

HELLO Salinas! Gonzales in the spotlight

Amy Wu, *The Californian*



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Rene Mendez is the city manager for the city of Gonzales (Photo: Amy Wu / The Californian) Buy Photo

Don't let Gonzales' size fool you - whether it be its 8,549 population, the several streets of downtown, or the single entry and exit (a turn off Highway 101) into this pint-sized city.

A 20-minute drive south from Salinas, Gonzales can be easily overshadowed, but Gonzales is steadily emerging and holding its own with an economy led by agriculture, agtech and lately, cannabis.

The city, one of five cities that make up the Salinas Valley, is a base for major agriculture companies including Taylor Farms, Pure Pacific Organics, Growers Express, Ramsay Highlander, Healthy Soil and beer and wine company Constellation Brands.

Now add Mann Packing to the mix too.

More: [Mann Packing facility to be built in Gonzales](#)

Earlier this year, Mann Packing, one of the country's largest shippers for fresh vegetables, [announced](#) it is building its agricultural processing facility in Gonzales at the Agricultural Industrial Business Center and hiring at least 200 new workers.

Other new businesses in the pipeline include a lemon grower and NetZero Farms, a cannabis grower and manufacturer. Taylor Farms, one has a large processing plant in Gonzales that employs approximately 1,000 workers, also plans to expand operations down the line.



Photo

Workers at Taylor Farm's Gonzales processing plant (Photo: Amy Wu / The Californian)

Keys to success

Rene Mendez, the city manager for Gonzales, said the key to the city's success is local government. Mendez joined Gonzales in 2005 after working for numerous municipalities in the state, including as administrator for Inyo County.

Mendez, a first-generation Mexican-American whose parents were field workers, spent his summers working the fields. He earned his bachelor's degree in economics at Cal State Stanislaus, and his master's degree in public policy from Duke University.

He dreamed of a career in international policy

"Originally the Transamerica Building was going to be my penthouse. That was going to be my office," he said. "I was going to run the World Bank and go into international policy."

More: [Gonzales woman, Watsonville man named to state ag leadership class](#)

Yet, he found a niche in local government.

Mendez said the city council, since he can remember, has been relatively cohesive and one that shares a similar business-friendly vision.

Since joining 12 years ago, Mendez matter-of-factly notes that the population has remained flatline, along with the number of houses (there are 70), but the economy has leapfrogged. The city has one of the fastest growing tax bases in Monterey County.

From 2014 to 2015, the Gonzales tax base grew by 16.65 percent, twice the rate of the next closest municipality in the county. In 2015-2016, it grew 19 percent and in 2016-2017, 20 percent.



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Taylor Farms Gonzales' processing plant (Photo: Amy Wu / The Californian)

Mendez said he worked closely with elected officials, including the city council and city commissioners on creating a competitive strategy.

Realizing that it could not compete on size, the city highlights its strengths such as its proximity to Salinas and to some of the largest agriculture companies. Compared to Salinas rent, the overall cost of operating a business is also lower.

Mendez and city staff work closely with businesses and the county by creating ongoing discussions and making it a point to cut down on the red tape, including expediting the permitting process.

“We do fast track permitting with the idea that `time is money,” said Mendez. “We always ask them when do you want to hit shovel to the ground, and we work backward from there and then we meet the deadlines.”

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Martin Lagod, the CEO of NetZero and a seasoned venture capitalist, said Gonzales was an obvious choice after looking at six cities including Salinas.

Lagod said the regulatory environment in Salinas when it came to cannabis was “not as attractive.”

“To apply (in Salinas) you needed a site locked up and a full plan and the application was pretty expensive...It was not a risk I was going to take,” he said.

After connecting with Mendez and the city council in Gonzales, the local government’s efficiency stood out.

“Gonzales was very easy to work with...The city and the city staff was very assessable and the city council engaged with us in conversation,” said Lagod, who has founded other companies including Solo Energy Corp., an energy technology company. “I believe they liked what we stood for and they made a commitment to us to made it happen. They have been delightful to work with in the sense everything they said they would do they did.”

Mendez said the city treats all businesses, whether they be ones in Gonzales or prospects, the same.

Mendez said: “We call it the 'Gonzales way'...We work really hard to understand what kind of projects are before us before we respond, and then we execute them as fast as we can. It’s a can-do approach. It’s also establishing relationships with everyone we need to establish relationships with.”

A recent example is Mann Packing. Mendez said discussions with the company run back at least five years. The company would request a variety of information, including potential properties or wastewater capacity, and the city would swiftly respond. The conversations ramped up last November when Mann stepped up to buy the property.

“It’s just providing accurate timely information and answering their questions,” said Mendez.

“It’s not that you are agreeing to everything because you still have to do the process and procedures. It’s are you responsible and providing accurate information and those sorts of things.”

More: [Organics growing on third-generation Gonzales farmer](#)

Focus on green

And then there is the city's emphasis on green.

In 2007, city staff began brainstorming ideas surrounding sustainability in part to emphasize the city's strengths including in agriculture. It launched an environmental program for youth that educates youth on alternative energy and recycling, and the city is driven by policies that promote wind and solar energy. All public facilities are fully solarized.

The city makes it easy for residents and businesses to go solar too, Mendez said. It has a designated full-time sustainable coordinator who works with households and businesses on ways they can improve their recycling or ways they can use alternative energy.

Constellation Winery launched a solar facility, and in 2014, Taylor Farms launched its solar plan by building solar turbines in five cities including Gonzales. To date, it has saved 90 percent of electricity costs. Taylor's processing plant is anchored with a wind turbine, which is some ways is iconic of Gonzales.

The city also plans to expand its wastewater treatment facilities and is encouraging and incentivizing companies to handle their own wastewater treatment.

Mann Packing has already committed to using a second wind turbine to fuel its facilities. Mendez calls the sustainable slant a win-win for the city and the businesses. "It helps us achieve goals and them to sell their products," he said.



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A crowd lines up at a local ice-cream shop in downtown Gonzales. (Photo: Amy Wu / The Californian)

Bustling crowds

While population appears stagnant, Mendez said there are signs the city is growing. In 2011, the city had only one doctor and dentist.

Turn the clock forward and there is the Clinica de Salud a professional clinic and four dentists.

Cypress Church in Salinas recently opened a satellite church in Gonzales responding to a growing population.

More: [Luigi's offers Italian food in Gonzales](#)

But perhaps the biggest indicator that Gonzales is on the upswing is the slew of new and trendy restaurants in downtown that cater to both locals and the business crowd.

Three years ago, the Bozzo family (the same owners of Gino's Restaurant in Salinas) opened Luigi's Restaurant in downtown Gonzales, and business – especially in the past year – has skyrocketed with residents from south County, folks from Salinas, and a professional crowd that reflects the area's growing businesses.



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Luigi's restaurant and bar is often standing room only after work and on weekends. (Photo: Amy Wu / The Californian)

“It is great stuff. If it weren’t for our locals, we probably wouldn’t be able to stay in business,” said Ryan Gerhard, an assistant manager at Luigi’s.

Gerhard, who was born and raised in Gonzales, noted about 85 percent of customers are now local.

There’s the bustling Wednesday crowd and the often sold out dinners on Friday and Saturday nights. For a few minutes, Gerhard steps outside; the late afternoon wind, kicking up dust in this agricultural town.

“It looks way better,” he said shaking his head in disbelief at what downtown today looks like compared to the one of his boyhood memory.

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Photo

Ryan Gerhard was born and raised in Gonzales and is an assistant manager at Luigi's restaurant in downtown Gonzales. (Photo: Amy Wu / The Californian)

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