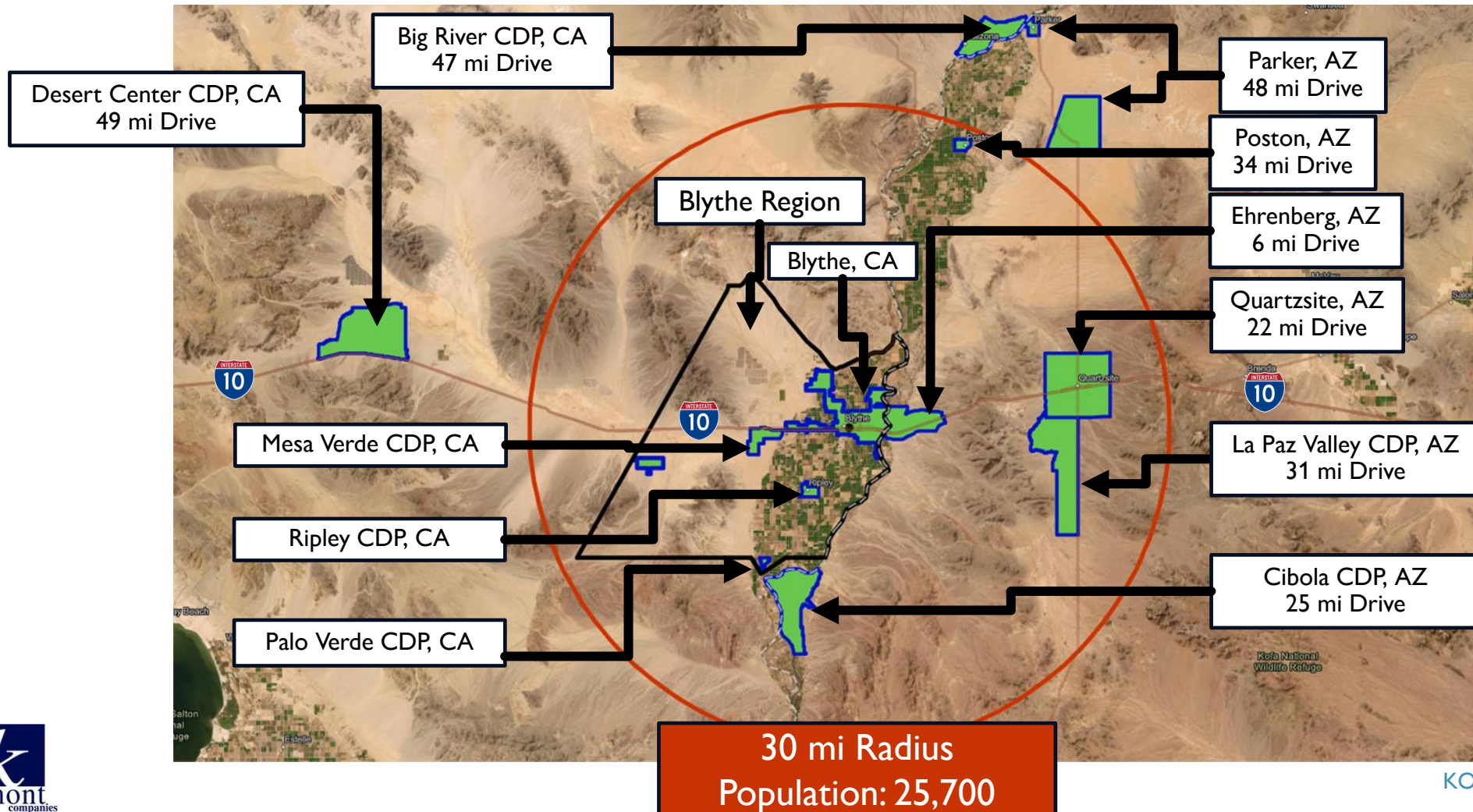
## REGION BACKGROUND

- The City of Blythe (“City” or “Blythe”) and Palo Verde Valley communities of Palo Verde, Mesa Verde, Ripley (collectively the “Blythe Region” or “Region”) are situated along the Interstate 10 corridor near the California-Arizona border. The City’s eastern edge lies along the eastern edge of California, along the banks of the Colorado River. The Region serves as a gateway between the two states, making it a strategic point for transportation and travelers in southwestern United States. Blythe is the largest city along I-10 between Coachella, CA (98 miles west) and Buckeye, AZ (123 miles east). Los Angeles is ~4 hours to the west of the Region, and Phoenix is ~2.25 hours to the east.
- The Blythe Region’s economy is centered around three primary economic drivers:
  - **Agriculture:** The Palo Verde Valley is a productive agricultural region along the Colorado River. Important crops include vegetables, cotton, alfalfa, and melon.
  - **Service and Retail:** The I-10 corridor sees ~33,000 vehicles travel through the Blythe Region every day (approx. 36% of these vehicles are trucks, the vast majority of which have 5+ axles). These travelers and truckers drive a good portion of the Region’s retail and service sector, such as gas stations, hotels, restaurants, and stores. Blythe is also the largest community in the area, regionally drawing residents from communities in California and Arizona for essential retail and recreation.
  - **Recreational Tourism:** The Colorado River provides opportunities for water-based recreational activities such as boating, fishing and jet skiing. Blythe also hosts the Colorado River Fair and other events at the Colorado River Fairgrounds. Other natural attractions in the desert area include the Blythe Intaglios, an ancient series of gigantic geoglyphs incised in the ground just north of the City.



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## REGIONAL MAP





# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW



**Quechan Park & Marina**  
*Watersports & recreation*

## COMMUNITY ASSETS

The Blythe Region is home to several community assets that can be further leveraged for events, activities, attractions, and other economic development efforts.



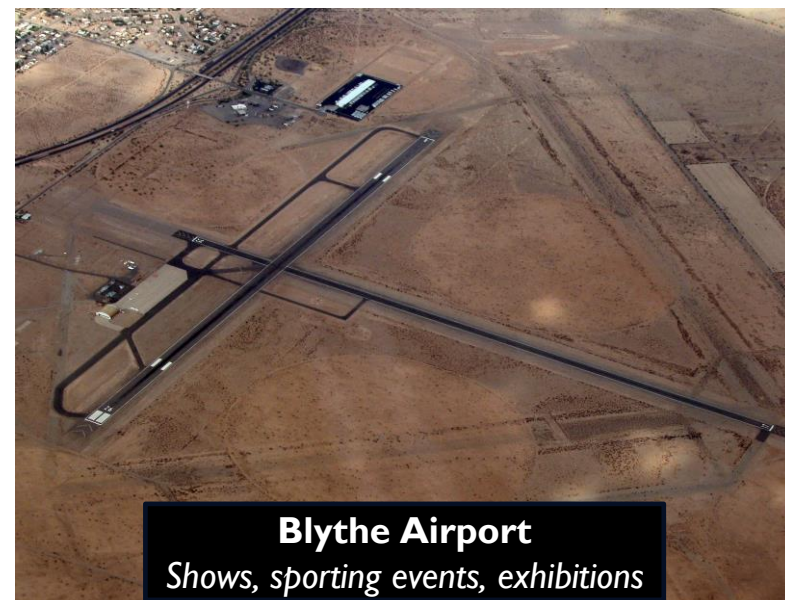
**Palo Verde College**  
*Education & Workforce development*



**Blythe Golf Course**  
*Golf, entertainment, events*



**Colorado River Fairgrounds**  
*Festivals, concerts, events*

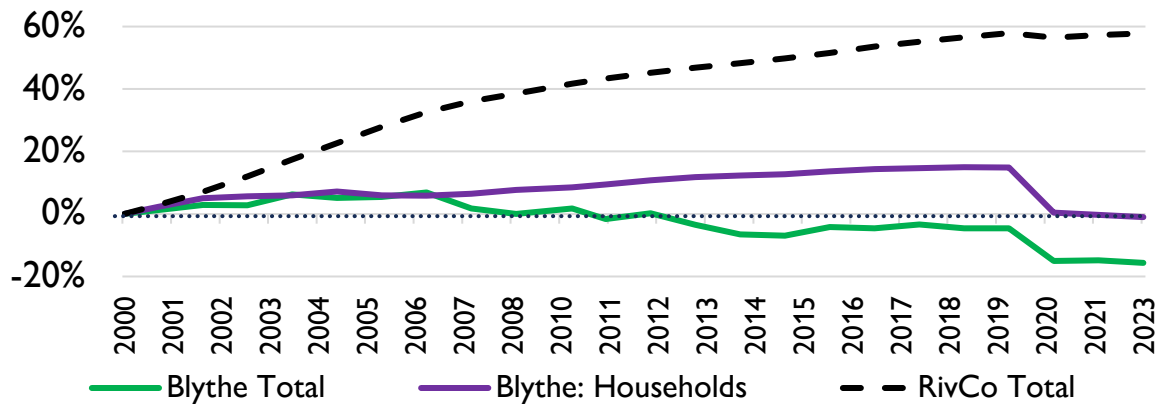


**Blythe Airport**  
*Shows, sporting events, exhibitions*

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## DEMOGRAPHIC OVERVIEW

City Population Growth: 2000 – 2023



**Average Household Size**  
2.7 People



**Median Age**  
33 Years

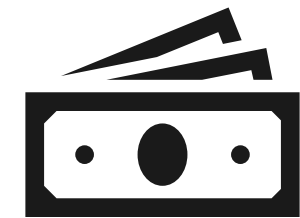
### Population

The Blythe Region has a population of ~20,000. The City of Blythe's population is of ~12,500 (excluding prisons). Population of ~25,700 within 30 miles of the City.

Overall City population declining ~16% since 2000, primarily driven by declining prison population. City saw ~15% growth in population living in households between 2000 and 2020; however, much of this growth was erased by population loss between 2020 and 2023.



**Bachelor's Degree +**  
12%



**Average Household Income**  
\$76,700

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## EMPLOYMENT & BUSINESS OVERVIEW



### Employment Outflow

Net Employment Outflow. Residents commute into the Coachella Valley / Inland Empire / Los Angeles areas, Ehrenberg, AZ; workers come from nearby cities in Riverside County and Arizona.



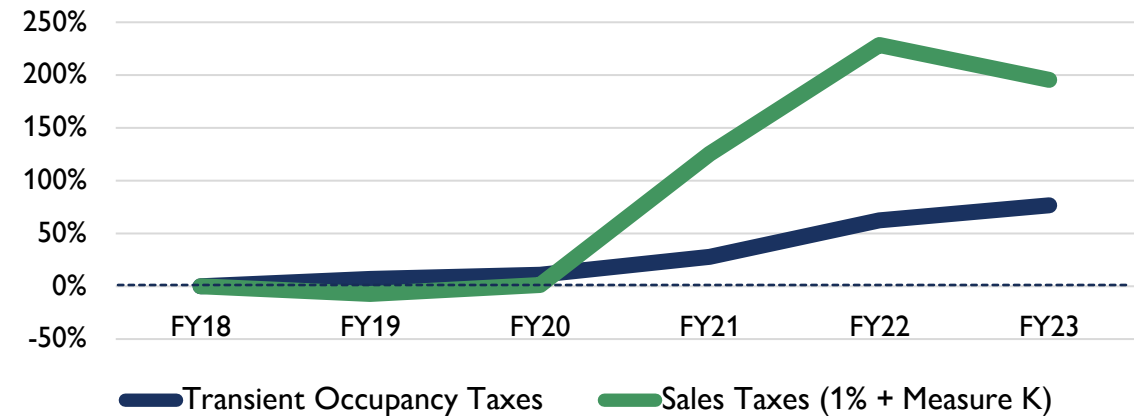
### Top Industries

Workers in the City primarily work in the Healthcare / Social Assistance, Accommodation / Food Service, and Retail Trade Industries. Top employers include the state prisons, school systems, hospital, farming / agricultural firms, supermarkets, and hotels.



Source: OnTheMap, City of Blythe Financial Statements, Riverside County

### Sales Taxes & Transient Occupancy Taxes Growth Since FY18



### Tax Revenues

Bradley-Burns Sales Tax revenues have grown ~23% between FY2018 and FY2023; the recently passed Measure K brought in an additional ~\$3.5 million in sales tax revenues in FY2022. Revenues are largely driven by Fuel / Service Stations, Restaurants / Hotels, Food / Drug, Autos / Transportation, and Business / Industry.

Transient Occupancy Taxes totaled ~\$2 million in FY2023, growing ~77% since FY2018.



## VISITOR OVERVIEW

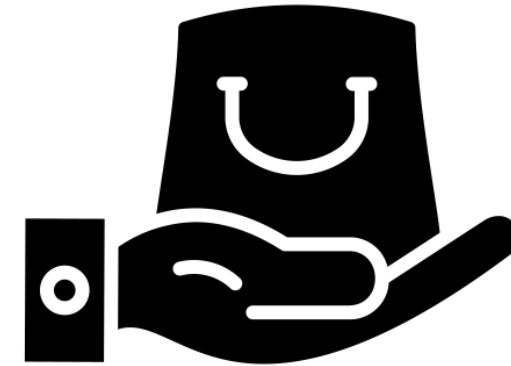


### Overnight Visitors

Placer.ai data shows ~160,000 overnight visitors over the past 12 months, with 77% of these visitors spend 1-2 days in the City.

These visitors represent ~\$68 million in spending potential, and ~36% have median household incomes over \$90,000.

Most visitors are from the Inland Empire, Los Angeles, Phoenix, San Diego, and Tucson metro areas.



### Retail Store Visitors

Placer.ai data also shows that several retail locations – such as the Albertsons, Ace Hardware, McDonalds, and Jack in the Box – are among the top performing locations for each respective brand (by number of visits) in the state.

For example, according to Placer.ai, the McDonald's in Blythe saw ~460,000 visits over the past year – the ninth highest of the over 1,100 McDonald's locations in California tracked by Placer, and about 2.5 times the median McDonald's visit count.

This data emphasizes that while the Blythe Region has a relatively low population, commercial activity in the City is greatly enhanced by visitors.



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## REAL ESTATE MARKET OVERVIEW

- **Retail:** 812k SF in the City, ~11% vacant. Major shopping centers include Blythe Town Center (Neighborhood Center w/ Albertsons & Autozone), Smart & Final center, Blythe Hobson Center (Dollar Tree), and Blythe Village Center (Blythe Ranch Market and Austin's Pharmacy). No retail space planned / proposed / under construction in 30-mile Trade Area. Small / isolated market (and e-commerce trends) limit demand for additional brick-and-mortar space but some potential demand for regional / freeway-oriented retail.
- **Office:** 125k SF in the City, ~5% vacant. Major properties include SSA / social service buildings in Blythe Village Shopping Center and medical office buildings on Broadway Ave and Hobson Way. No recent / planned / proposed / under construction office projects in Trade Area. Small / isolated market (and telework trends) limit demand for additional office space.
- **Industrial:** 211k SF in City, ~2% vacancy. Major properties include 84k SF cannabis cultivation in Blythe Village Center; 35k SF warehouse on Broadway; 29k SF warehouse on Hobsonway. Trade Area includes Morgan Corporation truck manufacturing. No recent / planned / proposed / under construction industrial projects in Trade Area. Location along I-10 corridor and nearby agricultural activity could drive some demand for additional industrial property.
- **Multifamily:** 1,650 units in City; ~7.5% vacancy. Major properties include mobile home / manufactured housing parks (Mesa Bluff Village, Burtons Mobile Home & RV Park) and apartment buildings (Ocean View Apartments, Villa Monterey Apartments, Palm Drive Apartments). No recent / planned / proposed / under construction projects in Trade Area. A small / isolated market and out-migration may create some challenges for new multifamily development, but the tight housing market in other parts of California may help maintain some demand in lower-cost areas.
- **Hotel:** 22 operational hotels totaling 1,132 rooms in the City. ~57% of hotel rooms in economy-class properties; 3 midscale and 3 upper-midscale properties. Two hotels are listed by CoStar as in the “final planning” phase of development (one project – includes a TownePlace Suites by Marriott and Fairfield by Marriott Inn & Suites), and shows some continued market interest in the Blythe area.

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## UNDER CONSTRUCTION / UPCOMING DEVELOPMENT

The City has a number of projects currently in the planning / construction pipeline, highlighting the continued interest for certain uses in the Blythe Region – such as local / freeway-oriented retail, EV charging and solar generation, hotel, cannabis, and other uses.

Project Name	Category	Description	Stage	Location
Chipotle	Retail – QSR	Entitlements and approved building plans; waiting for contractor to pull permits	Planning	Corner of N Lovekin and Hobsonway
Grocery Outlet	Retail – Grocery	Demolition of former theater underway to turn over to Grocery Outlet, which has entitlements	Planning / Site Prep	
WattEV Charging Station w/ Retail	Other	120+ acre Working on entitlements, CEQA in process	Planning	E. Donlon St
Edelweiss Cannabis Project	Cannabis	Farming / manufacturing facility at former Kmart	Under Construction	
TORO Cannabis Project	Cannabis	Indoor cultivation facility	Under Construction	E Hobsonway
Blythe TownPlace and Fairfield Inn	Hospitality	Has entitlements, waiting for developer to submit building plans for review	Planning	
Alegria Early Learning Center	Education	Received Certificate of Occupancy	Under Construction	1021 W Barnard
PVC Child Development Center	Education	Plans approved, waiting for developer	Planning	
Palo Verde Hospital Modular Health Clinic	Healthcare		Under Construction	Barnard & 2 <sup>nd</sup> Street
Nikola Hydrogen Refueling Station	Other	Working through entitlements	Planning	
Blythe CSG, 1 LLC Solar	Other	56-acre solar array, working through CUP Process	Planning	

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## STRENGTHS

- **Strategic Location:** The Blythe Region is well-positioned along Interstate 10, a major east-west highway and shipping route that sees ~33,000 vehicles (~36% trucks) travel through the City every day. As a midpoint between Los Angeles and Phoenix, the City is a common rest / refuel area for travelers and is the “center” of its rural region of California / Arizona. As logistics and warehousing development generally continues to expand from the Inland Empire hubs, the Blythe Region could be poised for some industrial-related development that serves both markets.
- **Community Assets:** The Blythe Region is home to a number of community assets that could be further leveraged to increase economic activity in the area. Quechan Park and Mayflower County Park can be utilized for water recreation and waterfront activities. Palo Verde College can be further utilized for workforce development and other educational initiatives. Assets such as the Golf Course, Airport, and Colorado River Fairgrounds can be further utilized for local and regional events and recreational activities.
- **Agricultural Economy:** The Blythe Region and the surrounding Palo Verde Valley has fertile land thanks to the Colorado River, and the area is supportive of many crops. The agricultural base provides some consistent employment and stabilization to the local economy. The Blythe Region could benefit from further agricultural innovation, as well as cannabis manufacturing.
- **Recreational Tourism:** The Colorado River provides opportunities for water sports, fishing, boating, and relaxation; residents and visitors also enjoy golf, hiking, and other outdoor recreational activities. Recreational activities draw tourists to a number of communities up the river, from Blythe and Ehrenberg to Parker to Lake Havasu. As these recreational activities draw tourists, it helps to boost the local economy, driving sales at hotels, restaurants, shops, and equipment rentals.
- **Affordability:** The Region’s land and property values are relatively low, particularly compared to other parts of California. This affordability can attract businesses and individuals seeking lower operating costs and lower cost of living.
- **Culture:** Strong sense of down-to-earth, close-knit community; known as a quieter, family-friendly place with an agricultural history and riverfront access.

## CHALLENGES

- **Economic Diversification:** Relying on a small number of sectors / employers can be risky. The Ironwood and Chuckawalla state prisons are major employers in the area (~1,800 staff), but their potential closure could impact job opportunities. Fallowing of agriculture land decreases employment and economic activity in the Region; downturns in agriculture due to droughts or market fluctuations could have a rippling effect through the local economy. Diversification into other sectors can provide stability.
- **Isolation:** While the Blythe Region's strategic location along the I-10 between Los Angeles and Phoenix offers some advantage, the Region's distance from major urban centers can make it challenging to attract businesses, investments, and skilled workers. Certain key retail categories (e.g. clothing / general merchandise) are missing and likely served online.
- **Skilled Workforce:** Economic diversification and growth often require a workforce with a variety of skill levels. While the Region benefits from the local Palo Verde Community College for training programs, the Region may still face challenges with training locals, attracting skilled workers, and retaining talent.
- **Lack of Commercial Real Estate Demand:** Out migration, as well as declining brick-and-mortar retail, can contribute to a declining commercial environment (which can also impact tax revenues). Some competitive challenges with lower cost / tax / regulatory environment in Arizona.
- **Built Environment / Beautification:** Commercial areas look dated and need cleanup / repairs / property maintenance and rejuvenation (streetscape improvements, landscaping, façade improvement). Use of some existing / older commercial spaces is challenged because of high maintenance costs, upkeep, required upgrades to meet code requirements, and rehabilitation maintenance. Some problems with uncooperative / absentee property owners can contribute to building vacancy and maintenance issues. Need to attract business-savvy entrepreneurs that can secure funding / financing for building rehabilitation.
- **Climate:** Desert climate can present some challenges to attracting residents and businesses, due to energy costs, water availability, infrastructure strain, availability of recreational activities, and economic perceptions. Colorado River watershed issues could bring risks to farming and recreation in Blythe Region.

## OPPORTUNITIES

- **Recreation / Tourism:** The Blythe Region can explore a variety of tourism activities, such as experiential river-based recreation with boating / fishing / tubing, agri-tourism where tourists visit farms / farming activities, and eco / historic tourism that focuses on the desert environment and historical heritage (such as the Blythe Intaglios). The Region can also encourage tourism from nearby communities through events such as the Colorado River Fair, night markets, and other events.
- **Industrial / Logistics:** With the growth of e-commerce driving demand for warehousing and distribution centers (particularly in the Inland Empire region), the Blythe Region – with access to the I-10 and US-95 corridors – could be suited for some as industrial- and logistics-related development. However, industrial development would face challenges when competing with similar sites across the border, due to the lower cost / tax environment in Arizona.
- **EV Charging:** The Blythe Region is strategically located to provide EV charging for travelers and truckers along the I-10, presenting an opportunity to capture retail / hotel sales through this captive audience. Tesla and other charging infrastructure providers are continuing to expand charging infrastructure, and are looking for sites that pair with retail / travel / hotel / quick service restaurants.
- **Renewable Energy:** The Blythe Region’s desert climate provides abundant sunlight, which could make it a good location for solar energy projects. Cultivating renewable energy investment can provide local jobs as well as attract green tech companies.
- **Agricultural Innovation:** Modern agricultural techniques could be used to improve yields, reduce water usage, and diversify crops to less water intensive crops / higher value crops (e.g. microgreens). The Region can also aim to attract agricultural research / innovation.
- **Regional Collaboration:** By coordinating with neighboring communities, the Blythe Region can pursue joint tourism initiatives, infrastructure projects, and regional branding efforts to drive economic activity to the overall region.
- **Residential Development:** Increasing the population in the Blythe Region and providing a variety of housing opportunities is a key component of generating local demand and attracting new businesses. Given the tight housing demand in California, the Region could be able to capture new residents through a variety of housing typologies – single-family and multifamily development, Mobile Home and RV Parks. City / County can explore supporting less costly manufactured / modular construction to reduce construction costs.

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## ECONOMIC DEVELOPMENT STRATEGIC CATEGORIES

To build off the Blythe Region’s strengths, address its challenges, and pursue opportunities, the City / County can pursue several strategies; these strategies capitalize on existing assets, aim to attract new investment, and cultivate a workforce that is prepared for the future. The Region’s economic opportunities center around three key Economic Development Strategic Categories:

Colorado River & Recreation	I-10 Corridor	Natural Resources / Agriculture
Riverfront activities and other attractions can improve the quality of life for Blythe residents while also serving as a destination for regional tourists and travelers.	<p>The I-10 Corridor sees ~11 million passenger vehicles annually, which offers an opportunity to capture retail sales and hotel stays from travelers.</p> <p>The I-10 Corridor is also a major distribution corridor, and Blythe’s central location could present some opportunity for logistics-related developments</p>	Blythe’s agricultural roots and natural resources can be a key part of its economic future, through developments such as agricultural innovation, cannabis R&D / manufacturing, and solar arrays / battery installations

The following section identifies potential strategies for the City / County to consider to pursue the goal of economic development. Action Items are also identified; these Action Items are meant to summarize potential actions the City / County can take to pursue the strategies, and are not listed in order of importance or chronologically.

## STRATEGY OVERVIEW

### THEME 1: RECREATION / TOURISM

The Blythe Region's opportunity to increase recreational and tourism activities is centered around the recreational activities of the Colorado River, the access to travelers from the I-10 Corridor, and the Palo Verde Valley's natural and cultural resources.

- **I-10 Corridor:** Improve existing and establish new rest / fuel / food stations; pursue electric vehicle and other alternative fuel stations to serve the next generation of vehicle traffic (and combine EV charging with retail / dining). Capitalize on travelers stopping in Region by creating tourist information centers that promote local businesses, attractions, activities, and events. Aim to attract additional visitors as a fun, family-friendly, and affordable stopping point for families travelling along the I-10.
- **Colorado River:** Promote water-based experiential recreational activities and improve waterfront amenity areas that can serve community and family-friendly tourists. Facilitate boating / kayaking, fishing excursions / competitions, swimming areas, jet / waterskiing, river cruises / guided tours, watersport equipment rentals, and waterfront dining / entertainment / events. Consider new / upgraded amenities, such as enhanced picnic areas / pavilions, improved playgrounds / recreational fields, improved observation decks / lookouts, marina / docks, landscaping / shade structures, and waterfront promenade areas, commercial uses (restaurant, hospitality, entertainment, RV Park, blended-use residential, etc.).
- **Natural / Cultural Resources:** Tourism ventures can help to showcase the area's natural beauty and resources. Promote the Blythe Intaglios and other cultural / historical / natural sites. Expand and promote desert hiking, agricultural tours, and off-road / ATV tours and racing events.
- **Events and Activities:** Enhance utilization of Colorado River Fairgrounds, Blythe Golf Course, and Blythe Airport for events, festivals, and activities. Events can build community, draw crowds, attract regional visits from other nearby towns, and attract tourists. Fairs, car races, concerts / music festivals, art exhibitions, boat races, fishing competitions, and golf outings / tournaments can help to create a lively atmosphere and attract trips (and spending) to the Region.



## STRATEGY OVERVIEW

### THEME 2: RETAIL & BUSINESS EXPANSION / ATTRACTION / RETENTION

The Blythe Region's ability to increase retail and general business development relies on four key groups: the existing community members and businesses; travelers along the I-10 that bring substantial spending potential through the Region; potential new residents that can serve to increase the base for commercial demand; and potential new businesses (formed by local residents or outside investors) that can generate new economic activity.

- **I-10 Corridor:** Improve hotel / dining / service station facilities and appearance of commercial districts to encourage travelers along the I-10 corridor to stop and spend. Develop strategies to capture a larger share of traveler spending and increase the visit duration of visitors by promoting local businesses and activities.
- **Retail Voids:** The Region's relatively small population and isolated location can make it challenging to attract retailers. At the same time, Blythe's status as the largest City in its region of California / Arizona makes it a center for commercial activity in the region. Several retailers in the City are among the top-visited locations for their respective brands in California, and many retailers / shopping centers see a large portion of their visits coming from visitors with homes located more than 5 miles from Blythe – showing the strength of demand that comes from these out-of-town visitors. Work with businesses / developers to understand consumer patterns, market constraints, and development challenges to inform new opportunities.
- **Events & Marketing:** Regular events such as farmers markets, night markets, craft fairs, concerts, and entertainment events can attract visitors from neighboring regions, provide additional foot traffic to local retailers, and further establish Blythe as the center of its region. Marketing and branding activities can highlight the Region's unique offerings, businesses and cultivate a business community.

## STRATEGY OVERVIEW

### THEME 3: INDUSTRIAL & BUSINESS EXPANSION / ATTRACTION / RETENTION

The Blythe Region’s opportunity to increase industrial development is centered around the Region’s location along the I-10 Corridor as well as the Region’s natural resources / agriculture.

- **Industrial / Fulfillment / Logistics:** The Region’s location on the I-10 corridor is in the “center of everything” – Blythe is the largest city along the I-10 between Coachella, CA to the west and Buckeye, AZ to the east. Approximately 12,000 trucks (~83% of which have 5+ axles) travel through Blythe along the I-10 every day, and the Blythe Region can be a poised for some transportation / logistics industrial uses that serve both California and Arizona markets. Additionally, as trucks shift to from internal combustion engines to electric engines, the Region could be suited as an EV charging / service / transfer point for electric trucks.
- **Renewable Energy:** The Blythe Region’s desert location and ample available land could be well-suited to capitalize on the rapid growth of solar energy generation, battery storage technology, and businesses that support / service these facilities. The Blythe Region is already seeing this type of development activity, and can continue to add capacity as the western US continues to expand renewable energy production.
- **Agriculture:** The Blythe Region’s agricultural heritage and access to the Colorado River can be an opportunity to pursue research for sustainable agricultural innovation. The local climate, abundant land, and location along the I-10 corridor could be favorable for a variety of agricultural activities. The agricultural activities in the Region can be enhanced by providing assistance to help growers shift from water-intensive crops to less intensive crops, assisting with the shift to higher value crops (*such as microgreens*), and identifying opportunities for smaller-scale activities on fallowed farmland areas (*such as greenhouse activities on small portions of sites*).

## STRATEGY OVERVIEW

### THEME 4: ENTREPRENEURSHIP / SMALL BUSINESS ASSISTANCE & PROGRAMS

Fostering entrepreneurship assisting small businesses and leveraging programs and partnerships are essential components to improving economic opportunities and outcomes for the Blythe Region's residents.

- **Fostering Entrepreneurship & Assisting Small Businesses:** Encourage business formation by providing enhanced customer service to support business development and creating programs that can assist entrepreneurs and small business owners.
- **Capitalizing on Existing Programs and Partnerships:** Build off existing programs / partnerships, collaborate with other partners such as Palo Verde College / Small Business Administration, Small Business Development Centers, and build new strategic partnerships with other organizations to continue delivering assistance that helps the Region's small businesses thrive. Some existing programs include the Riverside County Small Business Thrive Program, funded by the American Rescue Plan Act (ARPA) and is a partnership with SBDC and AmPac Business Capital. The program provides grants / training to entrepreneurs to support the launch of businesses and aid struggling businesses facing economic difficulties. Additionally, the Blythe Riverside County MADE program is a targeted program that focuses efforts on residents of Blythe and the Palo Verde Valley. Training sessions have been offered to assist potential / existing business owners, participants receive no-cost consulting, businesses gain access to Marketfest events, and grants are available to help start their businesses.

## STRATEGY OVERVIEW

### THEME 5: WORKFORCE DEVELOPMENT

Workforce Development initiatives aim to improve and diversify the Blythe Region’s workforce. These programs address the needs of workers to be better prepared for higher-paying jobs, and they also help local employers attract and retain the talent needed for their businesses to be successful. By working with existing employers and potential new employers, the Region and its educational partners can provide training to assist current workers with upgrading their training as well as provide new workers with the training needed by area employers. Workforce development initiatives generally focus on four key areas:

- **Collaboration** – Fostering relationships between current / potential employers, educational institutions, and local nonprofits to identify and address worker skill gaps.
- **Training** – Connecting workers to programs to build specific skills that improve workforce readiness (e.g., certification programs, licensure, English as a Second Language)
- **Networking** – Connecting employers, educational / training institutions, and workers via networking programs, mentorship programs, internships / apprenticeships.
- **Addressing Barriers** – Encouraging programs that will alleviate pressures on workforce readiness, such as childcare, transit, and internet / computer accessibility.

## ACTION ITEMS OVERVIEW

**Action Item 1 Investing in Infrastructure:** Identify infrastructure improvements needed in targeted areas for economic development.

- **1.1:** Identify infrastructure needed in target recreational areas (Quechan Park / Marina / Colorado River area, Golf Course area, freeway-serving areas) to improve facilities and encourage additional private-sector investment.
- **1.2:** Assess key industrial development target sites and ensure that roads and utilities are maintained and upgraded (as needed) to provide reliable services for potential industrial development.
- **1.3:** Evaluate a variety of funding sources – such as special districts / tax increment financing partnerships, grant funds, impact fees, user fees, business improvement districts, and other sources – to pay for infrastructure / amenities needed to catalyze projects and new economic activity.
- **1.4:** Invest in physical improvements, amenities, and infrastructure that align with economic development strategies.

**Action Item 2 Encouraging & Attracting Private Investment:** Ensure that City / County policies (e.g. zoning, building requirements, and other policies / programs) are aligned with market conditions and address hurdles to development in an effort to be “business friendly.”

- **2.1:** Work with property owners, businesses, and developers to understand the opportunity / constraints for high-priority sites and projects (e.g. site / building challenges, market conditions, policy / regulatory issues) and take proactive approach to keep project moving, overcome hurdles, and get projects completed.
- **2.2:** Facilitate changes to policies and zoning needed for new development, such as lodging, camping facilities, restaurants / other commercial uses, and industrial projects.
- **2.3:** Consider incentive programs to attract new development – fee waivers, tax incentives / tax sharing agreements, grants, subsidized loans, zoning / land use tools and other tools to close project financing gaps and catalyze development.

## ACTION ITEMS OVERVIEW (CONT'D)

**Action Item 3 Pursuing Grant Funds:** Identify grant opportunities that align with Blythe Region’s economic development goals. Grants are often available through state / federal sources for parks / recreation / environmental projects, housing development, EV charging infrastructure and other infrastructure / amenities. Engage with firms / organizations that specialize in grant writing to maximize grant dollars.

**Action Item 4 Improving Built Environment:** Improve the streetscape aesthetics, pedestrian accessibility, business façades, and public spaces to make the commercial / recreational areas of the Region more appealing for businesses, shoppers, and travelers.

- **4.1:** Rejuvenate commercial streets and recreational assets through code enforcement, nuisance abatement, and other efforts.
- **4.2:** Collaborate with community groups (e.g. Chamber of Commerce, Rotary, Palo Verde Valley Community Improvement Fund) to develop community-based ways of addressing issues.
- **4.3:** Invest in existing streetscape, building / façade improvements, pedestrian access, public spaces, and other amenities.

**Action Item 5 Utilizing Public Property:** Invest in improvements on key publicly-owned properties such as Quechan Park and the Golf Course to catalyze additional activity at / around those sites.

- **5.1:** Evaluate strategies such as performance-based leases / ground leases, monetizing assets, and acquisition / sale of property for City / County owned sites.
- **5.2:** Explore City / County public-private partnerships and collaborations with the private sector that meet private-sector market needs as well as provide community benefits by utilizing publicly-owned sites.

## ACTION ITEMS OVERVIEW (CONT'D)

**Action Item 6 Collaborating with Local Groups:** Foster relationships / coordinate / collaborate with other local government entities and community / business / recreational groups to develop programs, events, and other activities that build on Blythe Region's strengths.

- **6.1:** Explore recreational / tourism initiatives such as festivals, farmers markets, music / art festivals, events, races, hunting / fishing, desert exploration, and waterfront events.
- **6.2:** Partner with neighboring communities for joint marketing efforts and development initiatives to attract investment to the region.

**Action Item 7 Marketing Blythe Region:** Highlight the Region's unique offerings and opportunities through marketing efforts.

- **7.1:** Coordinate with local business groups, the Chamber of Commerce, and nearby communities to develop marketing / branding campaigns, offer tours / promotions, and otherwise encourage tourism and recreation in the Region.
- **7.2:** Utilize social media / other marketing channels to showcase Blythe Region's attractions and events to drive engagement. Provide assistance to local businesses to utilize social media & e-commerce platforms.
- **7.3:** Develop marketing / collateral material to highlight assets, strengths, attractions, and opportunities. Align marketing material, special events strategy, and other targeting marketing strategies and pursue marketing activities in key areas (Inland Empire, Los Angeles, Coachella Valley, Phoenix, etc).
- **7.4:** Conduct business expansion / attraction / retention (BEAR) services, such as business outreach to retail, industrial, and residential developers and businesses to promote opportunities and understand developer needs / constraints. Attend industry conferences / trade shows / conventions to attract potential investors and reach out to retailers / businesses / developers. Promote Blythe Region's strategic location, resources, and incentives for development in key sectors.



## ACTION ITEMS OVERVIEW (CONT'D)

**Action Item 8 Improving Workforce Development:** Collaborate with local educational institutions / vocational training centers to develop training programs and job pipelines tailored to the needs of target industries – including upskilling existing workers in the area and training new workers.

- **8.1:** Conduct outreach to existing businesses to assess worker / training needs; identify opportunities for upskilling existing workforce, training new workers. Conduct outreach to potential new businesses to understand worker / training needs for target industries (transportation / logistics, agriculture, solar / battery).
- **8.2:** Collaborate with educational partners. Work with Palo Verde College, EDD, Riverside County, and other partners to develop programs that develop skilled workers for existing and potential future businesses.
- **8.3:** Conduct marketing efforts to highlight training / career opportunities for Blythe Region's residents.
- **8.4:** Explore ways to alleviate challenges to worker readiness (such as transportation to education centers, equipment accessibility, and other services).

**Action Item 9 Fostering Entrepreneurship & Helping Small Businesses:** Collaborate with businesses and other stakeholders to improve the business environment in the Region.

- **9.1:** Designate a liaison / ombudsman to provide assistance regarding City and County processes / regulations / policies, such as permitting, license, compliance, and development standards.
- **9.2:** Assist businesses with accessing capital by connecting firms with loan programs, grants, and other financing opportunities for businesses to start / grow / expand.
- **9.3:** Support business incubator / accelerator programs to provide early-stage companies with resources, workspace, mentorship, and networking.
- **9.4:** Host / support networking events, workshops, and other opportunities that connect small businesses / entrepreneurs with other firms, potential customers / clients, investors, and workers.
- **9.5:** Assist firms with accessing technical / business assistance. Seek mentors with business expertise, including business planning, financial management, legal services, market research, and e-commerce strategies.

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## ACTION ITEM RESOURCES ILLUSTRATIVE FRAMEWORK: 3-YEAR

### 1: Investing in Infrastructure

#	Action Item	Est. Cost	Timeframe
1.1	Identify recreational infrastructure needs	\$50-75k	Year 1
1.2	Assess industrial infrastructure needs	\$75-100k	Year 1
1.3	Evaluate infrastructure funding sources	\$50-75k	Year 2-3
1.4	Invest in Physical Improvements	\$7-10m	Year 3+
<b>Subtotal</b>		<b>\$7.18 – 10.25 million</b>	

### 2: Encouraging / Attracting Investment

#	Action Item	Cost	Timeframe
2.1	Collaborate with Property Owners / Businesses / Developers	\$75-100k	Ongoing
2.2	Facilitate Policy Changes	\$25 – 50k	Year 1
2.3	Incentive Programs	\$3-5m	Year 2+
<b>Subtotal</b>		<b>\$3.1 – 5.15 million</b>	

### 3: Pursue Grant Funds

#	Action Item	Cost	Timeframe
3.1	Pursue Grant Funds	\$150-250k	Ongoing
<b>Subtotal</b>		<b>\$150 – 250 thousand</b>	

### 4: Improving Built Environment

#	Action Item	Cost	Timeframe
4.1	Rejuvenate via code enforcement, nuisance abatement	\$350-450k	Ongoing
4.2	Collaborate with community groups	\$150k	Ongoing
4.3	Invest in streetscape	\$5-7m	Year 3+
<b>Subtotal</b>		<b>\$5.5 – 7.6 million</b>	

### 5: Utilizing Public Property

#	Action Item	Cost	Timeframe
5.1	Evaluate strategies for publicly-owned sites	\$50-75k	Year 1
5.2	Explore public-private partnerships	\$75-100k	Ongoing
<b>Subtotal</b>		<b>\$125 – 175 thousand</b>	

### 6: Collaborating with Local Groups

#	Action Item	Cost	Timeframe
6.1	Recreational / tourism initiatives	\$75-100k	Ongoing
6.2	Joint marketing efforts	\$50-75k	Ongoing
<b>Subtotal</b>		<b>\$125 – 175 thousand</b>	



**Note:** Resource estimates are provided as a framework / starting point, and can vary based on County / City / community organization capacity, resources, and scope of action. Cost does not include allocation of current staff salaries.

**Source:** Based on conversations with County staff

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## ACTION ITEM RESOURCES ILLUSTRATIVE FRAMEWORK: 3-YEAR

### 7: Marketing Blythe Region

#	Action Item	Cost	Timeframe
7.1	Stakeholder coordination / marketing	\$50k	Ongoing
7.2	Social media marketing	\$50 – 75k	Ongoing
7.3	Develop marketing collateral	\$150k	Year 1-2
7.4	Conduct business outreach	\$125-150k	Ongoing
<b>Subtotal</b>		<b>\$375 – 425 thousand</b>	


### 8: Improving Workforce Development

#	Action Item	Cost	Timeframe
8.1	Business outreach	<i>*To be determined by Workforce Development partners</i>	Year 1
8.2	Collaborate with educational partners		Year 1-2
8.3	Conduct marketing efforts		Ongoing
8.4	Programs to improve worker readiness		Year 2+

### 9: Fostering Entrepreneurship & Helping Small Businesses

#	Action Item	Cost	Timeframe
9.1	Liaison / ombudsman	\$150k	Ongoing
9.2	Connecting businesses with capital	\$50-75k	Ongoing
9.3	Business incubator programs	\$100-150k	Ongoing
9.4	Networking events	\$50k	Ongoing
9.5	Technical assistance	\$75-100k	Ongoing
<b>Subtotal</b>		<b>\$425 – 525 thousand</b>	

Illustrative Framework 3-Year Cost Summary		Low	High
1	Investing in Infrastructure	7,175,000	10,250,000
2	Encouraging & Attracting Private Investment	3,100,000	5,150,000
3	Pursuing Grant Funds	150,000	250,000
4	Improving Built Environment	5,500,000	7,600,000
5	Utilizing Public Property	125,000	175,000
6	Collaborating with Local Groups	125,000	175,000
7	Marketing Blythe Region	375,000	425,000
8	Improving Workforce Development	-	-
9	Fostering Entrepreneurship & Helping Small Businesses	425,000	525,000
<b>Total</b>		<b>\$16,975,000</b>	<b>\$24,550,000</b>

 **Note:** Resource estimates are provided as a framework / starting point, and can vary based on County / City / community organization capacity, resources, and scope of action. Cost does not include allocation of current staff salaries.  
**Source:** Based on conversations with County staff

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

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## OPPORTUNITY AREAS



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## OPPORTUNITY AREAS OVERVIEW

Hobsonway & Intake

Colorado River Corridor



Airport Area

Hobsonway

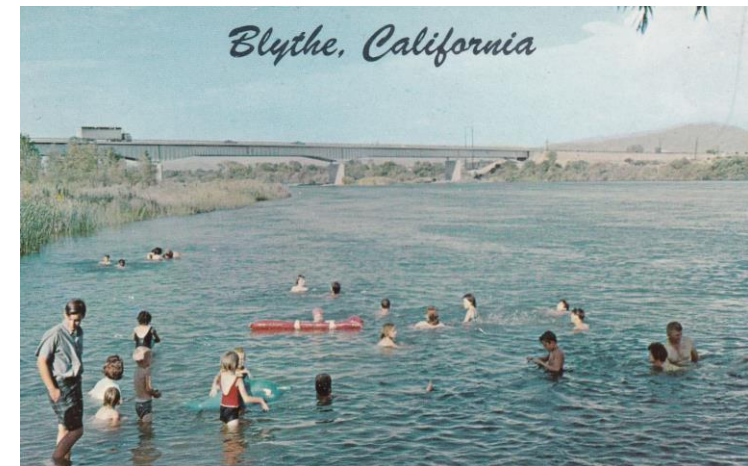
I-10 Corridor



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## OPPORTUNITY AREA COLORADO RIVER CORRIDOR

- The riverfronts of the Colorado River in the Blythe Region is known for family-friendly recreation, attracting visitors to enjoy boating, fishing, barbecuing, and other activities. Enhancing the riverfront area is a key opportunity for the Region – providing a valuable amenity for residents and an attractor for outside investment and tourism.
- The 2007 Colorado River Corridor Plan (*summarized on next page*) aims to increase riverfront development in the area, including residential, commercial, recreational, and open space uses. Hotel / restaurant / campgrounds / RV park uses can help to catalyze activity / investment in the riverfront area.
- While market conditions may have changed since the Plan was developed in 2007, waterfront-oriented development remains a strong opportunity – blending a community amenity, residential development, commercial activity, unique / experiential outdoor activities, and a regional tourism attraction.
- Catalyzing development may be challenged due to infrastructure costs and other project feasibility issues; the City / County can utilize several strategies to encourage investment at the site:
  - **Utilize Publicly-owned Property:** Publicly-owned park / marina property could be leased for hotel / restaurant / commercial uses to catalyze waterfront activity
  - **Grant Funding:** City / County can pursue private / state / federal grants to fund catalytic infrastructure and amenity projects in the Riverfront area
  - **Infrastructure Financing:** TIF and other tools – including partnerships with Riverside County – can help fund necessary infrastructure
  - **Tax Incentives:** City / County can provide tax rebates and other incentives, but this may trigger prevailing wage requirements





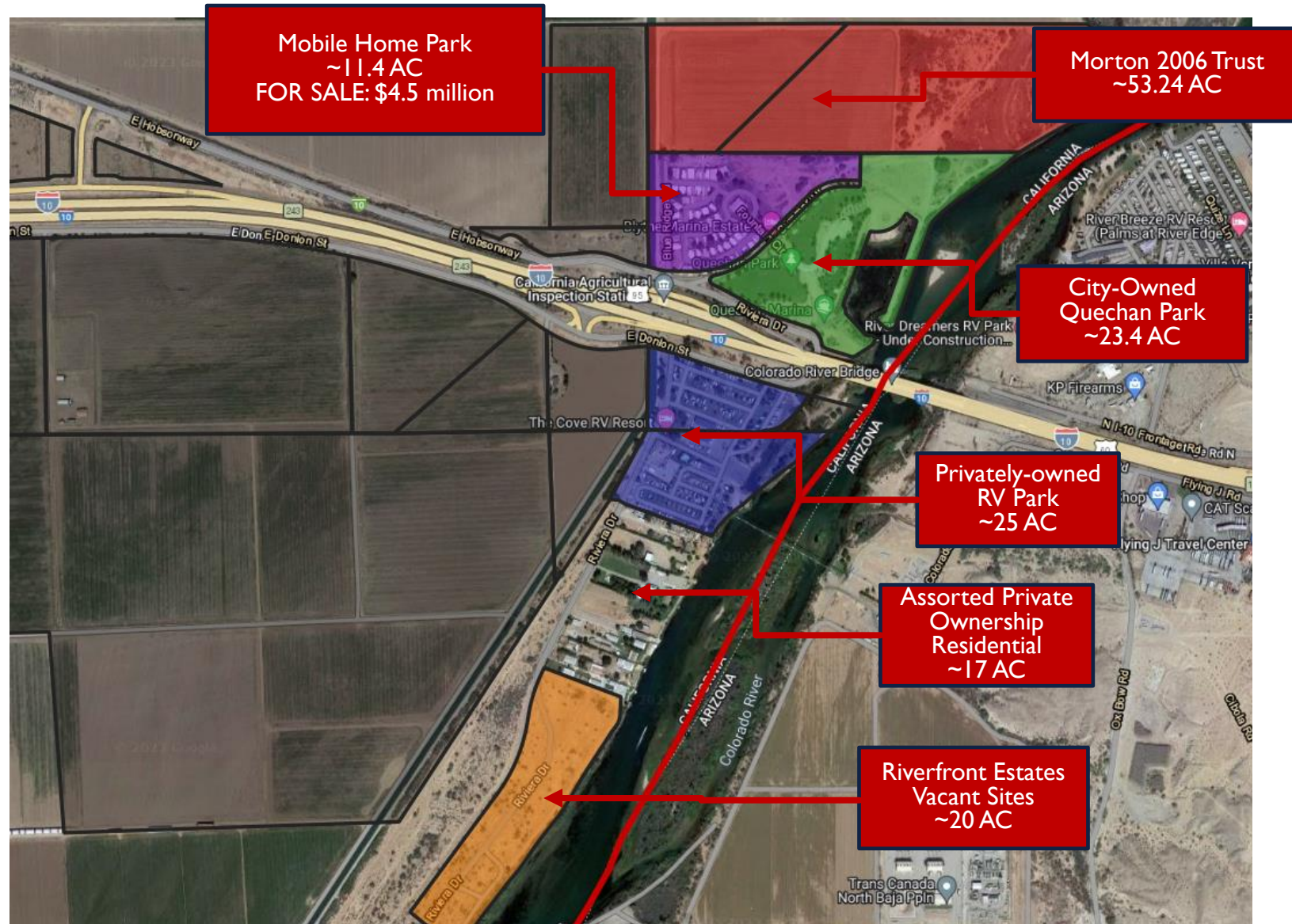


# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## OPPORTUNITY SITES COLORADO RIVER / I-10 AREA

Primary Opportunities are the City-owned Quechan Park and surrounding commercial sites to north / west – may be well positioned for a blend of land uses (recreational, residential, hotel, restaurant).

City ownership improves City's ability to engage in a Public-Private Partnership collaboration that could deliver commercial development (restaurant, hospitality, residential) as well as improved riverfront amenities and/or affordable housing per Surplus Land Act (SLA), subject to SLA compliance efforts currently underway.



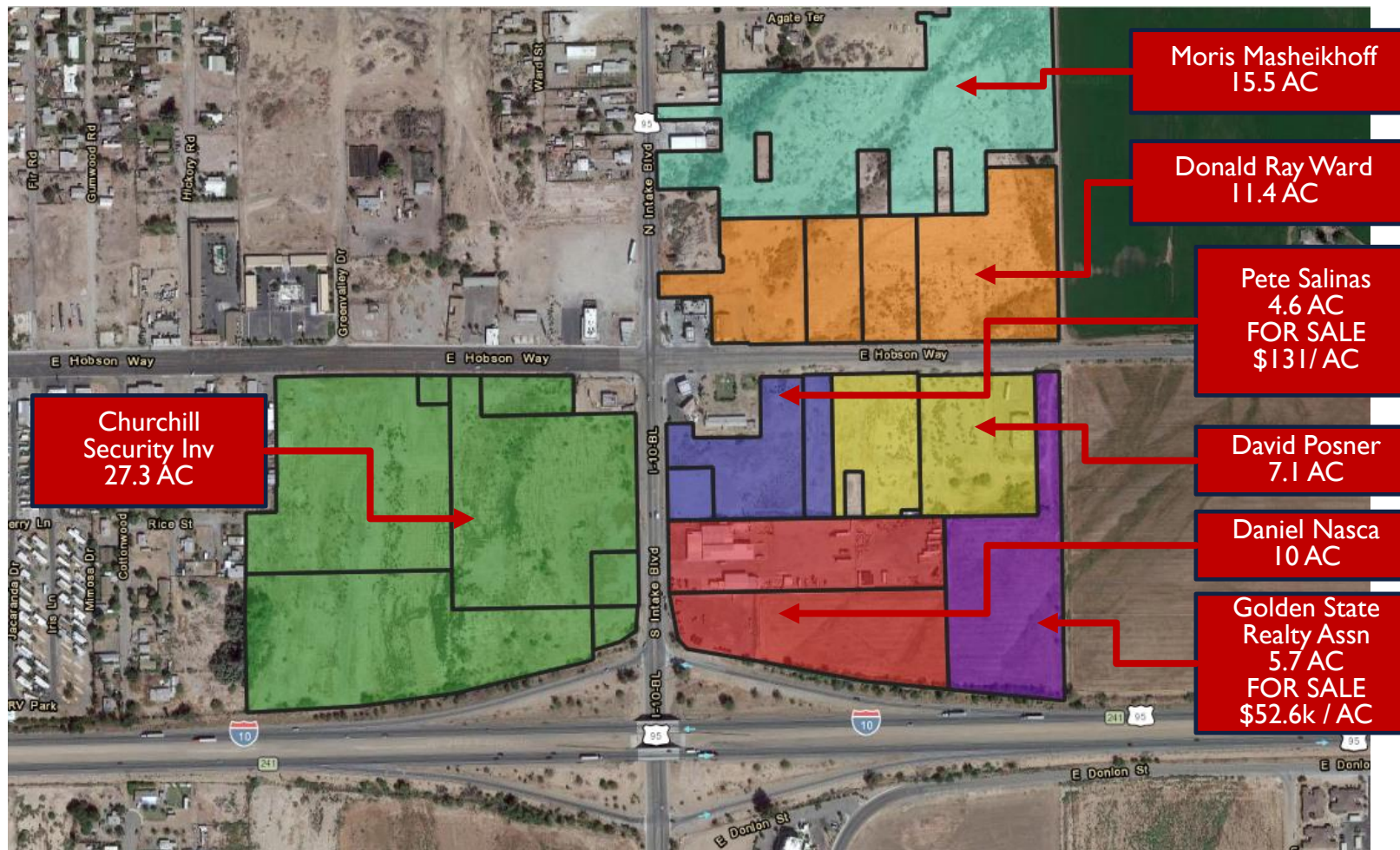


## OPPORTUNITY AREA HOBSONWAY & INTAKE BLVD

- Hobsonway is the main commercial corridor of the Blythe Region, and its intersection with Intake Blvd / US Route 95 has a number of large opportunity sites near the I-10 Freeway which may be well-suited for commercial development.
- Development sites in the area have attracted some interest from a variety of businesses (including EV Charging, RV Storage, Cannabis), however some potential projects have stalled due to challenges (site constraints, market conditions).
- The available sites in the area could be suitable for a variety of uses, including commercial development, residential development, EV charging facilities, industrial facilities, and hospitality.
- The City / County can utilize several strategies to encourage investment at the Site:
  - **Business Expansion, Attraction, and Retention (BEAR) Services:** Conduct outreach to property owners / businesses / developers to understand market opportunities / constraints and facilitate project shaping
  - **Infrastructure Financing:** TIF and other tools – including partnerships with Riverside County – can help fund necessary infrastructure
  - **Tax Incentives:** City / County can provide tax rebates and other incentives, but this may trigger prevailing wage requirements

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## OPPORTUNITY AREA HOBSONWAY & INTAKE BLVD



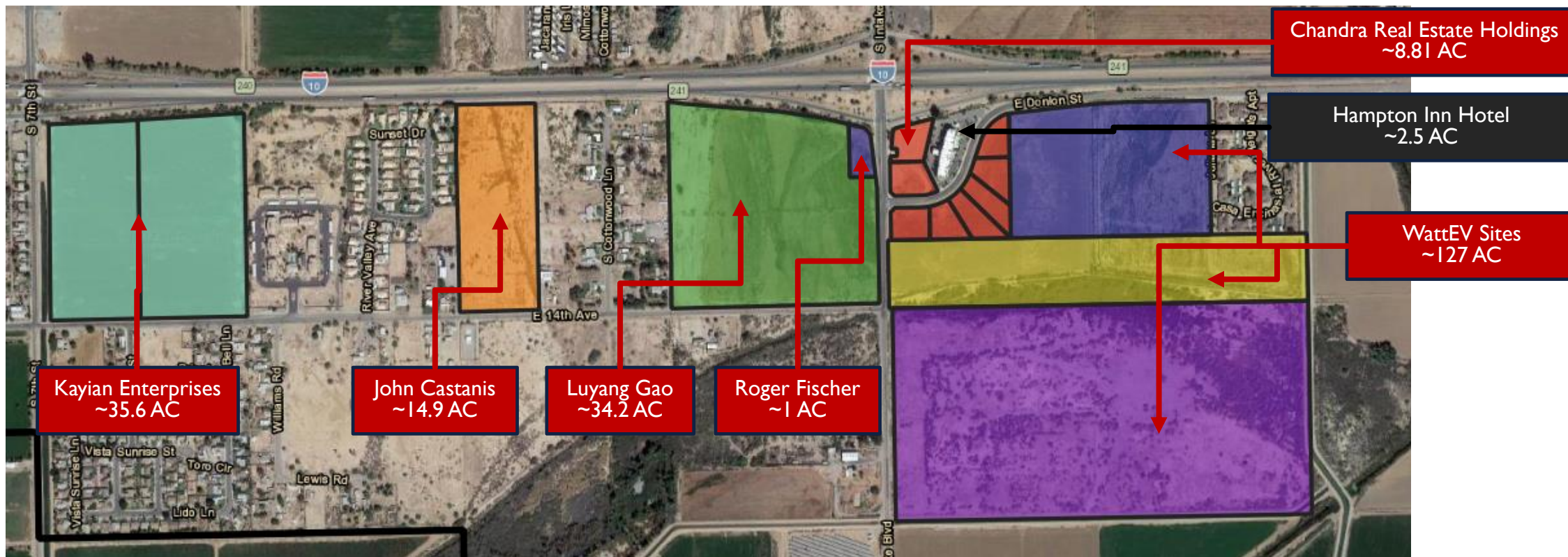
## OPPORTUNITY SITES I-10 CORRIDOR

- There are several large vacant sites available south of the I-10 freeway near the Intake Blvd interchange.
- Pads around the existing Hampton Inn hotel may be suited for restaurant, retail, and service station uses.
- The WattEV Charging Station project currently in planning stages is likely to include car / truck EV charging and support as well as retail and restaurant components.
- Other nearby sites may be suitable for industrial / logistics, agriculture support, visitor / tourist serving uses, and residential developments.
- The City / County can utilize several strategies to encourage investment at the Site:
  - **BEAR Services:** Conduct outreach to property owners / businesses / developers to understand market opportunities / constraints and facilitate project shaping
  - **Infrastructure Financing:** TIF and other tools – including partnerships with Riverside County – can help fund necessary infrastructure
  - **Tax Incentives:** City / County can provide tax rebates and other incentives, but this may trigger prevailing wage requirements



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## OPPORTUNITY SITES I-10 CORRIDOR



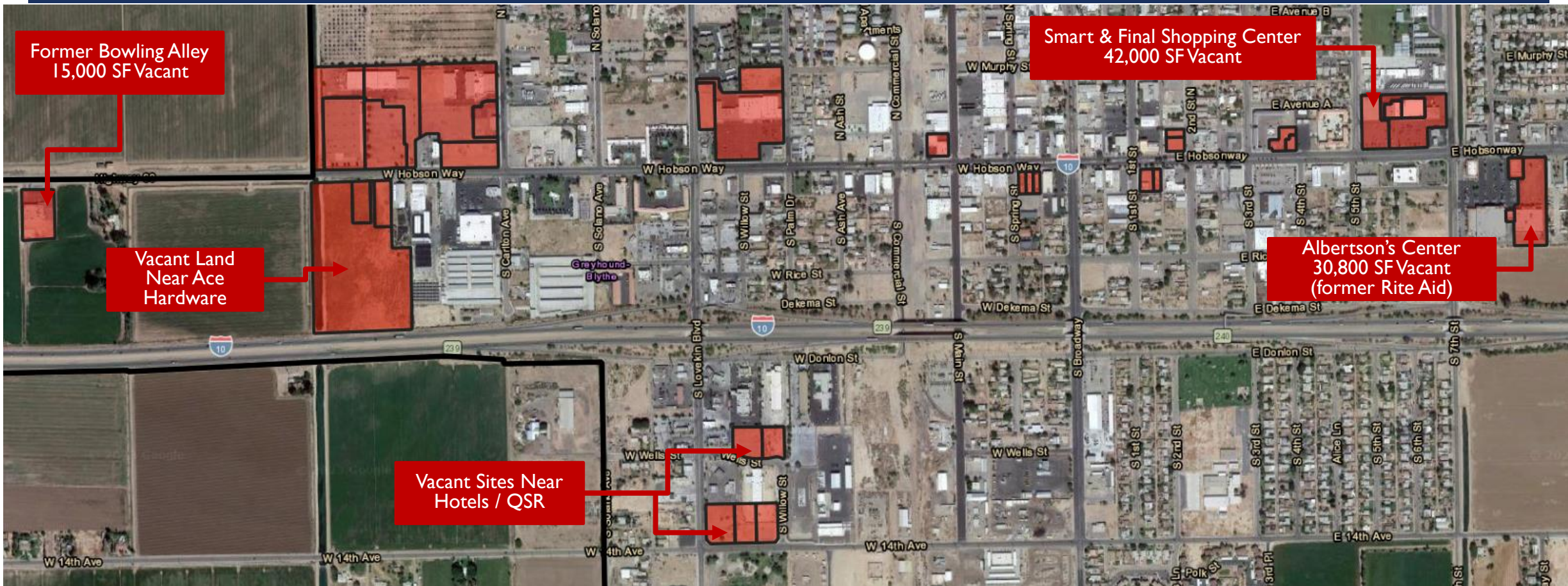
## OPPORTUNITY SITES HOBSONWAY COMMERCIAL SITES

- There are several commercial / retail buildings and sites available along the main commercial road, Hobsonway. Large existing buildings include the 42,000 SF building at the Smart & Final Shopping Center (NWQ Hobsonway & 7<sup>th</sup>), the 30,800 SF former Rite Aid at 890 E Hobsonway (Albertson's Center), and the 15,000 SF bowling alley at 1790 W Hobsonway. These existing buildings are an opportunity to attract retailers who may not want to invest in brand new buildings; however, building vacancy creates an undesirable commercial environment, and the cost of tenant improvements may be a barrier for redevelopment. There are also several smaller retail buildings that are available for new retail uses, as well as vacant sites.
- The City / County / Retail Consultants can utilize several strategies to encourage investment at the site:
  - **BEAR Services:** Focus recruitment efforts on retailers that can realistically be attracted to the Region to meet resident / freeway demand.
  - **Assess Project Feasibility Constraints** that may challenge the reuse of existing space or the ground-up development on vacant sites (such as changes in consumer demand, retailer preferences, infrastructure, property rehabilitation costs, etc.) Some sites may not be viable as retail sites, may need conversion / reconfiguration to allow additional uses, or may need financial assistance to make a project financially feasible.
  - **Consider Conversion to New Uses:** Some retail buildings / sites may not be suited for retail uses given current / future market conditions.



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## OPPORTUNITY SITES HOBSONWAY COMMERCIAL SITES



## OPPORTUNITY SITES AIRPORT AREA

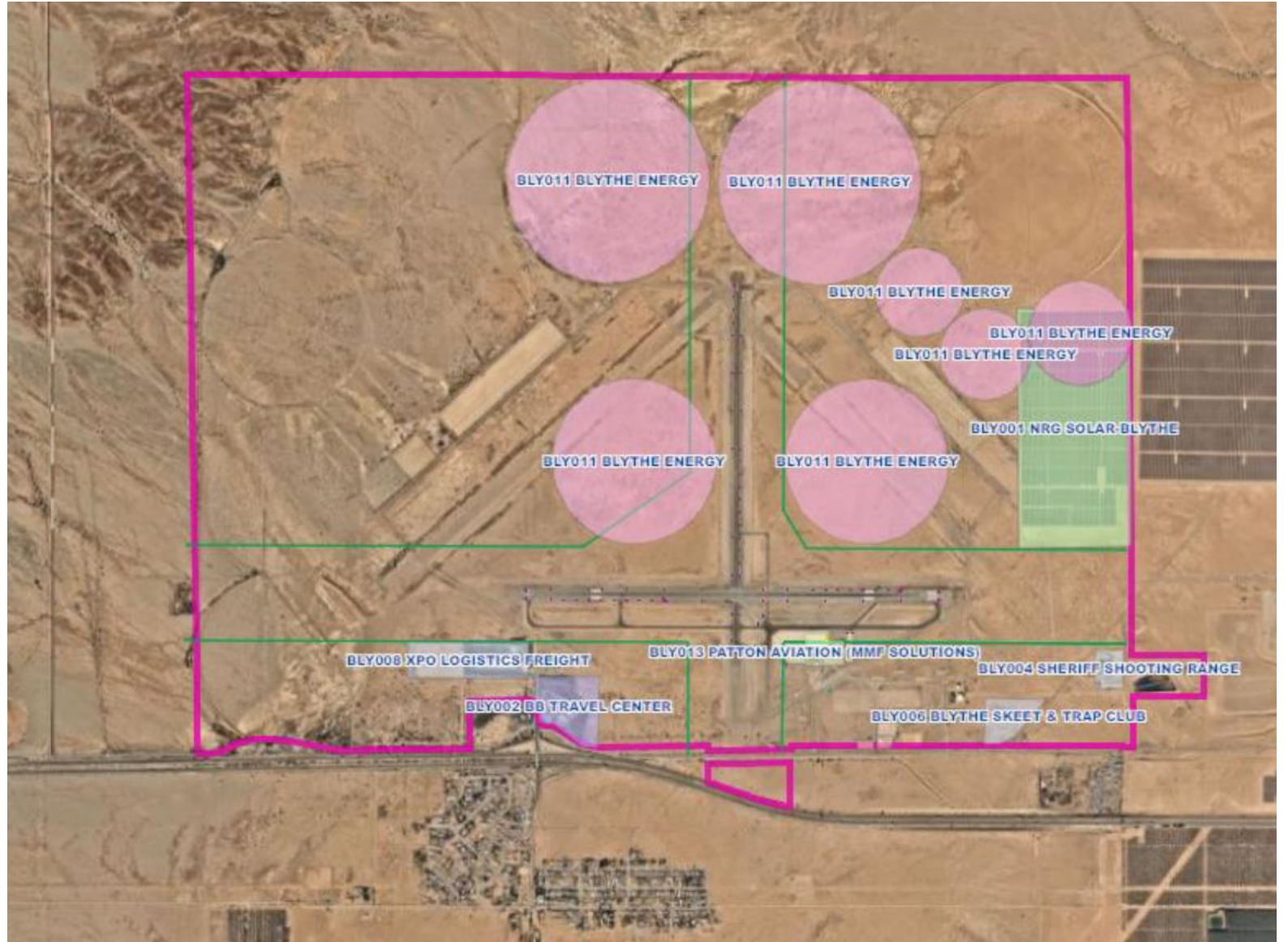
- The Blythe Airport is a general aviation facility that occupies a ~3,900-acre County-owned site. The Airport has two runways; according to FAA data, the airport is currently home to 2 based aircraft and averages ~37 aircraft operations per day.
- The Airport leases portions of the property for a variety of other uses, including a trucking / travel center, solar farm, and Blythe Energy. Additionally, there are other privately-owned opportunity sites in areas along the I-10 Freeway near Mesa Drive and Hobsonway.
- While portions of the Airport property have restrictions (e.g. height restrictions, aeronautical uses near runway areas, federal approval processes), other areas of the property – particularly those near the I-10 / Hobsonway – could be suited for leasing to aeronautical R&D / service, freeway-serving, industrial warehouse / logistics, and other commercial uses.
- Additionally, the County and Airport can explore the possibility of using the property for events / festivals. While the Airport property does not appear to have the infrastructure in place (e.g. paved parking, restrooms) or market area to support large-scale airshows, the property could be suited for smaller-scale events and festivals.
- The City / County / Business Recruitment Consultants can utilize several strategies to encourage investment at the Airport:
  - **BEAR Services:** Focus recruitment efforts on key segments of aerospace industry (e.g UAV/drone R&D and testing) and industrial / logistics.
  - **Infrastructure:** Evaluate available sites that could be suitable for development and the infrastructure that is needed to catalyze development. TIF and other tax incentives can potentially help fund necessary infrastructure.



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## OPPORTUNITY SITES AIRPORT AREA

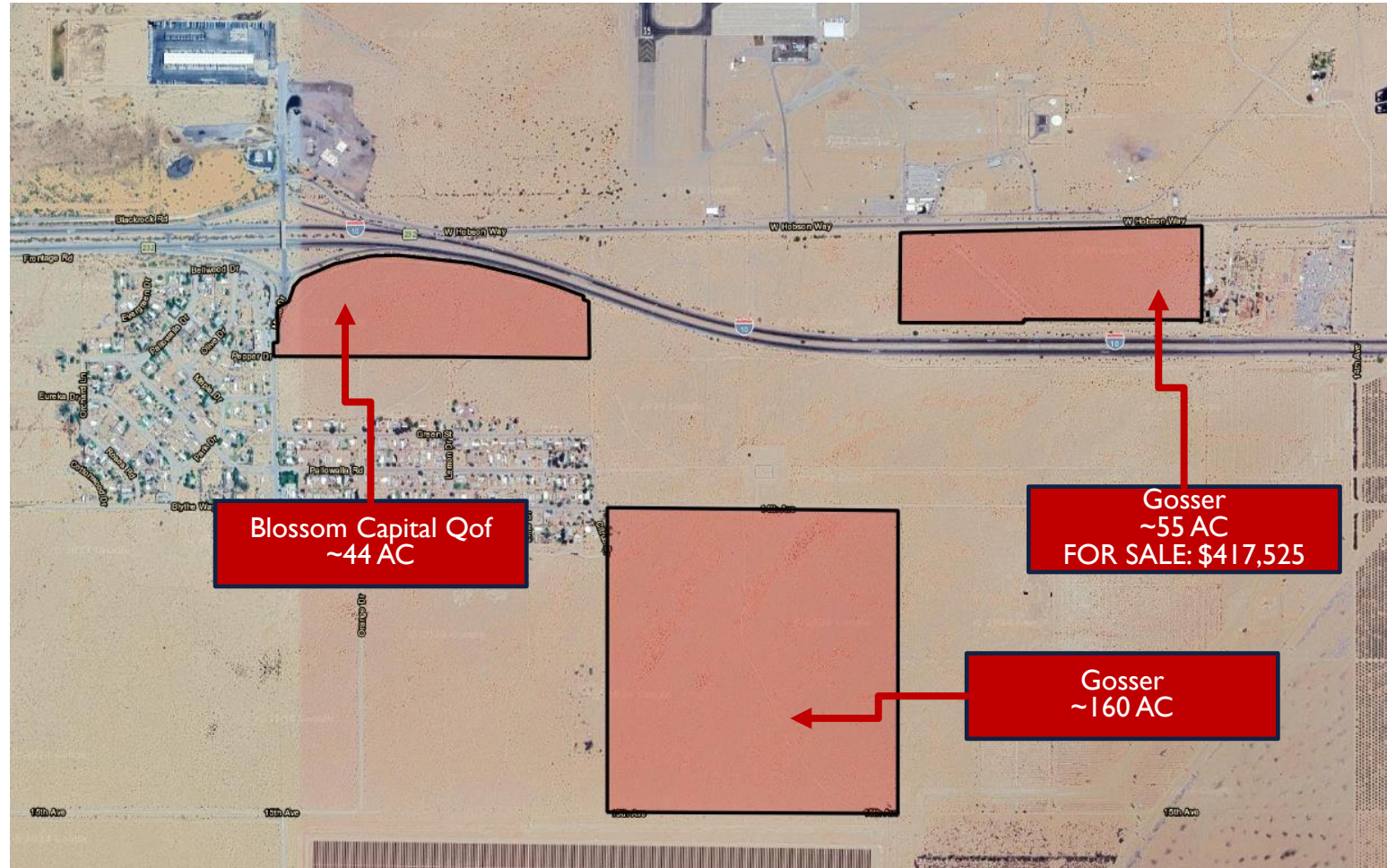
The map at right shows the Blythe Airport boundary (pink), the building restriction line (green), as well as shaded areas for the leases on the site.





# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## OPPORTUNITY SITES OTHER AIRPORT AREA SITES



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

	Strengths	Weaknesses	Opportunities	Threats
<b>Colorado River &amp; I-10 Area</b>	<p>Colorado River is a recreational amenity, can be an attractive component of new projects</p> <p>City-owned Quechan Park &amp; Marina give City real estate assets to utilize</p>	<p>Existing park / marina is relatively basic; area will likely need infrastructure improvements to facilitate new projects; declining availability of riverfront developable land due to state acquisition</p>	<p>Improved park / marina facilities can attract more visitors and be a stronger anchor amenity; riverfront areas could be well-suited for Hotel / restaurant / RV park uses that can help to catalyze visitor activity and other investment in the Riverfront area (e.g. residential).</p>	<p>Stagnating or declining residential population (e.g. due to prison closure, fallowing of agricultural land) can make it difficult to attract retailers or businesses to area</p> <p>Challenging real estate investment / construction environment due to high interest rates and construction costs – impacts project feasibility</p> <p>Competition with opportunity sites in Arizona, which has a lower tax and regulatory environment</p>
<b>Hobsonway &amp; Intake Area</b>	<p>Major intersection in City well-located near I-10 Freeway; historic developer interest; large vacant development sites available</p>	<p>Some projects in the area have stalled due to challenges (site constraints, market conditions); relative lack of existing development means the area is not yet an established “destination”</p>	<p>Large sites may be suitable for EV charging, cannabis facilities, hospitality, residential development</p>	
<b>I-10 Corridor Area</b>	<p>Good access / visibility from I-10 freeway; large vacant development sites; some recent interest from developers</p>	<p>Some projects in the area have stalled due to challenges (site constraints, market conditions); relative lack of existing development means the area is not yet an established “destination”</p>	<p>Area well-suited for EV Charging and supportive retail / restaurant / hospitality components, as well as logistics / industrial</p>	
<b>Hobsonway Commercial Area</b>	<p>Main commercial corridor in City, includes grocery-anchored centers and local-serving retail; close proximity to I-10 corridor and freeway-serving hotel / retail</p>	<p>Commercial areas can appear shuttered / unattractive due to vacancy, property maintenance, streetscape, and other issues; some key retail categories are missing (e.g. clothing); existing vacant buildings may have deferred maintenance and high tenant improvement costs that make projects infeasible</p>	<p>Vacant boxes – with proactive assistance – may be able to attract new retailers or other projects that can improve activity along commercial corridor</p>	
<b>Airport Area</b>	<p>County-owned community asset; good access / visibility from I-10 Freeway; large vacant development sites; some commercial activity occurring</p>	<p>Infrastructure challenges (e.g. road, water); Airport drives some activity but also comes with use limitations (need to limit impact on air operations); approval processes require coordination with Federal agencies</p>	<p>Could be suited for aeronautical R&amp;D, freeway-serving, industrial warehouse / logistics, and other commercial uses; opportunity to use Airport for events / festivals</p>	

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

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## ECONOMIC DEVELOPMENT IMPLEMENTATION TOOLKIT

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## ECONOMIC DEVELOPMENT IMPLEMENTATION TOOLKIT

<b>Business Expansion, Attraction, and Retention (BEAR)</b>	Focus on business and developer outreach to support existing / new businesses and deliver quality jobs and fiscal revenues
<b>Zoning &amp; Land Use</b>	Zoning and entitlements create value; capture the value from zoning changes to link new density to community benefits and public amenities.
<b>Grants and Other Public Funding</b>	Pursue grant funds available at the state and local level for infrastructure, housing, and other projects.
<b>Public-Private Partnerships</b>	Share risks and rewards of development with private sector project developers for catalytic projects
<b>Special Districts for Infrastructure Financing CFDs, EIFDs, CRDs</b>	Use TIF and other district tools (such as Enhanced Infrastructure Financing Districts – EIFDs and Climate Resilience Districts) to capture taxes from assessed value increases to fund infrastructure needs.
<b>Tax Incentives</b>	Provide additional project revenues and increase project feasibility through tax agreements and incentives
<b>Marketing Activities</b>	Market the City, its businesses, and events to local / regional residents and tourists

## BUSINESS ATTRACTION

Business Expansion, Attraction, and Retention (BEAR) strategies focus on business and developer outreach to deliver quality jobs and fiscal revenue. Different strategies to consider include:

- **Support:** Help existing business through regular check-ins, assistance with resources, and networking opportunities
- **Marketing:** Highlight the Region as a business-friendly destination with community assets, talented workforce, and success stories
- **Outreach:** Conduct target outreach to developers, businesses, and brokers with opportunity site marketing collateral, correspondence, meetings / site tours, and participation at industry events
- **Collaboration:** Foster a supportive environment between businesses, universities, industry groups, and government entities
- **Incentives / Regulatory Reform:** Consider regulatory reform efforts, such as permit streamlining, development code changes, and other policies to foster a business-friendly environment



## PUBLIC-PRIVATE PARTNERSHIPS (P3s)

Public-private partnerships are collaborations between local governments / public entities and private developers / landowners / investors. Through these partnerships, cities can work with developers to share resources / expertise / risk and deliver projects that include public infrastructure, amenities, and other benefits to the community.

These partnerships have a number of benefits:

- **Leveraging Private Sector Expertise / Efficiency:** In some public-private partnerships, cities are able to reduce administrative burdens and increase the efficiency of delivering infrastructure projects / services by utilizing private sector expertise / management.
- **Accessing Funding / Financing:** Public-private partnerships allow cities to attract private-sector financing for development projects, and allow the public and private sector to share costs and risks – making projects more attractive and feasible to both the public and private sector participants.
- **Accelerating Project Delivery:** Some public-private partnerships can leverage the private sector's capacity to manage complex development projects, expediting the planning / design / construction of development projects. This can reduce the time and cost of completing a project.

### Examples of Public-Private Partnership Strategies

- City / County can provide low to no cost land, investment, assist with financing (e.g. provide a revenue back-stop to assist with securing loan / reducing interest rate / increasing leverage) to improve developer return on equity.
- City / County can buy property and act as developer – finding partners to deliver a project with desired components. Requires substantial public investment, debt, and risk.
- City / County can explore public-private partnership models that utilize City buildings / properties as anchor tenant and provide additional space for private-sector tenants.
- City / County can buy a portion of a project's land (plaza, roads) to be public property, helping to lower the cost of developer improvements.

## SPECIAL DISTRICTS FOR INFRASTRUCTURE FINANCING

Public agencies can utilize a variety of tax increment financing (TIF) district tools to fund infrastructure projects that can help to motivate private investment. This includes Enhanced Infrastructure Financing Districts (EIFDs), community facilities districts (CFDs), and business improvement districts (BIDs). These special districts are not mutually exclusive, and can work well together to advance goals of motivating private investment.

Enhanced Infrastructure Financing Districts (EIFDs) may be well suited for some of the Region's opportunity areas that have significant infrastructure needs (roads / connectivity, water / sewer, electricity, telecom / broadband, etc.).

EIFDs utilize property tax revenues from new development to finance public infrastructure projects without introducing new or increased taxes.

EIFD project areas do not have to be contiguous, allowing them to target specific areas of high development and high infrastructure need.

The district commitment of revenues toward infrastructure can induce private sector investment, accelerate growth, create jobs, and capture / grow fiscal revenues.

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## SPECIAL DISTRICTS FOR INFRASTRUCTURE FINANCING FUNDAMENTALS OF EIFDS

<b>Tax Increment Financing</b>	Tax increment from new development / assessed value increase used to <u>fund infrastructure projects in approved project areas</u>
<b>Long-term Districts</b>	Up to 45-year districts from first bond issuance; Districts provide <u>long-term, committed revenues</u> in targeted investment areas; Districts can be created in 12-18 months
<b>Non-Contiguous Areas</b>	EIFD project areas <u>do not have to be contiguous</u> , allowing them to target specific sites / areas and making them compatible with other zoning / entitlement strategies
<b>Eligible Projects</b>	Any property with useful life of 15+ years and of communitywide significance; purchase, construction, expansion, improvement, seismic retrofit, rehabilitation, and <u>maintenance</u>
<b>Return on Investment</b>	Private sector investment induced by District commitment accelerates growth of <u>net fiscal revenues, job creation, housing production, essential infrastructure improvements</u>
<b>Attract Additional Funds</b>	Allows community to attract <u>tax increment from other entities</u> (cities, special districts), <u>federal / state grants &amp; loans</u> (TOD, water, housing, parks), brownfield funding



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## SPECIAL DISTRICTS FOR INFRASTRUCTURE FINANCING OTHER DISTRICT TOOLS

<b>Property Business Improvement Districts (PBID)</b>	Property Business Improvement Districts are special assessments levied on real property to fund improvements and promote activities the benefit the properties located within the PBID area. This includes capital improvements, parking facilities, street / streetscape improvements, lighting and landscaping, marketing and promotion, and business attraction / retention. The special assessment amount that each property owner pays must be directly proportional to the benefit received.
<b>Community Facilities District (CFD)</b>	Community Facility Districts are a new property assessment or "special tax" that appears as a separate line item on a tax bill and can be used to fund infrastructure / services that benefit the property. This includes transportation, parking, street / utility improvements, hazardous waste remediation, street lighting / sidewalk, and public services. CFDs are useful because they provide early financing for a variety of critical services and infrastructure. CFDs also pair well with EIFDs as a value capture strategy – with CFDs providing early funding and EIFDs providing funds as projects are constructed, and tax increment grows.
<b>Parking Authority District</b>	Parking Authority Districts can utilize a variety of funding sources – including bonds, ad valorem taxes, user fees, parking meter charges, parking revenues, and City / County contributions – to fund improvements such as parking lots, structures, and alterations to circulatory infrastructure to facilitate ingress and egress.
<b>Climate Resilience District (CRD)</b>	Climate Resilience Districts are a new type of district can fund projects to mitigate climate change. These districts have broad financing powers, and can fund a wide range of eligible projects, including projects that address sea level rise / flooding, extreme weather, wildfire, and drought.

## GRANTS AND OTHER PUBLIC FUNDING

There is a wide variety of grant programs and funding sources available through the state and federal government. New grant programs are added every year, many with a focus on housing and climate resiliency. Cities / counties should periodically review available grant sources and pursue grants that align with the community's economic development goals (a grant-writing firm can provide assistance if internal resources are limited).

Three current programs that give some preference to EIFDs are:

### Infill Infrastructure Grants (IIG)

Grants for infill projects / areas, gap funding for infrastructure for residential / mixed-use with some affordability requirements; awards range between \$1 - \$7.5 million

### Affordable Housing and Sustainable Communities Program (AHSC)

Grants for affordable housing, housing infrastructure, transportation, related amenities, and program costs; awards range between \$1 - \$30 million

### Transformative Climate Communities (TCC)

Funds community-led development and infrastructure projects that achieve environmental / health / economic benefits in the state's most disadvantaged communities.

### **Recent Economic Development & Climate Grant / Funding Programs**

- Regional Early Action Planning (REAP)
- Local Early Action Planning (LEAP)
- Infill Infrastructure Grants (IIG)
- Affordable Housing and Sustainable Communities (AHSC)
- Community Economic Resilience Fund (CERF)
- Multifamily Housing Program (MHP)
- ICARP Regional Resilience Grant Program (RRGP)
- Infrastructure State Revolving Fund (ISRF)
- Homeless Housing, Assistance, and Prevention (HHAP)
- Infrastructure State Revolving Fund (ISRF)
- Coastal Conservancy Grants
- Adaptation Planning Grant Program (APGP)
- Strategic Growth Council grants
- Infrastructure Investment and Jobs Act (IIJA)

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## GRANTS AND OTHER PUBLIC FUNDING

Funding Source / Grant	Purpose
Infill Infrastructure Grant (IIG) Program <i>(EIFD Preference)</i>	<ul style="list-style-type: none"> <li>- IIG provides grants for capital improvement projects for qualifying infill projects or qualifying infill areas</li> <li>- Used for gap funding to infrastructure improvements for residential or mixed-use developments</li> <li>- Eligible activities: construction, rehab, demolition, relocation, preservation, and acquisition of infrastructure</li> <li>- Affordability threshold: No less than 15% of units as “affordable” units</li> <li>- Assistance terms: Minimum award (\$1M), maximum award (\$7.5M)</li> </ul>
Affordable Housing and Sustainable Communities (AHSC) Program <i>(EIFD Preference)</i>	<ul style="list-style-type: none"> <li>- The AHSC Program assists project areas by providing grants and/or loans to a locality, public housing authority, JPA, developer, or facilities districts, that will achieve greenhouse gas (GHG) emissions reduction and benefit Disadvantaged communities through increasing accessibility of affordable housing, employment centers, and key destinations via low-carbon transportation</li> <li>- Assistance terms: Minimum award (\$1M), maximum award (\$30M)</li> <li>- Eligible activities: new construction, acquisition, or rehab of affordable housing; housing infrastructure; sustainable transportation infrastructure and related amenities, program costs (active transportation)</li> <li>- Affordability threshold: 20% of homes at 80% median household income (MHI)</li> </ul>
Multifamily Housing Program (MHP)	<ul style="list-style-type: none"> <li>- MHP assist the new construction, rehab, and preservation of permanent and transitional rental housing for lower income households, or the conversion of a non-residential structure to rental housing</li> <li>- Eligible activities: property acquisition, land lease payments, construction and rehabilitation work, offsite improvements (e.g. sewer, utilities, and streets directly related to housing development)</li> <li>- Assistance terms: Maximum award (\$20M), base loan various from \$150K and \$175K based on type of unit</li> </ul>
Transit-Oriented Development (TOD) Housing Program	<ul style="list-style-type: none"> <li>- Program offers low-interest loans as gap financing for rental housing developments near transit that include affordable units. Grants are available to localities and transit agencies for infrastructure improvements necessary for the development of specified housing projects or to facilitate connections between the project and the transit station</li> <li>- Eligible applicants: developers for rental housing projects; municipalities/transit agencies for infrastructure projects</li> <li>- Assistance terms: Maximum award for a single project is \$15M</li> </ul>

## REAL ESTATE STRATEGIES PUBLICLY-OWNED PROPERTY

Public agency land is often under-utilized, offering the potential to increase value and revenues (e.g., property tax, sales tax, TOT). Local government-owned real estate can be leveraged to increase revenue and help stimulate economic development projects. The land can include former redevelopment Agency (“RDA”) properties, public use properties (civic centers, fire stations, recreation), and surplus property (city, school district, utility, other), rights of way (streets, alleys, parking lots and parking structures).

The State, in its push to have cities develop more affordable housing, has made subsequent legislative changes (e.g., AB 1486) to strengthen the Surplus Land Act (SLA). The SLA now requires all public agencies in the State of California to first offer a property for sale or lease to ‘housing sponsors’ and affordable housing developers prior to the sale or lease of the asset (unless otherwise exempt) and will assess penalties if a public agency is not in compliance.

### Key Strategies include:

- **Performance-Based Leases / Ground Leases:** Local government can maintain ownership and leverage an income stream from an asset via a ground lease (e.g., lease revenues) as well as establish a rent structure based on specific performance benchmarks thereby reducing risk for lenders/private investors.
- **Monetizing Assets:** Local government can raise revenues by monetizing assets such as surface parking lots / garages.
- **Acquisition or Sale of Property:** Local government can make strategic acquisitions and/or sell property for preferred private development opportunities, as well as utilize strategies such as lease-back strategies, continued operation of existing use, and redevelopment of properties into new uses.

## REAL ESTATE STRATEGIES PRIVATELY-OWNED PROPERTY

Cities / Counties can pro-actively reach out to select private property owners to facilitate real estate developments to advance the community's economic development goals.

- **Property Owner Outreach** – collaborate with property owners to understand their plans for properties, challenges that they face with development, and opportunities that may align with economic development goals.
- **Rehabilitation / Renovation** – encourage rehabilitation and/or renovation of facilities, signage or store-front facades; can include public programs such as façade improvement loans / grants, or assisting with identifying other sources of funding
- **Marketing** – Conduct marketing activities, such as developer or building outreach, in coordination with property owner
- **Public-Private Partnerships (P3)** – Enter into formal partnerships with property-owners that commit local government resources to fund improvements that will advance both the property owner's goals for development and the community's goals for economic development

## ZONING AND LAND USE STRATEGIES ENTITLEMENT AND PERMITTING PROCESSES

Permitting processing delays (i.e. Zoning Variances, Conditional Use Permits) have the potential to tie up private resources and discourage investor interest, it can have a significant impact on business formation and economic activity.

Permit processing for new businesses can be an expensive and high-risk endeavor – often featuring multiple public meetings, and uncertainty whether permits will ultimately be approved.

At the same time, planning and building departments can have strained resources and staffing, increasing application review time and limiting staff resources to assist applicants.

### Key Strategies include:

- **Increase Flexibility:** Review and revamp zoning and permitting requirements to ensure flexible requirements that can accommodate market and changing business and customer dynamics.
- **Streamline Process:** Identify business and project categories that are particularly beneficial and create a fast and predictable process for review / approval.
- **Encourage Active Uses:** Provide an easy permit process for interesting and dynamic uses – such as pop-up users, live music / events, outdoor dining permits, and artistic improvements / installations – that can enhance the area.
- **Incentivize Reuse of Struggling Spaces:** Provide flexible building permit rules for properties suited for adaptive reuse and incentivize conversion of vacant commercial buildings into other uses (such as office, hotel, residential).
- **Specialize:** Tailor requirements for infill development to recognize the often-challenging circumstances involved in infill developments.

## ZONING AND LAND USE STRATEGIES DEVELOPMENT OPPORTUNITY RESERVE D.O.R.®

Zoning and entitlements create value. Cities can avoid simply giving that value away, and instead capture that value as currency to support community benefits and public amenities.

**Old Playbook:**  
Rezone Areas for New Density  
and Expect New Development

Rezoning gives the value of the new density to current property owners: inflated land values, limited possibility of development

**New Playbook:**  
Bank Density with Development  
Opportunity Reserve D.O.R.®

D.O.R.® allows cities to create a “bank” of new density in zoning / specific plans, allowing them to give the density to projects that deliver **community benefits & public amenities**



## ZONING AND LAND USE STRATEGIES

### DEVELOPMENT OPPORTUNITY RESERVE D.O.R.<sup>®</sup> - PROCESS

#### Create D.O.R.<sup>®</sup>

##### Step 1

Conduct market / economic density analysis to understand development potential.  
Identify sites and areas within community as areas targeted for new development.

##### Step 2

Use planning process to create a reserve bank of density to use in target areas and create an amenity list of desired community benefits and advance projects.

#### Implement D.O.R.<sup>®</sup>

##### Step 3

Development Projects apply for density from the DOR in exchange for amenities and community benefits delivered.

##### Step 4

City & Developer sign a Development Agreement, assigning D.O.R.<sup>®</sup> density to project with contractual commitment to deliver amenities or infrastructure.

## SUBSIDIES / TAX-SHARING AGREEMENTS

Cities can offer property tax abatements, sales tax rebates, hotel tax rebates, and other tax-related incentives to increase project revenues and improve a project's financial feasibility. While these tools are not used frequently, they include:

- **Direct Subsidies:** a City / County can provide funds directly to a project, or otherwise fund on-site improvements, using general fund revenues
- **Sales Tax Reimbursement Pledges:** a City / County enters into an agreement with a developer / business to either reimburse or share a portion of the sales tax revenues generated by a project with the business owner or developer. The percentage of sales tax revenues committed, the duration of the pledge, and other benchmarks / performance requirements.
- **Property Tax Reimbursement Agreements:** a City / County enters into an agreement with a developer / business to reimburse or share a portion of the property tax revenues generated by a project with the business owner or developer. The percentage of property tax revenues committed, the duration of the pledge, and other benchmarks / performance requirements

### **Subsidy / Tax-Sharing Agreement Challenges**

#### Prevailing Wage

Subsidies / tax-sharing agreements may trigger prevailing wage requirements for a project, increasing labor costs.

#### Cost / Impact on Tax Base

Subsidies / tax-sharing agreements may put pressure on local government budgets

## GOVERNMENT FUNDING AND FINANCING STRATEGIES REDUCE DEBT COSTS & PURSUE INVESTMENT OPPORTUNITIES

The following financing mechanisms can be utilized to generate savings and create general fund resources for community reinvestment, in order to encourage private investment and other tax-generating development.

### Lease Revenue Bonds

Lease Revenue Bonds are issued by a public entity (e.g., Joint Powers Authority) and can be used to finance vital capital improvements to be leased to a public agency. The bonds are payable solely from lease payments paid by a public agency.

### Lease-leaseback (P3) Structures

Lease-leaseback structures give cities the opportunity to cut costs and deliver public projects through strategic public-private partnership (P3) project delivery. The lease and subsequent sublease of assets between two public agencies enables lease payments to be leveraged (borrowed). These strategies can also come with procurement and project timing advantages. For example, an existing building facility can utilize lease payments immediately without the need to fund capitalized interest.

### Cash-Flow Management Programs

Improved cash flow management can generate enhanced revenues from cash resources. Customized cash flow modelling can maximize portfolio size and increase funds that are available. Bond refunding could be a strategy that generates savings. These enhanced short-term returns can then be utilized for community revitalization projects – reducing debt payments can create capacity to pursue economic development programs.

## DATA APPENDIX

### DEMOGRAPHIC / ECONOMIC DATA

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## DEMOGRAPHIC OVERVIEW

- The City of Blythe has a population of ~18,500 (non-institutional population of ~12,500), with overall population declining by ~16% since 2000.
- **Average Household Size** is 2.7 persons
- **Median Age** is ~33 years
- ~12% achieving **at least a Bachelor’s Degree**
- City **Average Household Income** is \$76,700
- Blythe sees ~3,167 people coming into the City to work with ~3,581 commuting outside, for Net **Outflow** of ~414 jobs, with many workers coming from within Blythe, Ehrenberg, AZ, Los Angeles, and Riverside, amongst others.

2023	Blythe City	Blythe City (Excl. Prisons)	30-mile radius	Riverside County
Population	18,455	12,470	25,729	2,483,025
Households	4,507	4,507	7,876	784,880
Average HH Size	2.7	2.7	2.5	3.1
Median Age	33.8	32.8	37.9	35.5
% Bachelor's Degree or Higher	8.7%	11.9%	11.6%	25.7%
Hispanic Population %	61.4%	60.3%	53.5%	51.2%
Per Capita Income	\$19,832	\$27,794	\$22,674	\$35,493
Median HH Income	\$54,771	\$54,545	\$46,995	\$81,928
Average HH Income	\$76,644	\$76,688	\$71,339	\$112,103
Median Home Value	\$157,921	\$159,274	\$139,708	\$526,846
<i>Historic Trends and Projections</i>				
Population Growth, 2010 - 2022 (Annual)	-1.05%		-1.66%	1.22%
Projected Population Growth, 2022 - 2027 (Annual)	0.23%		0.03%	0.47%

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## COMPARISON OF NEARBY COMMUNITIES

City	Demographics	Description
Blythe, CA	18,460 people \$76.6k Avg HHI	Located on the California-Arizona border along the Colorado River, Blythe is known for its agriculture, recreational activities on the river, and its location along Interstate 10.
Mesa Verde CDP, CA	690 people \$68.6k Avg HHI	A smaller community located west of Blythe that is primarily residential.
Ripley CDP, CA	510 people \$42.6k Avg HHI	Located to south of Blythe, Ripley is a small community known for its agricultural activities.
Palo Verde CDP, CA	260 people \$55.9k Avg HHI	A small community located to the south of Blythe, it's set in the Palo Verde Valley and is known for its agricultural activities.
Desert Center CDP, CA	250 people \$71.2k Avg HHI	Situated to the west of Blythe along I-10, Desert Center is a small, remote community in the middle of the desert, known historically as a pit stop for travelers.
Ehrenberg, AZ	670 people \$45.7k Avg HHI	Located directly across the Colorado River to the east of Blythe, Ehrenberg is a small town in Arizona known for its historic sites and as a stopping point along I-10.
Quartzsite, AZ	2,290 people \$68.5k Avg HHI	Situated east of Blythe and Ehrenberg in Arizona, Quartzsite is renowned for its massive rock and gem shows, attracting RV enthusiasts and vendors during its winter season.
La Paz Valley CDP, AZ	340 people \$39.3k Avg HHI	Located south of Quartzsite, La Paz Valley is a smaller desert community with a residential focus.
Cibola CDP, AZ	240 people \$58.9k Avg HHI	Located south of Blythe along the Colorado River, Cibola is a small community that hosts the Cibola National Wildlife Refuge, a popular spot for birdwatching of migratory birds.
Poston, AZ	160 people \$54.9k Avg HHI	Located northeast of Blythe in Arizona, Poston is historically significant as the site of one of the Japanese American internment camps during World War II.
Parker, AZ	3,360 people \$75.8k Avg HHI	Located northeast of Blythe, Parker is a more substantial community along the Colorado River, known for its tourism / recreational activities, particularly boating, fishing, and jet skiing.
Big River CDP, CA	940 people \$56.4k Avg HHI	Located near Parker but on the California side of the Colorado River, Big River is primarily a residential community with opportunities for river recreation such as boating and fishing.

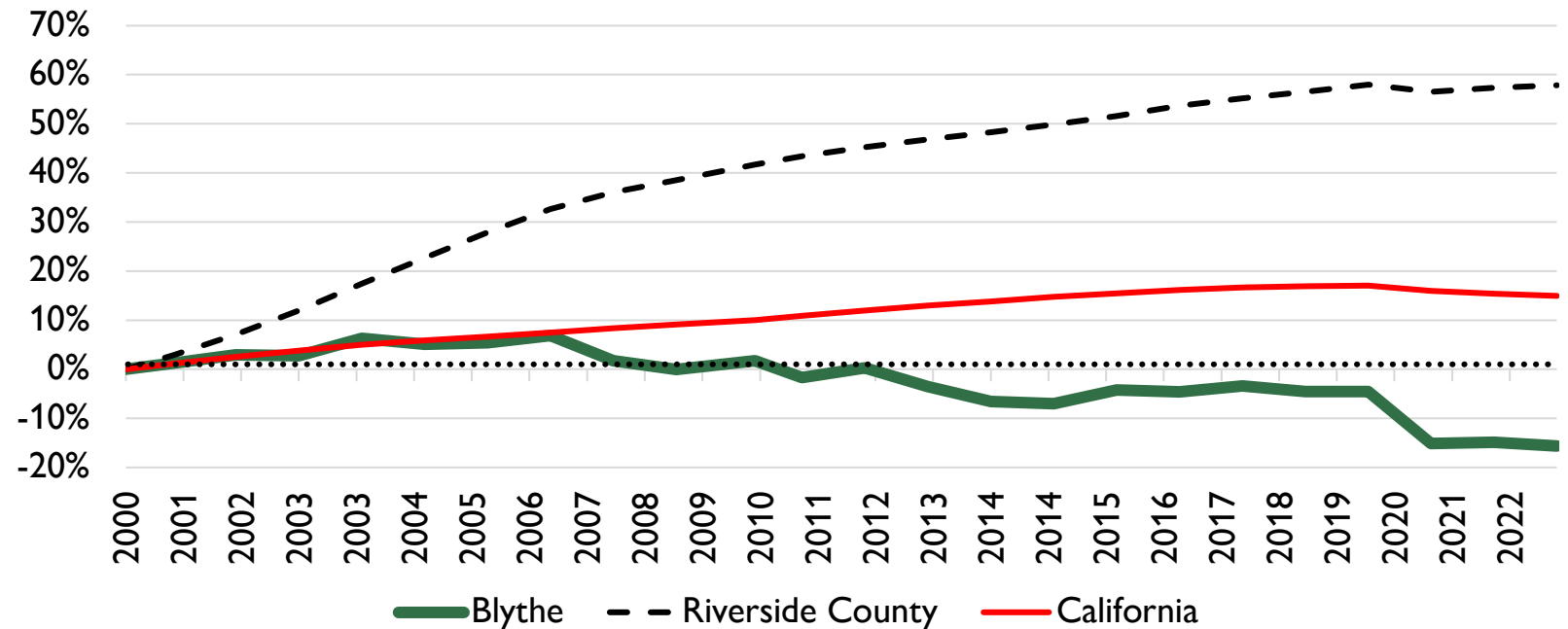


# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## CUMULATIVE POPULATION GROWTH, 2000 – 2022 TOTAL POPULATION

The City of Blythe has seen a population decline of ~16% since 2000, significantly lower than Riverside County's growth of 58% over the same time period.

### Population Growth 2000-2023



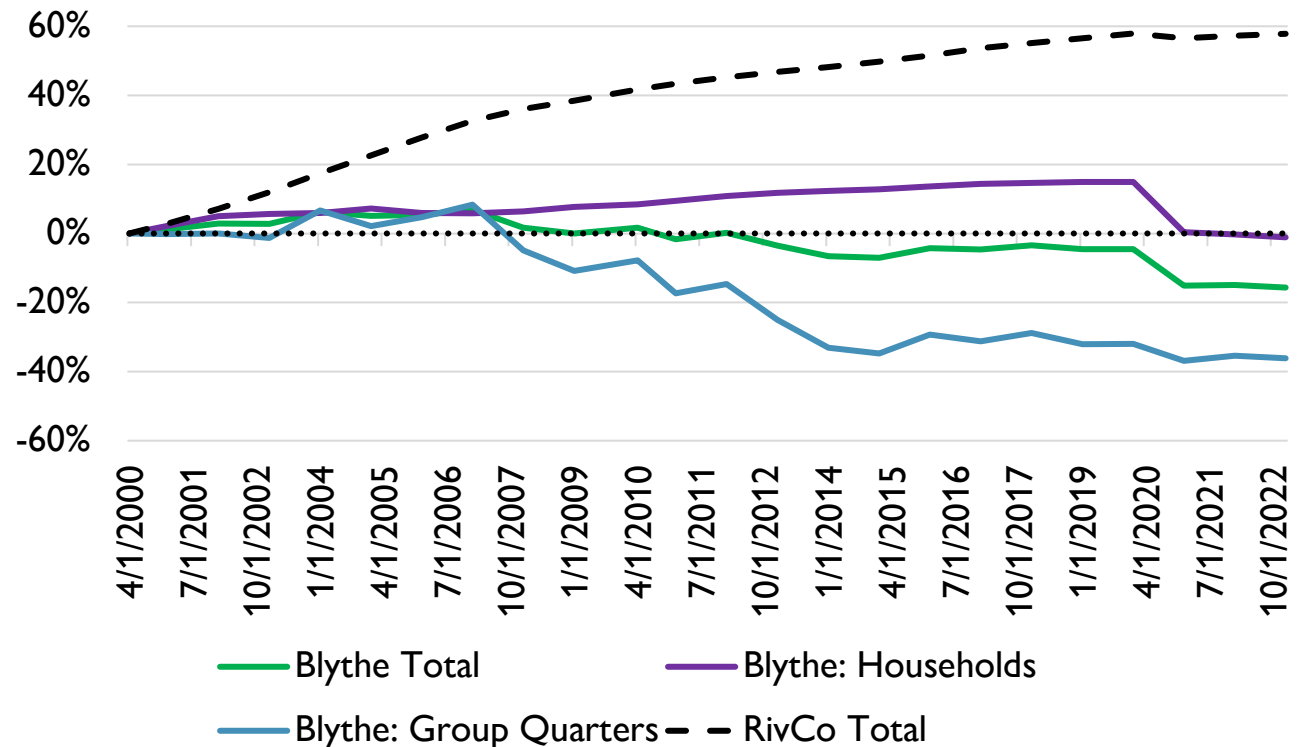
# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## CUMULATIVE POPULATION GROWTH, 2000 – 2022 HOUSEHOLDS VS GROUP QUARTERS

The City's population in households saw some growth (~15% total between the year 2000 and 2020), but much of those gains were lost during the years of the pandemic.

Much of Blythe's total population decline since the year 2000 can be explained by the declining population in Group Quarters (which includes residents in the state prisons).

Population Growth: 2000 – 2023  
Population by Households vs Group Quarters

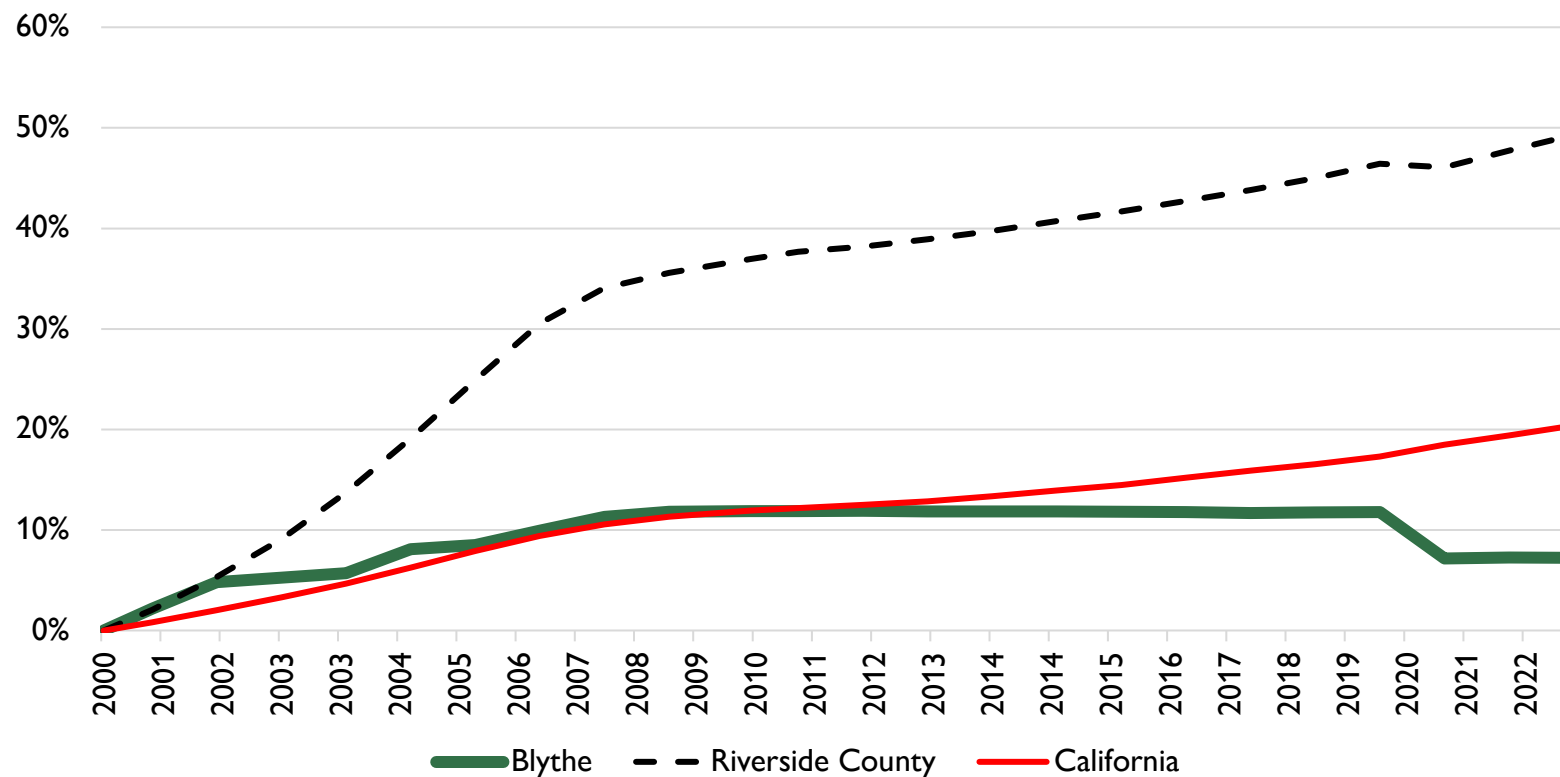


# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## CUMULATIVE HOUSING UNIT GROWTH, 2000 – 2022

Blythe has seen housing units increase ~7% since 2000, far lower than Riverside County's increase of 49% over the same time period.

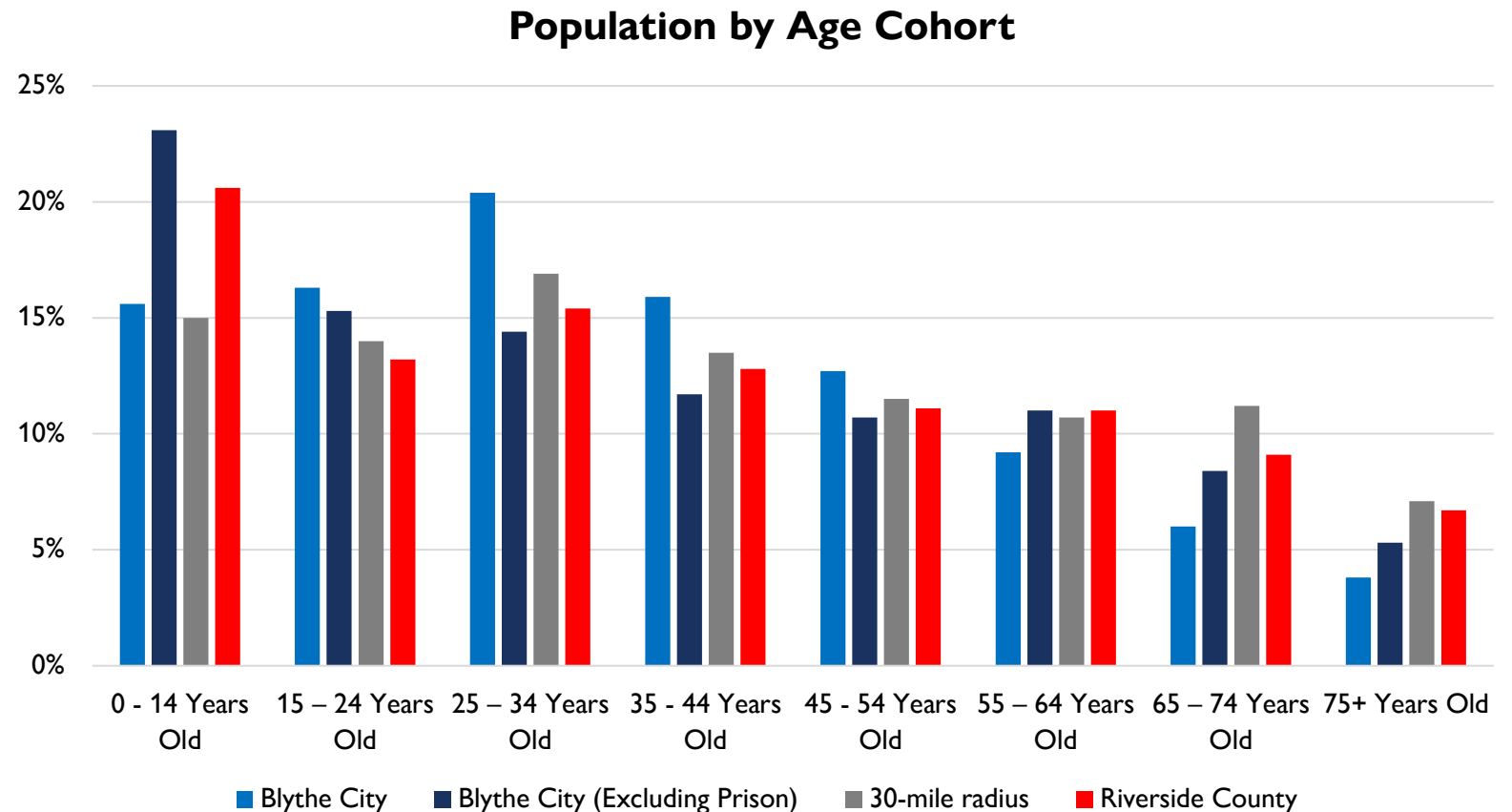
### Housing Unit Growth 2000-2023



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## POPULATION BY AGE COHORT

Compared to Riverside County, the City of Blythe has a higher proportion of the population under the age of 24 and a proportion of people older than 65.

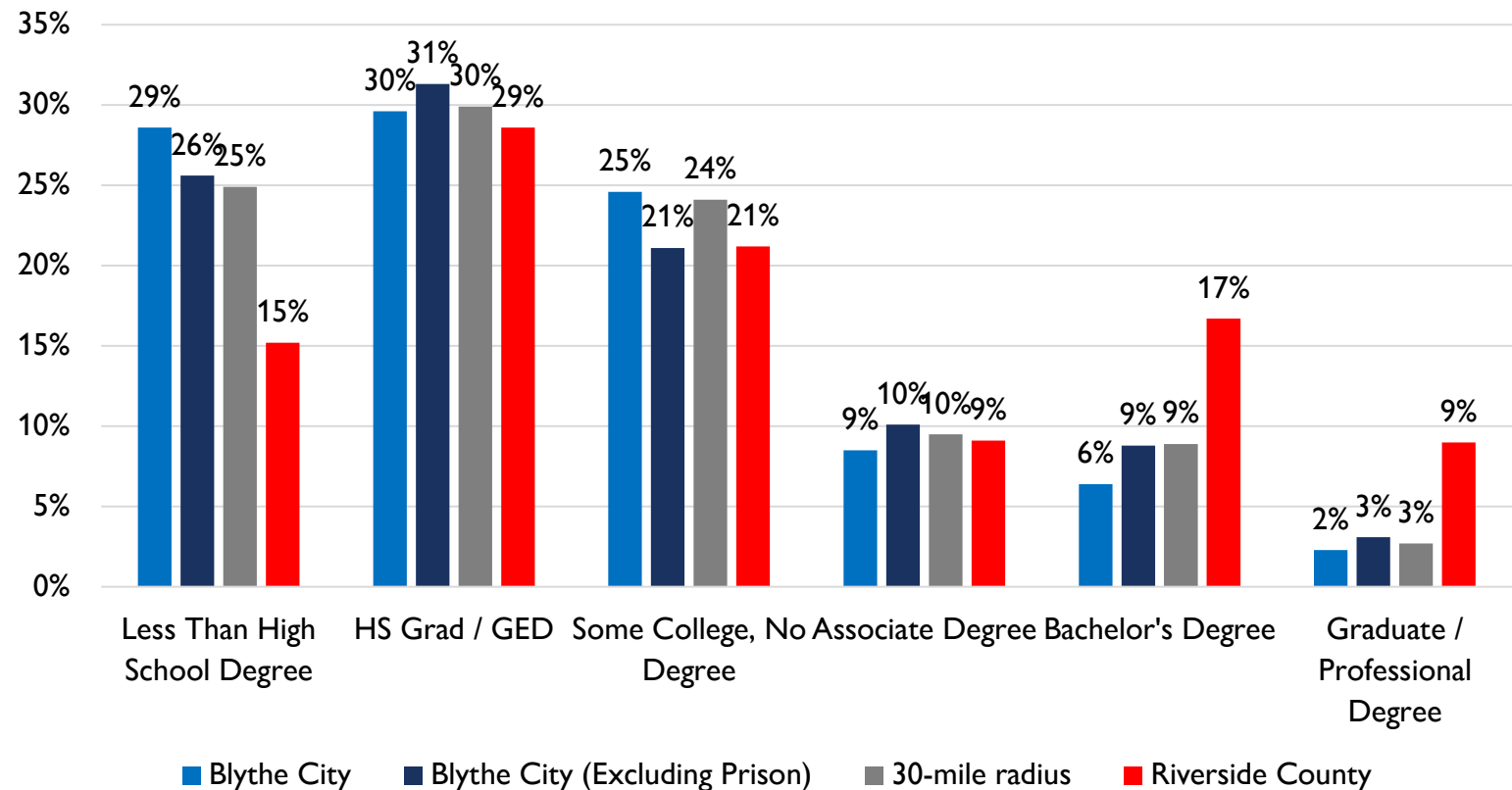


# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## POPULATION BY EDUCATIONAL ATTAINMENT

The City of Blythe has a higher share of High School Grads / Less than High School, and a lower share of Bachelors Degree and Advanced Degrees.

2023 Population by Educational Attainment

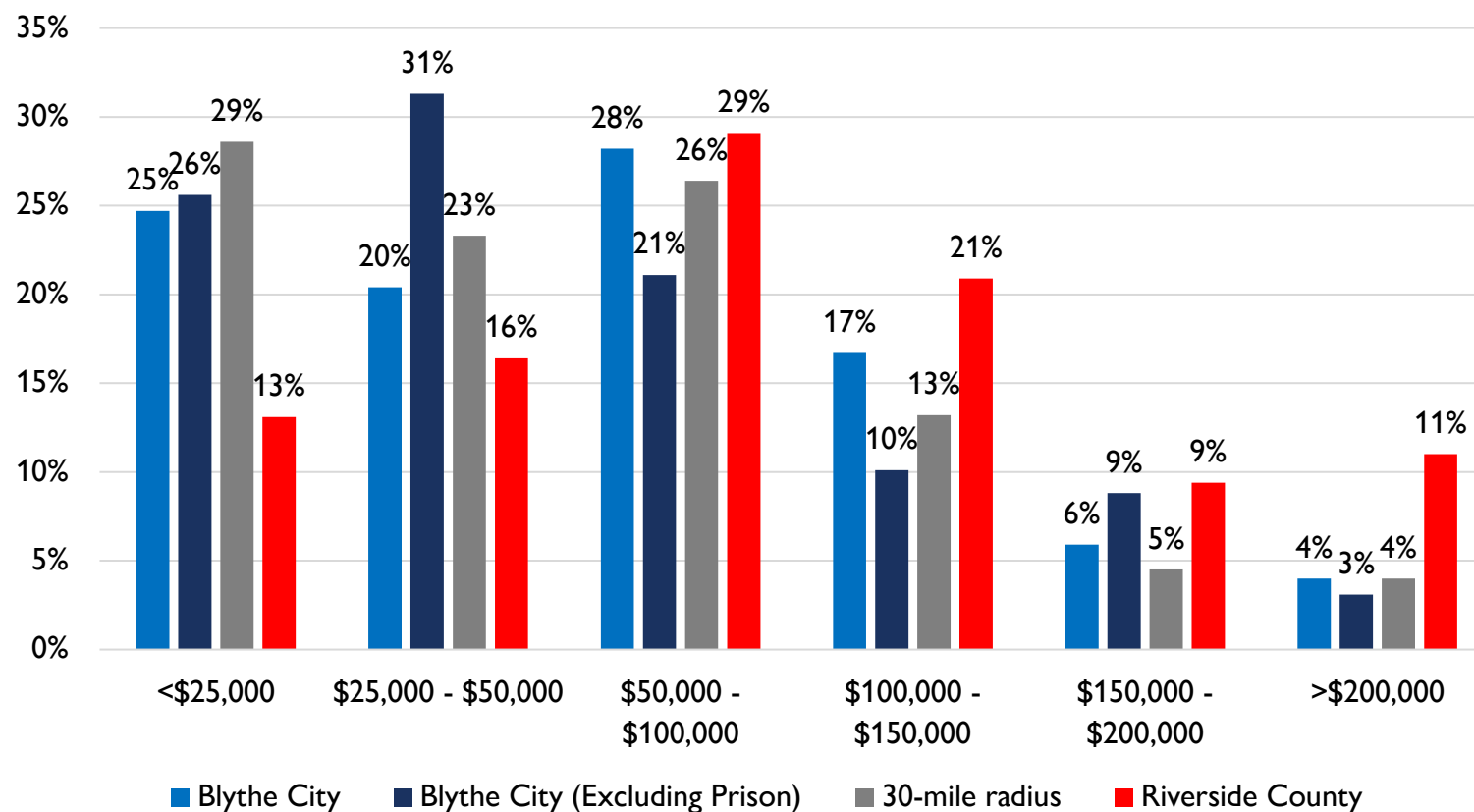


# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## POPULATION BY INCOME

Blythe has lower household income levels compared to Riverside County, with an average household income of ~\$76,700 compared to the county-wide level of ~\$112,100.

### 2023 Households by Income Level





# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

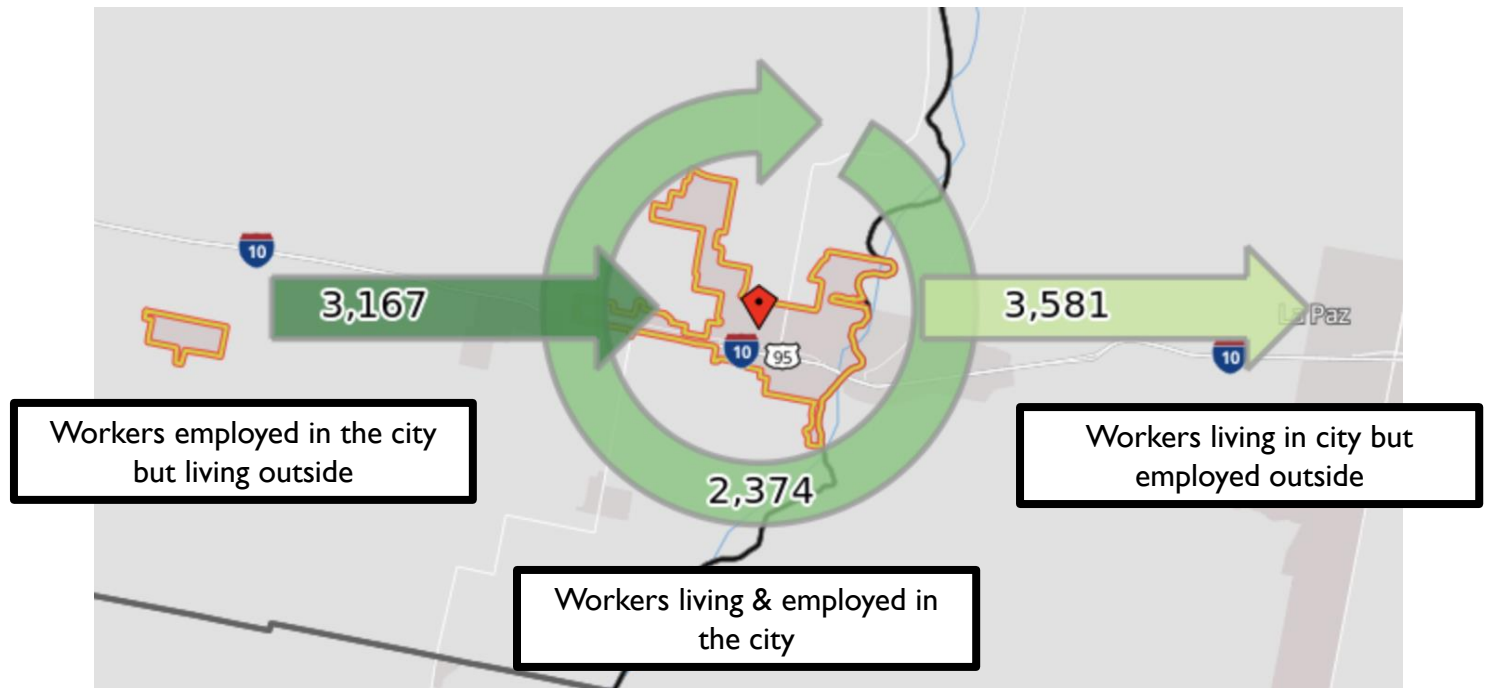
## WORKER INFLOW / OUTFLOW

The City of Blythe sees a **net outflow of jobs**, with many workers in the City commuting to Ehrenberg AZ, Los Angeles, and Riverside.

Worker Inflow/Outflow (2020)	
Workers Living & Working	2,374
Workers Coming (Inflow)	3,167
Workers Going (Outflow)	3,581
Net Outflow	-414
Employment Ratio*	0.93

**Source:** U.S. Census Bureau Center for Economic Studies (2020, Accessed July / August 2023)

**Notes:** \***Employment Ratio** = People employed within City (living and working in City + those who come into the City for work) / Employed population of City (living and working in City + workers who live in the City, but work outside of the City)



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## WORKER DESTINATIONS & ORIGINS CITY OF BLYTHE

Outflow: Where Blythe Residents Commute To		
City	Count	Percentage
Blythe city, CA	2,490	46.1%
Ehrenberg CDP, AZ	180	3.3%
Los Angeles city, CA	123	2.3%
Riverside city, CA	119	2.2%
San Diego city, CA	114	2.1%
El Centro city, CA	82	1.5%
Palm Desert city, CA	58	1.1%
Brawley city, CA	43	0.8%
San Bernardino city, CA	39	0.7%
Indio city, CA	38	0.7%
All Other Locations	2,110	39.1%

Inflow: Where Blythe Workers Come From		
City	Count	Percentage
Blythe city, CA	1,921	53.2%
Ripley CDP, CA	87	2.4%
Indio city, CA	81	2.2%
Mesa Verde CDP, CA	68	1.9%
Yuma city, AZ	64	1.8%
Lake Havasu City city, AZ	42	1.2%
Coachella city, CA	42	1.2%
Brawley city, CA	39	1.1%
Riverside city, CA	35	1.0%
Calexico city, CA	34	0.9%
All Other Locations	1,198	33.2%

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## EMPLOYMENT BY INDUSTRY

City Resident Employed Population		
Sector	Count	Share
Public Administration	980	16.5%
Retail Trade	840	14.1%
Health Care and Social Assistance	792	13.3%
Accommodation and Food Services	584	9.8%
Agriculture, Forestry, Fishing and Hunting	454	7.6%
Educational Services	405	6.8%
Transportation and Warehousing	292	4.9%
Administration & Support, Waste Management and Remediation	272	4.6%
Manufacturing	211	3.5%
Wholesale Trade	206	3.5%
Construction	203	3.4%
Professional, Scientific, and Technical Services	152	2.6%
Other Services (excluding Public Administration)	121	2.0%
Utilities	87	1.5%
Information	86	1.4%
Real Estate and Rental and Leasing	75	1.3%
Finance and Insurance	72	1.2%
Arts, Entertainment, and Recreation	66	1.1%
Management of Companies and Enterprises	48	0.8%
Mining, Quarrying, and Oil and Gas Extraction	9	0.2%

*“Industries in which City residents work”*

Workers Employed Within City		
Sector	Count	Share
Health Care and Social Assistance	575	15.9%
Accommodation and Food Services	471	13.0%
Retail Trade	469	13.0%
Educational Services	463	12.8%
Public Administration	413	11.4%
Agriculture, Forestry, Fishing and Hunting	403	11.2%
Transportation and Warehousing	188	5.2%
Wholesale Trade	134	3.7%
Utilities	124	3.4%
Professional, Scientific, and Technical Services	81	2.2%
Construction	74	2.0%
Other Services (excluding Public Administration)	58	1.6%
Administration & Support, Waste Management and Remediation	35	1.0%
Arts, Entertainment, and Recreation	33	0.9%
Information	30	0.8%
Finance and Insurance	28	0.8%
Real Estate and Rental and Leasing	27	0.7%
Manufacturing	5	0.1%
Mining, Quarrying, and Oil and Gas Extraction	0	0.0%
Management of Companies and Enterprises	0	0.0%

*“Jobs in the City”*

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## TOP EMPLOYERS

Employer	Industry	Est. Employees
Ironwood State Prison	State Prison	1,085
Chuckawalla Valley State Prison	State Prison	754
Palo Verde College	Education	316
Palo Verde Hospital	Hospital	286
Palo Verde School District	Education	251
Fisher Ranch Corp	Farming / Agriculture	195
Con-way Western Express	Freight / Trucking	92
McDonald's	Restaurant	86
Nextera Energy Inc	Electric Power Generation	85
Palo Verde Irrigation District	Public Irrigation	95
Albertsons	Supermarket	77
Modern Ginning Co	Cotton Ginning	70
Blythe Post Acute Llc	Nursing Care Facility	69
Barnes & Berger	Farming / Agriculture	49
Sizzler	Restaurant	46
Hampton Inn & Suites	Hotel	45
Red River Farms	Farming / Agriculture	45
Smart & Final	Supermarket	45
Inland Builders Supply Inc	Hardware Store	43
Blythe Ranch Market	Supermarket	40
Denny's	Restaurant	40

**Source:** Riverside County, DatabaseUSA

**Note:** Employee count estimates are generally based on data from DatabaseUSA. Palo Verde Irrigation District and the Palo Verde School, District are the combined numbers for all the sites in the system. Also note that the numbers for the Prisons were obtained through the state employment census from the State Controller's office.

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## SALES TAX DATA

According to data from Riverside County, the City of Blythe saw ~\$2.3 million in sales tax across all industry groups 2022, with ~19% of those sales tax revenues coming from Business and Industry, ~17% from Fuel and Service Stations, and ~14% from Restaurants and Hotels. Overall revenues grew ~31% over the past 5 years.

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	5 Year %
Fuel and Service Stations	520,398	471,924	400,720	339,516	349,214	371,017	340,932	266,190	339,538	378,787	8.5%
Restaurants and Hotels	255,312	250,458	268,486	287,089	287,324	272,573	303,062	272,412	300,717	328,036	14.2%
Autos and Transportations	287,329	281,486	333,059	319,154	319,478	287,005	253,434	225,567	315,075	287,395	- 10.0%
General Consumer Goods	235,965	225,544	219,021	200,858	172,526	92,671	134,928	74,689	114,420	107,610	- 37.6%
Building and Construction	134,956	119,061	116,446	119,160	117,536	119,306	127,091	192,999	172,138	189,442	61.2%
Food and Drugs	166,176	156,027	165,090	162,859	164,688	161,506	205,776	334,989	283,212	275,444	67.3%
Business and Industry	112,777	273,270	111,359	101,401	146,250	56,285	114,576	101,013	104,897	429,226	193.5%
State and County Pools		-	-	142,379	184,081	202,511	231,683	276,067	296,071	290,511	57.8%
Total	1,712,913	1,777,770	1,614,181	1,672,416	1,741,097	1,562,874	1,711,482	1,743,926	1,926,068	2,286,451	31.3%

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## SALES TAX DATA – MEASURE K

According to data from the Riverside County, the City of Blythe saw ~\$2.98 million in Measure K sale tax revenue in 2021, growing to \$4.02 million in 2022. The largest drivers of this revenue in 2022 are the Business and Industry (32%), Autos and Transportation (26%), and Fuel and Service Stations (11%) industry groups.

	4Q2020	1Q2021	2Q2021	3Q2021	4Q2021	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023
Fuel and Service Stations	66,743	73,610	88,470	103,133	106,106	104,574	131,040	103,879	104,827	94,532
Restaurants and Hotels	49,156	56,298	61,313	76,227	81,552	80,182	79,701	79,352	92,222	91,588
Autos and Transportations	71,169	158,310	151,786	149,149	202,451	137,511	510,899	245,270	133,965	127,633
General Consumer Goods	83,284	82,649	81,832	82,160	100,497	89,534	86,811	85,668	111,718	96,700
Building and Construction	49,004	62,136	51,447	49,832	60,292	69,395	66,266	54,500	55,901	69,242
Food and Drugs	87,204	78,895	68,977	63,943	70,594	73,694	67,461	59,346	74,450	72,108
Business and Industry	93,982	163,445	273,714	138,845	209,038	298,566	235,807	468,755	265,117	187,397
Transfers / Unidentified	4,187	5,613	13,926	7,303	10,585	16,951	18,787	9,992	10,240	23,930
Total	504,729	680,956	791,465	670,592	841,115	870,407	1,196,772	1,106,762	848,440	763,130



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## MAJOR SALES TAX GENERATORS

According to quarterly Sales Tax Updates provided by HdL, the City of Blythe’s top sales tax producers include the following retail outlets:

General Retail / Dining	Automotive / Equipment	Service Station / Convenience
Albertsons	Finn Chevrolet	Brians Blythe Shell
Dollar General	Finn Chrysler Jeep Dodge Ram	Callan Oil Distributing
Inland Builders Supply	Finn Ford	Chevron
Rite Aid	Standage Tire & Automotive	E Z Stop
Smart & Final	O’Reilly Auto Parts	Shell
High Times Blythe	Empire Southwest	USA Gasoline
Prime Leaf	Crawford Associates	Parker Oil Products
Denny’s	Jordan Implement	Blythe 7 <sup>th</sup> St Chevron
Jack in the Box	Siemens Westinghouse Power	Lovekin Circle K
McDonald’s	First Solar	Quick Check East

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## REVIEW OF PRIOR STUDIES

### CMC – ECONOMIC & FISCAL IMPACTS OF THE PROPOSED CLOSURE OF CHUCKAWALLA VALLEY STATE PRISON

- In June 2023, Capitol Matrix Consulting prepared a report to analyze the economic and fiscal impacts of the proposed closure of Chuckawalla Valley State Prison (CVSP) by March 2025.
- The Report notes that the CVSP houses ~2,000 inmates and is budgeted for ~918 staff; spending for 2023-24 is budgeted at \$157 million, with \$125m in wages / benefits and \$32m for operations / maintenance / equipment. Of that spending, \$65 million is estimated to benefit the people and businesses in Blythe, with the rest going to employees and businesses located outside of Blythe. The spending in Blythe directly / indirectly supports 719 jobs and \$61 million in labor income in the community, representing 13% of the jobs held by Blythe residents (and 22% of total wages in Blythe).
- The Report also estimates ~\$2.9m decline in City revenues and estimates that the school district will lose \$4.9m due to declining enrollment in the schools due to job loss.
- The Report's conclusion notes that “the closure of CVSP would devastate the economy of Blythe and significantly reduce the capacity and funding of both the city government and the school district”.

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## REVIEW OF PRIOR STUDIES

### DMG – CITY OF BLYTHE & PALO VERDE VALLEY ECONOMIC DEVELOPMENT PLANNING BRIEF

- In April 2019, Development Management Group, Inc. prepared an Economic Development Planning Brief. This report provides an overview of the local economy and potential economic investment opportunities, as well as some suggested action steps for the community and region.
- The report notes that the major economic drivers in the region include agriculture, logistics / transportation, local government, and the state prisons. The City also captures retail activity due to visitors attracted to the Colorado River and travelers on the I-10.
- The report identifies retail investment opportunities such as family / value-oriented stores, quick-serve restaurants, gasoline/fuel stations, and visitor support services. The report also notes that there may be some opportunity for limited-service hotels to support travels and the logistics industry, as well as an opportunity to provide limited amenity housing for state prison workers, many of whom live in other areas of the region and commute to work for 2-4 nights per week.
- The report identifies several opportunities to improve the City's image, such as improved signage along the I-10, community cleanup efforts (trash, graffiti, repainting public facilities), enhanced code enforcement / nuisance abatement, and ensuring that out-of-town property owners are held to high standards.
- Recommended action steps include creation of committees / working groups, creating regional working groups / alliances to coordinate activities, conducting retail recruitment exercises, and strengthening the Chamber of Commerce and other industry groups (such as agriculture) to enhance communication and identify opportunities in the business community.

## DATA APPENDIX

### REAL ESTATE MARKET DATA

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## COMMERCIAL PROPERTY OVERVIEW

- The City is home to ~1.3m SF of multifamily properties, 211k SF of industrial / flex space, ~812k SF of retail, ~540k SF of hospitality, and a small amount of other properties.

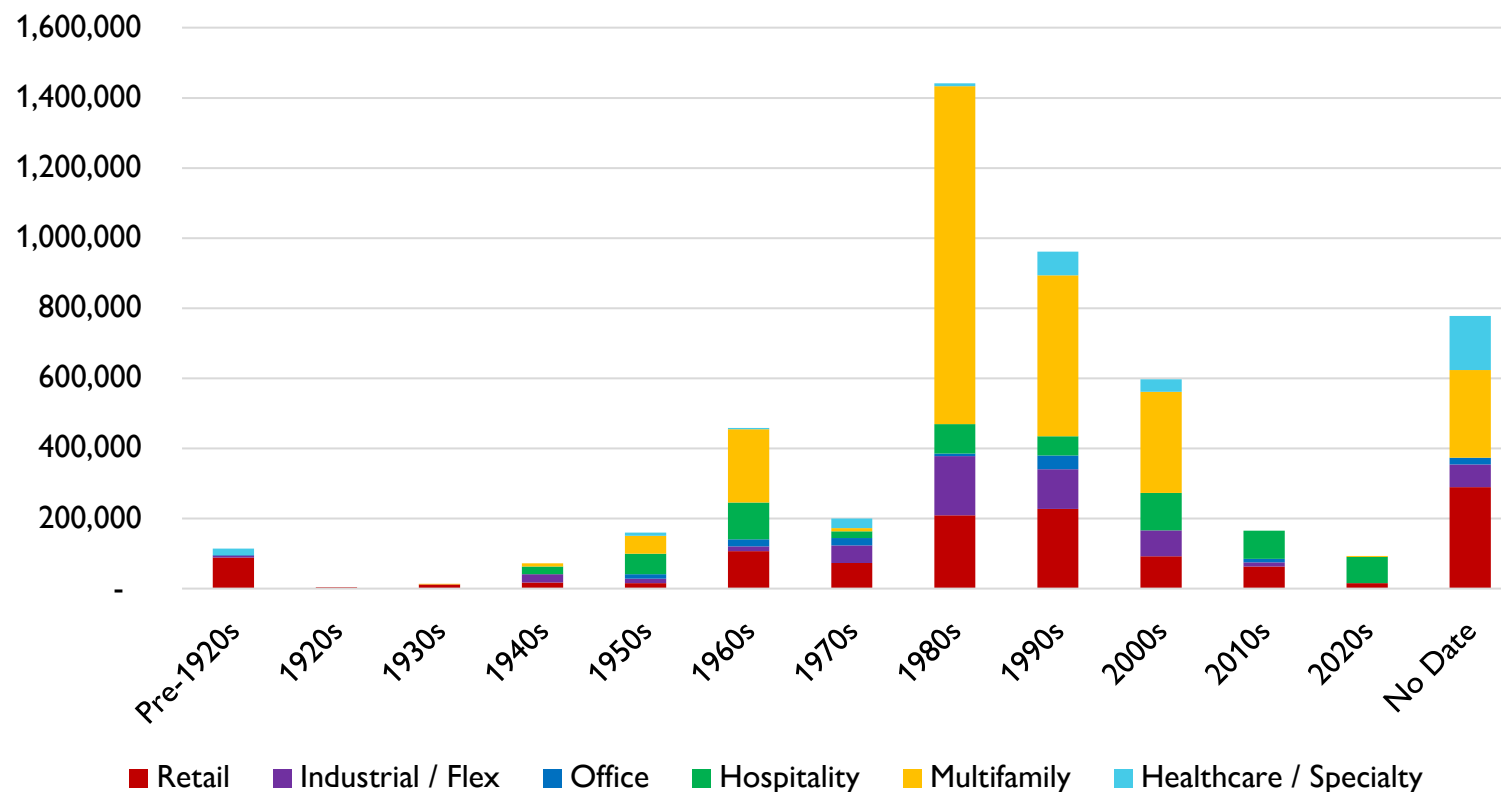
Existing Properties	#	Building Area	% Building Area
Multi-Family	47	1,300,841	40%
Retail	96	524,685	16%
Retail (Neighborhood Center)	8	235,333	7%
Retail (Community Center)	2	52,400	2%
Hospitality	23	539,773	17%
Industrial	18	197,547	6%
Flex	2	13,500	0%
Office	18	82,536	3%
Office (Community Center)	4	42,675	1%

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## COMMERCIAL PROPERTY OVERVIEW TRADE AREA

- Much of the Trade Area's development occurred in the 1980s / 1990s – driven by residential developments.

**Rentable Building Area (RBA SF)  
by Decade Built or Renovated**





# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## UNDER CONSTRUCTION / UPCOMING DEVELOPMENT

Project Name	Category	Description	Stage	Location
Chipotle	Retail – QSR	Entitlements and approved building plans; waiting for contractor to pull permits	Planning	Corner of N Lovekin and Hobsonway
Grocery Outlet	Retail – Grocery	Demolition of former theater underway to turn over to Grocery Outlet, which has entitlements	Planning / Site Prep	
WattEV Charging Station w/ Retail	Other	120+ acre Working on entitlements, CEQA in process	Planning	E. Donlon St
Edelweiss Cannabis Project	Cannabis	Farming / manufacturing facility at former Kmart	Under Construction	
TORO Cannabis Project	Cannabis	Indoor cultivation facility	Under Construction	E Hobsonway
Blythe TownPlace and Fairfield Inn	Hospitality	Has entitlements, waiting for developer to submit building plans for review	Planning	
Alegria Early Learning Center	Education	Received Certificate of Occupancy	Under Construction	1021 W Barnard
PVC Child Development Center	Education	Plans approved, waiting for developer	Planning	
Palo Verde Hospital Modular Health Clinic	Healthcare		Under Construction	Barnard & 2 <sup>nd</sup> Street
Nikola Hydrogen Refueling Station	Other	Working through entitlements	Planning	
Blythe CSG, 1 LLC Solar	Other	56-acre solar array, working through CUP Process	Planning	

## RETAIL MARKET

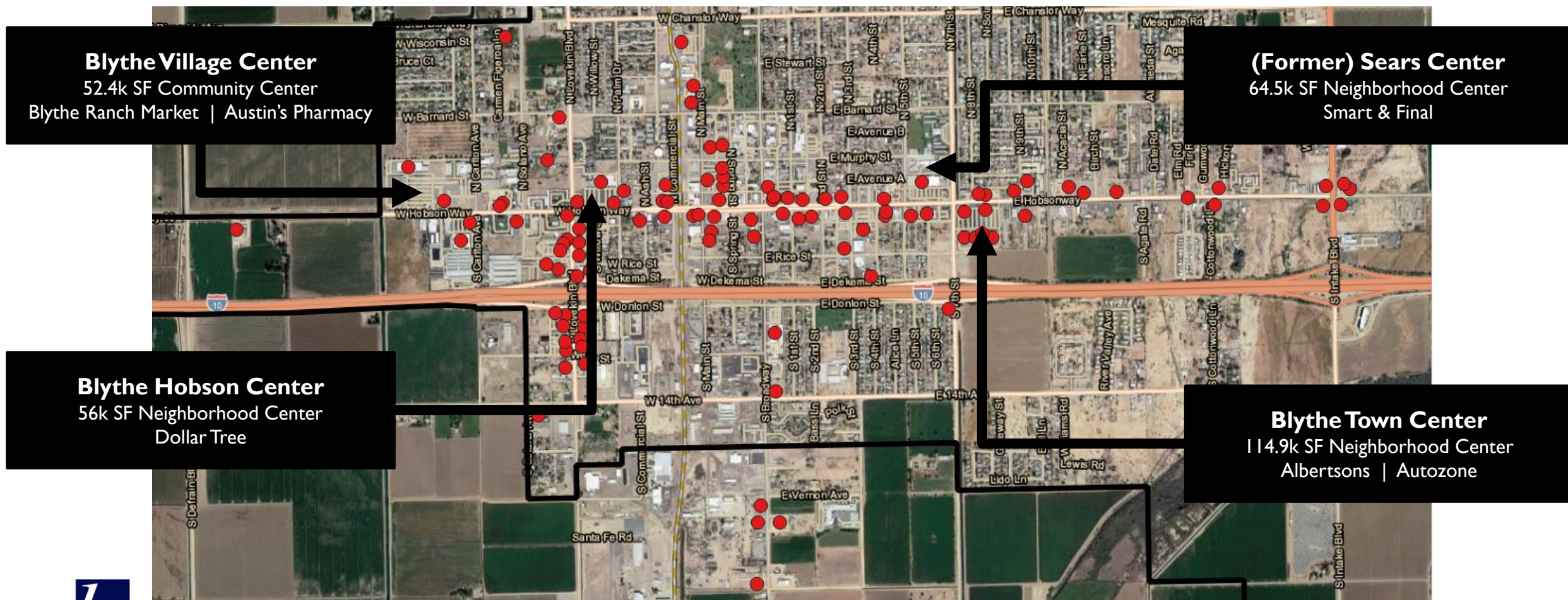
# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## SUMMARY RETAIL MARKET

- The retail market in the City of Blythe and the Trade Area is fairly small (812,000 SF in the City, 1.2m SF in Trade Area). The retail space in Blythe represents ~67% of all the retail space in the Trade Area. Other clusters of retail in the Trade Area include ~18,000 SF in Palo Verde, ~37,700 SF in Ehrenberg, AZ, and 301,000 SF in Quartzsite, AZ.
- Major shopping centers in the City include Blythe Town Center, a ~114.9k SF neighborhood center featuring Albertsons and Autozone; the 64.5k SF neighborhood center featuring Smart & Final; Blythe Hobson Center, a ~56k SF neighborhood center featuring Dollar Tree; and Blythe Village Center, a 52k SF community center featuring Blythe Ranch Market and Austin's Pharmacy.
- As of July 2023, the City had retail vacancy ~11%, slightly higher than the Trade Area at 8.6% and the Riverside Outlying submarket at 9.0%. Retail vacancy in the City has generally remained above 9% since 2012. Major vacant and/or available-for-lease spaces include:
  - 42,000 SF at Smart & Final Shopping Center (NWQ Hobsonway & 7<sup>th</sup>)
  - 30,800 SF former Rite Aid at 890 E Hobsonway (Albertson's Center)
  - 15,000 SF bowling alley at 1790 W Hobsonway
  - 3,160 SF freestanding / restaurant space at 320 Lovekin Blvd
- Since 2012, ~36,000 SF of retail was added to the City. Major retail development in the Trade Area during this time include:
  - 2012: 17,615 SF Rite Aid built on Hobson Way
  - 2013: 12,380 SF Dollar General built on Hobson Way
  - 2017: 8,320 SF Family Dollar built in Ehrenberg, AZ
  - 2021: 9,026 SF Dollar General built on Solano Ave
- There is no retail space currently planned, proposed, or under construction in the City or Trade Area.
- Retail space available for sale within Trade Area include:
  - 30.8k SF at Blythe Town Center, Rite Aid Pharmacy space, for sale for \$60 / SF
  - 12.4k SF at 1101 E Hobson Way, Dollar General, for sale for \$273.83 / SF)
  - 9k SF at 508 E Hobsonway, for sale for \$38.87 / SF
- A small / isolated market, coupled with e-commerce retail trends, limit the demand for additional brick-and-mortar retail space, but there is some potential demand for regional / freeway-oriented retail.

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## RETAIL PROPERTIES



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## RETAIL MARKET SUMMARY

	2023 YTD (July)		
	City of Blythe	Trade Area	Riverside County Outlying Submarket
<b>Availability</b>			
NNN Rent \$PSF/Yr.	\$11.31	\$11.31	
Market Rent	\$18.61	\$16.74	\$18.97
Vacancy Rate	11.1%	8.2%	9.0%
Net Absorption	(12,900)	(12,900)	(20,100)
<b>Inventory</b>			
Existing SF	812,500	1,215,500	1,002,015
Growth (Since 2012)	4.6%	4.3%	4.7%

**Source:** CoStar (Accessed July / August 2023); **Note:** CoStar defines Triple Net (NNN) as “a lease where the tenant is responsible for all expenses associated with their proportional share of occupancy of the building, except long-lived structural components and management charges.” Vacant space refers to all space that is not occupied by a tenant regardless of availability or lease obligation. Available space is the amount of space currently being marketed as available for lease or sale in a given time period. It includes any space that is vacant, occupied, or available at a future date.

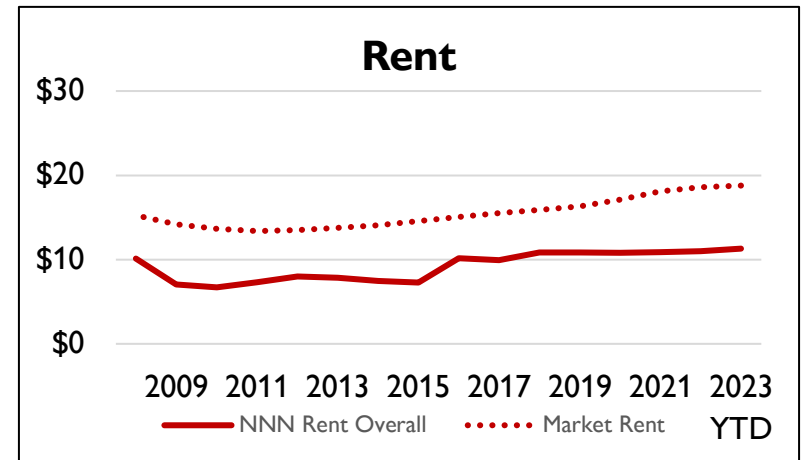
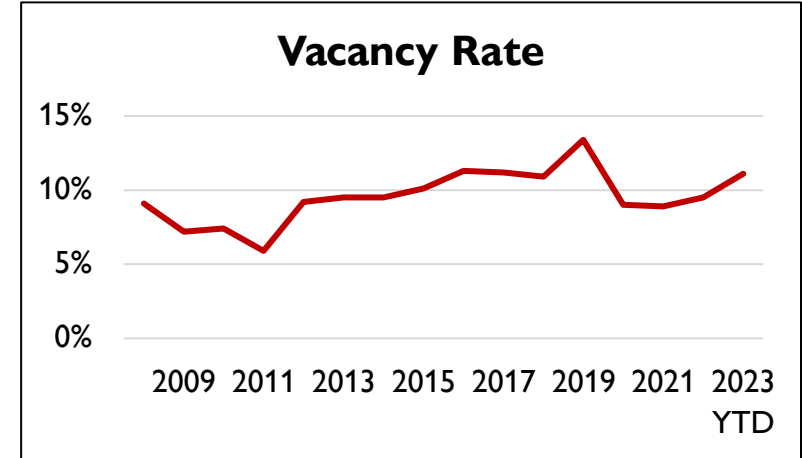


# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## RETAIL MARKET HISTORY

### CITY

Year	Inventory SF	Vacant SF Total	Vacant Percent % Total	Net Absorption SF Total	NNN Rent Overall	Market Rent
2023 YTD	812,418	90,002	11.1%	(12,860)	\$11.31	\$18.61
2022	812,418	77,142	9.5%	(5,024)	\$11.00	\$18.10
2021	812,418	72,118	8.9%	9,111	\$10.88	\$17.13
2020	803,392	72,203	9.0%	35,637	\$10.80	\$16.32
2019	803,392	107,840	13.4%	(20,411)	\$10.85	\$15.91
2018	803,392	87,429	10.9%	2,177	\$10.85	\$15.51
2017	803,392	89,606	11.2%	4,288	\$9.94	\$15.08
2016	800,092	90,594	11.3%	(9,880)	\$10.17	\$14.56
2015	800,092	80,714	10.1%	(4,505)	\$7.26	\$14.06
2014	800,092	76,209	9.5%	(1,214)	\$7.46	\$13.77
2013	801,148	76,051	9.5%	19,815	\$7.85	\$13.52
2012	776,388	71,106	9.2%	(8,885)	\$8.01	\$13.38
2011	758,773	44,606	5.9%	11,500	\$7.33	\$13.64
2010	758,773	56,106	7.4%	(1,156)	\$6.72	\$14.18
2009	758,773	54,950	7.2%	14,475	\$7.03	\$15.26
2008	758,773	69,425	9.1%	38,175	\$10.12	\$17.04

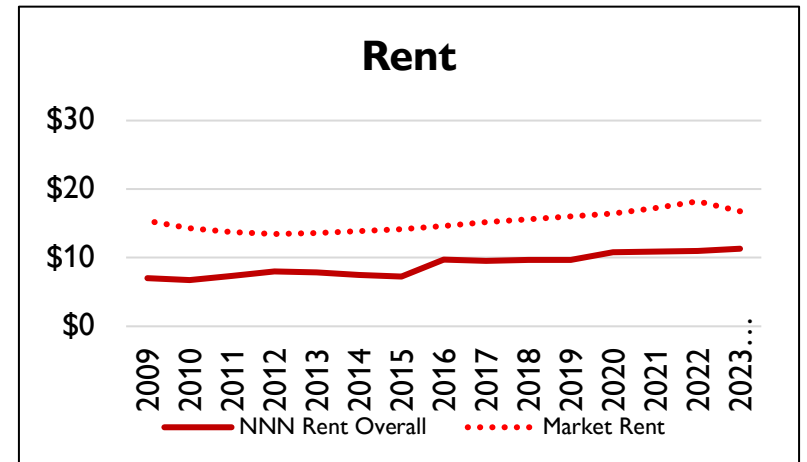
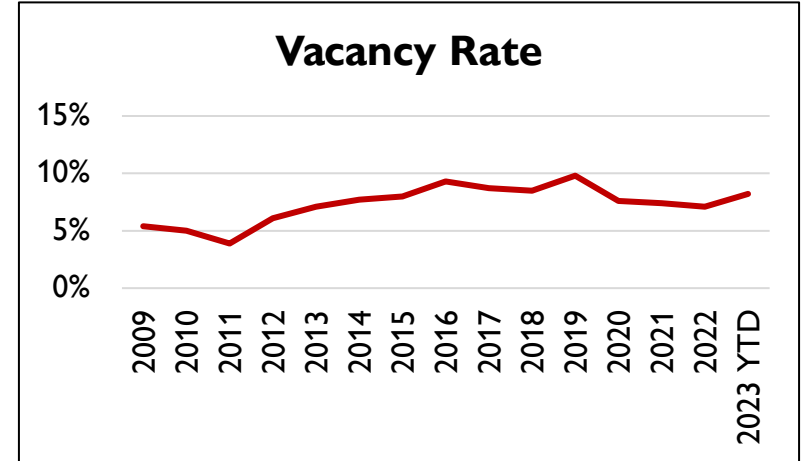




# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## RETAIL MARKET HISTORY TRADE AREA – 30 MILE RADIUS

Year	Inventory SF	Vacant SF Total	Vacant Percent % Total	Net Absorption SF Total	NNN Rent Overall	Market Rent
2023 YTD	1,215,516	99,520	8.2%	(12,860)	\$11.31	\$16.74
2022	1,215,516	86,660	7.1%	3,530	\$11.00	\$18.21
2021	1,215,516	90,190	7.4%	11,364	\$10.88	\$17.24
2020	1,205,590	91,628	7.6%	26,150	\$10.80	\$16.42
2019	1,205,590	117,778	9.8%	(15,349)	\$9.65	\$16.00
2018	1,205,590	102,429	8.5%	6,177	\$9.65	\$15.60
2017	1,201,590	104,606	8.7%	17,608	\$9.53	\$15.16
2016	1,189,970	110,594	9.3%	(14,880)	\$9.73	\$14.64
2015	1,189,970	95,714	8.0%	(4,505)	\$7.26	\$14.15
2014	1,189,970	91,209	7.7%	(8,108)	\$7.46	\$13.86
2013	1,191,026	84,157	7.1%	12,589	\$7.85	\$13.61
2012	1,165,886	71,606	6.1%	(8,885)	\$8.01	\$13.47
2011	1,148,271	45,106	3.9%	12,500	\$7.33	\$13.73
2010	1,148,271	57,606	5.0%	4,872	\$6.72	\$14.27
2009	1,148,271	62,478	5.4%	8,547	\$7.03	\$15.35



## REVIEW OF PRIOR STUDIES RETAIL STRATEGIES – RECRUITMENT PLAN

- In 2023, Retail Strategies prepared a Recruitment Plan that provides a high-level review of demographics and retail conditions in the City and trade area.
- The Plan identified retail leakage in many retail categories, such as Clothing & Clothing Accessories Stores (\$17.1m), General Merchandise Stores (\$16.4m), Building Material and Garden Equipment Stores (\$9.9m), and Foodservice and Drinking Places (\$9.2m). The Plan also identified Focus Zones and sites for recruitment, primarily along the Hobsonway, Lovekin Blvd, and Intake Blvd corridors.
- The Plan notes the following top categories for retail recruitment efforts:
  - Restaurants (Dutch Bros. Coffee, Chipotle, MOD, KFC, In-N-Out, Panda Express, etc)
  - Clothing (Boot Barn, Burlington, Ross Dress for Less, etc)
  - Hardware & Building Materials (Home Depot, Lowe’s, Harbor Freight, True Value, etc)
  - General Merchandise (dd’s Discounts, Five Below, Hobby Lobby, Home Goods, etc)

## OFFICE MARKET

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## SUMMARY OFFICE MARKET

- The office market in the City of Blythe and the Trade Area is fairly small (125,000 SF in the City, 131,000 SF in Trade Area). The office space in Blythe represents ~95% of all the office space in the Trade Area, with the remainder located in Quartzsite, AZ.
- Major office properties include ~42.7k SF across 4 buildings in the Blythe Village Shopping Center (Social Security Administration and other social services offices), ~15k SF of medical office at 500 N Broadway Ave, and 12.5k SF of medical office at 321 Hobson Way.
- As of July 2023, the City had office vacancy ~4.8%, slightly higher than the Trade Area at 4.6% and lower than the Riverside Outlying submarket at 8.2%.
- Inventory has remained unchanged for the past decade in the City and Trade Area, and there is no office space currently planned, proposed, or under construction.
- Office space available within Trade Area include:
  - 12,500 SF of medical office at 321 Hobson Way, undisclosed for sale price, up to 6,000 SF available for lease at \$14.40 / SF.
- A small / isolated market, coupled with telework trends, limit the demand for additional office space.

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## OFFICE MARKET SUMMARY

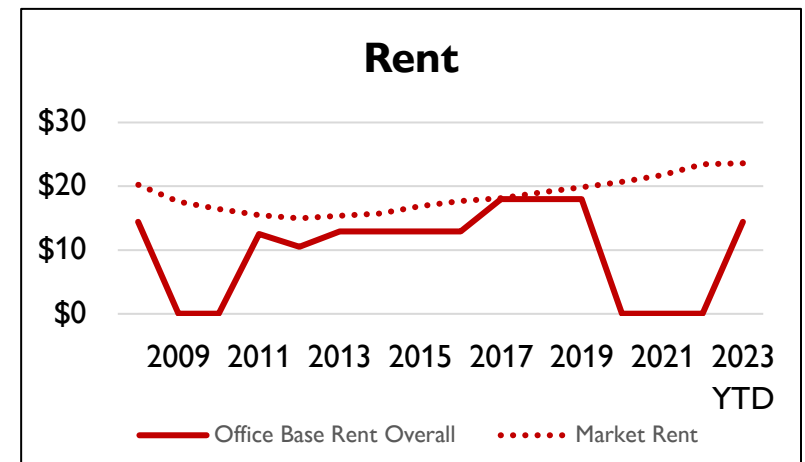
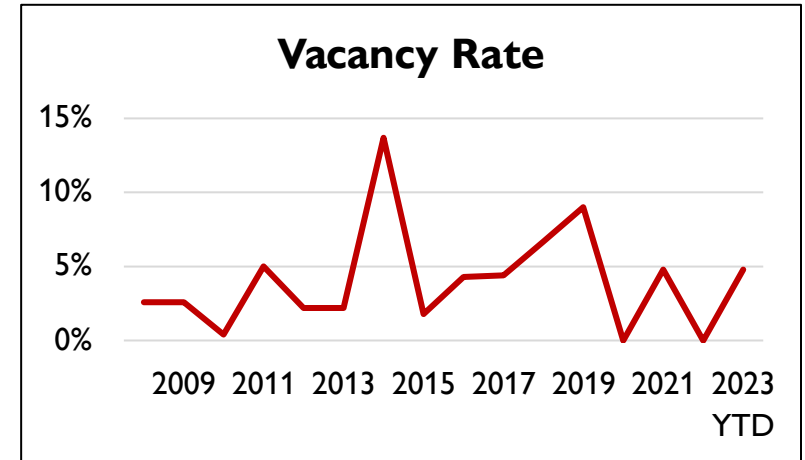
	2023 YTD (July)		
	City of Blythe	Trade Area	Riverside County Outlying
<b>Availability</b>			
Base Rent \$PSF/Yr.	\$14.40	\$14.40	
Market Rent	\$23.59	\$23.48	\$23.41
Vacancy Rate	4.8%	4.6%	8.2%
Net Absorption	(6,000)	(6,000)	(13,500)
<b>Inventory</b>			
Existing SF	125,200	131,200	164,000
Growth (Since 2012)	-	-	-

**Source:** CoStar (Accessed July / August 2023); CoStar defines Triple Net (NNN) as “a lease where the tenant is responsible for all expenses associated with their proportional share of occupancy of the building, except long-lived structural components and management charges.” Vacant space refers to all space that is not occupied by a tenant regardless of availability or lease obligation. Available space is the amount of space currently being marketed as available for lease or sale in a given time period. It includes any space that is vacant, occupied, or available at a future date.

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## OFFICE MARKET HISTORY CITY

	Inventory SF	Vacant SF Total	Vacant Percent % Total	Net Absorption SF Total	Office Base Rent Overall	Market Rent
2023 YTD	125,211	6,000	4.8%	(6,000)	\$14.40	\$23.59
2022	125,211	-	-	6,000	-	\$23.43
2021	125,211	6,000	4.8%	(6,000)	-	\$21.76
2020	125,211	-	-	11,224	-	\$20.71
2019	125,211	11,224	9.0%	(2,859)	\$18.00	\$19.82
2018	125,211	8,365	6.7%	(2,900)	\$18.00	\$19.03
2017	125,211	5,465	4.4%	(40)	\$18.00	\$18.16
2016	125,211	5,425	4.3%	(3,225)	\$12.90	\$17.67
2015	125,211	2,200	1.8%	15,000	\$12.90	\$16.87
2014	125,211	17,200	13.7%	(14,500)	\$12.90	\$15.72
2013	125,211	2,700	2.2%	-	\$12.90	\$15.36
2012	125,211	2,700	2.2%	3,600	\$10.50	\$14.95
2011	125,211	6,300	5.0%	(5,800)	\$12.53	\$15.49
2010	125,211	500	0.4%	2,750	-	\$16.45
2009	125,211	3,250	2.6%	-	-	\$17.59
2008	125,211	3,250	2.6%	2,050	\$14.40	\$20.22

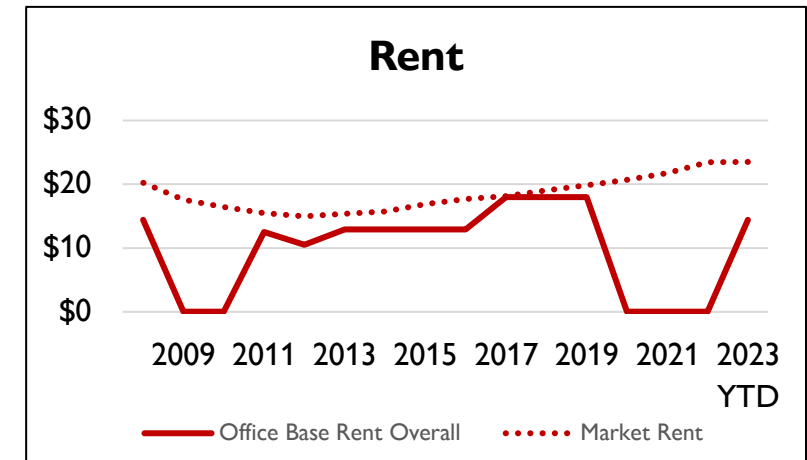
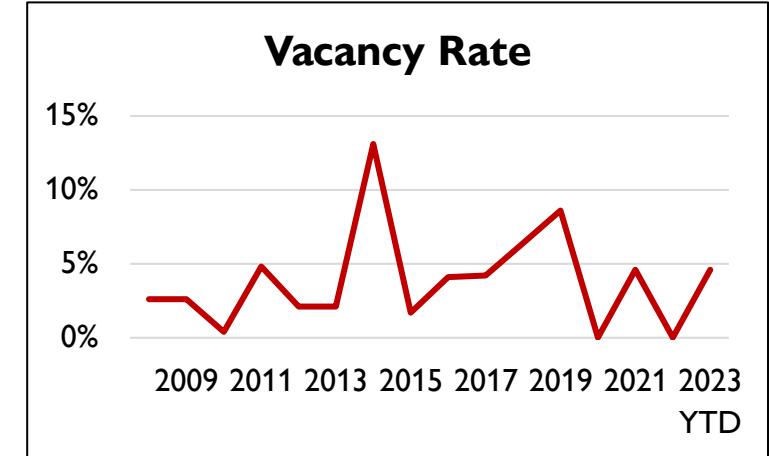




# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## OFFICE MARKET HISTORY TRADE AREA – 30 MILE RADIUS

	Inventory SF	Vacant SF Total	Vacant Percent % Total	Net Absorption SF Total	Office Base Rent Overall	Market Rent
2023 YTD	131,201	6,000	4.6%	(6,000)	\$14.40	\$23.48
2022	131,201	-	-	6,000	-	\$23.43
2021	131,201	6,000	4.6%	(6,000)	-	\$21.76
2020	131,201	-	-	11,224	-	\$20.71
2019	131,201	11,224	8.6%	(2,859)	\$18.00	\$19.82
2018	131,201	8,365	6.4%	(2,900)	\$18.00	\$19.03
2017	131,201	5,465	4.2%	(40)	\$18.00	\$18.16
2016	131,201	5,425	4.1%	(3,225)	\$12.90	\$17.67
2015	131,201	2,200	1.7%	15,000	\$12.90	\$16.87
2014	131,201	17,200	13.1%	(14,500)	\$12.90	\$15.72
2013	131,201	2,700	2.1%	-	\$12.90	\$15.36
2012	131,201	2,700	2.1%	3,600	\$10.50	\$14.95
2011	131,201	6,300	4.8%	(800)	\$12.53	\$15.49
2010	126,201	500	0.4%	2,750	-	\$16.45
2009	126,201	3,250	2.6%	-	-	\$17.59
2008	126,201	3,250	2.6%	2,050	\$14.40	\$20.22



## INDUSTRIAL MARKET

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## SUMMARY INDUSTRIAL / FLEX MARKET

- The industrial market in the City of Blythe and the Trade Area is fairly small (211,000 SF in the City, 539,400 SF in Trade Area). The industrial space in Blythe represents ~39% of all the industrial space in the Trade Area, with the remainder located just outside of City boundaries or in the Quartzsite, AZ area.
- Major industrial properties in the City area include an 84,200 SF industrial space used by GW Blythe, LLC for cannabis cultivation at Blythe Village Center; a 35,400 SF warehouse space at 14561 S Broadway; and a 28,700 SF warehouse space at 1853 E Hobsonway. Major industrial properties in the Trade Area include a 119,000 SF manufacturing space used by the Morgan Corporation (truck manufacturing) near Quartzsite, AZ and a 26,600 SF warehouse space at 1530 W Main St in Quartzsite, AZ.
- As of July 2023, the City had no industrial vacancy (with vacancy remaining under ~3% over the past 5 years). Vacancy in the trade area is also currently zero, but vacancy has tended to be higher in the trade area than the City over the past 5 years. Vacancy in the Riverside Outlying submarket is 11.4%.
- Inventory has remained unchanged for the past decade in the City and Trade Area, and there is no industrial space currently planned, proposed, or under construction. One project in CoStar is listed as 'abandoned' – a 476k SF industrial property proposed at 9999 E 14<sup>th</sup> St.
- Industrial space available within Trade Area include:
  - 20k SF warehouse space on 34.7 AC in Quartzsite, AZ that includes a private airstrip, available for \$250 / SF.
  - 20k SF cold storage space on 10 AC at 10921 Santa Fe Rd in Blythe that is available for \$160 / SF.
  - 8.2k SF warehouse on 1.3 AC at 401 S Main St in Blythe that is available for \$36.42 / SF
  - 2.3k SF warehouse on 0.1 AC at 190 N Main St in Blythe that is available for \$44 / SF.
- Location along I-10 corridor and nearby agricultural activity could drive some demand for additional industrial property.

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## INDUSTRIAL MARKET SUMMARY

	2023 YTD (July)		
	City of Blythe	Trade Area	Riverside County Outlying
<b>Availability</b>			
Market Rent	\$14.66	\$10.46	\$13.48
Vacancy Rate	-	-	11.4%
Net Absorption	-	28,000	(13,900)
<b>Inventory</b>			
Existing SF		539,400	568,100
Growth (Since 2012)		-	-

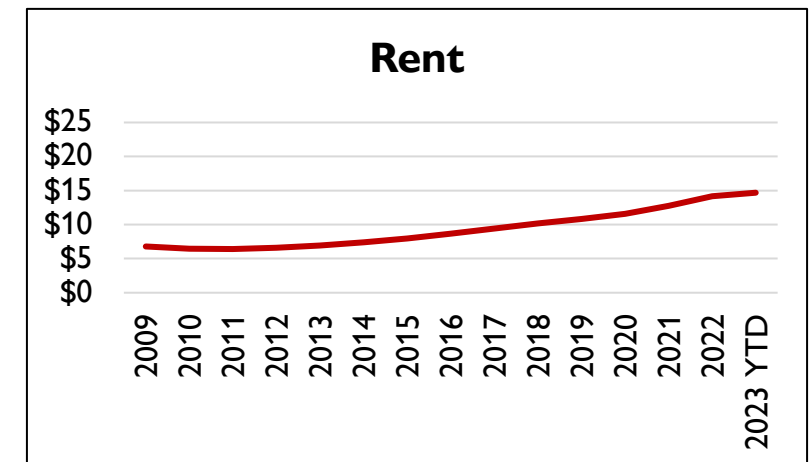
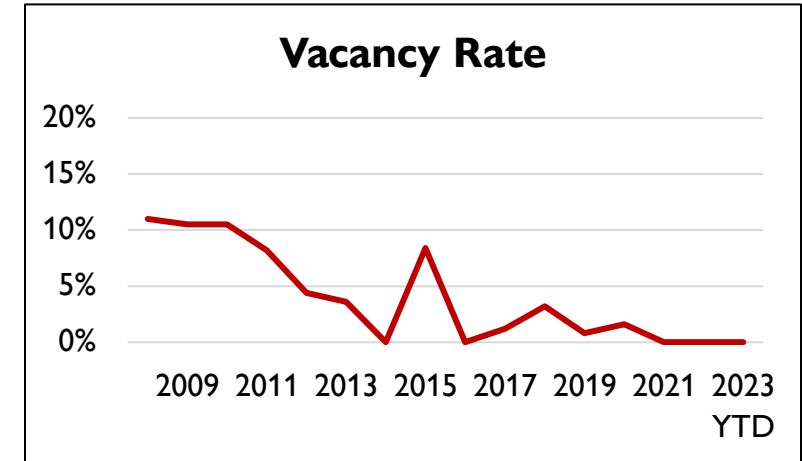
**Source:** CoStar (Accessed July / August 2023); CoStar defines Triple Net (NNN) as “a lease where the tenant is responsible for all expenses associated with their proportional share of occupancy of the building, except long-lived structural components and management charges.” Vacant space refers to all space that is not occupied by a tenant regardless of availability or lease obligation. Available space is the amount of space currently being marketed as available for lease or sale in a given time period. It includes any space that is vacant, occupied, or available at a future date.

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## INDUSTRIAL MARKET HISTORY

### CITY

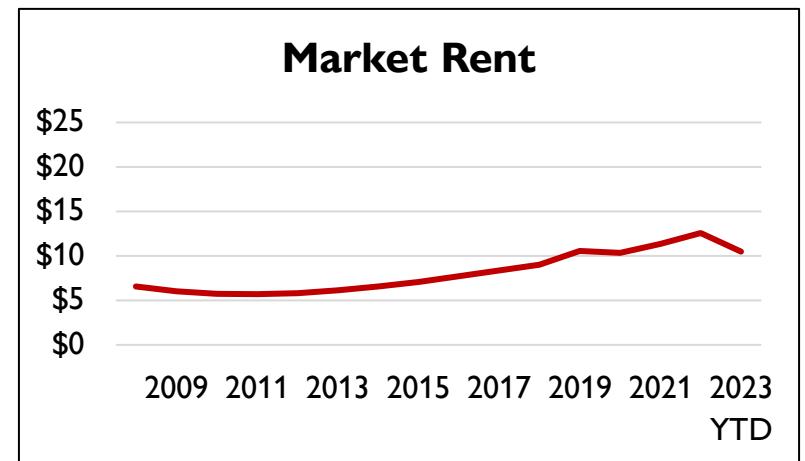
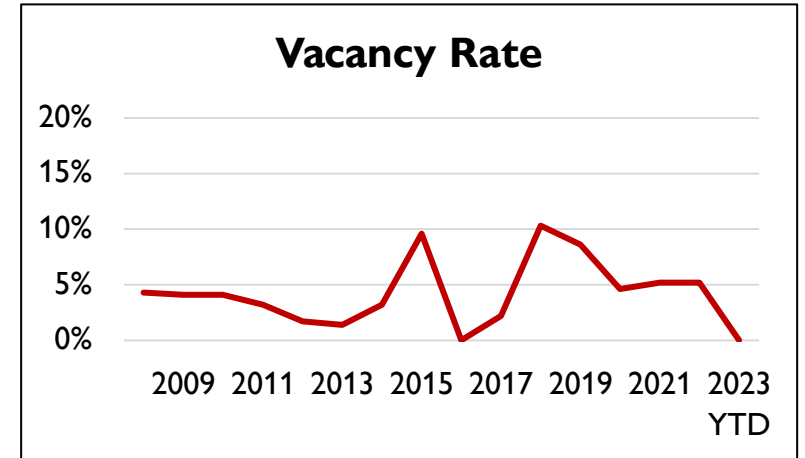
	Inventory SF	Vacant SF Total	Vacant Percent % Total	Net Absorption SF Total	Market Rent
2023 YTD	211,047	-	-	-	\$14.66
2022	211,047	-	-	-	\$14.18
2021	211,047	-	-	3,400	\$12.77
2020	211,047	3,400	1.6%	(1,700)	\$11.58
2019	211,047	1,700	0.8%	5,000	\$10.80
2018	211,047	6,700	3.2%	(4,100)	\$10.14
2017	211,047	2,600	1.2%	(2,600)	\$9.40
2016	211,047	-	-	17,700	\$8.66
2015	211,047	17,700	8.4%	(17,700)	\$7.95
2014	211,047	-	-	7,700	\$7.38
2013	211,047	7,700	3.6%	1,600	\$6.90
2012	211,047	9,300	4.4%	8,100	\$6.57
2011	211,047	17,400	8.2%	4,700	\$6.42
2010	211,047	22,100	10.5%	-	\$6.46
2009	211,047	22,100	10.5%	5,290	\$6.80
2008	206,457	22,800	11.0%	3,800	\$7.40



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## INDUSTRIAL MARKET HISTORY TRADE AREA – 30 MILE RADIUS

	Inventory SF	Vacant SF Total	Vacant Percent % Total	Net Absorption SF Total	Market Rent
2023 YTD	539,380	-	-	28,000	\$10.46
2022	539,380	28,000	5.2%	-	\$12.58
2021	539,380	28,000	5.2%	(3,180)	\$11.33
2020	539,380	24,820	4.6%	21,300	\$10.34
2019	539,380	46,120	8.6%	9,280	\$10.54
2018	539,380	55,400	10.3%	(43,800)	\$9.01
2017	539,380	11,600	2.2%	(11,600)	\$8.35
2016	539,380	-	-	51,700	\$7.69
2015	539,380	51,700	9.6%	(34,528)	\$7.06
2014	539,380	17,172	3.2%	(9,472)	\$6.54
2013	539,380	7,700	1.4%	1,600	\$6.12
2012	539,380	9,300	1.7%	8,100	\$5.81
2011	539,380	17,400	3.2%	4,700	\$5.68
2010	539,380	22,100	4.1%	-	\$5.72
2009	539,380	22,100	4.1%	5,290	\$6.01
2008	534,790	22,800	4.3%	3,800	\$6.55





## MULTIFAMILY RESIDENTIAL MARKET

BLYTHE – MARKET SUPPLY AND DEMAND ANALYSIS

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## SUMMARY MULTIFAMILY MARKET

- The multifamily market in the City of Blythe and the Trade Area is fairly small (1,650 units in the City, 3,525 units in Trade Area). The multifamily space in Blythe represents ~47% of all the multifamily units in the Trade Area, with the remainder located just outside of City boundaries or in the Quartzsite, AZ area.
- Major multifamily properties in the City area include mobile home / manufactured housing parks such as Mesa Bluff Village at 4489 Wells Rd (200 units, built 1990), Burtons Mobile Home & RV Park at 1576 / 9395 E Hobson Way (218 units, built 1961). Apartment properties include Ocean View Apartments at 1495 E Hobson Way (100 units, built 1960), Villa Monterey Apartments at 1251 E 14<sup>th</sup> Ave (81 units, built 2003), and Palm Drive Apartments at 200 N Palm Dr (79 units, built 1985). Other clusters of multifamily properties in the Trade area include 374 units at mobile home / manufactured housing parks in the Ehrenberg, AZ area and 1,151 units (~93% mobile home) in the Quartzsite, AZ area.
- As of July 2023, the City had multifamily vacancy of 7.5%, and was generally above 6%. Vacancy in the trade area is slightly lower at 6.7%, generally above 5% over the past 5 years. Vacancy in the Riverside Outlying submarket is 7.7%.
- Inventory has remained unchanged for the past decade in the City and Trade Area, and there is no multifamily space currently planned, proposed, or under construction.
- Multifamily properties for sale in the City include:
  - Stardust Apartments at 535 W Barnard St, 32 units built in 1962, available for sale at \$78,125 / unit
  - A portfolio of four properties, available for sale at \$61,538 / unit:
    - 290 N 3<sup>rd</sup> St, 10 units built in 1937 and renovated in 2022
    - 222 E Rice St, 10 units built in 1964
    - 326 S Main St, 4 units built in 1944
    - 596 E Avenue B, 2 units built in 1942
  - A small / isolated market and out-migration may create some challenges for new multifamily development, but the tight housing market in other parts of California may help maintain some demand in lower-cost areas.

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## MULTIFAMILY MARKET SUMMARY

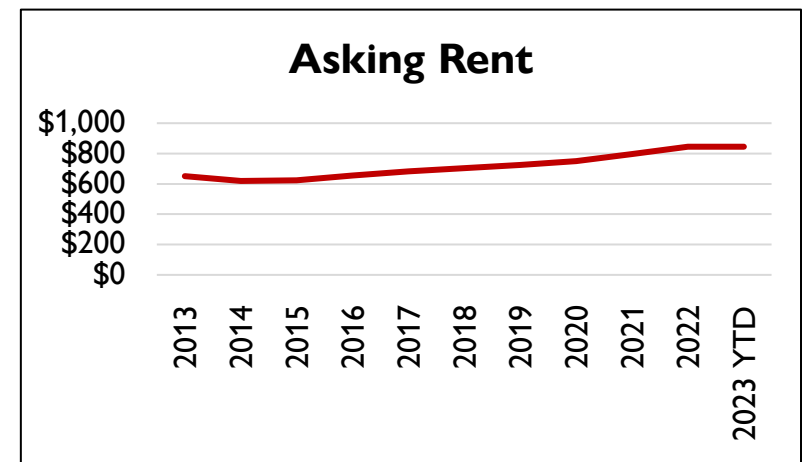
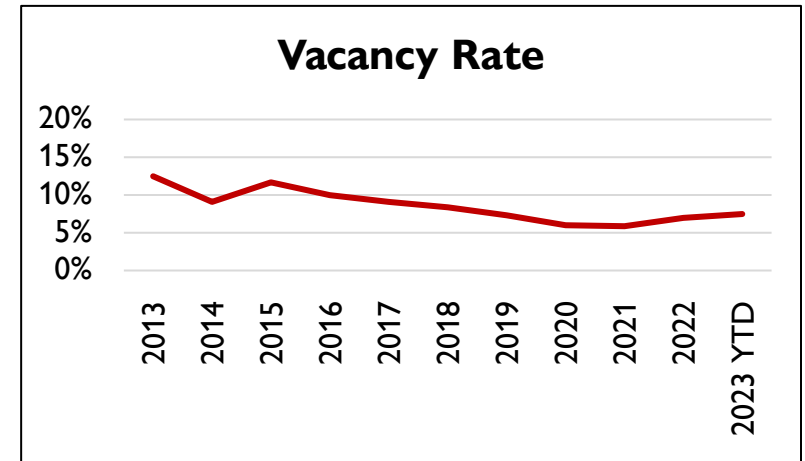
	2023 YTD (July)		
	City of Blythe	Trade Area	Riverside County Outlying
<b>Availability</b>			
Asking Rent Unit/Mo.	\$846	\$866	\$944
Vacancy Rate	7.5%	6.7%	5.9%
Net Absorption	(8)	(9)	(34)
<b>Inventory</b>			
Total # of Units	1,650	3,525	4,820
Growth (Since 2013)	-	-	0.1%

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## MULTIFAMILY MARKET HISTORY

### CITY

Year	Inventory Units	Vacant Units	Vacancy Percent	Net Absorption (Units)	Asking Rent (Unit/Mo.)	Asking Rent (Unit/Mo./SF)
2023 YTD	1,650	123	7.5%	(8)	\$846	\$1.11
2022	1,650	115	7.0%	(17)	\$844	\$1.11
2021	1,650	98	5.9%	1	\$796	\$1.04
2020	1,650	99	6.0%	20	\$751	\$0.98
2019	1,650	120	7.3%	20	\$725	\$0.95
2018	1,650	139	8.4%	11	\$704	\$0.92
2017	1,650	151	9.1%	14	\$683	\$0.89
2016	1,650	165	10.0%	29	\$656	\$0.86
2015	1,650	193	11.7%	(42)	\$623	\$0.81
2014	1,650	151	9.1%	56	\$619	\$0.81
2013	1,650	206	12.5%	(5)	\$651	\$0.85
2012	1,650	202	12.2%	(5)	\$669	\$0.88
2011	1,650	197	11.9%	(2)	\$651	\$0.85
2010	1,650	195	11.8%	11	\$649	\$0.85
2009	1,650	205	12.4%	(3)	\$672	\$0.88

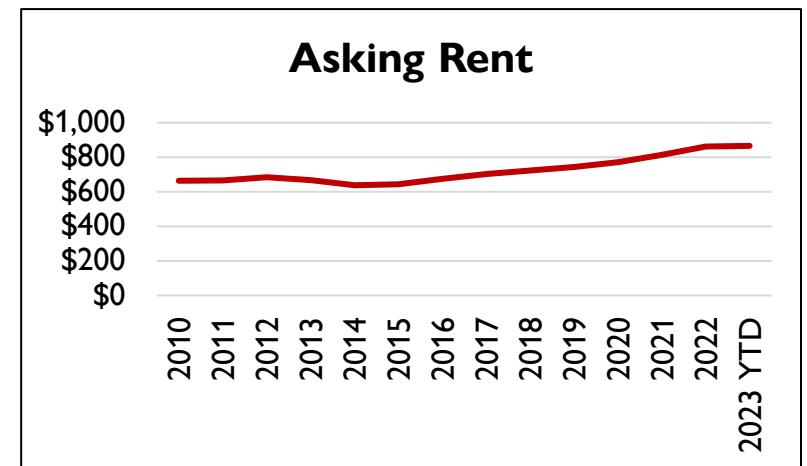
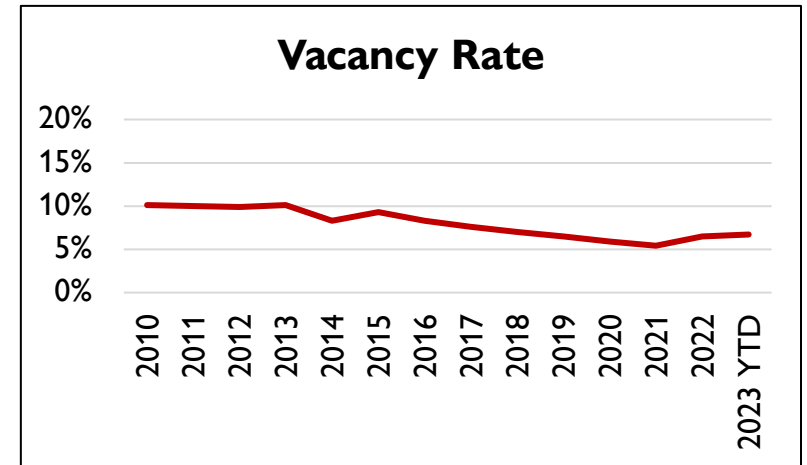


# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## MULTIFAMILY MARKET HISTORY

### TRADE AREA – 30 MILE RADIUS

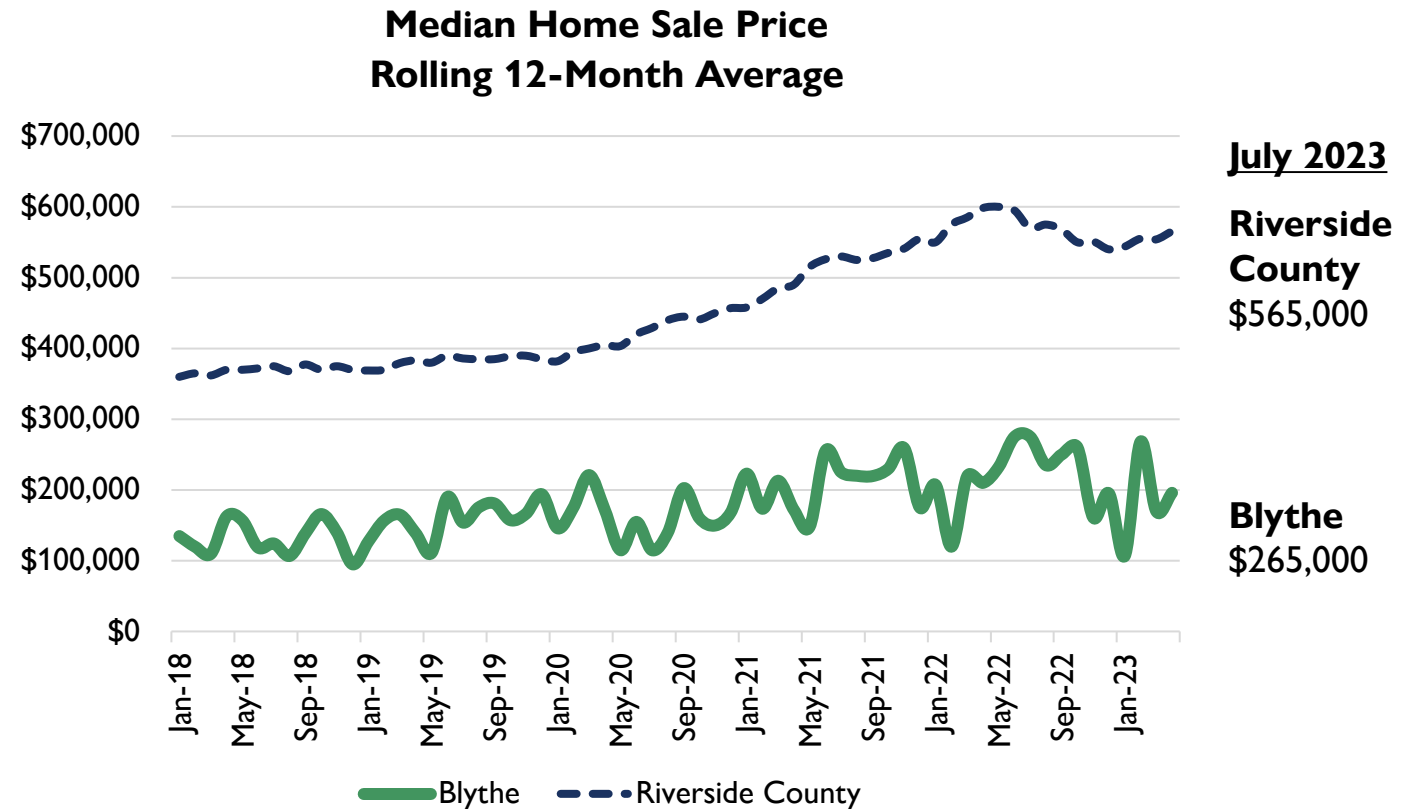
Year	Inventory Units	Vacant Units	Vacancy Percent	Net Absorption (Units)	Asking Rent (Unit/Mo.)	Asking Rent (Unit/Mo./SF)
2023 YTD	3,525	221	6.7%	(9)	\$866	\$1.11
2022	3,525	212	6.5%	(36)	\$863	\$1.11
2021	3,525	176	5.4%	16	\$815	\$1.05
2020	3,525	192	5.9%	22	\$771	\$0.99
2019	3,525	215	6.5%	15	\$744	\$0.95
2018	3,525	230	7.0%	20	\$724	\$0.93
2017	3,525	250	7.6%	22	\$703	\$0.90
2016	3,525	272	8.3%	31	\$675	\$0.86
2015	3,525	305	9.3%	(33)	\$643	\$0.82
2014	3,525	271	8.3%	61	\$638	\$0.82
2013	3,525	332	10.1%	(8)	\$668	\$0.86
2012	3,525	324	9.9%	4	\$684	\$0.88
2011	3,525	327	10.0%	6	\$666	\$0.86
2010	3,525	333	10.1%	17	\$665	\$0.85
2009	3,525	349	10.6%	(5)	\$689	\$0.88



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## SINGLE FAMILY HOME SALES

- Blythe is one of the most affordable housing markets in California – significantly more affordable than Riverside County overall or the coastal areas of the state.
- Median home sale price in the City peaked in June 2022 at \$275,000.
- Blythe typically has a higher amount of available inventory than Riverside County, with 5.3 months supply in July 2023 (compared to 2.4 months supply in Riverside County).





## HOSPITALITY MARKET

BLYTHE – MARKET SUPPLY AND DEMAND ANALYSIS

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## HOTEL MARKET OVERVIEW

- Kosmont examined Smith Travel Research (STR)/CoStar hotel market data for the Blythe hotel market Trade Area, defined as a 30-mile radius from Hobsonway and 7<sup>th</sup> St.
- According to CoStar, there are 22 operational hotels totaling 1,132 rooms within the City. One additional hotel, the 10-unit El Rancho Verde Motel, is listed as “permanently closed.” Over 57% of rooms are in economy class hotel properties, with 3 midscale and 3 upper midscale hotel properties. Economy hotel properties may have more long-term stays rather than tourist / visitor-serving customers.
- There are three additional hotels totaling 14 rooms in the 30-mile Trade Area: the 84-room Best Western Desert Oasis in Ehrenberg, AZ; the 52-room Super 8 Quartzsite in Quartzsite, AZ; and the 10-room Stagecoach Motel in Quartzsite, AZ.
- Two hotel properties are listed by CoStar as in the “final planning” phase of development:
  - TownPlace Suites by Marriott Blythe, 65 rooms, Upper Midscale, expected June 2025
  - Fairfield by Marriott Inn & Suites Blythe, 45 rooms, Upper Midscale, expected Jan 2025

City Hotel Rooms			
Hotel Class	Properties	Rooms	% of Rooms
Upper Midscale	3	224	17.5%
Midscale	3	175	13.7%
Economy	16	733	57.4%
<b>Total</b>	<b>22</b>	<b>1,132</b>	

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## HOTEL PROPERTIES 30-MILE TRADE AREA

Dist	Property Name	Rooms	Property Address	City	Hotel Class	Star Rating	Built / Renovated	Status	Operational Status	Constr Status
1.1	Hampton by Hilton Inn & Suites Blythe	81	2011 E Donlon St	Blythe	Upper Midscale	3	2015	Existing	Open	Existing
1.0	Holiday Inn Express Blythe	80	650 W Wells St	Blythe	Upper Midscale	4	2021	Existing	Open	Existing
1.0	Comfort Suites Blythe	63	700 W Donlon St	Blythe	Upper Midscale	3	2010	Existing	Open	Existing
0.9	Best Western Blythe	77	550 W Donlon St	Blythe	Midscale	3	2022	Existing	Open	Existing
0.9	Quality Inn Blythe	65	600 W Donlon St	Blythe	Midscale	3	2005	Existing	Open	Existing
0.8	Magnuson Hotel Blythe	33	1781 E Hobson Way	Blythe	Midscale	3	1978	Existing	Open	Existing
0.9	Motel 6 Blythe	91	500 W Donlon St	Blythe	Economy	2	1980	Existing	Open	Existing
0.2	Capital Suites	67	545 E Hobson Way	Blythe	Economy	2	1990	Existing	Open	Existing
1.1	Travelodge by Wyndham Blythe	66	900 W Rice St	Blythe	Economy	2	2006	Existing	Open	Existing
0.3	Blythe Inn	63	401 E Hobsonway	Blythe	Economy	2	1964	Existing	Open	Existing
1.1	Days Inn by Wyndham Blythe	59	900 W Hobsonway	Blythe	Economy	2	1994	Existing	Open	Existing
0.7	Americas Best Value Inn Blythe	56	1673 E Hobsonway	Blythe	Economy	2	1965	Existing	Open	Existing
1.0	Red Roof Inn Blythe	50	850 W Hobson Way	Blythe	Economy	2	1945	Existing	Open	Existing
1.1	Econo Lodge Blythe	49	903 W Hobsonway	Blythe	Economy	2	1950	Existing	Open	Existing
1.0	SureStay Blythe	46	825 W Hobsonway	Blythe	Economy	2	1962	Existing	Open	Existing
1.2	Emerald Inn Blythe	46	1020 W Hobson Way	Blythe	Economy	2	1960	Existing	Open	Existing
0.2	Rodeway Inn & Suites Blythe	30	1127 E Hobsonway	Blythe	Economy	2	1988	Existing	Open	Existing
2.7	Oasis Motel	28	2421 W Hobsonway	Blythe	Economy	2	1955	Existing	Open	Existing
0.0	Motel 6 Blythe - South	26	801 E Hobson Way	Blythe	Economy	2	2015	Existing	Open	Existing
0.9	Dutt Relax Inn	23	1843 E Hobsonway	Blythe	Economy	2	1965	Existing	Open	Existing
0.2	Blue Line Motel and Trailer Park	19	950 E Hobsonway	Blythe	Economy	2	1950	Existing	Open	Existing
0.1	Budget Inn	14	939 E Hobsonway	Blythe	Economy	2	1960	Existing	Open	Existing
1.0	El Rancho Verde Motel	10	1936 E Hobsonway	Blythe	Economy	1	1954	Perm. Closed		Existing
3.9	Best Western Desert Oasis	84	14400 S Frontage Rd	Ehrenberg	Midscale	3	1989	Existing	Open	Existing
19.6	Super 8 Quartzsite	52	2050 W Dome Rock Rd	Quartzsite	Economy	2	2003	Existing	Open	Existing
20.8	Stagecoach Motel	10	904 W Main St	Quartzsite	Economy	2	1978	Existing	Open	Existing
0.9	TownePlace Suites by Marriott Blythe	65	550 W Donlon St	Blythe	Upper Midscale	3	2025	Final Planning		Final Planning
0.9	Fairfield by Marriott Inn & Suites Blythe	45	550 W Donlon St	Blythe	Upper Midscale	4	2025	Final Planning		Final Planning

## DATA APPENDIX

### PLACER.AI VISITOR DATA



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## TRAVEL & TOURISM DATA PLACER.AI - OVERVIEW

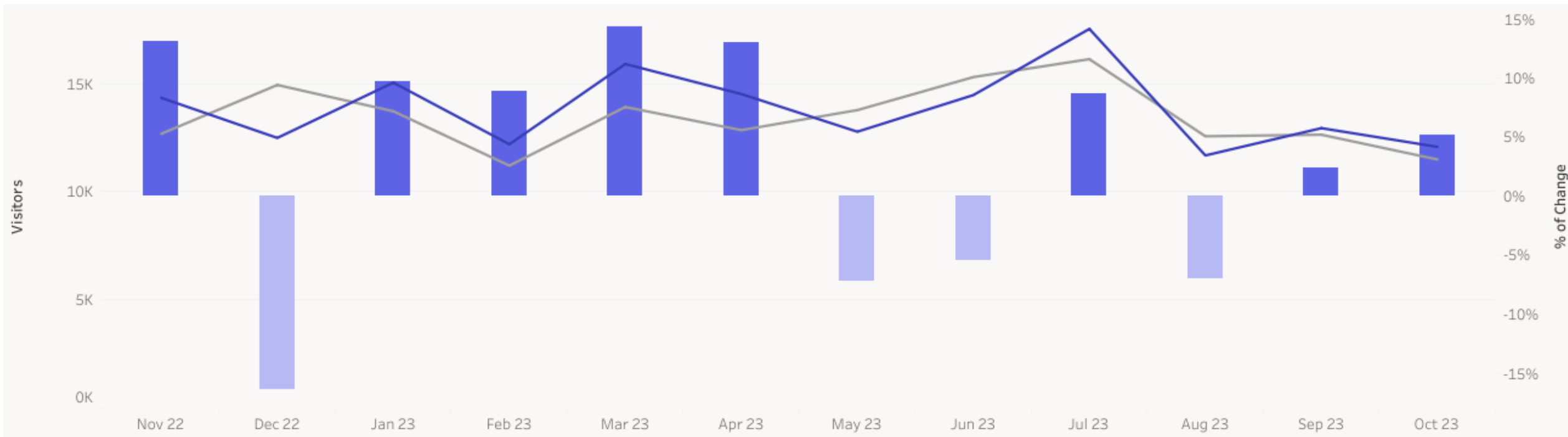
- Placer.ai is a mobility data provider that tracks movement of over 30 million people in the U.S. via anonymized mobile app data. This information can reveal visitation trends to/from retailers, providing insight into store visit performance, characteristics of consumers, and trade areas.
- The Placer.ai Travel & Tourism Report provides insights into overnight stays in the City of Blythe, providing insights into visit trends, home origins of visitors, spending potential, and other metrics.

### Last 12 Months – Overnight Visitors

Visitors	160,000
Visit Nights	350,000
Est. Visitors' Spending Potential	\$67.9 million
% Visitors Spend 1-2 Days in Blythe	77%
% of Visitors with Origin Median HH Income over \$90k	36%

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## BLYTHE OVERNIGHT VISITOR TRENDS PREVIOUS 36 MONTHS



■ % of Change    ● Current Period    ● 1 Year Ago

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## TRAVEL & TOURISM DATA PLACER.AI – VISITOR ORIGIN DATA

The most common home location metropolitan areas (CBSAs) for overnight visitors to Blythe are the Los Angeles, Phoenix, and San Diego metro areas. These three areas account for ~44% of visitors and over half of visit nights.

Last 12 Months – Overnight Visitors			
CBSA	Visitors	Visit Nights	Median Daily Disposable Income
Riverside – San Bernardino – Ontario, CA	36,000	92,400	\$187
Los Angeles – Long Beach – Anaheim, CA	26,400	57,100	\$227
Phoenix – Mesa – Chandler, AZ	21,100	47,000	\$194
San Diego – Chula Vista – Carlsbad	12,600	32,700	\$216
Tucson, AZ	4,800	10,600	\$158
El Centro, CA	3,500	9,800	\$152
Las Vegas – Henderson – Paradise, NV	2,900	10,100	\$171
Bakersfield, CA	2,600	7,000	\$163
Sacramento – Roseville-Folsom, CA	2,500	4,900	\$213
Oxnard – Thousand Oaks – Ventura, CA	2,500	4,200	\$230
Lake Havasu – Kingman, AZ	2,100	3,500	\$129



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## BLYTHE RETAIL OVERVIEW SHOPPING CENTERS, GROCERS, ESSENTIALS

Approx. 60-70% of visitors to many of the City’s shopping centers and major retailers are residents of the City, with some establishments (such as the Albertsons and Ace Hardware) drawing a greater number of visitors from outside of the City.

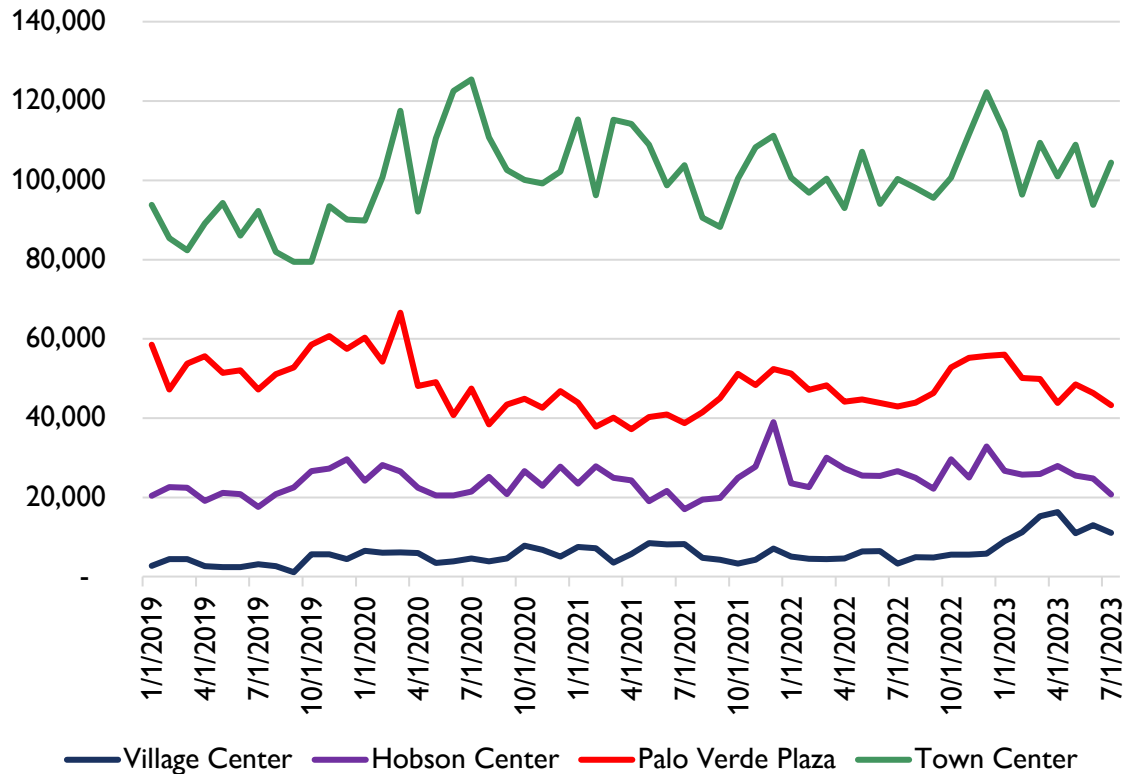
The Albertsons and Ace Hardware locations are each the 2<sup>nd</sup> most-visited locations for each respective brand in California by number of visits. Other retailers also show high-ranking performances.

Previous 12 Months	Est. Total Store Visits	Est. Unique Visitors	Avg Visits Per Visitor	Median Length of Stay	Visitor Average Household Income	% Visitors Home Location <5 miles away	Chain Rank Percentile (California)
Blythe Village Center	113,400	25,800	4.4	30 min	59,000	79%	-
Blythe Hobson Center	311,900	57,200	5.5	27 min	65,000	72%	-
Palo Verde Plaza Shopping Center	592,100	62,400	9.5	27 min	63,000	68%	-
Blythe Town Center	1,254,800	140,500	8.9	27 min	65,000	65%	-
Albertsons	1,143,200	129,700	8.8	25 min	65,000	65%	99 <sup>th</sup>
Smart & Final	497,400	56,700	8.8	25 min	63,000	72%	85 <sup>th</sup>
Ace Hardware	258,800	49,600	5.2	23 min	70,000	61%	99 <sup>th</sup>
Rite Aid	228,500	49,700	4.6	20 min	64,000	72%	94 <sup>th</sup>

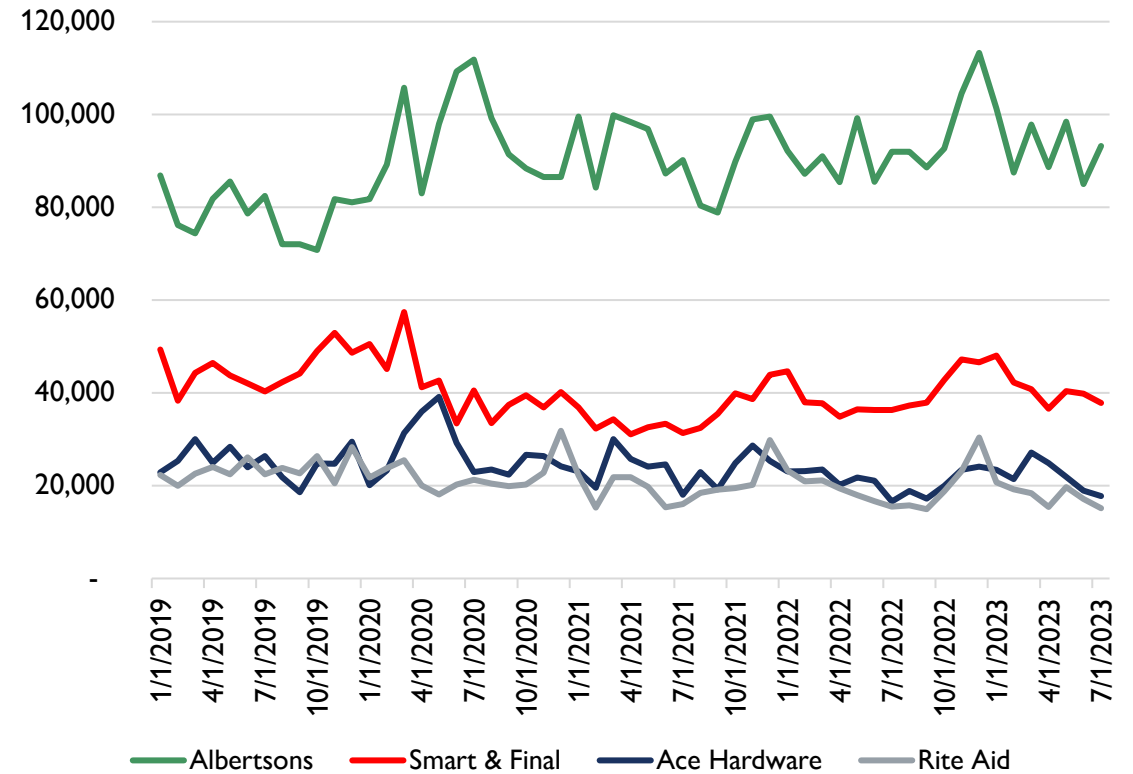
# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## RETAILER VISIT DATA PLACER.AI SUMMARY

### Shopping Centers



### Major Retailers



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## BLYTHE RETAIL OVERVIEW RESTAURANTS AND QSR

Approx. 25-45% of visitors to many of the City's major retailers are residents of the City, with some establishments (such as McDonald's and Taco Bell) drawing a greater number of visitors from outside of the City.

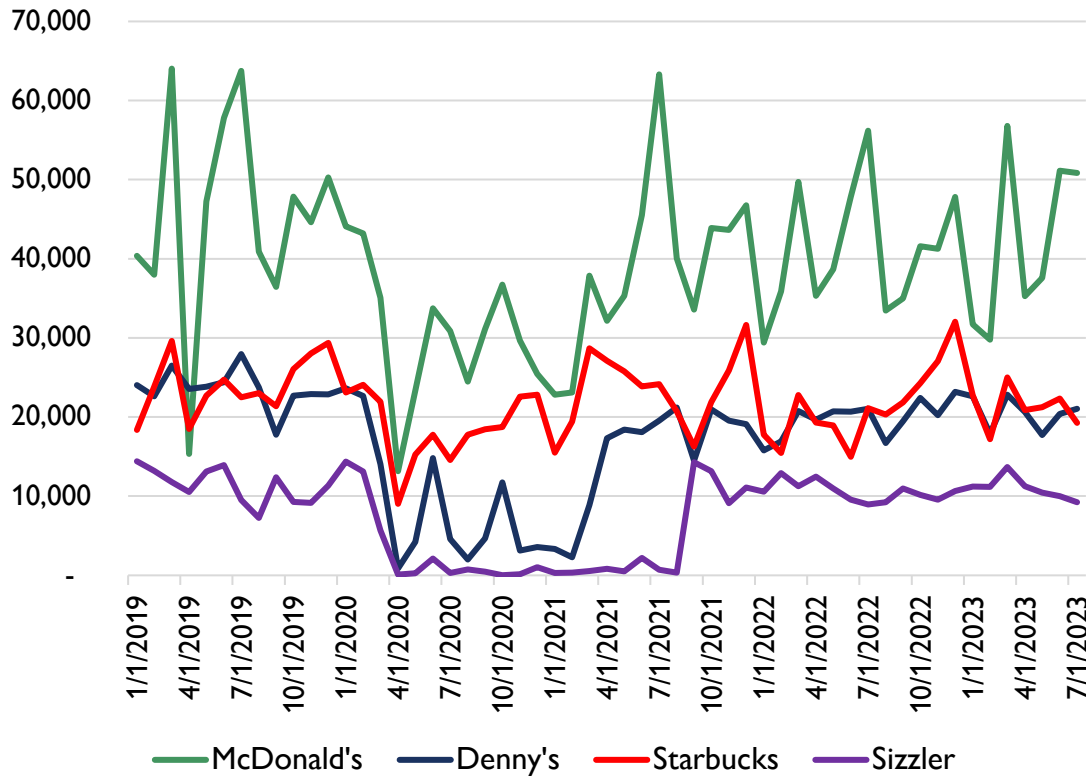
The McDonald's is the 8<sup>th</sup> most visited location in California; the Popeye's is the 13<sup>th</sup> most visited. Other retailers also show high-ranking performances.

Previous 12 Months	Est. Total Store Visits	Est. Unique Visitors	Avg Visits Per Visitor	Median Length of Stay	Visitor Average Household Income	% Visitors Home Location <5 miles away	Chain Rank Percentile (California)
McDonald's	492,200	317,200	1.6	26	81,000	24%	99 <sup>th</sup>
Denny's	245,100	103,200	2.4	57	70,000	45%	93 <sup>rd</sup>
Starbucks	274,200	117,500	2.3	21	78,000	42%	94 <sup>th</sup>
Popeyes Louisiana Kitchen	186,100	113,700	1.6	28	74,000	34%	94 <sup>th</sup>
Jack in the Box	194,700	109,400	1.8	22	72,000	40%	97 <sup>th</sup>
Sizzler	127,500	53,000	2.4	63	68,000	56%	41 <sup>st</sup>
Burger King	64,300	50,100	1.3	24	77,000	26%	52 <sup>nd</sup>
Taco Bell	135,200	103,200	1.3	26	89,000	19%	92 <sup>nd</sup>

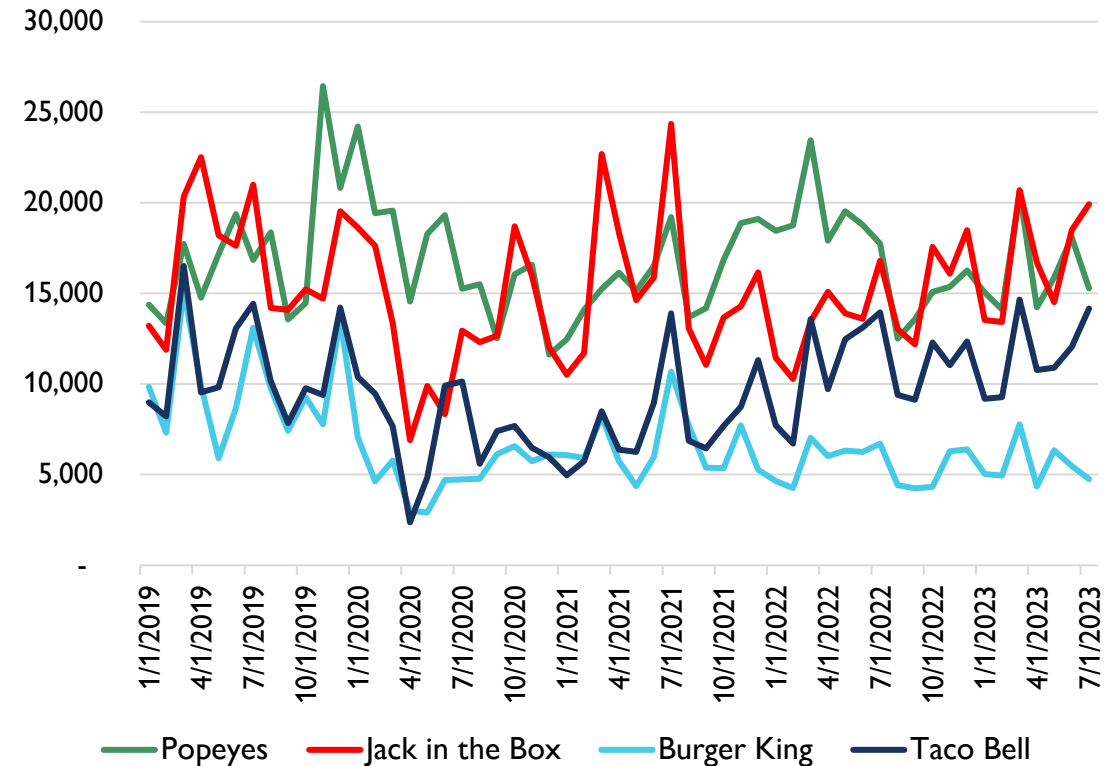
# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## RETAILER VISIT DATA PLACER.AI SUMMARY

### Restaurants



### Restaurants



# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

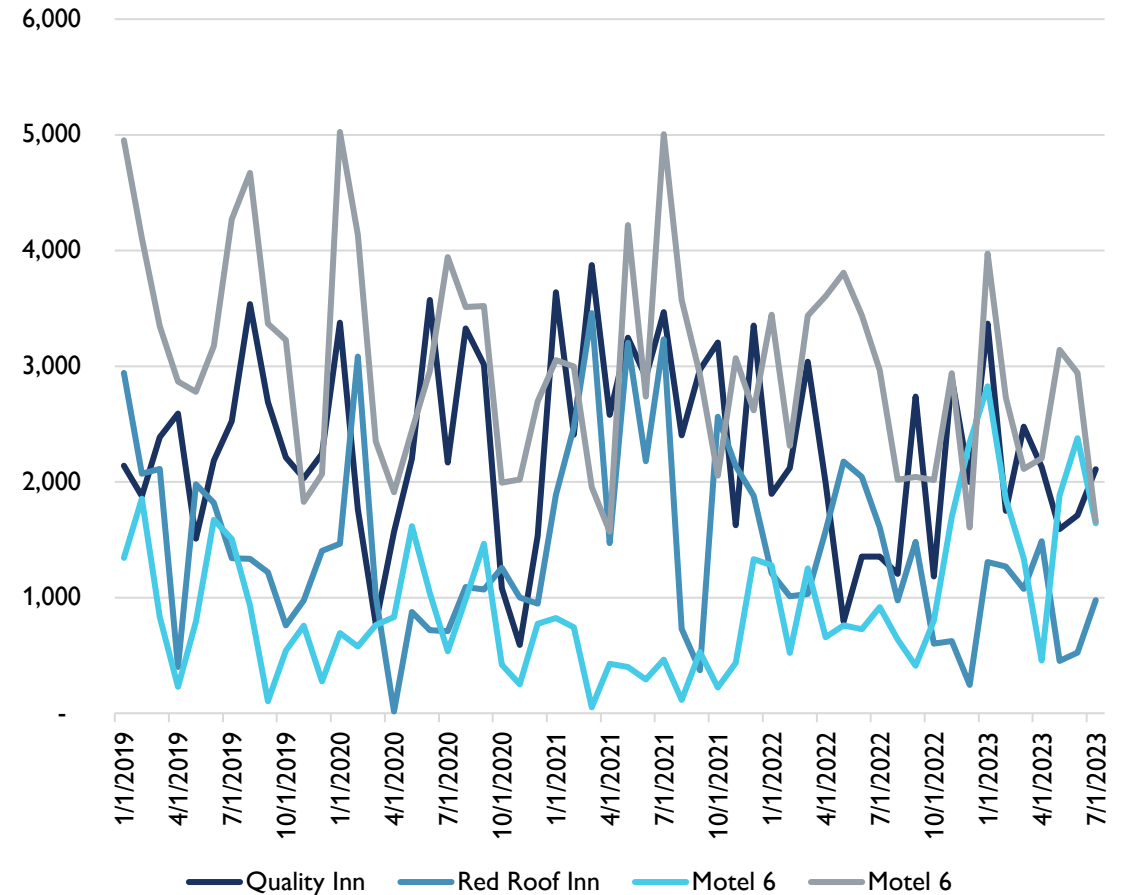
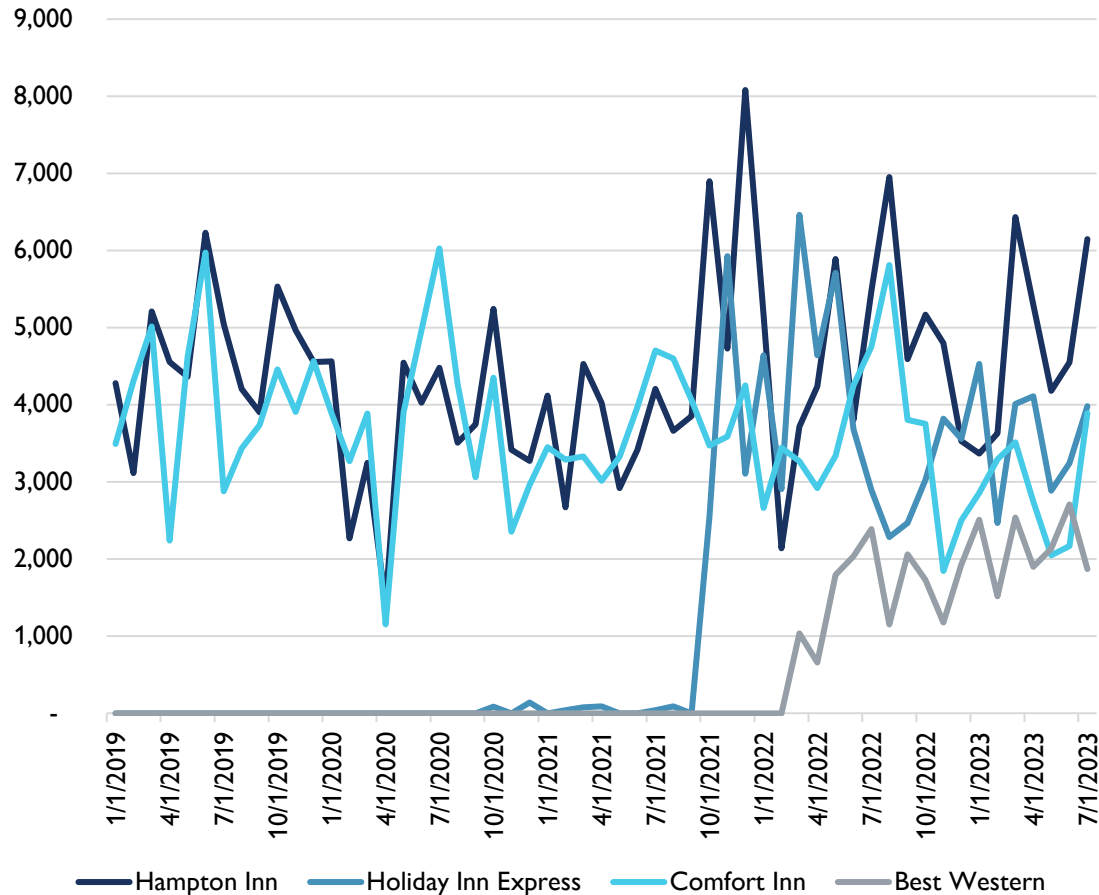
## BLYTHE RETAIL OVERVIEW HOTELS

Most of the hotels in Blythe draw less than 20% of their visitors from people with homes less than 100 miles away. Average incomes tend to be above \$80 – 90,000.

<i>Previous 12 Months</i>	<b>Est. Total Store Visits</b>	<b>Est. Unique Visitors</b>	<b>Avg Visits Per Visitor</b>	<b>Visitor Average Household Income</b>	<b>% Visitors Home Location &lt;100 miles away</b>	<b>Chain Rank Percentile (California)</b>
Red Roof Inn	11,000	3,200	3.5	\$ 71,000	22%	*100 <sup>th</sup>
Hampton Inn	58,600	16,700	3.5	93,000	10%	33 <sup>rd</sup>
Comfort Inn & Suites	38,200	11,600	3.3	82,000	7%	40 <sup>th</sup>
Holiday Inn Express	40,400	13,000	3.1	93,000	4%	12 <sup>th</sup>
Quality Inn	25,200	9,000	2.8	85,000	4%	24 <sup>th</sup>
Best Western Blythe	23,200	5,700	4.1	83,000	6%	5 <sup>th</sup>
Motel 6	18,300	3,100	6.0	65,000	54%	13 <sup>th</sup>
Motel 6	29,400	7,200	4.1	80,000	13%	25 <sup>th</sup>

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## RETAILER VISIT DATA PLACER.AI SUMMARY



Source: Placer.ai, data accessed August 2023

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## COLORADO RIVER FAIRGROUNDS PLACER.AI ANALYSIS

Placer.ai can also be used to measure visits to events, such as the Colorado River Fair at the Colorado River Fairgrounds in Blythe. A historic look shows that visits to the fairgrounds during the week of the fair in 2023 reached 49,000 visits, the highest level since data is available (2017).

Visitors to the Fairgrounds in 2023 had average household incomes of \$66,000, and tended to stay for close to 3 hours. Visits peaked between 6 and 9 pm, and peaked on Saturday.

In 2023, ~85% of visitors were from Blythe; other visitors came from other southern California cities, Phoenix and other nearby Arizona Cities, and other western US cities.

Common post-visit locations include restaurants in the City, such as McDonald's, Albertsons, Denny's, and Sizzler.

Year	Week	Visits
2017	March 13-19	32,600
2018	March 12-18	29,800
2019	March 11-17	36,400
2020	March 9-15	8,100
2021	March 15-21	9,100
2021	October 18-24	16,500
2022	March 14-20	41,200
2023	March 13-19	49,000



## APPENDIX: LARGE OPPORTUNITY SITES

# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## SWQ E HOBSON WAY & S INTAKE BLVD

<b>Acres</b>	~27 acres
<b>Owner</b>	Churchill Security Inv
<b>APN</b>	8540-90-010, 011, 014, 020 8541-00-005, 008, 009
<b>Zoning</b>	C-G: General Commercial
<b>Description</b>	Vacant Land, accessibility to I-10 at S Intake Blvd
<b>Sale</b>	Previously listed for sale for \$1.95m in 2019





# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## NWQ E 14TH AVE & S INTAKE BLVD

<b>Acres</b>	~34 acres
<b>Owner</b>	Luyang Gao
<b>APN</b>	854-110-013
<b>Zoning</b>	C-G: General Commercial
<b>Description</b>	Vacant land; previously proposed industrial / cannabis project; possibly approved master plans for 12 30k sf warehouses, CEQA use permits
<b>Sale</b>	Sold in 2019 for \$2.75m Listed for \$5.1m (part of a portfolio – includes parcels further south on Intake)





# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## HOBSONWAY EAST OF INTAKE

<b>Acres</b>	~31 AC
<b>Owner</b>	Olam Blythe LLC
<b>APN</b>	857-160-024
<b>Zoning</b>	P-D: Planned Development
<b>Description</b>	Vacant land between I-10 and Hobsonway, east of Intake Blvd interchange
<b>Sale</b>	Sold in 2023 for \$782k





# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## NEQ E 14TH AVE & S 7TH ST

<b>Acres</b>	~35 AC
<b>Owner</b>	Kayian Enterprises
<b>APN</b>	854-060-010, -011
<b>Zoning</b>	P-D: Planned Development R-L-1: Low Density Residential
<b>Description</b>	Vacant land near I-10 & 7 <sup>th</sup> St Interchange

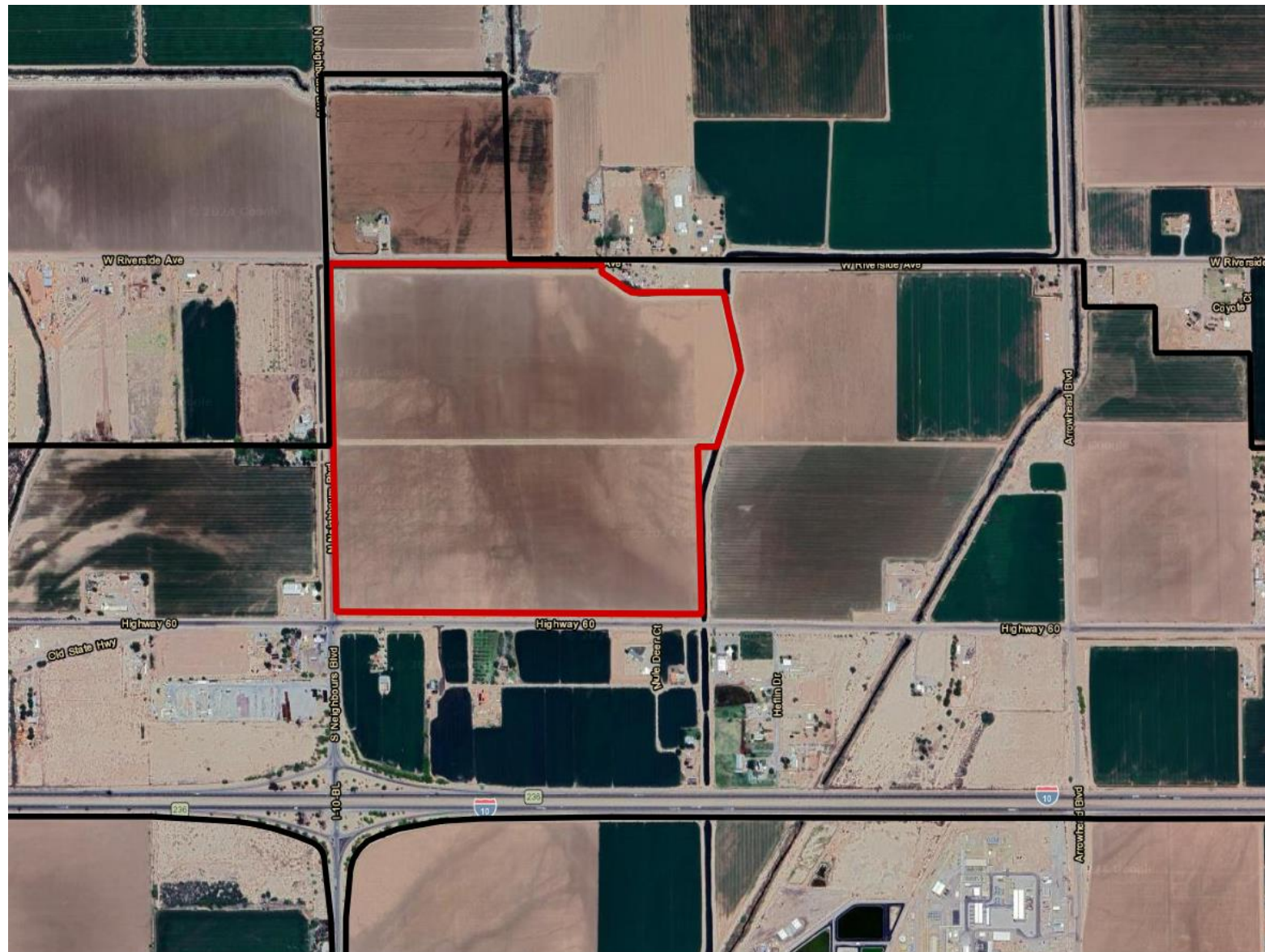




# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## NEQ HOBSONWAY & NEIGHBOURS BLVD

<b>Acres</b>	~158 acres
<b>Owner</b>	William & Susan Jongsma
<b>APN</b>	824-160-001, -002, -008
<b>Zoning</b>	C – G General Commercial A – Agricultural
<b>Description</b>	Vacant land along Hobsonway, access to I-10 from Neighbours Blvd
<b>Sale</b>	For Sale – listed as Under Contract

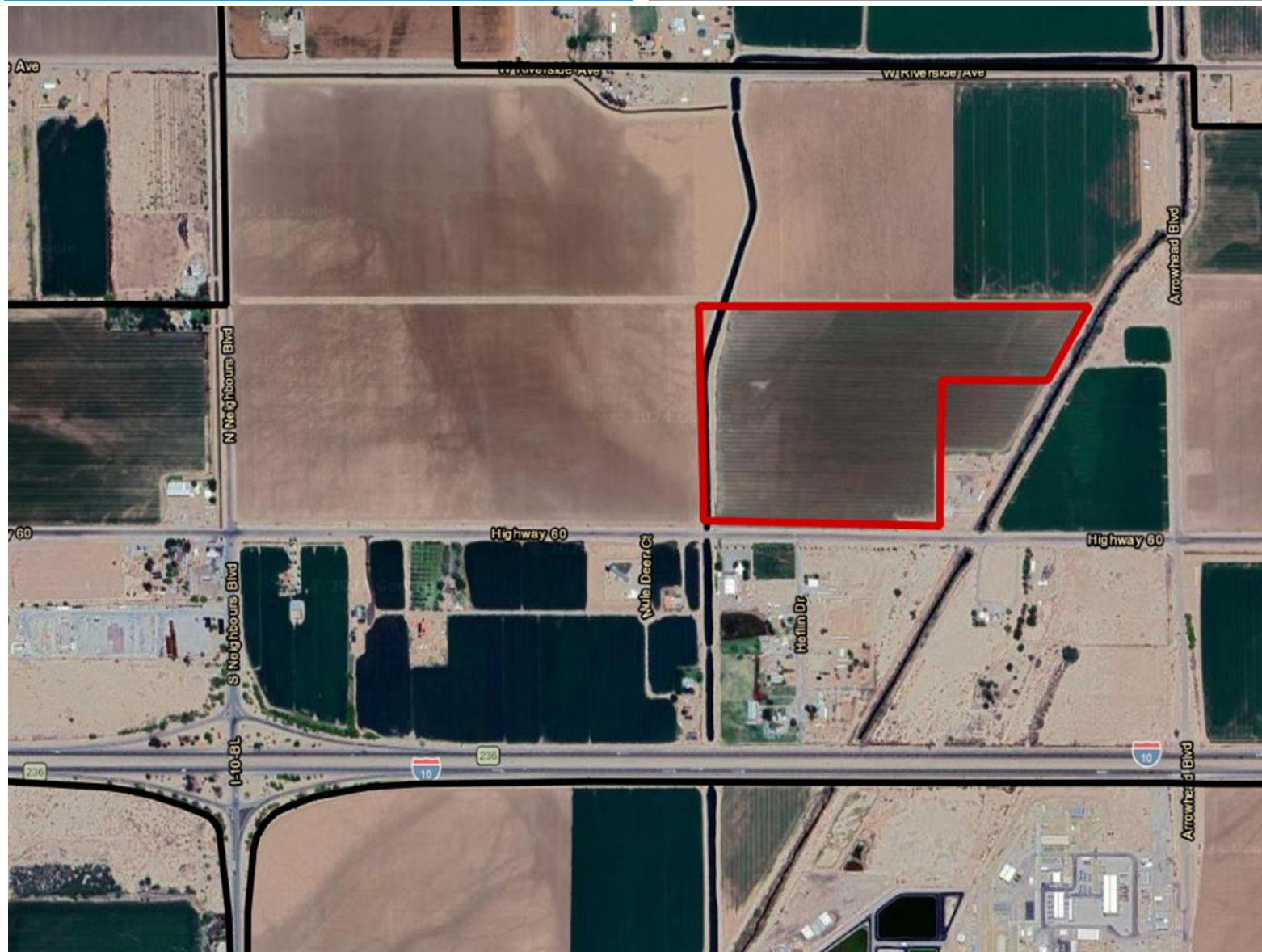




# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## HOBSONWAY W. OF ARROWHEAD BLVD

<b>Acres</b>	~44 AC
<b>Owner</b>	Steiler & Stuller
<b>APN</b>	824-160-010
<b>Zoning</b>	A - Agricultural
<b>Description</b>	Vacant land on Hwy 60, east of Neighbours Blvd interchange
<b>Sale</b>	Listed in 2022 for \$1.47m; possibly under contract





# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## SEQ MESA DRIVE & I-10

<b>Acres</b>	~44 AC
<b>Owner</b>	Blossom Capital Qof
<b>APN</b>	824-030-021
<b>Zoning</b>	County: C-P-S County: N-A
<b>Description</b>	Vacant land south of I-10 near Mesa Drive interchange
<b>Sale</b>	Sold in 2023 for \$508k





# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## SOUTH OF HOBSONWAY NEAR AIRPORT

<b>Acres</b>	~55 acres
<b>Owner</b>	Gosser
<b>APN</b>	824-090-044
<b>Zoning</b>	County: M-SC
<b>Description</b>	Vacant land south of Hobsonway, east of entrance to Airport, with I-10 access at Mesa Drive
<b>Sale</b>	Listed for sale for \$417,500





# BLYTHE REGION – ECONOMIC DEVELOPMENT OVERVIEW

## 15<sup>TH</sup> AVE E OF MESA DR

<b>Acres</b>	~160 acres
<b>Owner</b>	Gosser
<b>APN</b>	863-020-015
<b>Zoning</b>	County: N-A
<b>Description</b>	Vacant land, accessible to I-10 from Mesa Drive
<b>Sale</b>	Listed for sale for \$1,207,125



# RIVERSIDE COUNTY – BLYTHE REGION ECONOMIC DEVELOPMENT OVERVIEW

February 2024



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