



CITY OF NAPA

# Creative Space and Local Manufacturing Action Plan

CITY OF NAPA COUNCIL PRESENTATION 1.18.22

# Why an Action Plan?

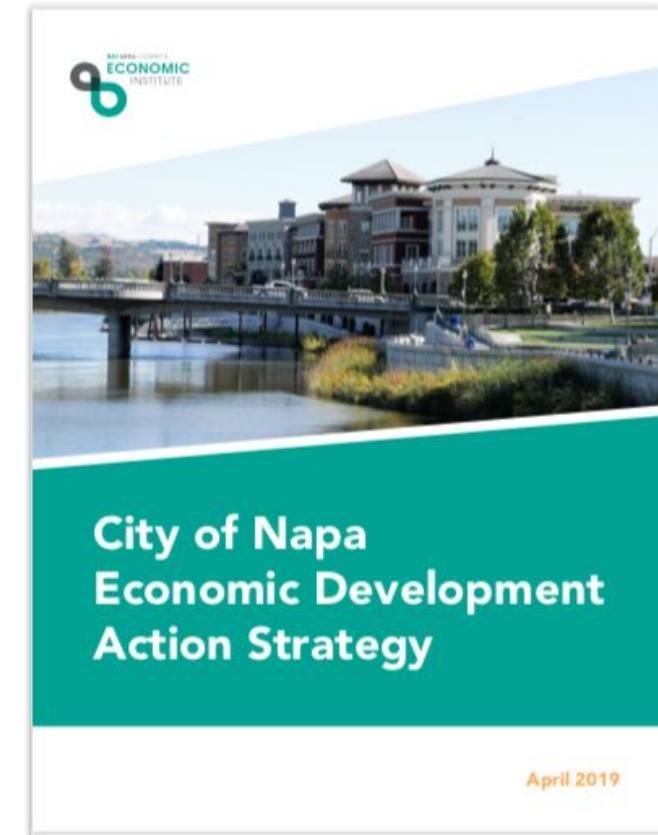
## Attract – Retain – Grow

### Manufacturing, Maker, Arts & Creative Sectors

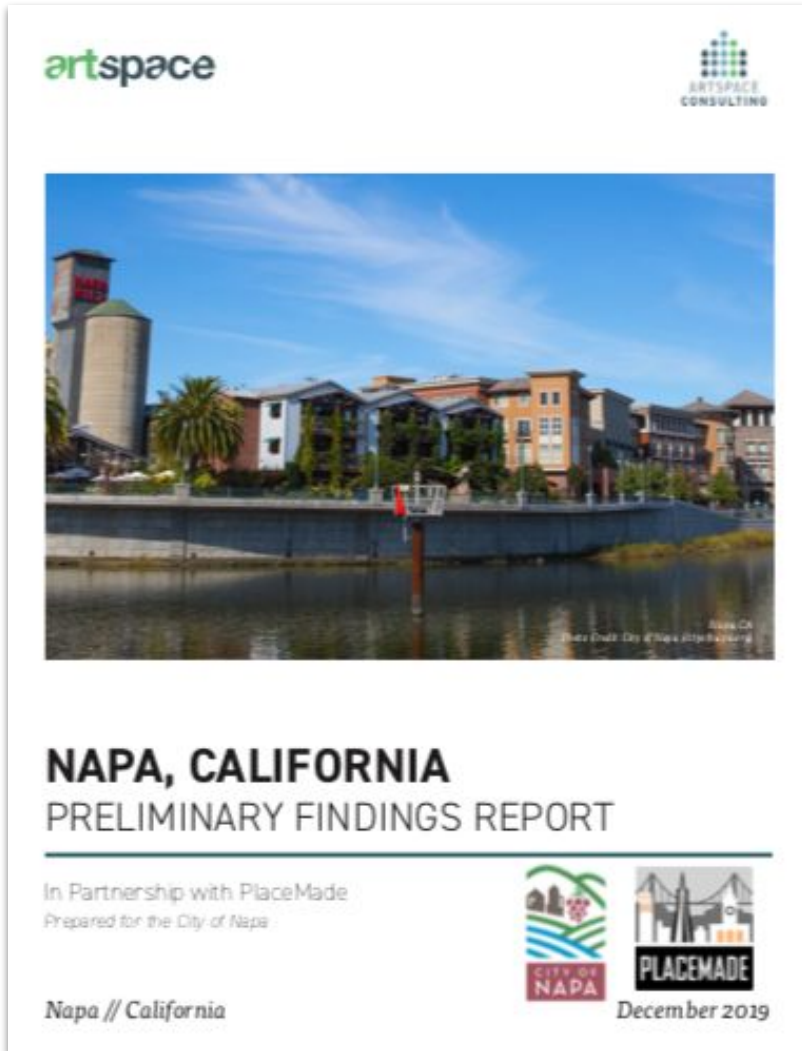
- Economic diversity
- Industry growth potential
- Claim a larger share of regional tourism dollars
- Local and living wage jobs

“...Napa is uniquely positioned to take advantage of a growing trend in manufacturing: small-batch, artisanal production—a growing trend in manufacturing—given its existing strength as a global destination.”

Source: Bay Area Council Economic Institute's City of Napa Economic Development Action Strategy (April 2019)



# Why an Action Plan?

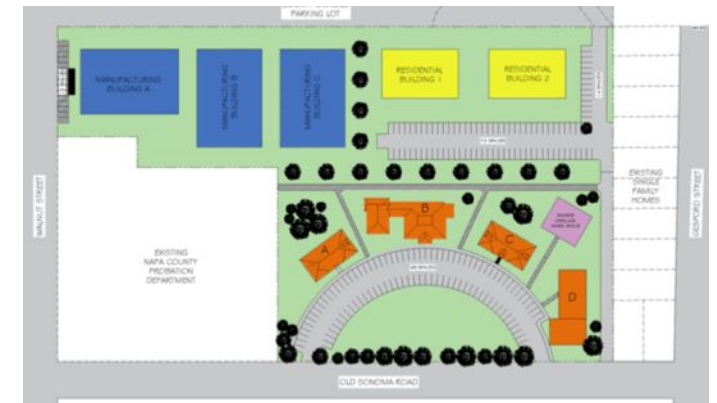


Creating “space for innovation”

Tested a mixed-use creative space campus concept

**Findings:** Strong Potential

**Next Step:** Market Study



**Space Needs Identified:**

manufacturing/production space

Creative workforce live/work

Creative work/studio space

Shared space

# Artspace and PlaceMade Introduction



U.S. Economic Development Administration (EDA) funding support to bring back:



Artspace: National nonprofit real estate developer and consultant with a mission to create, foster, and preserve affordable and sustainable space for artists and arts organizations. *Project Team: Teri Deaver, VP and Aneasha Marwah, Director, Consulting*



Placemade: The Bay area's non-profit industrial real estate development corporation with a mission to sustain and grow manufacturing jobs for residents of urban communities by creating more industrial real estate that is functional, accessible, and affordable. *Project Team: Gina Falsetto, Johnny Jaramillo, Ex. Director*



# The Make To Manufacture Continuum



	INDIVIDUAL ARTIST		MAKER	MANUFACTURER	
<b>"Typical" Attributes</b>	Fine Artist	Applied Artist	Artisan Manufacturing	Small Manufacturing	Large Manufacturing
<b>\$ Size</b>	Varies	Varies	\$500K-\$5M	\$5M-\$25M	\$25M+
<b>Business Type</b>	Sole Prop/ LLC	Sole Prop/ LLC	Sole Prop/ LLC/SCorp	S-Corp/ C-Corp	C-Corp
<b>Employees</b>	0-5	0-5	2-10	10-100	100+
<b>Sales Channel</b>	Commission/ Galleries	Direct to Consumer/ Small Markets	Direct/ Small Markets/ Retail	Direct/ Retail/ Wholesale	Direct/ Retail/ Wholesale
<b>Space</b>	Home Workshop	Home Workshop or Studio	Studio or Small Industrial or Studio	Small Industrial Space	Large Industrial Space

# Action Plan Methodology

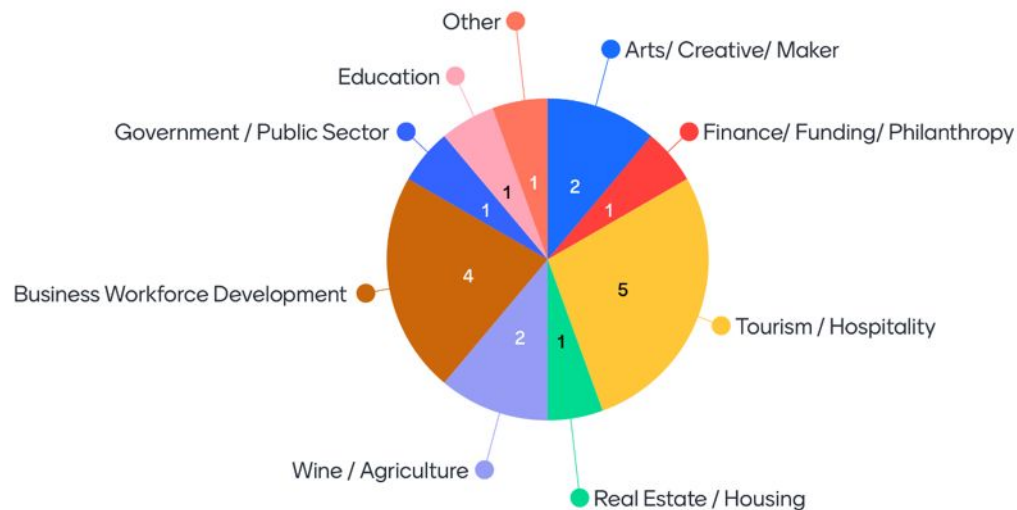
## Community Engagement

April – October 2021



## Over 300 community participants

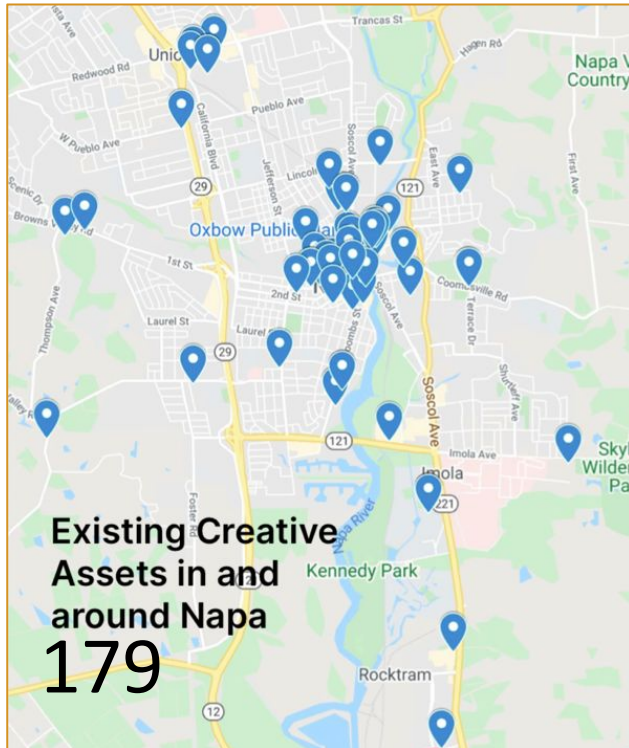
- Advisory Team
  - 12 cross-sector leaders
  
- Community Input
  - 26 in-depth Interviews
  - 4 focus groups
  - Site visit & “office hours”
  
- Space Needs Survey
  - 207 respondents



# Action Plan Methodology

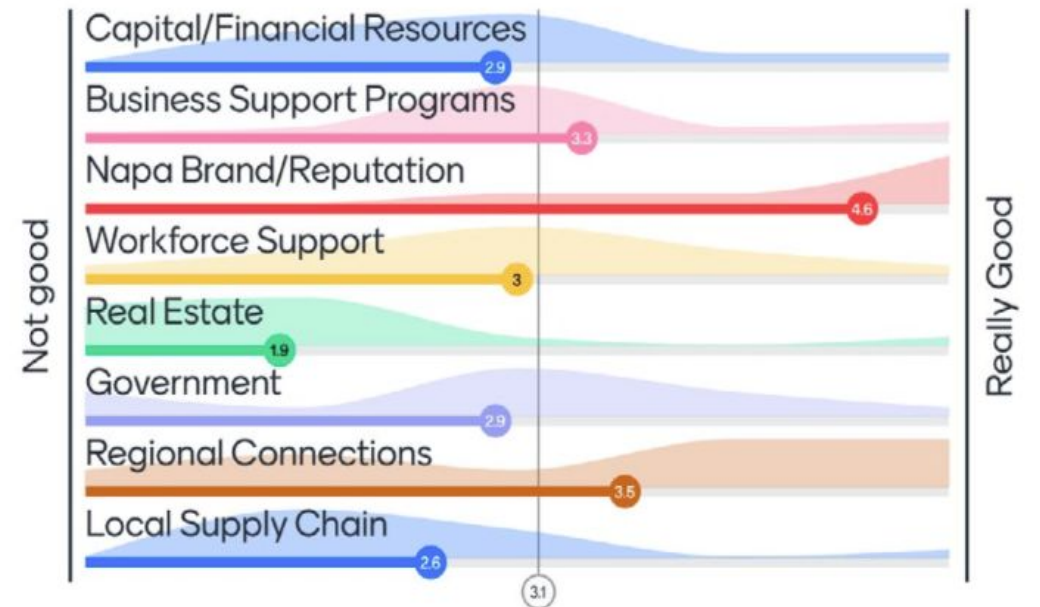
## Landscape Review

“..expansive breadth and network of creative spaces..”



- 8 Ecosystems
- Creative Assets
- SWOT
- Needs Survey

How well do these Napa ecosystems currently support artists, makers and manufacturers?  
Please use a sliding scale for each.



# Action Plan Methodology

## Emerging Themes SWOT

<h3>Strengths</h3> <ul style="list-style-type: none"> <li>Napa brand (quality food, wine, art) and desire for locally-made goods</li> <li>Tourism</li> <li>Public art ordinances</li> <li>Proximity to Bay Area and strong supply chain</li> <li>Small-town feel</li> <li>OTJ training offered by many employers</li> <li>Location of industrial space close to customers</li> <li>Latino community</li> <li>Music scene, festivals</li> <li>Arts Council Napa Valley (e.g., creative directory, grants)</li> <li>Art Association Napa Valley (e.g., open studios, pop-ups, gallery)</li> <li>Chambers of Commerce (NCHCC, NCC)</li> <li>By Appointment Networking Group (BANG)</li> <li>Local arts assets (Jillissa Center for Contemporary Art, Jessel Gallery, The CIA at CORA, Color Theory, etc.)</li> <li>Regional arts assets (Calistoga Arts Center, museums, performance centers, Nimbus Arts, etc.)</li> <li>Obow and the Red Arts Districts</li> <li>Winery art collections</li> <li>Contributions of local creatives</li> <li>Educational institutions</li> <li>Workforce Alliance of the North Bay and Small Business Development Center</li> </ul>	<h3>Weaknesses</h3> <ul style="list-style-type: none"> <li>High cost and short supply of all space (housing, studio, manufacturing, commercial)</li> <li>Employers and skilled labor hard to find and retain</li> <li>Difficulty attracting emerging and young makers/creatives/artists</li> <li>Barriers to development (permitting, high construction costs, CEQA) and lack of zoning flexibility for innovative projects that advance local objectives.</li> <li>Difficulty attracting People of Color across the arts and manufacturing sectors</li> <li>Lack of trade schools in middle and high school</li> <li>Lack of development gap/funding resources</li> <li>High cost of living and running small businesses</li> <li>Lack of community making, performing, gallery spaces</li> <li>Prioritization of the wine, food, and hospitality industry over local makers, artists, and manufacturers (also good job-creation)</li> <li>Public and private leaders don't understand the benefits and needs of the creative sector</li> <li>Zoning and incentives don't align with non-Ag makers, production, manufacturer businesses</li> <li>Lack of consistency and communication between City and County</li> <li>Travel challenges (commuting and in-city)</li> <li>No private economic development organization</li> <li>Lack of public funding support for the arts</li> <li>Reliance on out-of-town talent</li> <li>Service organizations need increased capacity</li> </ul>
<h3>Opportunities</h3> <ul style="list-style-type: none"> <li>City of Napa can fill a gap as the County's maker of distinction</li> <li>Lean into the maker "brand", build up an existing Napa Made branding</li> <li>New, innovative business models and spaces</li> <li>Hotels, wineries, restaurants host local artists and makers for pop-ups and events</li> <li>Effort to expand non-profits and CDF to into Napa</li> <li>Napa Valley College and NVUSD (training/trade classes)</li> <li>Underutilized spaces and properties</li> <li>Green business growth and upcycling potential with more government support</li> <li>Open House Sales/Performing art and events</li> <li>Latino creatives, makers, manufacturers businesses</li> <li>Partnerships with existing orgs, workforce</li> <li>Power of City and County to offer incentives</li> <li>Pandemic-accelerated expansion to virtual platforms</li> <li>Transient Occupancy Tax</li> </ul>	<h3>Threats</h3> <ul style="list-style-type: none"> <li>Wildfire</li> <li>Growing number of second/vacation homes</li> <li>Middle-class individuals being forced out</li> <li>Emerging and young creatives leaving due to cost, fees, etc.</li> <li>Wasting resources on outdated businesses and models</li> <li>Competition with winery industry for prime industrial space</li> <li>Labor shortages</li> <li>Lack of public transit</li> <li>So many regulations commitment to the arts</li> <li>Closures and space losses</li> <li>Large developers out-compete public benefit projects and make more headway than innovative entrepreneurial efforts</li> <li>At best, maker/manufacturing sectors not valued (asked to work for free)</li> <li>Parking mandates</li> </ul>

- Hispanic/Latinx(o/a) community underrepresented
- Napa brand and reputation is a significant asset
- Lack of a centralized information clearinghouse and network
- Economic development power of the creative/manufacturing sector is underleveraged
- Napa County's highly regulated land is a hindrance, but offers Napa an opportunity
- Emerging entrepreneurial and maker movement pushing boundaries & needs flexibility
- High cost and scarcity of housing, commercial and industrial space
- Lack of access to capital and financial resources
- Need to strengthen connections to other Bay Area creative and manufacturing assets

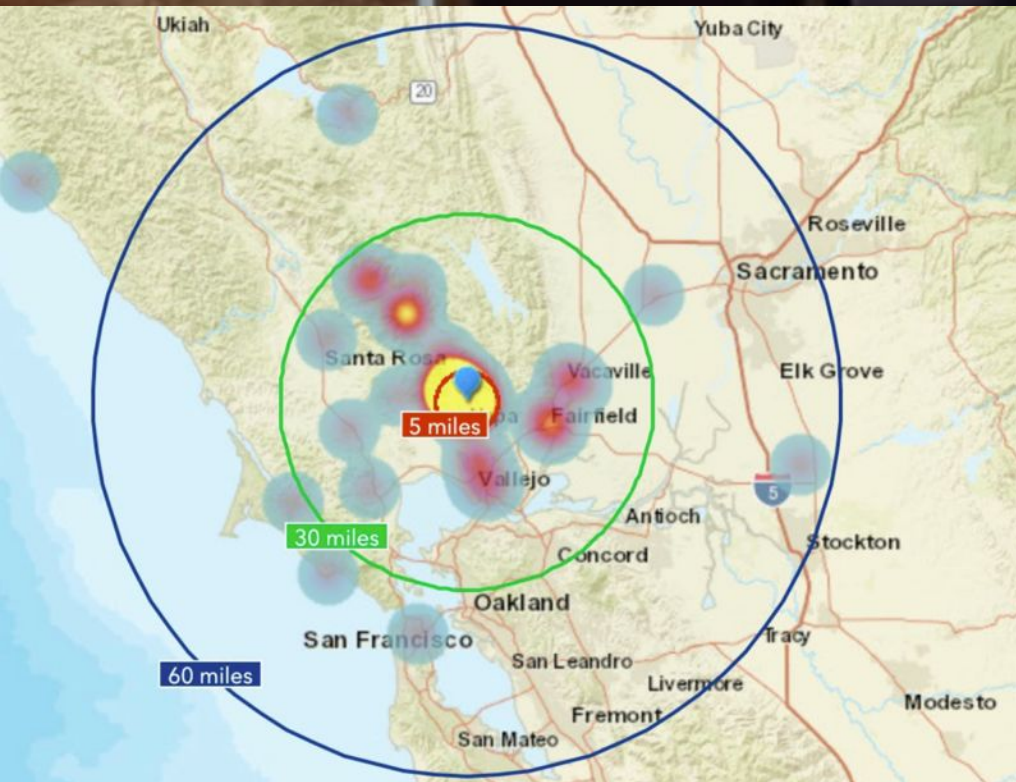


# Make It In Napa Survey

Space Needs Survey for:

Maker, Creative, and Artist

Business Owners and Individuals



## 207 Respondents

- 84% interested in some type of creative space
- 77% (160) are city of Napa residents
- 77% (160) rent/own workspace or base their business or create in the city of Napa &
- 42% (67) of them **have considered leaving**

### Top Reasons?

- Cost of commercial/workspace is too high
- Cost of housing is too high
- No suitable commercial/workspace available

# Affordable Space and Support Needs



## 32% (66) Housing

59% of households qualify for low to moderate income housing @ or below 80% AMI  
86% considered moving, but 97% would stay for housing  
67% non-arts/maker related workforce as well



## 38% (79) Workspace

49% of those who create or own a business in Napa considered leaving;  
96% of them would stay for workspace  
37% hire employees (FT, PT Short-term)



## 48% (100) Shared, Specialized Workspace

Exhibition/presentation spaces  
Studio/non-industrial spaces.....and MORE

Support needed to grow  
portfolios, creative/maker work  
and business in the city of Napa.  
(All respondents)



- Develop a **“made local” brand** to enhance marketing and sales
- Foster **networking opportunities** for artists/creatives and maker/manufacturing businesses
- Increase **grant funding**
- Make **business support** technical assistance available (e.g., business planning, legal, marketing, website)
- **Reduce fees** and taxes (city/county)
- Provide **real estate technical assistance** (e.g., buying/leasing, space planning, and budgeting for new space)

# Market Study Findings & Recommendations



**18 – 26 housing units** (conservatively)  
1 & 2 bedrooms (66%)  
\$1,000 - \$2,300/mo. (65%)  
Walkable/bikeable location....*and more preferences*



Up to **59 workspaces**  
1-year lease or longer  
\$500/mo. (\$1.00 sf) gross or less  
500 sf average (variety of needs) ....*and more, design, amenity, zoning considerations*



Prioritize **exhibition/presentation & studio, non-industrial spaces**  
**Membership, hourly, weekly daily rentals....and more spaces, equipment and considerations**

## New space will help:

- Retain local makers/artists/creatives & their businesses
- Retain jobs in the city of Napa
- Live/work housing will improve workforce ecosystem


## Ongoing Engagement

- 82% want Make It In Napa updates
- Continue regional outreach & **deepen connection to Latinx(o/a) and BIPOC**

# The Action Plan

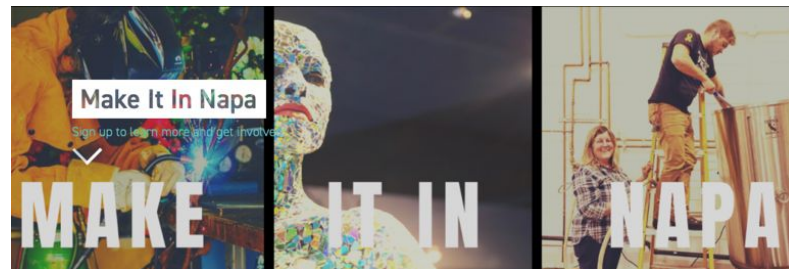
## Recommendations: 3 guiding principles and key components

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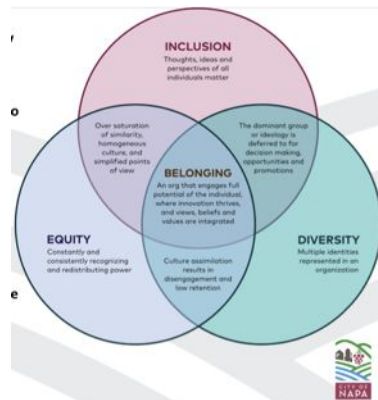


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2



3



### Components:

- 8 Action Steps
  - Short-term (6 mo. – 1 year)
  - Mid-term (1 – 2 years)
  - Longer-term (2 – 5 years)
- Implementation Tactics
- Case Studies

## 8

# Action Items

- 1 Form a Steering Committee to Continue the Make It In Napa Initiative
- 2 Improve Communication and Raise Visibility of the Creative Sector
- 3 Enhance City Infrastructure and Policies to Support the Make It In Napa Initiative
- 4 Adopt Incentives that Leverage Investment and Advance Opportunities
- 5 Create New, Affordable Space Opportunities
- 6 Explore Funding and Partner Opportunities
- 7 Establish a Maker-Focused District
- 8 Strengthen Regional Connections

# 1. Form a Steering Committee

*to Continue the Make it in Napa Initiative*

- Local champions
- Advisory & working group
- Shared expertise & network connections
- Implementation support
- Deepening engagement

## Case Study Example:

Mayor's Maker Council in Knoxville TN, a "Maker City"



# 2. Improve Communications and Raise Visibility *of the Creative Sector*

- Name the initiative
- Connect artists/makers/manufacturers
- Web & brand visibility
- Searchable directory
- Educational institution partnerships
- Hosted conversations & workspace visits

## **Case Study Example:**

City of Santa Rosa's "Out There" campaign



707 Embroidery Zone

# 3. Enhance City Infrastructure and Policies

*to Support the Make it in Napa Initiative*

- Update business license database
- Include “makers & creatives” in arts/cultural messaging
- City staff maker/manufacturer “liaison”
- Criteria that identifies maker-friendly developments & businesses
- Industrial zoned-land protections

## Case Study Example

Self-storage restrictions City of Sonoma





# 4. Adopt Incentives

*that Leverage Investment and Advance Opportunities*

- Make doing business in the city easier
- Reduced fees for local maker/artist included events
- Encourage new space with the “percent for art” ordinance
- Certify exemplary maker/artist-space developments

## **Case Study Example:**

Urban Art Program, Glendale CA



Source: Lighted Arts Festival 2019 Impact Report

# 5. Create New, Affordable Space Opportunities

- Share market study findings
- Leverage existing spaces
- Identify potential spaces/properties
- Advance a mixed-use facility
- Pilot new projects

## Case Study Examples:

Tannery Arts Center, Santa Cruz, CA  
& The Innovation Hub in North  
Little Rock, AR



# 6. Explore Funding and Partner Opportunities

- Leverage existing programs
- Public/private partnerships
- ARPA funds
- Attract a CDFI

## Case Study Example:

Outdoor Refreshment Area,  
Fayetteville, AR



Feast It Forward

# 7. Establish a Maker-Focused District

- City designated geographic area(s)
- Increases tourism/visibility
- Retain creatives
- CA Cultural District Certification potential
- A focus for development

## Case Study Example:

Certified Creative District, Ridgway, CO

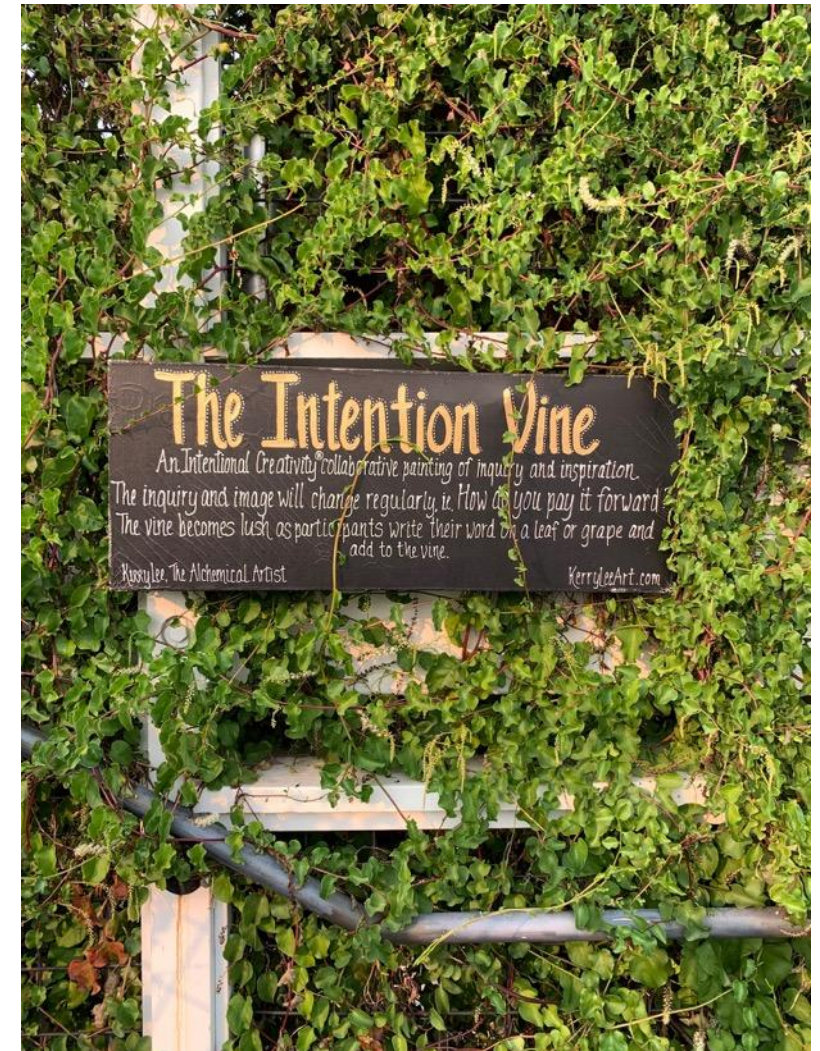


# 8. Strengthen Regional Connections

- Collaborate to address regional issues
- Expand space opportunities in the County's land at the airport
- “Business Retention Visits” with County
- Form a BAUM-member working group

## Case Study Example:

Joint Powers Authority between City of Santa Rosa & Sonoma County



# QUESTIONS FOR US?