

CITY OF NEEDLES, CALIFORNIA



ECONOMIC INVESTMENT MARKETING PLAN

2022-2025



Presented by:

Development Management Group, Inc.

www.dmgeconomics.com

(760) 272-9136

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1. Prelude

The purpose of the City of Needles Economic Development Marketing Plan is to provide the framework, action-oriented steps and effectiveness evaluation criteria with the goal of generating additional economic investment in the City.

The City of Needles desires to attract additional economic investment in four (4) core areas including:

1. Residential Development (Single Family, Multi-Family Housing and Custom/In-Fill)
2. Retail / Restaurants
3. Industrial Development
4. Hospitality and Tourism

This Plan relies on information from the following sources:

- A. Association of Corporate Real Estate Executives Southern California (ACRE)
- B. City of Needles
- C. Confidential Sources (Unnamed Developers)
- D. County of San Bernardino
- E. Development Management Group, Inc.
- F. Environics Analytics
- G. HdL
- H. Hunter Johnsen Marketing
- I. International Council of Shopping Centers (ICSC)
- J. LinkedIn
- K. National Association of Homebuilders (NAHB)
- L. Society of Industrial and Office Realtors (SIOR)
- M. State of California Department of Finance & Department of Tax and Fee Administration

2. Introduction

The City of Needles is located in eastern San Bernardino County and is immediately adjacent to the Colorado River along the border of California and Arizona. The Southern tip of Nevada is located within ten (10) miles of the Northern tip of the City limits of the City of Needles.

The current population of Needles is 5,353 (January 1, 2021). The City encompasses about 31 square miles and is part of what is commonly referred to as the Colorado River Region which includes the Arizona communities of Lake Havasu City, Bullhead City, Fort Mohave (unincorporated) and Laughlin, Nevada. The community has Interstate 40 running through it (west to east) and Interstate 95 (north to south).

The purpose of this plan is to provide specific actions to assist the City of Needles in generating additional economic investment. The plan will rely on both the City of Needles population and the population of the Colorado River Region for which to draw investment. This is because households and consumers cross communities, zip codes and in this case, state borders for employment, shopping, education and recreation.

This plan will provide an understanding of regional and local economic opportunities by examining current demographics and other statistical information. From that, each segment of the desired economic investment will be addressed to provide context. Finally, a three (3) year month by month action step is presented along with budget.

The plan overall relies on a combination of traditional marketing/advertising and relationship-based marketing. Traditional Marketing/advertising avenues will have response vehicles while relationship-based marketing will rely on a more time intensive method.

3. Acknowledgments

An Economic Development Marketing Plan is put together as a community, for a community. The City of Needles (elected officials, residents, business community and staff) has come together to provide significant visioning as well as qualitative and quantitative information to formulate the plan that follows. The following are recognized for their contributions to the plan:

Mayor & City Council for the City of Needles

Mayor Jeff Williams
Vice Mayor Edward Paget, MD
Councilmember Tona Belt
Councilmember Ellen Campbell
Councilmember Wade Evans
Councilmember Zachery Longacre
Councilmember Kristen Merritt

Committee Commissioners for the City of Needles

Terry Campbell, Public Utility Commission Chair
Linda Kidd, Planning Commission Chair

Community Members and Members of the Business Community

Kim Acosta, Best Western Colorado River Inn
Tim Terral, Golden Valley Cable
Susan Alexis, Wagon Wheel
Billy Andrews, Developer/Landowner
Kristen Baran, 19th Hole
Palm Blake, Community Leader
Eric Bryant, Needles Marina
Todd Burleson, AZYP
Michael Burger, CPA
Lale Cilenti, Palo Verde College
Mary Gonzales, Needles Chamber of Commerce
Shawn Gudmundson, Community Leader
Eileen Hartwick, Napa Auto Parts/Big O Tires
Shatell Hazlewood, River Sisters Realty
Jan Jernigan, Needles Downtown Business Association
Vasu Jolly, Rio Del Sol Inn
Joe Jones, Needles Shell, Subway & Dairy Queen
Sharad Kadakia, Developer/Landowner/Hotel Owner-Operator
Mathew Kaplan, Vertical Companies
Cheryl Luell, The Healing Center
Michael Lundin, LUKO Properties
Dr. Mary McNeil, Superintendent of Schools Needles Unified School District
(Ret.) Judge Patrick Morris

Lyn Parker, Community Leader
Joe Payson, Colorado River Plumbing
Michael Phelps, Retro Pizza
Jason Radwin, Atlas Properties
Jim Rolls, Needles Unified School District
Monna Sanner, Herbarium
Kim Willis, River Sisters Realty
Darin Woinarowicz, Arrowhead Credit Union

Staff Members for the City of Needles

Rick Daniels, City Manager
Patrick Martinez, Assistant City Manager
Sylvia Miledi, Finance Director
Alberto Paiva City Engineer/Building Official
Rainie Torrance Assistant Utility Manager
Justin Scott Electric Supervisor
Brian Hickstein Chief Water Operator
Kim Mitchell Utility Business Office Supervisor
Cindy Semione Associate Planner (Retired)
Tammy Ellmore, Engineering Technician II
Topaz Martinez Permit Tech

4. Contents of Plan

1. Prelude
2. Introduction
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4. Contents of Plan
5. Marketing Slogan / Unification Vision Statement
6. Regional Demographics of Colorado River Region and Analysis
7. Local Community (City) Demographics of Needles and Analysis
8. Opportunities for Residential Development / Tasks & Marketing Program for Residential Development
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12. Three (3) Year Quarterly Activity Matrix and Budget
 - a. Exhibit A: Marketing Matrix: Residential
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5. Marketing Slogan / Unification Vision Statement

The City of Needles (the community) holds immense pride for who they are. A marketing slogan/vision statement that speaks to both their source and sense of pride will help unify the community further as well as serve as a brand to bring additional economic investment into the local economy. There are multiple ways to look at a slogan, this plan provides three with examples of the first concept.

Concept 1: (Celebration of “Needles” ... a logo for use with marketing that is a set of “Needles Mountains” with “Points” or Needles on them with one of the following (or some variation):

1. **Live the Point! (main theme)**
2. Shop the Point!
3. Grow the Point!
4. Dine the Point!
5. Play the Point!
6. Business at the Point!
7. Vacation the Point!
8. Family at the Point!
9. Move to the Point!
10. Home’s at the Point
11. Visit the Point!



Essentially, the use is almost endless. The medallion shown is a mock-up example.

Concept 2: (Cannabis Lean) While 5+ years ago, the attitude regarding a double meaning slogan would be different, today, the City and community should “lean into” its cannabis-related industry growth as that is now the prominent employer and is generating the greatest amount of new economic investment. Ideas for a slogan:

1. Come Grow with Us!
2. Grow with Us!
3. Grow in Our Oasis!

Concept 3: (Celebration of Needles as a River/Desert/Oasis Destination)

1. Live on the River
2. An Oasis Paradise
3. Where the Desert Meets the River
4. California’s East Coast

6. Regional Demographics (Colorado River Region)

Needles economic opportunities will rely on their local market (within the City of Needles), regional market (the Colorado River Region) and visitors/flow-thru (a combination of persons visiting the region for recreation and those passing through the region (typically on the I-40 corridor)

The Colorado River Region is generally comprised of Lake Havasu City, Bullhead City, Fort Mohave (unincorporated) and Laughlin, Nevada. The region has a current population of about 136,197. The median age in the region is 55.44 years. By comparison, the median age in the United States is 38 while in California, it is 36. Certainly, this points to the Colorado River Region being one that attracts significant numbers of folks that are retired. In the pages that follow are demographic characteristics of the region:

Ethnicity (Note that ethnicities do not equal 100% as some persons are considered of more than one classification):

White Alone:	82.91%
Black/African American Alone:	1.35%
American Indian:	2.33%
Asian Alone:	1.27%
Native Hawaiian/Pacific Islander Alone:	0.19%
Other Race:	8.24%
Hispanic or Latino:	19.66%

Language Spoken at Home (Primary):

English	88.12%
Asian/Pacific Islander:	.85%
Indo-European:	.90%
Spanish:	9.63%
Other Language:	0.49%

Population Age:

The region has a population that is older than most across America. The median age is 54.5 years while over 1/3 of the population (33.68%) is over the age of 65. This also means that the region is popular as a retirement destination for persons looking for a lower cost of living and a warm climate.

Median Age:	55.44 Years
Under 18:	14.91%
18-34	15.64%
35-54	18.88%
55-64	15.77%
65+	34.80%

Households:

Family Households:	39,105 (64.81%)
Non-Family Households:	21,229 (35.19%)
Estimated Household Size:	2.25 Persons

Personal Transportation (Percentage of Households):

No Vehicles:	5.66%
1 Vehicle:	35.30%
2 Vehicles:	36.69%
3 Vehicles:	15.14%
4 or More Vehicles:	7.21%

Housing:

Housing Units (Owner-Occupied):	67.31%
Housing Units (Renter-Occupied):	32.69%

Length of Use:

Owner-Occupied:	13.58 Years
Renter-Occupied:	6.44 Years

Estimated Median Value of All Owner-Occupied Housing Units:

\$253,595

Housing Unit Characteristics (Housing Units by Units in Structure):

1-Unit Attached	1,859	(2.21%)
1-Unit Detached	50,454	(60.04%)
2 Units	1,729	(2.06%)
3-4 Units	2,971	(3.54%)
5-19 Units	5,711	(6.80%)
20-49 Units	1,156	(1.38%)
50+ Units	1,813	(2.16%)
Mobile Home or Trailer Units	18,031	(21.46%)
Boat/RV/Van Units	314	(.37%)

Educational Attainment (Adults 25+ / Highest Level Attained) (Entire Population):

Less than High School Graduate/GED:	12.66%
High School Graduate or GED:	35.10%
Some College, No Degree:	29.98%
Associate's Degree:	8.95%
Bachelor's Degree:	8.53%
Master's Degree:	3.08%
Professional/Doctorate Degree:	1.70%

Educational Attainment (Hispanic/Latino):

High School Graduate or GED:	35.33%
Some College or Associates:	31.34%
Bachelor’s Degree or Higher:	6.42%

Household Income:

<\$35,000:	30.09%
\$35,000-\$49,999:	14.92%
\$50,000-\$74,999:	21.13%
\$75,000-\$99,999:	13.11%
\$100,000-\$149,999:	13.48%
\$150,000+:	7.27%

Average Household Income:	\$71,611
Median Household Income:	\$55,316
Ratio Average to Median:	1.29x

By comparison, the Median Household Income in the United States is about \$67,463 while it is \$75,200 in California and \$58,900 in Arizona and \$60,400 in Nevada.

Median Household Income by Ethnicity:

White Alone	\$ 55,363
Black or African American Alone	\$ 43,635
American Indian Alone	\$ 58,049
Asian Alone	\$ 48,988
Native Hawaiian or Other Pacific Islander Alone	\$195,916*
Some Other Race Alone	\$ 57,152
Two or More Races	\$ 51,134
Hispanic or Latino	\$ 54,882
Not Hispanic or Latino	\$ 55,403

*Note that the number of persons in this category is limited and likely skews the figures.

Poverty Status (Example: Family of 4 Poverty Line is \$26,200):

Poverty levels are essentially the same in 2021 as they were in 2013. Overall, the region has a poverty rate of 9.1% which is lower than both that of California (11.8%) and the United States (10.5%).

- lies at/above Poverty Line: 90.95%
- Families below Poverty Line: 9.05%
- Families with Children at/above Poverty 94.30%
- Families with Children below Poverty Line: 5.70%

Employment:

White Collar:	46.94%
Blue Collar:	24.55%
Service & Farming:	28.50%

Job Types (Large Scale) Total Employment:

Total:	49,725 (100%)
For-Profit Private Employers	36,163 (72.73%)
Non-Profit Private Employers	2,749 (5.53%)
Local Government	3,618 (7.28%)
State Government	1,006 (2.02%)
Federal Government	782 (1.57%)
Self-Employed	5,366 (10.79%)
Unpaid Family Workers	42 (.09%)

7. Local Community (City) Demographics (City of Needles, CA)**Population: 5,353****Ethnicity:**

Needles is a community that has seen additional diversification over the last eight (8) years. In 2013, “White Alone” accounted for about 74% of the population while “Hispanic/Latino” accounted for 23%. Below are the current demographic breakdown:

White Alone:	68.47%
Black/African American Alone:	2.46%
American Indian:	11.06%
Asian Alone:	0.85%
Native Hawaiian/Pacific Islander Alone:	0.18%
Other Race:	8.86%
Hispanic or Latino:	26.35%

*Note that ethnicities do not equal 100% as some persons are considered of more than one classification.

Language Spoken at Home (Primary):

English	94.47%
Asian/Pacific Islander:	0.65%
Indo-European:	0.24%
Spanish:	2.57%
Other Language:	2.07%

Population Age:

The community is also younger today than it was eight (8) years ago when the median age was 38.6.

Under 18:	25.60%
18-34	21.39%
35-54	20.61%
55-64	12.45%
65+	19.95%

Median Age: 37.52 Years

Households:

Family Households:	1,250 (63.10%)
Non-Family Households:	731 (36.90%)
Estimated Household Size:	2.50 Persons

Personal Transportation (Percentage of Households):

No Vehicles:	12.12%
1 Vehicle:	44.22%
2 Vehicles:	26.65%
3 Vehicles:	12.47%
4 or More Vehicles:	4.54%

Housing:

Housing Units (Owner-Occupied):	53.46%
Housing Units (Renter-Occupied):	46.54%

Length of Use:

Owner-Occupied:	18.50 Years
Renter-Occupied:	8.30 Years

Estimated Median Value of All Owner-Occupied Housing Units: \$99,270

Housing Unit Characteristics (Housing Units by Units in Structure):

1-Unit Attached	125 (3.7%)
1-Unit Detached	1,572 (46.49%)
2 Units	58 (1.72%)
3-4 Units	242 (7.16%)
5-19 Units	159 (4.70%)
20-49 Units	7 (0.21%)
50+ Units	216 (6.39%)
Mobile Home or Trailer Units	967 (28.60%)
Boat/RV/Van Units	35 (1.03%)

Educational Attainment (Adults 25+ / Highest Level Attained) (Entire Population):

Less than High School Graduate/GED:	15.47%
High School Graduate or GED:	40.16%
Some College, No Degree:	27.38%
Associate’s Degree:	4.52%
Bachelor’s Degree:	7.61%
Master’s Degree:	3.64%
Professional/Doctorate Degree:	1.22%

Educational Attainment (Hispanic/Latino):

High School Graduate or GED:	46.44%
Some College or Associates:	37.10%
Bachelor’s Degree or Higher:	10.74%

Household Income:

Median Household Income in 2013 was \$29,852. Today, it is \$42,122 an increase of 41% in the last nine (9) years. Average Household Income has also increased from \$47,300 to \$58,448 (a 24% increase) over the same time period. Income disparity (a calculation which divides the average household income by median household income) has improved from 1.60x to 1.39x in the past nine (9) years. A contributing factor for increasing household incomes and improvement in disparity has been an increase in minimum wage in California.

<\$35,000:	43.26%
\$35,000-\$49,999:	13.86%
\$50,000-\$74,999:	18.63%
\$75,000-\$99,999:	7.92%
\$100,000-\$149,999:	9.84%
\$150,000+:	6.67%

Average Household Income:	\$58,448
Median Household Income:	\$42,122
Ratio Average to Median:	1.39x

Median Household Income by Ethnicity:

White Alone	\$43,179
Black or African American Alone	\$75,000
American Indian Alone	\$67,832
Asian Alone*	\$ 7,125
Native Hawaiian or Other Pacific Islander Alone	\$82,264
Some Other Race Alone	\$20,220
Two or More Races	\$72,231
Hispanic or Latino	\$44,701
Not Hispanic or Latino	\$41,491

Poverty Status (Example: Family of 4 Poverty Line is \$26,200):

Poverty levels are essentially the same in 2021 as they were in 2013.

Families at/above Poverty Line: 81.04%

Families below Poverty Line: 18.96%

Families with Children at/above Poverty 86.8%

Families with Children below Poverty Line: 13.2%

Employment Types:

White Collar:	38.22%
Blue Collar:	28.19%
Service & Farming:	33.59%

Job Types (Large Scale) Total Employment:	1,536
For-Profit Private Employers:	802 (52.21%)
Non-Profit Private Employers:	108 (7.03%)
Local Government:	326 (21.22%)
State Government:	133 (8.66%)
Federal Government	65 (4.23%)
Self-Employed	96 (6.25%)
Unpaid Family Workers	6 (.39%)

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Employment

Employment within the City of Needles robust. First, San Bernardino County has 2,181,654 residents. Employment within San Bernardino County is 992,100 with a labor force of 940,800 (5.2% unemployment rate). Needles has a population of 5,353 with 1,700 involved in the labor force. Currently 1,600 are employed for an unemployment rate of 6.7%. Currently, there are 2,804 jobs within the City of Needles (meaning employment within the City) or 1.65 jobs per person in the labor force. These figures do not include cannabis-related employment as there is a reporting lag for NAICS (North American Industrial Classification System) Codes. As of January 31, 2022, there were 509 persons actively employed in cannabis-related industries. Below is a list of industries and employment:

<u>Industry</u>	<u>Number of Employers</u>	<u>Total Employment</u>
Agriculture	2	4
*Agriculture (Cannabis-Related)	22	509
Utilities	2	25
Construction	12	49
Manufacturing	2	16
Retail	44	219
Transportation & Warehousing	9	60
Information	8	27
Finance & Insurance	25	32
Real Estate & Rental/Leasing	21	64
Professional, Scientific, Technical	11	40
Administrative/Support/Waste Management	4	13
Education	9	329
Health Care & Social Assistance	40	359
Arts/Entertainment/Recreation	10	40
Accommodation & Food Service	37	351
Other Services	34	131
Public Administration	48	533
Unassigned	13	3
Total	351	2,804

Average Employees Per: 7.99

Note (*) Cannabis-related employment does not show in NAICS code analysis. DMG, Inc. provides estimates based on past economic impact analysis. The total employment in cannabis-related companies is 509 as of January 31, 2022. It is estimated that there are about 35 cannabis-related businesses currently operating, within 22 different ownerships.

CITY OF NEEDLES, CALIFORNIA

ECONOMIC INVESTMENT MARKETING PLAN

2022-2025

RESIDENTIAL GROWTH & DEVELOPMENT OPPORTUNITIES



***Single Family Home Development (First-Time Homebuyers)**

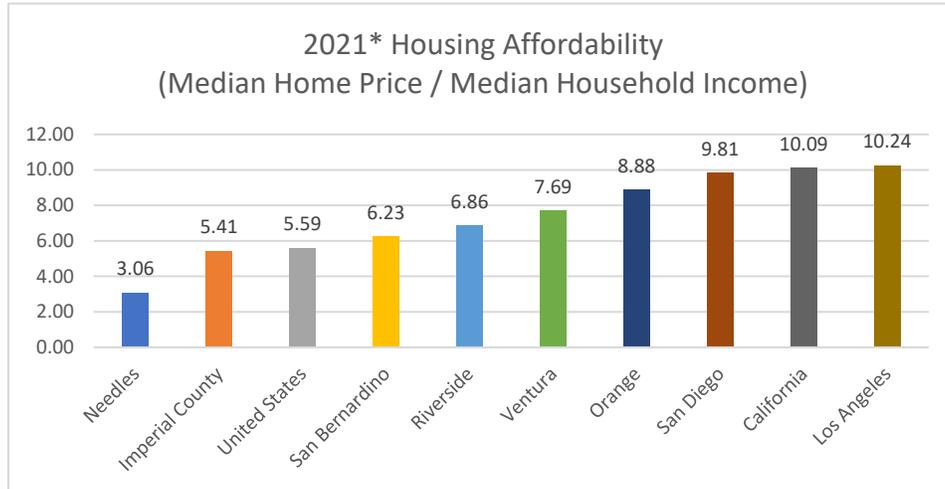
***Multi-Family Development**

***Custom Home & Infill Development**

8. Residential Housing

The current housing market is currently stable and there have been a fair number of transactions in recent years. The following housing market charts are presented to provide a better understanding of the Needles housing market in recent years:

Housing Affordability: Needles has one of the most affordable housing markets in the entire Nation. Consider that in California (as a whole) the median home price is 10.09 times the median household income. In San Bernardino County, it is 6.23 times. The United States as a whole has a median home price that is 5.59 times the median household income, while Needles is significantly more affordable at only 3.06 times.



Home Sales: Needles has ranged from about 52-139 over the past five (5) years while the median home price has ranged from a low of \$66,500 to \$95,000 over the past five (5) years.

Exhibit B

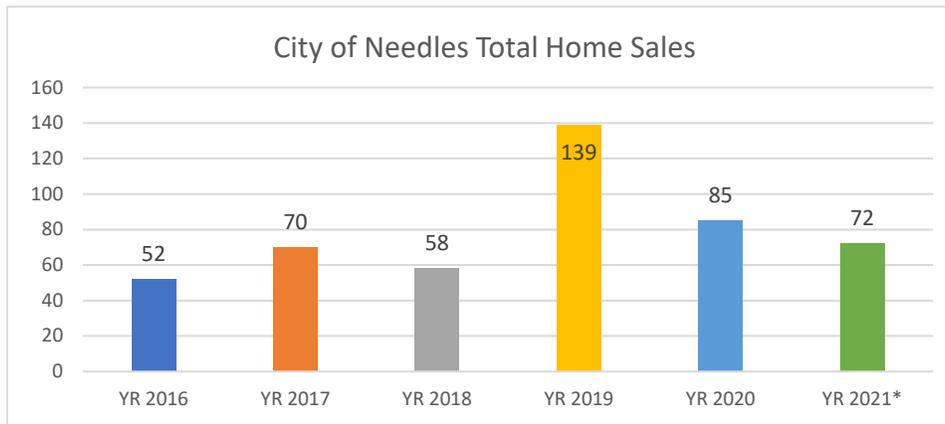


Exhibit C

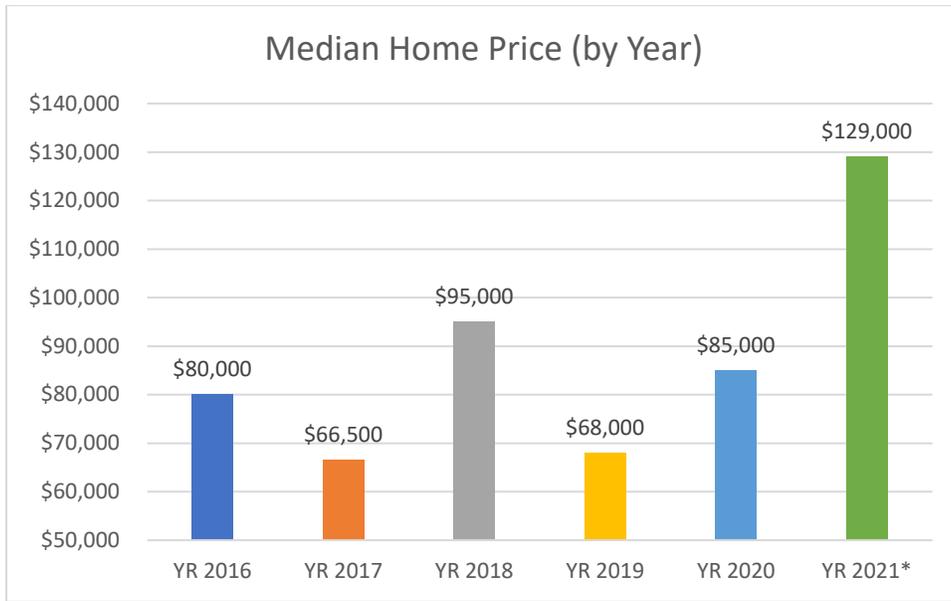
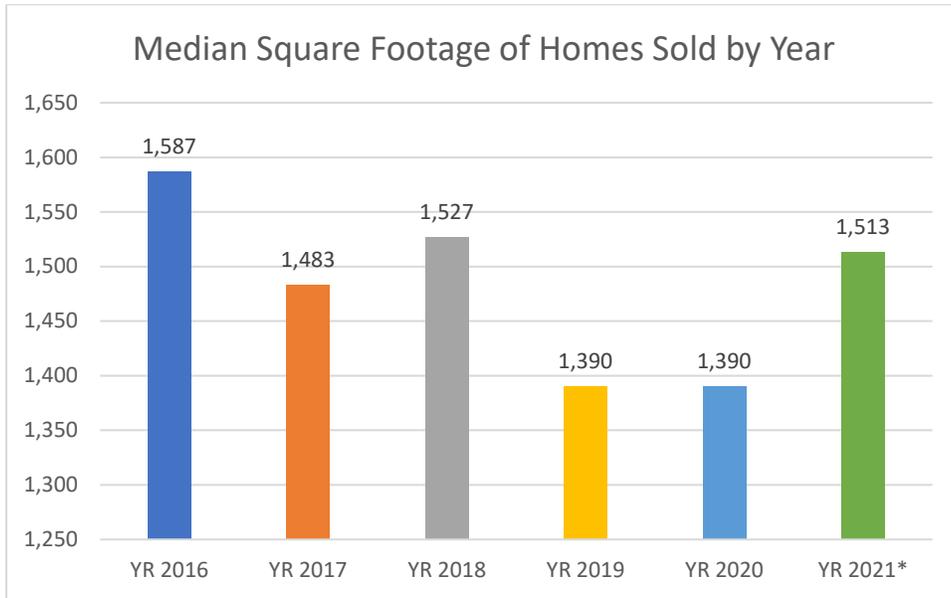


Exhibit D



*The median home size sold since 2016 has ranged from about 1,390 to 1,587 square feet.

In general, the housing market in Needles is stable. Distress in the housing market is seen through Real Estate Owned (REO)'s which generally means bank owned, short-sales (meaning a home sold for less than the loan amount with the consent of the lender), foreclosures and defaults (notices provided to homeowners that are behind in payments). Activity in each of these categories is at historic lows.

Exhibit E

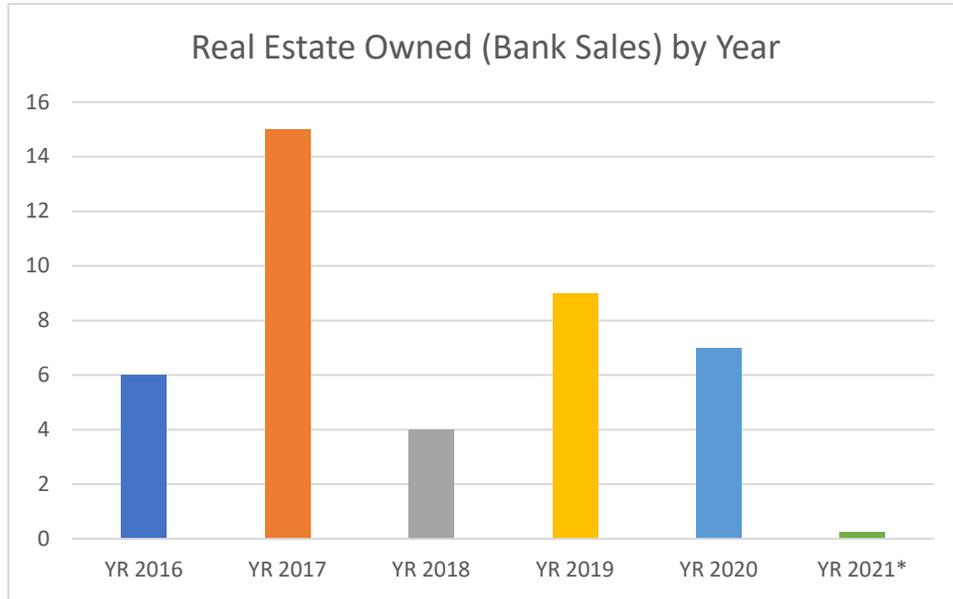


Exhibit F



Exhibit G

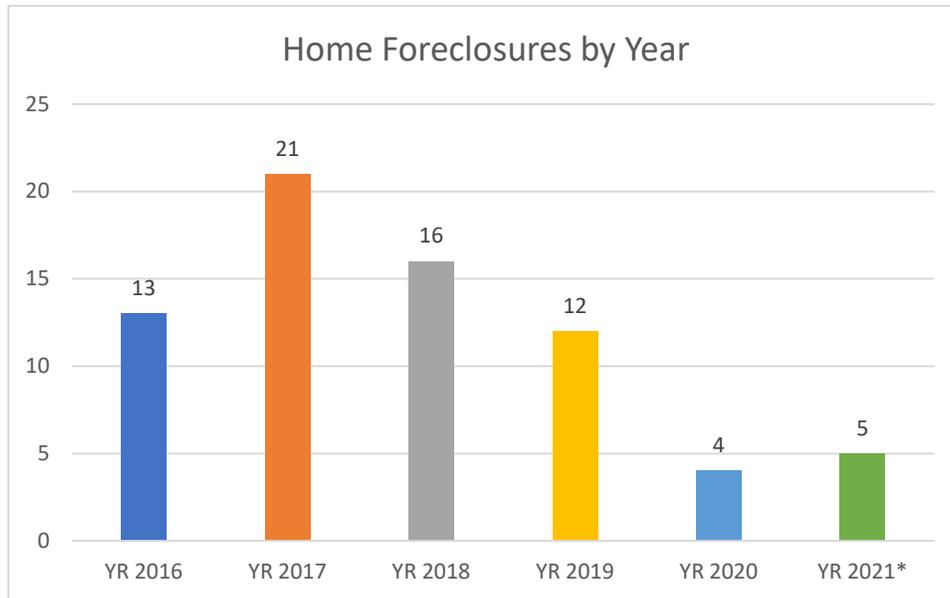
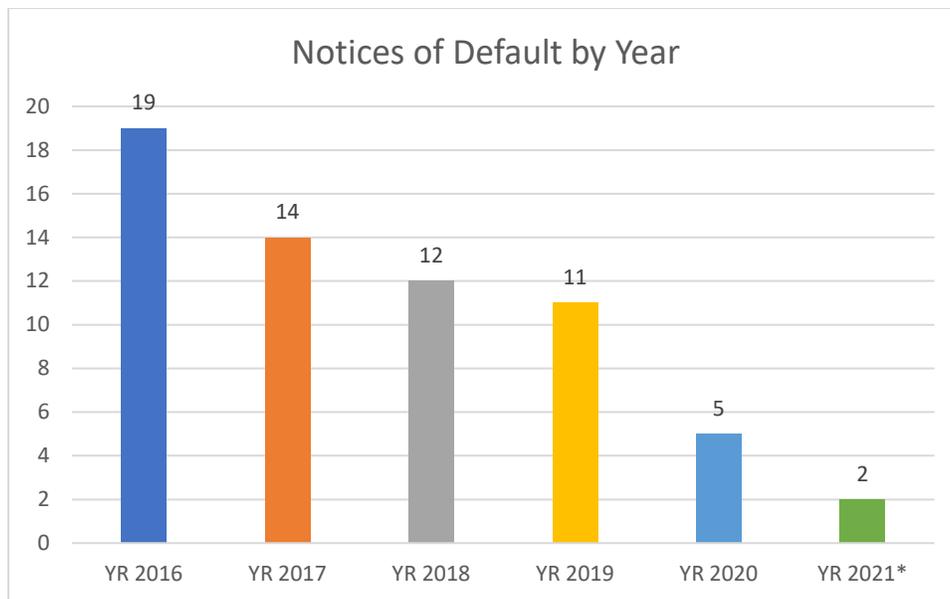


Exhibit H



Absentee/Investment Buyers: Finally, activity from absentee homebuyers continues to be strong. As the housing market in other areas of California continue strengthen, investors look to affordable markets like Needles for which to purchase homes. In San Bernardino County, an average of 25.5% of homes are purchased by absentee owners for investment purposes. In Needles, between 40% and 60% of homes over the past five years have been purchased as investment properties.

Exhibit I

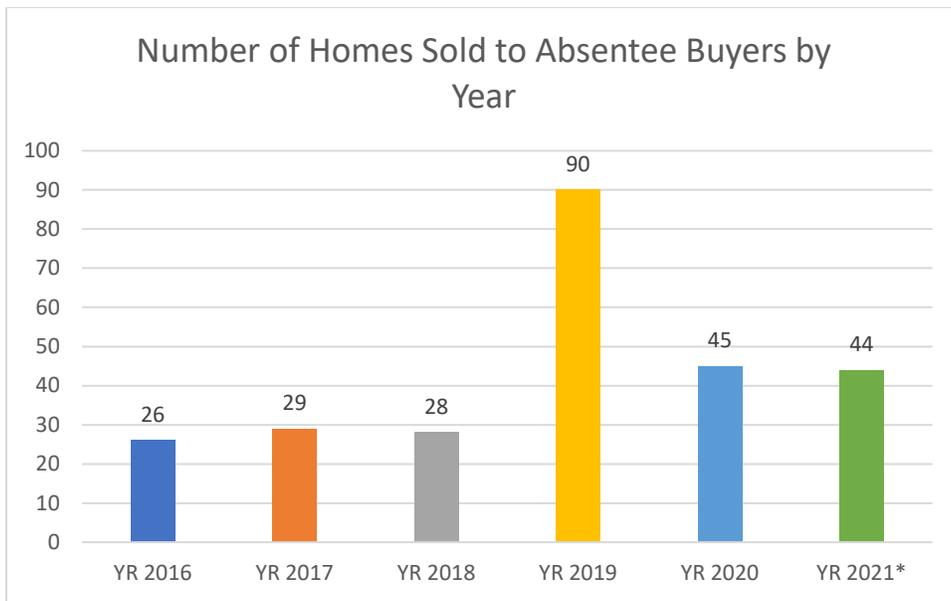


Exhibit J

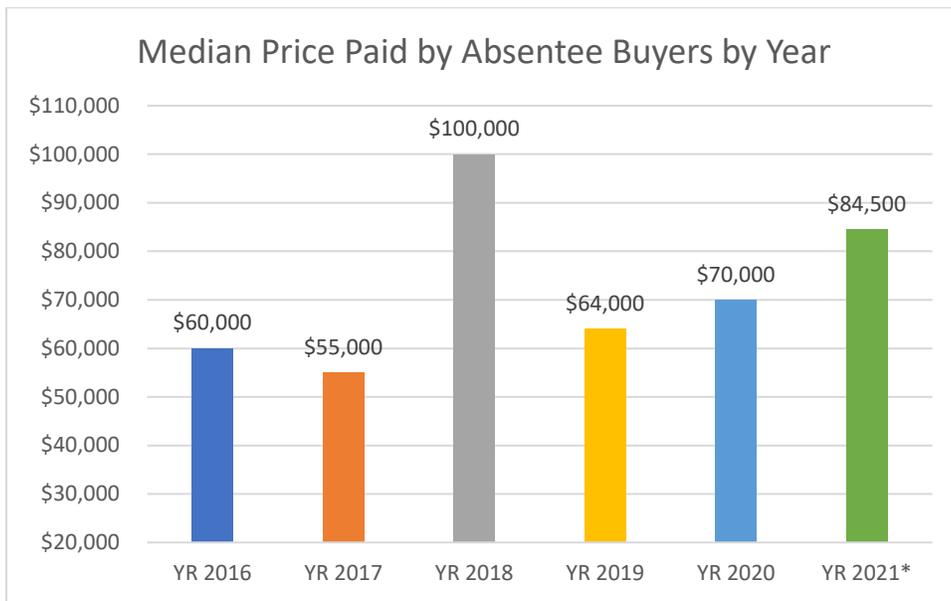
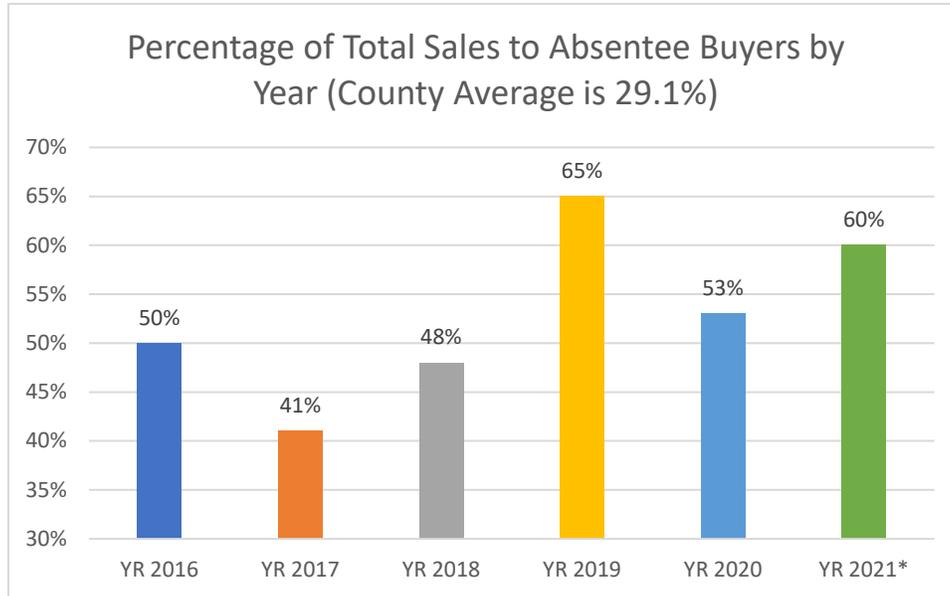


Exhibit K



Housing Deficit Calculation

Needles is experiencing a housing deficit based on the number of persons employed in the community. Using national (United States) figures, there is a total population of about 329,000,000. There are 139,640,000 housing units in total or one housing unit per 2.36 persons. There were 152,234,000 persons employed in January 2020 (using Pre-Covid figures). This means that there are 1.09 housing units per employed person in the United States.

In Needles, there are currently 2,336 housing units for a population of 5,248 or one housing unit per 2.24 persons (similar to the United States as a whole). While the labor force currently living in the City of Needles totals 1,700 with 1,600 employed (unemployment rate of 6.4%), there are an estimated 2,854 jobs within the City limits. At current, there is .82 housing units per person employed within the City. To match the United States average of 1.09 housing units per employed person, Needles would need a total of 3,111 total housing units. This means the current housing deficit is about 775 units.

Table 1: Housing Deficit Calculations

Item	Number/Figure
Population	5,353
Total Housing Units*	2,379
Labor Force	1,700
Total Employed	1,600
Total Currently Employed Within Jurisdiction	2,804
Job Growth Projection (2022-2025)**	1,288
Projected Total Employment	4,072
Local Ratio Units to Jobs (Current)	.85
Housing Units Needed by 2025 (Local Ratio)	3,455
Additional Units Needed by 2025	1,076
National Ratio Units/Jobs	.92
Housing Units Needed by 2025 (National Ratio)	3,746
Additional Units Needed by 2025 (National Ratio)	1,367

Total Additional Housing Units Needed by 2025: 1,076 to 1,367

*Housing Units defined as fixed structures

** Job Growth factors ONLY Cannabis-Related businesses (Under Construction/Approved)

Current & Future Demand for Housing:

For the first time in decades, the City of Needles is growing and there is an industry that is driving the growth. In recent years, new construction has generally been limited to custom home construction, typically along the shoreline of the Colorado River. That said, in the last three (3) years, the community has added over 500 new jobs mostly as a result of cannabis-related businesses. Currently, there are 509 persons working in 240,500 square feet of cannabis-related business space. This is about 1 person for every 473 square feet of space. There is an additional 184,337 under active construction. This will result in about 390 additional jobs. Finally, there is another 424,409 square feet of space that has been entitled and is estimated to be constructed over the next three (3) years, creating an additional 898 jobs.

The growth of this industry is creating a housing shortage in the community. Based on both local and national housing to jobs ratios, the City of Needles needs an additional 1,076 and 1,367 housing units over the next three to five years to meet current and future demand.

Before housing developers (for sale or rental) begin, they will desire to understand market affordability and costs. Below are three (3) scenarios for which to consider:

Housing Affordability

Scenario #1

A household with one (1) income. Full-time Cannabis-Related Business Employee makes \$18 per hour.

Income #1: \$37,444

Total Household Income: \$37,444

Monthly Income: \$3,120

Amount Available for Housing (30%): \$936.00 per month

Housing options would be limited to either a rental (one-bedroom) or a two-bedroom with roommate(s) or a purchase whereby there are multiple people purchasing together. The maximum amount this person could afford on their own is about \$150,000. Below is a sample purchase:

Home Purchase: \$150,000 (Loan Amount)

Interest Rate (30-Year Fixed): 4%

Payment (Principal & Interest): \$716/month

Property Taxes (1.125%): \$141/month

Homeowners Insurance: \$80/month

Total Payment: \$937/month or 30% of income

Scenario #2

A household with two (2) incomes. First full-time making \$18 per hour, second working part-time (50%) at \$16 per hour (current minimum wage)

Income #1: \$37,440 / Income #2: \$16,640

Total Household Income: \$54,080

Monthly Income: \$4,507

Home Purchase: \$225,000 (Loan Amount)

Interest Rate (30-Year Fixed): 4%

Payment (Principal & Interest): \$1,074/month

Property Taxes (1.125%): \$211/month

Homeowners Insurance: \$125/month

Total Payment: \$1,410/month or 31% of income

Scenario #3

A household with two (2) incomes. Both full-time making \$18 per hour:

Income #1: \$37,440 / Income #2: \$37,440

Total Household Income: \$74,880

Monthly Income: \$6,240

Home Purchase: \$275,000 (Loan Amount)

Interest Rate (30-Year Fixed): 4%

Payment (Principal & Interest): \$1,709/month

Property Taxes (1.125%): \$258/month

Homeowners Insurance: \$150/month

Total Payment: \$2,117/month or 34% of income

City could consider using a portion of the cannabis-tax money to assist first-time or low-moderate income homebuyers purchase older homes in community and have funds to “rehab or fix-up”. There would be owner occupancy requirement (covenant) and use funds as a silent second mortgage (no payments, no interest) but paid back at time they sell home.

Additionally, the City could consider using a portion of the cannabis-tax money to assist first-time homebuyers with new homes through a down payment assistance of up to 3% of the purchase price (\$6,000) There would be owner occupancy requirement (covenant) and use funds as a silent second mortgage (no payments, no interest) but paid back at time they sell home.

Housing Opportunities for Needles, CA

1. New construction rental housing (multi-family) to host those largely in cannabis-related industries.
2. New construction tract housing for those largely employed in cannabis-related industries.
3. Continued expansion of custom homes along the Colorado River
4. Retirement housing (single family) for those desiring to leave larger markets (and use their equity to fund retirement)
5. Institutional retirement housing (staged care, senior care apartments)
6. Housing for State or County Employees (like CHP, Caltrans, Sheriff or Fire) whereas State/County works with private developer to build housing (2-3 bedroom) that is used by State/County employees when rotating through Needles, CA as the community’s lack of housing is a barrier to attract professionals to provide public services.

Proof of Concept

Obviously, single-family new home construction is what would bring the greatest long-term growth potential and family stability to the community. This is because families are putting down “roots” and will generally become active in the community and local school system.

Needles offers one of the most affordable housing opportunities in California. That said, there has been little new housing built in recent years. Since 2016 only a handful of new homes have been built. These are generally limited to custom homes built on parcels with direct access to the Colorado River. The community has generally been ignored by homebuilders as the population was not increasing. Since 2018, this dynamic has begun to change with the welcoming of cannabis-related businesses to the community. Below are figures regarding the housing market over the last five (5) years:

Home Construction (Based on 1,350 Square Foot 3-Bedroom 2-Bathroom Home)

	<u>Calle Hernandez Lots</u>	<u>Stromberg Lots</u>
Sale Price	\$250,000	\$250,000
Land	\$12,000	\$4,000
Infrastructure	\$0	\$24,000
Building Fees (1,350 sq. ft.)	\$8,464	\$8,464
Utility Fees (1,350 sq. ft.)	\$5,700	\$5,700
School Fees (\$4.08 psf)	\$5,508	\$5,508
Home Construction (\$125 psf)	\$168,750	\$168,750
Closing Costs (7%)	\$17,500	\$17,500
Developer Profit	\$32,078	\$16,078

Tasks and Marketing Program for Residential Development:

- A. Consider a down-payment assistance program for owner-occupied housing units.
- B. Consider a residential rehabilitation program for owner-occupied housing units.
- C. Consider state legislation that allow for “halo” of real estate professionals and construction professionals (general and sub-contractors) to have reciprocity of licenses between AZ, NV and Needles. This would recognize their out-of-state licenses so long as they register for license in California and carry proper insurance (but waives separate testing requirements).
- D. Acquire database of all active homebuilders in Southern California, Western Arizona and Southern Nevada.
- E. Develop Map of City that shows all existing approved tract maps.
- F. Develop Map of City that shows all existing approved residential lots (custom & infill homes).
- G. Develop Map of City showing large parcel(s) that could accommodate master-planned retirement community development.
- H. Develop “Asset Map” of Needles and Region to “recruit” new homeowners showing shopping, dining, healthcare, community services and recreational opportunities. Asset map would also show availability of utilities (such as internet connection/download speeds).
- I. Develop sample fee schedule for:
 - a. Single-family home development (20-units)
 - b. Multi-family home development (48-units)
 - c. Custom Home / infill development (1-unit)
- J. Develop a Postcard for Direct Mail use to homebuilders (2)
- K. Become Active Member of Building Industry Association(s) in Inland Empire (Baldy View/Riverside), Western Arizona and Southern Nevada
- L. Attend Annual Homebuilders Convention (typically in January): Year 1 as “Invader”, Years 2-3 as Exhibitor
- M. Use Postcards as Direct Mail to Homebuilders Twice Per Year
- N. Use Email Campaign (aka Constant Contact) to target homebuilders from database on quarterly basis.
- O. Use LinkedIn (individual or City campaign) to target those that work in homebuilding in the target areas (Southern California, Western Arizona and Southern Nevada)
- P. Over first 12 months, work to generate 25-50 “ongoing relationships” that for quarterly “check-in or sales call.”
- Q. Schedule Annual State of the City or similar for residential builders and real estate professionals.

CITY OF NEEDLES, CALIFORNIA

ECONOMIC INVESTMENT MARKETING PLAN

2021-2024

RETAIL GROWTH AND OPPORTUNITIES



***Retail to Serve Local Community**

***Retail to Serve I-40 / I-95 Travelers**

***Retail to Serve Daytime Workforce**

***Retail to Serve Colorado River Region**

9. Retail Growth/Opportunities

The City of Needles is experiencing both population and job growth for the first time in decades. The cannabis industry is bringing new people to the community either for work or to both work and live. This is creating new interest by retailers to serve the community. Overall, the community is targeted by retailers seeking to serve:

- A. Permanent Population (5,353 persons)
- B. Daytime Population (combination of permanent population and those that work in Needles) that includes over 2,800 persons working in Needles daily.
- C. Flow-through traffic on Interstate 40 (x cars a day)
 - a. I-40 @ I-95 North (17,500 AADT)
 - b. I-40 @ I-95 South (14,400 AADT)
 - c. I-95 North @ E/B I-40 (4,200 AADT)
- D. Visitors to the Colorado River and Desert Region for recreational activities

Retail distribution is a driver in what retail opportunities exist in the region. It is important to know what retailers (regional and national) have stores in the Colorado River Region (including Lake Havasu City, Fort Mohave, Bullhead City and Laughlin). Additionally, retailers and restaurants that are franchise driven are more likely to have interest from franchisees that are already invested in the general area. Before proceeding with the retail marketing strategy, the pages that follow show the total retail demand (sales) for both the Colorado River Region and the City of Needles.

Colorado River Region Retail Demand

Demand for retail products and services is driven by a combination of the resident population, part-time (generally winter) residents, visitors (to the Colorado River or surrounding Desert areas for tourism purposes), vacationers to the gaming/resort destinations including Avi and Laughlin-based hotels/casinos and travelers coming through the region. Retail sales per capita (residents) is \$21,0720 which is slightly higher than the estimated national figure of \$16,970. This is attributed to tourism (river, desert and gaming/resorts).

Total Retail Demand	\$ 2.87 billion
Motor Vehicles & Parts	\$ 519.33 million
Furniture & Home Furnishings	\$ 44.95 million
Electronics & Appliances	\$ 31.90 million
Building Materials	\$ 200.65 million
Food & Beverage	\$ 370.49 million
Health & Personal Care	\$ 158.78 million
Gasoline Stations	\$ 190.49 million
Clothing	\$ 85.30 million
Sporting Goods	\$ 32.06 million
General Merchandise	\$ 313.21 million
Miscellaneous	\$ 51.45 million
Non-Store Retailers	\$ 424.10 million
Food Services and Drinking Places	\$ 264.21 million

Retail Demand is a calculation of how much retail products and services are needed to support a region based on its local population, demographically adjusted. Demand is usually provided in current (2022) and future (2026) dollars to show growth potential. Demand does not adjust for visitors, highway flow-thru or other non-local demand considerations.

The overall five-year compounded annual growth rate (per Environics Analytics) is expected to be about 1.84%. Certain categories are expected to grow at a faster rate including Health and Personal Care (2.31%), Gasoline Stations (2.46%) and Food/Drinking Establishments (2.72%).

The third-party analytics does not reflect recent growth in Needles as a result of the cannabis industry. There is typically a data-lag of at least 2-3 years for most industries. The cannabis industry has not shown up in most statistical categories as County, State and Federal Government Agencies struggle to categorize it correctly.

Retail Demand in the City of Needles is approximately \$13,688 per person, which is 19.3% lower than the national average of \$16,970. Keep in mind that this figure is not necessarily the average true spend per person but also includes visitors (tourism and flow-thru) and a workforce that comes to Needles for employment.

Total Retail Demand	\$73.27 million
Motor Vehicles & Parts	\$14.03 million
Furniture & Home Furnishings	\$ 1.18 million
Electronics & Appliances	\$.87 million
Building Materials	\$ 4.88 million
Food & Beverage	\$ 10.38 million
Health & Personal Care	\$ 4.17 million
Gasoline Stations	\$ 5.63 million
Clothing	\$ 2.40 million
Sporting Goods	\$.91 million
General Merchandise	\$ 8.74 million
Miscellaneous	\$ 1.41 million
NonStore Retailers	\$ 11.41 million
Food Services and Drinking Places	\$ 7.26 million

Regional/National Retailers with Presence in Needles, CA (Est. Population 5,353)

America’s Best Value Inn	Hampton Inn & Suites*
Auto Zone	Jack in the Box
Best Western	McDonalds
Big O Tires	Mobile
Carl’s Jr	Napa Auto Parts
Chevron	Quality Inn
Circle K	Red Roof
Dairy Queen	Rite-Aid
Days Inn	Rodeway Inn
Dollar General	Shell
Domino’s Pizza	Subway

*Hampton Inn & Suites under construction as of 3/16/22

Regional/National Retailers with Presence in Colorado River Region
Lake Havasu City (Est. Population 55,800)

Ace Hardware	In-N-Out Burger
Arbys	Jersey Mikes
Bashas	KFC
Big 5	Little Caesars
Big Lots	Lowes
Big O Tire	McDonalds
Burger King	Mobil
Caliber Collision	Motel 6
Carl's Jr.	O'Reillys Auto Parts
Carquest	Panda Express
Chase Bank	Pet Smart
Chilis	Pizza hut
Chipotle	Planet Fitness
Circle K	Quality Inn
CVS Pharmacy	Red Robin
Del Taco	Rosati's
Dillard's	Ross
Discount Tire	Safeway
Dollar General	Shell
Dunkin	Sportclips
El Pollo Loco	Staples
Enterprise Rent a Car	Starbucks
Federal Express	Super 8 Motel
Food City	Terrible Herbst (Gas/Convenience)
Great Clips	Tractor Supply Co.
Habit Burger	U-Haul
Harbor Freight Tools	UPS Store
Hobby Lobby	Verizon
Holiday Inn	Walgreens
Home Depot	Walmart
Human Bean	Wells Fargo
IHOP	Wienerschnitzel

Regional/National Retailers with Presence in Colorado River Region

Bullhead City (Est. Population 40,900)

99 Only Stores	IHOP
Aarons Rent a Center	Joann's
Ace Hardware	KFC
Arby's	H&R Block
ATT Mobile	Harbor Freight
AutoZone	Home Depot
Bank of America	Little Caesars Pizza
Baskin Robbins	Lowes
Big 5 Sporting Goods	Mattress Firm
Black Bear Diner	McDonalds
Boost Mobile	O'Reilly's
Buffalo Wild Wings	Panda Express
Burger King	Papa Johns
Carl's Jr.	Planet Fitness
Chase Bank	Safeway
Chevron	Sears Hometown
Circle K	Smart & Final
Cold Stone Creamery	Smith's
Cost Cutters	Sonic
CVS	Starbucks
Del Taco	Subway
Denny's	T-Mobile
Discount Tire	Taco Bell
Dollar General	Texaco
Dollar Tree	U-Haul
Dominos Dutch Brothers	UPS
Enterprise Rent a Car	US Bank
Famous Footwear	Verizon
Great Clips	Walgreens
Goodwill Stores	Wendy's
Hobby Lobby	Walmart
Human Bean	Wienerschnitzel

Regional/National Retailers with Presence in Colorado River Region

Fort Mohave (Unincorporated) (Est. Population 15,000)

Arco AM/PM
Chase Bank
Mobil

Dollar General
Family Dollar

Regional/National Retailers with Presence in Colorado River Region

Laughlin (Est. Population 7,400)

76 Fuel
Chevron
Days Inn
Family dollar
Shell
Starbucks

Famous Footwear
Harrah's
In-N-Out
Panda Express
Terrible Herbst

A successful retail recruitment strategy will include the following:

1. Targeting retail businesses with a presence in the Colorado River Region, as this means there is existing distribution and management to support operations (lists on previous pages).
2. Marketing the growing employment base in Needles and the fact that each new job generated statistically adds over \$10,000 in retail spending within the economy. This adds to the market potential for retailers.
3. Generating and cultivating new and existing relationships with retail developers and retailers keeping in mind that many developers focus on particular regions. With Needles really being within three regions (Southern California, Western Arizona and Southern Nevada), efforts must be made to reach out to developers in each region to establish relationships and describe opportunities. Professional Social Media such as LinkedIn can assist in introducing Needles to potential economic investors as it can target specific industry-category professionals.
4. Generate database of commercial property owners in Colorado River Region Corridor as they are experienced in ownership and tenants in the region.
5. Needles must make use of trade show events that bring brokers, developers and retailers together such as ICSC-San Diego and ICSC-Las Vegas
6. Needles can utilize organizations such as ACRE as a means of generating new relationships with real estate brokers that are involved in tenant-representation activities.
7. Needles must make specific outreach attempts to retailers in specific sub-categories where there is community need. This includes full-service grocery store as well as grocery retailers that target/cater to families utilizing government assistance (such as Mother's Nutrition now known simply as Mother's).
8. The City (itself, through Crexi or LoopNet) needs to maintain a list of vacant and available buildings suitable for retailers as well as land that is either located appropriately for the marketplace or is already entitled for retail in order to introduce potential sites to brokers, developers and retailers (knowing that actual transactions will occur between landowners, brokers and developers/users).
9. As users and developers are sensitive to California's development fee system/schedule, the City of Needles would benefit from having a sample fee calculation for three (3) new construction buildings:
 - a. 20,000 square foot new construction general retail
 - b. 6,000 square foot new construction general retail
 - c. 2,500 square foot new construction (quick-serve restaurant)

Sample LinkedIn Post to Promote Location

**Example A
Real Estate Broker-Product**

 **Progressive Real Estate Partners** + Follow
901 followers
1w • Edited •

Lots of CRE activity happening in the High Desert region of SoCal's Inland Empire! Congrats to our ...see more



Progressive Real Estate Partners Announces Sale of High Desert La...
progressiverep.com • 2 min read

**Example B
Retailer Celebrating New Store**

 **AARON HARRIS** • 1st ...
Vice President of Real Estate and Construction for Dutch Bros Coffee
2d •

Saturday Night Update from **Dutch Bros Coffee** and our team has done it again. ...see more



**Example C
Needles, CA
Celebrating Success**

Congratulations to our economic development client, the City of Needles and The Green Group. Construction has started on a new Hampton Inn & Suites in Needles! Sharad Kadakia and his team are bullish on a town that has added 500+ new jobs in the last 2 years!



CITY OF NEEDLES, CALIFORNIA

ECONOMIC INVESTMENT MARKETING PLAN

2021-2024

INDUSTRIAL GROWTH AND OPPORTUNITIES



***Warehouse/Logistics/Trucking**

***Vertical Suppliers to Cannabis Industry**

***Data Centers (Crypto Mining Operations)**

10. INDUSTRIAL

Of the four categories for which the City desires to market opportunities, traditional industrial and/or distribution/logistics will likely be the most difficult to see success. Businesses based in California are at a disadvantage as the State minimum wage is currently \$15.00 per hour. In Arizona it is \$12.80 per hour while it is \$9.50 in Nevada. By way of reference, the national minimum wage is \$7.25 per hour. That said, employers located near border states with lower minimum wage often report that they are able to attract the “best of the best” in the labor market as they often offer higher pay than employers in nearby states.

Over the past twenty-five years, logistics has been a driving force in the economic expansion of the Inland Empire. The industry has centered in Ontario, Jurupa Valley, Mira Loma and San Bernardino. In more recent years, the City of Perris has seen logistics growth. The (now) more urbanized communities within the Inland Empire are exceedingly passing new restrictive laws preventing the expansion of logistics in their city. This is because residents have complained of traffic, noise and air quality. Logistics-oriented companies are now looking north to Victorville, Hesperia, Apple Valley and Adelanto.

The City of Needles should make sure they are included in consideration for logistic companies as land is generally inexpensive and plentiful and the community is located with easy access to the Los Angeles (I-40/I-15), Las Vegas (I-95) and Midwest/Southern Markets (I-40). Additionally, as last-mile delivery expands (Federal Express, UPS, Amazon-Direct) Needles should lobby for facilities as the community is located in the center of the Colorado River Region.

1. Membership and active participation in Inland Empire Economic Partnership (IEEP)
2. Membership and active participation in Society of Industrial and Office Realtors (SIOR)
3. Direct Communication with Brokers Representing Industrial (Typically Inland Empire based brokers) Examples include:
 - a. Lee & Associates
 - b. CBRE
 - c. Colliers International
 - d. Daum Commercial
4. Research List of Developers that own Industrial Parks in Western Arizona/Southern Nevada
5. National Association of Industrial and Office Professionals
6. Direct Communication with Industrial Developers (Prologis & Hillwood)
7. Get Database of all industrial brokers SoCal, Western AZ, So. Nevada)
8. Asset Map of Needles and surrounding area that includes major interstates and highways, off-ramps, land zoned for industrial (uses which could include warehousing, transportation or fuel/switch yards). Said Map should also include current electrical and water rates as a comparative tool for development use.
9. Communication with existing Cannabis-Related Businesses to request names of suppliers or ask that they contact **suppliers** to move facilities into Needles to **support cannabis industry** (packaging, soil, chemicals, seeds, lighting, irrigation, water treatment).
10. Acquire database of **trucking, transportation and logistics** companies along with trade publications catering to that industry. As California continues to increase regulation on the industry that may call for non-diesel vehicles in California, Needles could be the “switch station” that includes a yard and facility to change from diesel vehicles that are likely to allowed in other states for the foreseeable future to alternative (non-diesel) tractors.

11. An industry has developed of **data centers** to facilitate crypto currency transactions. While the job creation is low in this industry, the energy usage is high. The City offers a significant advantage as the geographic location of Needles makes it a low-risk target for physical sabotage. The energy rates are such that crypto mining facilities would benefit from locating in the community. If the City were to explore this, it would be beneficial to adopt a CUP process for such use and allow for the negotiation of a Development Agreement whereby the City could “profit” from this enterprise and be able to utilize those funds to further other economic development/community development objectives.
12. The City needs to develop a virtual tour tool so that brokers, developers and potential users that are considering options remotely have a means to tour the City via an online presentation. This can be accomplished with appropriate scripting, still photography and video (both static and aerial).

Growth Industries

In about 2015, the City of Needles made a conscious decision to actively work with the cannabis industry as a means of fueling local growth in the economy. All told, some 86 cannabis-related companies are or have applied/entitled to operate in Needles. At current, there are twenty-nine (29) cannabis related businesses operating in Needles in approximately 232,234 square feet of space.

As of this writing (March, 2022), there are sixteen (16) cannabis-related companies actively under construction for an additional 184,337 square feet of space.

Finally, there are about forty-one (41) additional companies that have received approval (Conditional Use Permits) to operate for an additional 424,409 square feet.

Cannabis-related industries are creating a significant economic investment into the community as well as creating hundreds of new jobs. The draw to Needles is three-fold: available land, willingness of local government to support the industry and ability to acquire utilities (notably water and electricity) at competitive rates.

At current, there is one (1) job for every 473 square feet of cannabis-related business space. This figure is consistent with the over fifty (50) Economic/Job/Fiscal Impact Analysis that DMG, Inc. has completed relative to this industry (average is 1 per 350 square feet). In total, there are about 509 persons actively employed in this industry in Needles, CA. The facilities under construction are sent to employ an additional estimated 390 persons. If the projects that are approved (not yet under construction) also were to be 100% built, an additional 897 employment opportunities will exist in Needles, CA.

Note: Cannabis has not been assigned a NAICS Code, therefore employers and others reporting data do not have a separate industry code for which to report to/for, therefore salary information cannot be verified, though from previous work, about 90% of jobs in the industry pay between \$15-\$20 per hour (\$31,000 to \$46,000 per annum).

50%: \$15-\$18 per hour

40%: \$19-\$23 per hour

10%: \$24-\$30 per hour

CITY OF NEEDLES, CALIFORNIA

ECONOMIC INVESTMENT MARKETING PLAN

2021-2024

TOURISM OPPORTUNITIES



***Marketing Partnership (TBID)**

***Route 66 Tourism**

***River Destination**

***Desert (Sand Toys / 4x4 Destination)**

***Travelers Oasis**

***Support for Visiting Laborforce**

11. HOSPITALITY/TOURISM

Needles has long been the gateway to the Colorado River from Southern California. Visitors usually travel on Interstate 40 east from the Barstow area but also come from Highway 95 North. It is estimated that 6 million people per year visit the Colorado River for recreational purposes. The community also serves as a traveler's "Oasis" as the closest to Needles traveling west is Barstow (144 miles) and east to Kingman, AZ (62 miles). Needles provides an opportunity for passenger vehicle travelers to stop, rest, seek food, gasoline/fuel and automotive repairs. Commercial truck drivers are able to use Needles for similar purposes as well as Federally required rest breaks. The region also sees significant tourism from those seeking to experience "Historic Route 66" either from a passenger car or motorcycle. The community sees a fair number of organized car drives and rallies from car clubs and similar.

Overall, the visitors to the region mostly fall within the following categories:

- A. Flow-thru traffic traveling on I-40 or I-95
- B. Visitors Touring Historic Route 66 (and likely visiting surrounding communities)
- C. Visiting to "play" on the River
- D. Visiting to "play" in the Desert and/or Camp
- E. Travel to Region for Employment (mining, agriculture, railroad, pipeline, environmental cleanup, regulatory (Federal, State or County))

Within literally millions of people traveling into or through the area each year, it is the goal of a tourism program to welcome those travelers for both planned and spontaneous stops in Needles. By providing appropriate marketing and messaging, the community will benefit from increased economic activity. Below are a number of steps to consider in this process:

- A. Entry Monument Signs on I-40 (West and East Bound) welcoming people to City of Needles. As Needles is literally a Desert Oasis, this will create a sense of place and community while guiding motorists to stop.
- B. Overpass Signage, similar to the entry monument, consider working to secure ability to place identifiers for the City on overpasses along I-40 (West and East Bound).
- C. Billboards (maybe City-owned to save money) that advertise what is available in Needles (gas, food, rest, shade, picnic, relief for pets, auto repairs, misters?) one east bound (5 miles outside of core) and one west bound (5 miles outside of core)
- D. App that has basic services listed and contact numbers (private/public resources)
- E. Targeted marketing to automotive clubs and other groups to push group stays in the community.
- F. TBID, a TBID is a Tourism Business Improvement District. This is formed legally by those involved in the industry (usually hotels but can also include restaurants). It is recommended that the City work to form a TBID through a qualified consultant that would create funding for various tourism related activities (including visitor amenities and marketing). It is suggested that the TBID include a 2% hotel tax (raising hotel taxes to 12% from 10%) and that the City contribute 2% of its current 10% as a match. The Board of the TBID would be public/private and include representatives from both the City and private sector.

*In FY 21 (July 1, 2020 to June 30, 2021) the City of Needles saw total hotel room sales of about \$7.99 million, generating about \$779,489 in TOT for the benefit of the community. This represents a 10% Transient Occupancy Tax (also known as hotel taxes).

**If a TBID is formed at 2% TOT equivalent, this would generate about \$160,000 per year in funding for additional tourism related marketing. If the City of Needles were to match this from currently approved TOT (10%), the annual budget for tourism related marketing would be over \$320,000.

- G. Creation of Defined “Rest Areas” for Commercial Truck Traffic. This may be in conjunction with a “switch yard” as described in the Industrial section of this report. This facility would serve as a safe rest area for truckers, provide a more defined invitation to them to be in the community and likely results in additional economic activity (fuel, truck service, food service).
- H. Creation of Defined “Rest Areas” for Passenger Vehicle Travelers. This would be an “Oasis” that could include shade (trees or structure), cooling (mistifiers), picnic tables, pet relief station. This would be a “reason” to stop in Needles and may also result in additional economic activity (fuel, auto service, food service, hotel stays). A combination of the two rest areas may also decrease traffic accidents in the region as travelers may be more rested when going through the region, thereby limiting driver fatigue.
- I. Visitors Center (Real and Virtual)
- J. Geofence Advertising to travelers in the area (Geofencing allows targeted messages to people entering a defined area on social media for goods and services)
- K. Asset/Visitors Map
- L. Consider allowance for creation of a Cannabis Lounge to spark cannabis-based tourism.
- M. Consider allowing for increased signage and brand identification with cannabis-related companies thus creating a tour market (similar to winery tours)
- N. Participation in Hotel Professional Conferences to Recruit Additional Hotels to the Region. This would also include developing a database of all hotel-owning investor groups with assets in the Colorado River Region (from Laughlin to Yuma)

Exhibit A

City of Needles Marketing Plan: Retail (Recommended Annual Expenditure for Retail Marketing: \$20,000)

<i>Retail</i>	<i>Budget Amount (Annual)</i>	<i>3Q22</i>	<i>4Q22</i>	<i>1Q23</i>	<i>2Q23</i>	<i>3Q23</i>	<i>4Q23</i>	<i>1Q24</i>	<i>2Q24</i>	<i>3Q24</i>	<i>4Q24</i>	<i>1Q25</i>	<i>2Q25</i>
Economic Infrastructure Items													
1 Create Community Marketing Slogan	N/A	X											
2 Annual One-Sheet (Demographic and Market Analysis)	\$1,500			X				X				X	
City Demographics / Retail													
Colorado River Region (N, BH, L, FM, LHC) Demographics/Retail													
3 Annual Property Map	\$1,750			X				X				X	
Key Retail Sites (Online and Printable)													
4 Entitled Sites and Vacant/Available Buildings				X				X				X	
5 Annual Retail Map (Same as Above)	\$1,750			X				X				X	
Show Location of National Credit Tenants (Online/Printable)													
Economic Development Memberships/Professional Affiliations													
6 ICSC Affiliation	\$1,000	X					X				X		
7 ACRE Affiliation	\$500	X					X				X		
Retail Marketing Activities													
8 Monthly Linked In Post (PM/MB)	\$500	X	X	X	X	X	X	X	X	X	X	X	X
9 Monthly Linked In (Paid Promotion)	\$1,000	X	X	X	X	X	X	X	X	X	X	X	X
10 Annual Demographic/Market Report & Map to Top 100 Retailers/Developers	\$500	X											
11 ICSC - Las Vegas	\$3,500		X		X				X				X
12 ICSC-San Diego	\$2,500					X				X			
13 Participation in Lodging Conference	\$2,500	X				X				X			
14 Needles Virtual Tour Event	\$500			X					X			X	
15 Quarterly Call to Top 25 Brokers/Developers	N/A	X	X	X	X	X	X	X	X	X	X	X	X
16 Use of Advertising on Crexi / Loopnet	TBD	TBD											
17 Use of Advertisement (Print/Online) California Centers / Western Business	TBD	TBD											
Regional Initiatives													
16 Regional Economic Development Showcase (On-Line or In-Person)			X				X				X		
17 Annual Business Showcase (Exhibits, Job Fair, Speakers on Finance, Economics)				X				X				X	



Exhibit B

City of Needles Marketing Plan: Housing (Recommended Annual Expenditure Housing Marketing: \$17,500)

<i>Item/Event/Affiliation</i>	<i>Budget Amount (Annual)</i>	<i>3Q22</i>	<i>4Q22</i>	<i>1Q23</i>	<i>2Q23</i>	<i>3Q23</i>	<i>4Q23</i>	<i>1Q24</i>	<i>2Q24</i>	<i>3Q24</i>	<i>4Q24</i>	<i>1Q25</i>	<i>2Q25</i>
Program and Legislative Items													
1 Down Payment Assistance		X	X										
2 Owner-Occupied Rehabilitation Program		X	X										
3 Real Estate & Construction Professional Halo Legislation at State of CA Level				X	X	X	X						
Economic Infrastructure Items													
4 City Housing Asset Map	\$2,500	X				X				X			
Inventory of Entitled Sites (TTM or PM's), Infill, Custom and Master-Planned Potential Shows Location of Retail/Restaurants/Schools/Places of Worship/Healthcare Other QOL													
Economic Development Memberships/Professional Affiliations													
5 Active Membership and Participation with Inland Empire Riverside/Baldy View Building Industry Association	\$1,000	X				X				X			
6 Active Membership Nevada Contractors Association	\$750	X				X				X			
7 Active Membership Arizona Building Association	\$750	X				X				X			
Housing Development Marketing Activities													
8 Monthly Linked In Post (PM/MB)		X	X	X	X	X	X	X	X	X	X	X	X
9 Monthly Linked In (Paid Promotion)	TBD	X	X	X	X	X	X	X	X	X	X	X	X
10 National Association of Home Builders (2/8-2/10/22 Orlando, FL)	\$5,000			X				X				X	
11 Acquire Database / Design Send Updated Mailing List of Housing Developers or 2 Postcard Mailings Per Year	\$3,500			X	X			X	X			X	X
12 Email Database for Quarterly Messages	\$3,500	X	X	X	X	X	X	X	X	X	X	X	X
13 Annual Virtual Event for Real Estate Professionals based in Needles/Colorado River Region	TBD		X				X				X		



Exhibit C

City of Needles Marketing Plan: Industrial (Recommended Annual Marketing Expenditure Industrial: \$12,000)

Industrial								<i>Budget Amount (Annual)</i>	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
Economic Infrastructure Items																				
1	Energy Rate Comparison (Needles vs. SCE vs. SDG&E vs. PG&E) or Example								X				X				X			
2	Water Rate Example								X				X				X			
3	Asset Map of Industrial Corridors Highways/Railroad						\$2,500		X				X				X			
	Labor Market Statistics (Regional)																			
	Key Sites for Large Scale Industrial																			
4	Example of Industrial Development Fees (50,000 and 250,000 Sq. Ft. Buildings)								X				X				X			
5	Database of Logistics, Trucking & Distribution and Industry Groups						\$2,500		X				X				X			
Economic Development Memberships/Professional Affiliations																				
5	Membership and Participation in IEEP (Industrial Committee)						\$750		X				X				X			
6	Membership and Participation in SIOR (Society of Industrial and Office Realtors)						\$750		X				X				X			
Industrial Development Marketing Activities																				
7	Monthly Linked In Post (PM/MB)								X	X	X	X	X	X	X	X	X	X	X	X
8	Monthly Linked In (Paid Promotion) Industrial Developers						TBD		X	X	X	X	X	X	X	X	X	X	X	X
9	Geo Fence Industrial Brokers/Developers Visiting Area						TBD		X	X	X	X	X	X	X	X	X	X	X	X
10	Needles Virtual Tour Event									X				X				X		
11	Marketing/Advertisting on Loopnet and Crexi						\$2,500		X	X	X	X	X	X	X	X	X	X	X	X
12	Encourage Land Owners to Use Loopnet or Crexi								X	X	X	X	X	X	X	X	X	X	X	X
13	Annual Asset Map & Sample Fees Send to All SIOR / IEEP Industrial Members						\$1,500			X				X				X		
Industry Initiative Items																				
14	Cannabis-Related Business Roundtable/Industry Group Semi-Annual Mtg-City						\$500				X		X		X		X		X	
15	JPA or Similar Arrangement with Cities involved in Cannabis Industry						\$1,000			X				X				X		



Exhibit D

City of Needles Marketing Plan: Tourism (Recommended Annual Tourism Expenditure \$12,500 (Not Including TBID Formation and Direct Marketing from TBID Funding))

Item/Event/Affiliation	Budget Amount (Annual)	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
Economic Infrastructure Items													
1 Establishment of Tourism Business Improvement District (TBID)	\$10,000	X	X	X	X								
Create Formula		X											
RFP and Engage Consultant		X	X										
Establish TBID Including Election				X	X								
2 Annual Tourism Asset Map	\$2,500	X				X				X			
Location of Hotels													
Location of Visitor Amenities (Example Boat Launch)													
3 Creation of Application (APP) Visitors App		X	X	X	X	X	X	X	X	X	X	X	X
Economic Development Memberships/Professional Affiliations													
4 Inland Empire Film Services (Private)	\$1,500	X				X				X			
Film Locations for IEFS to Market													
Enable IEFS to Issue Film Permits													
Tourism Marketing Activities													
5 Geo Fence Marketing to Visitors to Needles (Through Facebook)	TBD	X	X	X	X	X	X	X	X	X	X	X	X
6 Billboard(s) Eastbound and Westbound with Welcome	TBD	X	X	X	X	X	X	X	X	X	X	X	X
7 Visitors Center Maps (Visitor Asset Map Printed/Online) (Same as above)	\$1,500	X	X	X	X	X	X	X	X	X	X	X	X
8 Marketing/Advertising to Car/Motorcycle/Route 66 Travel Clubs	\$2,500	X	X	X	X	X	X	X	X	X	X	X	X
9 Marketing/Advertising through AAA	\$5,000	X	X	X	X	X	X	X	X	X	X	X	X
10 Regional Cooperative Tourism Marketing with Colorado River Communities	TBD	X	X	X	X	X	X	X	X	X	X	X	X

