

Opinion: Small Calif. city a rare success story

By Joe Mathews

California's small, rural towns are supposedly desperate and doomed, as state policy favors our coastal mega-regions.

So how do you explain Gonzales?



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Despite its location in the high-poverty Salinas Valley, the city of just 9,000 has a success story to share: relatively low crime, 96 percent high school graduation rates, new health facilities, sustainable infrastructure, and a string of economic development victories.

Most intriguingly, Gonzales has made its small size an advantage. Building on stable leadership—the city manager, Rene Mendez, is in his 13th year—Gonzales has kept city government streamlined so that it can move faster in planning and project approval—a very valuable trait in slow and bureaucratic California. An example: A large vegetable processing plant for Taylor Farms was proposed for Gonzales in July 2013—and completed in April 2014.

Speed works. In the past three fiscal years, Gonzales's tax base has grown by 17 percent, 19 percent, and 20 percent, respectively, as it has added industrial and commercial

development. Those gains represent more than 1,200 new jobs.

The city is now home to companies oriented toward technology, agriculture and the environment. Among these are HealthySoil, which manufactures products that improve crop production; Ramsay Highlander, which designs and manufactures advanced harvesting equipment; and Constellation Brands, an international producer and marketer of beer, wine and spirits. Soon, Gonzales will be home to a 130,000-square foot Mann Packing facility.

Gonzales's approach is unconventional among California small towns. The typical formula is to beautify the town center and develop a signature entertainment venue that attracts visitors, while chasing major retailers like Costco to produce high levels of sales tax for municipal coffers.

Mendez, who grew up in the San Joaquin Valley and came to Gonzales from Inyo County, knew that Gonzales, small and somewhat isolated, was not a natural fit for tourism and malls. Instead of chasing visitors and big retailers, he wanted the city to build itself to serve its own residents. So the city has enhanced its industrial footprint and took advantage of its proximity to agriculture. Gonzales doesn't have a Costco, but produces the vegetable trays you buy there.

Mendez says that since his small city lacks bureaucracy, he and other officials must build relationships themselves with businesses and other stakeholders. In environment-obsessed Monterey County, Gonzales has learned that it must invest in sustainability. Gonzales built a wind turbine, its tallest structure and most distinguishing landmark, to accommodate Taylor Farms, which does extensive recycling of water and waste and relies on solar power and onsite cogeneration in its Gonzales facility.

Many of Gonzales's partnerships are designed to serve its youthful population: 60 percent of residents are below age 35,

and more than one-third are 18 or younger. In 2013, the city and school district jointly created a youth council to tackle community improvement projects, and shape policy, recently on medical marijuana and underage drinking. Two youth council members have non-voting seats on the City Council.

But the best example of the Gonzales way may involve health care.

Five years ago, the city had just one full-time doctor, who was overwhelmed by patients needing her services. So the city convinced Salinas Valley Memorial Healthcare System to open a facility in Gonzales. A fundraising campaign, led by a million-dollar donation from Taylor Farms, helped get that clinic built. That might have been enough in some places, but simultaneously, the city was negotiating with non-profit Clinica de Salud to set up a second clinic. Gonzales now has six doctors and four dentists.

Gonzales's record is less impressive on other issues, especially housing. The city is badly overcrowded, with 4.1 persons per household. Mendez notes that Gonzales hasn't managed to build even one single-family home since 2005, though that's not for lack of effort. The city is working on three new developments that could produce more than 6,000 housing units, as well as new schools and a library. But none has been built, as developers and the city struggle with familiar California issues of ownership, financing, and regulation.

In California, small, freewheeling cities have been viewed with suspicion because of scandals like the one in Bell, where the city manager plundered \$5.5 million, via inflated salaries. But Mendez, whose \$190,000 annual pay is about average for a city manager, says that Gonzales shows that smaller cities can use their freedom for progress if they make smart partnerships, including with each other. "Our types of communities have to do a better job of working together to

pursue jobs and advocate for each other," he says.

Gonzales has more to do. Community development director Thomas Truszkowski took me around the city, talking about infrastructural improvements for industry. Gonzales also could use a hotel, he said—to accommodate the visiting executives and employees of its growing businesses.

Joe Mathews writes the Connecting California column for Zócalo Public Square.