



Orange County/
Inland Empire

HEAT AND HOUSING

Needles, California

Technical Assistance Panel
October 6–7, 2025

About

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Cover photo: The Colorado River winds along the eastern edge of Needles and is a major draw for residents and visitors alike. (ULI)

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Seven public agencies in California and Nevada were selected to participate in this program. Working in tandem with their closest ULI District Council, each of these agencies hosted a Technical Assistance Panel focused on a specific resilience and land use challenge in their communities. The fundamental goal of the effort is to provide concrete ideas and strategies to public sector leaders to advance resilience in the built environment. Through its work, the program will create resources to help all ULI members accelerate resilient land use in their communities.

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The Urban Land Institute stands at the forefront of the land use and real estate industry, a steadfast leader in the best practices for a changing world. For over eight decades, ULI has been a unique and trusted forum where members come together to share and exchange ideas, information and experiences – to shape tomorrow’s horizon and improve the way communities grow.

ULI Orange County / Inland Empire

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Technical Assistance Panel (TAP) Program

In keeping with the ULI mission, Technical Assistance Panels convene ULI members who volunteer their time to aid public agencies and non-profit organizations that have requested expert insight to address their land use challenges.

During this process, a group of diverse professionals representing the full spectrum of land use and real estate disciplines typically spend one to two days visiting and analyzing site-specific conditions in the built environment, identifying pertinent planning and development issues, and formulating realistic and actionable recommendations to move initiatives forward in a fashion consistent with the applicant’s goals and objectives.

Learn more at orangecounty.uli.org.

Murals can be found across Needles and reflect the community's unique characteristics.



About

Technical Assistance Panel

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City leaders took the panel on a tour of the city, highlighting its attributes and noting development potential.



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The material presented in this document was prepared by members of the Urban Land Institute's Orange County / Inland Empire district council. The report seeks to provide an informed outlook on local real estate and planning topics and as understood by ULI OC/IE and our contributing members. The analysis, views and opinions expressed herein are those of the contributors and not necessarily their employers, the Urban Land Institute, or the ULI OC/IE district council. The material that follows was developed from a number of sources: interviews, research by individual contributing authors, surveys, and forecasting. While the information contained in this report represents informed analysis of issues in the region, it should not be used to make business decisions in lieu of professional consultation.

Executive Summary

Like many cities across the United States, Needles, California, is wrestling with a deficit in its housing supply. Centered around the need for a greater number of attainable and middle-market homes, the housing challenge in Needles is made even more acute as the city's economy remains relatively flat with little growth year over year.

The city of approximately 6,000 full-time residents is on the far eastern edge of the state of California, with the Colorado River making up its eastern boundary. The state of Arizona sits on the other side of the river. This location provides residents and visitors with enviable recreation opportunities on the river and in the surrounding Bureau of Land Management (BLM) acreage. It also creates significant economic tension due to the relative ease and lower cost of doing business in Arizona versus California.

Residents love the small-town nature and the rich history of Needles. The city's elected leaders and professional staff are dedicated to the city and motivated to see it succeed, yet challenges remain. The challenge of attracting new housing, particularly housing that will allow residents to live comfortably in the desert's extreme temperatures, prompted the City of Needles (the City) to turn to the Urban Land Institute Orange County / Inland Empire district council (ULI) for assistance.

Using its trusted technical assistance panel (TAP) program, ULI assembled a panel of real estate professionals to study the housing

challenge. The panel toured the city, reviewed previous planning efforts, and interviewed stakeholders, ultimately arriving at a set of recommendations to help guide the City in its efforts to address the housing supply deficit.

The panel's recommendations addressed the housing and the heat mitigation challenges the city is facing. The panel also identified the fundamental economic and market forces that are potentially curbing new housing development in Needles. Finally, the panel identified steps the City can take to turn the economic tide and make the business case for new housing development in Needles.

The Housing Challenge

There is mismatch between jobs and housing in Needles, and the housing that is available is not yet the right kind of



move-up or middle-market housing that is needed. The city has the capacity for 50 or more homes per year at price points up to approximately \$400,000 per unit.

Revisit the City's role in attracting and facilitating development. The City has an important role to play in helping to attract new home builders and builders that can scale middle-market housing in Needles.

- Review and revise permitting processes to create a more streamlined path for development.
- Make the revised process clear, visible, and accessible, reducing development uncertainty and making it clear that the City supports new development.
- A note of caution: a partnership approach is recommended for future infrastructure improvements. (The City should not rely on development to fully finance infrastructure updates.)

Although the building trades are not prevalent in Needles today, these groups will come alongside scalable development.

Economic Development, Urban Design, and the Public Realm

The success of new housing in Needles will rely on a broader economic development framework that is grounded in sound urban design principles. The City will need to further capitalize on key assets like the river frontage, rail lines, BLM recreation, and more and is encouraged to ask current residents for input on what they love about Needles.

A comprehensive branding and marketing campaign will support this messaging and broaden the reach of Needles' appeal.

Stimulate additional economic investment in Needles. Business development in the city will benefit from intentionality and focus and will likely rely on investment from the City in the early stages. The City is encouraged to consider the following early steps:

- Create a framework for additional private investment and development.
- Reward early adopters who take the risk to come alongside the City in the early stages.
- Support pioneers who open and operate a new business and acknowledge those legacy business owners who continue to operate in Needles.
- Consider creative financing options to support public-facing efforts.

Focus on core urban design principles. A fresh approach to the city's urban fabric and attributes can broaden tourism and residential moves into Needles.

- Improve city gateways at the three interstate exits and at key internal gateways.
- Improve circulation and connectivity across neighborhoods and commercial areas.
- Enhance interstate trip capture by elevating the dining, shopping, and entertainment options in Needles.

- Focus on new planning areas as potential sites for commerce or residential use. These areas might include the land south of Jack Smith Park, downtown ("Old Town"), and a newly identified "Uptown Gateway Village" close to the river.

Update resort and tourism approaches to benefit Needles' economy. New uses or new approaches to historic uses can enhance the city's tourism appeal. Central to this recommendation is a fresh look at the city's municipal golf course, either redesigning and narrowing fairways or shifting to a nine-hole course to free valuable riverfront land for potential new uses.

Placemaking and Wayfinding

The panel also considered the city's public realm and its role in supporting development. Improvements to wayfinding

and placemaking can help drive economic activity from both residents and tourists.

Use placemaking to support businesses, attract visitors, and boost to community pride. The City is strongly encouraged to prioritize and elevate Needles' access to Interstate 40, Route 66, the rail line, and particularly to the Colorado River. The land along the river, in particular, is the city's most valuable real estate and could be put to more productive and valuable use while still keeping golfers and park visitors happy.

Create district identities. Neighborhoods across Needles are segmented by the interstate could become unique districts and city destinations. Placemaking efforts can elevate these districts and stimulate economic activity within each.

- The district between the interstate and the bridge crossing the river, dubbed by



Jack Smith Park provides the community with play space along the river.

the panel as Uptown Gateway Village, could cater to the people who come to Needles for its off-road vehicle and river-based recreational activities.

- Downtown, renamed Old Town by the panel, features Route 66 and could be an enticing walkable destination.
- A new River District at River Road and Marina Drive could leverage the city's riverfront land for resort and tourism uses.

Placemaking within each of these districts should elevate unique attributes and create destinations that are uniquely Needles.

Develop a new brand identity and marketing campaign for the city. Every city can benefit from a thoughtful, engaging, and authentic branding campaign. This brand should be rolled out in a comprehensive signage and wayfinding program. The brand can also help elevate the city in time for the 2026 Route 66 centennial anniversary and should be accompanied by a more robust social media presence for the city.

Use wayfinding to elevate the visibility of and draw visitors to Uptown, Old Town, and the River District. Wayfinding signage that is clear and recognizably Needles is important to both assist with navigation and to help elevate the city's brand and identity.

Example: Historic Old Town. To demonstrate how urban design principles, placemaking and wayfinding could benefit a particular district, the panel pointed to the idea of redefining downtown as "Old Town." The

following improvements could support a more walkable and vibrant commercial district there.

- Reduce travel lanes along Broadway to one lane in each direction, shift to angled on-street parking, and use the reclaimed space for more pedestrian or business-supporting uses.
- Elevate and expand the mural program in Old Town.
- Open a Visitor Center at the south end of the district.
- Create a community gathering space by strategically closing the streets or transforming of vacant lots for temporary activations and community events.

Sample Housing: Rustic Acres

The panel considered a number of potential housing design solutions that could fit within existing mapped areas of the city. The goal was to provide new attainable housing options and include important resilience features for residents. Using the Rustic Acres subdivision in the southwest area of Needles, the panel re-imagined parcel sizes and housing designs, drafting ideas that could provide more financially viable development options.

Design Alternative 1. In this first option, the 67-foot by 115-foot lot is maximized for building space. A 1,800 square foot home with 3 bedrooms, 2 bathrooms, porches, and garage space could fit here. There is also space for an accessory dwelling unit (ADU)

in the backyard for family members or for additional homeowner rental income.

Design Alternative 2. In a second option, two parcels are combined and then divided into three smaller parcels for one- or two-story homes. The homes could range from 1,400 to 1,700 square feet and feature 3 or 4 bedrooms and 2 or 2.5 bathrooms respectively. Porches and attached 2-car garages will fit on these parcels, and simplified structures help reduce building costs. North/south site placement minimizes western-facing windows, reducing the impact of direct sunlight on the home.

Design Alternative 3. In the third alternative, 12 lots from the original Rustic Acres map were reconfigured into 24 parcels featuring 1,300 square feet in one story or 1,500 square feet in two stories. The smaller homes feature 2 bedrooms and 2 bathrooms and the larger option has 3 bedrooms and 2.5 bathrooms. Both have 2-car detached garages with the potential for an ADU above.

Design Alternative 4. The final design turns a two-parcel grouping into a four-parcel configuration served by a common driveway/courtyard. With 800 square feet in one story or 1,600 square feet in two stories, the homes could feature 1 bedroom and 1 bathroom or 3 bedrooms and 2.5 bathrooms, respectively, and each has space for a garage and guest parking on a pad.

Community Resilience

Heat mitigation strategies and resilience are priorities for Needles' public sector leaders

and folding measures into both private and public development should be encouraged.

Cool the public realm. The City controls a number of important spaces that will benefit from more shade, more access to water, and a reduction of the heat island effect. Increasing opportunities for shade with new shade structures and trees adapted to the climate can help shade residents and visitors. Accessible and appealing water features in public spaces can give everyone, easy opportunities to cool down on hot days and could include hydration stations, misters, splash pads, and more. Reducing the city's heat island effect should be a priority and could be accomplished with more shading, cool building materials, and green infrastructure. Each of these measures will help create more comfortable environments where people will want to spend time.

Encourage and incentivize cooling in private development. Passive cooling measures in the built environment can assist with

cooling spaces, and developers should be encouraged to incorporate passive cooling and heat mitigation strategies. Key measures can include context-sensitive site design, energy-efficient materials, building designs that support occupant comfort, and shade and green infrastructure requirements.

Establish community resilience centers (CRCs). CRCs should serve multiple purposes and remain open to community members throughout the year. As a multipurpose community facility, CRCs often provide a range of resilience services and can also be used to demonstrate resilient building practices to the broader community. In Needles, the current cooling centers could be expanded to also provide other resilience services, such as charging stations, refrigeration services, programming, and more. Opportunities for new CRCs in other areas of the community should be explored as should grant funding to support the efforts.

Conclusion

The panel outlined a wide range of important efforts that will eventually support the business case for new housing development in Needles. When that housing is proposed, incorporating resilience, energy efficiency, and heat mitigation strategies will be critical.

In the meantime, the panel outlined a potential strategy for sequencing the efforts. Tackling these items with a clear vision and with a clarity of focus will be important, as will ensuring that the community, business owners, and current residents feel like key participants in the process and in the future success of the city.

Needles is in an enviable position along the Colorado River. It is part of a state that boasts one of the largest economies in the world and Needles has public sector leaders who are deeply committed to the city's future success. With a clear vision, community support, and a steadfast approach, Needles has a bright future ahead.





Introduction and Background

The city of Needles, California, has enjoyed a storied history. Situated along the western banks of the Colorado River, Needles welcomes travelers coming west into California and was the first Californian city travelers encountered on a Route 66 road trip.

Today, Needles is home to approximately 6,000 residents and sees its fair share of seasonal visitors. From those looking for warmer spaces in the winter to river recreationalists seeking water fun in the summer sun, Needles has a lot to offer its visitors.

City of Needles (the City) leadership has a clear eye on both the benefits and the challenges of living in this far eastern California outpost. The city does not have a grocery store, housing can be hard to come by, and the summer heat severely limits daytime outdoor activities for weeks on end. With July temperatures averaging 103.2 degrees in 2024, Needles became the U.S. city with the hottest monthly average temperature, surpassing Phoenix by 0.5 degrees.

Working to the city's benefit, plentiful, low-cost power in Needles has opened the door to new business opportunities. Cannabis growers have arrived, bringing with them employment opportunities and municipal impact fees that are helping to financially support some of Needles' municipal projects.

Recognizing that the community offers exciting growth opportunities for businesses yet wrestles with certain basic elements, like

heat and housing, City leaders reached out to the Urban Land Institute Orange County / Inland Empire district council (ULI) for guidance. Through the ULI California-Nevada Technical Assistance Leadership Exchange, the City of Needles wanted to explore innovative solutions to its land use and climate resilience issues. The ULI program and related technical assistance facilitate connections, dialogue, and expert exchange to explore strategies for creating resilient and sustainable communities through land use and real estate interventions. Using this framework, ULI convened a panel of real estate professionals to study specific questions posed by the City. Through interviews with community and business leaders, a tour of the city and potential development sites, and following two days of deliberation among the panelists, the ULI panel arrived at a series of recommendations the City can use as it works to advance housing, heat resilience, and related initiatives in Needles.

Housing in Needles

Housing across the Needles landscape varies widely. There are a number of neighborhoods that feature solidly-built homes from the 1940s and 1950s. These homes are typically detached single-family units featuring two or three bedrooms. Other neighborhoods from the 1990s offer a slightly different design aesthetic in a similar single-family detached setting. There is a growing number of high-end, million-dollar+ homes being built north along the river, and

Study Questions from the City

1. How can Needles implement heat mitigation strategies (e.g., cool roofs, tree canopy expansion, and urban shade structures) to reduce health risks and energy costs for residents?
2. What best practices exist for integrating housing development with resilient infrastructure (e.g., water-efficient landscaping, solar energy, and low-impact stormwater management)?
3. How can Needles attract development partners for mixed-income and workforce housing while maintaining financial sustainability?
4. What zoning or policy adjustments could help the city achieve its regional housing targets while protecting natural resources?
5. How can Needles leverage state and federal funding opportunities to support its housing and infrastructure modernization goals?

there are a number of recreational vehicle (RV) parks in town that offer spaces for those living in Needles seasonally. Few options exist for those looking to move up or out of the older housing stock into something newer or larger. According to a December 2024 housing study conducted for the City by The Concord Group, there appears to be a mismatch between the current supply of housing in Needles and the potential demand.

"Broadly speaking, there is a lack of supply at higher rent and sales price points versus what households in the MSA can theoretically afford. This analysis suggests that many households are 'settling' for lower-value inventory (versus what they can afford), likely having the effect of squeezing out more income-constrained households... much of this inventory is dated, especially the lower-priced products." Housing Market Demand Assessment for Needles, CA, The Concord Group.

It is with this context that the City turned to ULI for assistance, asking the panel to provide recommendations around new housing development while also folding in important heat mitigation and resilience strategies.

Following the TAP information gathering process (briefings, tour, and interviews), the panel outlined the strengths, weaknesses, opportunities, and threats they observed that might be impacting housing development and economic growth in Needles.

What the Panel Heard

The panel interviewed leaders and staff from the City of Needles, developers, industry experts, business owners, and residents who shared the following feedback:

- Residents and City employees have a deep appreciation for small-town life.
- The city has a rich history that includes Route 66 and the railroad.
- There is significant pride in the school district and the high school sports teams. Those working in California and living in Arizona can choose to send their kids to Needles' schools and often do so.
- Municipal staff are professional and dedicated to the city's success.
- The Colorado River is a strong draw, especially during the summer months.
- Off-road activities are plentiful, and residents and visitors can drive their off-highway motor vehicles (OHVs) on city streets to both in-town and off-road destinations.
- The railroad, its proximity, and history could be leveraged further.
- There are perceptions that the addition of the cannabis industry has had an impact on Needles, both good and questionable.
- Residents expressed a need for a grocery store and other vital daily services.
- The city needs more attainable housing.
- Previous City leadership was seen as having anti-growth priorities, a frequent lack of focus, and questionable spending priorities. This still creates perception challenges amongst residents.
- There is a need for more entertainment options, including restaurants and bars.
- The city does not have a good central gathering space for residents and visitors.
- Situated along the riverfront, the City's golf course is loved by many and consistently loses money.
- Needles does not have options for residents or visitors to rent jet skis or OHVs.
- The city offers a great school district, but when kids graduate, parents often encourage them to seek opportunities elsewhere.
- "Once you cross that river, a lot of things are easier to do."

STRENGTHS

The City controls utilities and associated fees (low cost of electricity)

Needles enjoys deep community ties and a rich history

The local community is engaged

Needles has strong schools with strong community support

The city has good parks and open spaces, including the golf course

Land is inexpensive compared to much of the state

There is good access to Interstate 40 with three exits serving Needles

The railroad runs through the city and could provide commercial access for new businesses

Location on the Colorado River

There are multiple points of access to the river for recreation

The city is a destination for northerners who seek a southern winter home

City leadership is professional and motivated to see the city succeed

The Needles Connect app is helping connect residents and businesses with activities

WEAKNESSES

The border town nature of Needles and competition with Arizona can make business operations challenging

Strict state legislation impacts even minor actions like hosting a Farmers' Market

The city's identity, marketing efforts, and messaging could be stronger and more identifiable

There is no grocery store in Needles; the closest store is 18 miles away

There are limited retail options and services

There are negative perceptions around the City's exaction policies

Fiber connectivity is not yet where it needs to be for the city to compete well against other markets

The City has to balance a host of public funding priorities (capital improvements), and residents are questioning priorities

The city is geographically fragmented; neighborhoods and commercial areas are not easily connected

The population is stagnant, and young people are leaving

OPPORTUNITIES

Wayfinding and signage, particularly from the highway, would serve Needles well

A cohesive and memorable branding and identity campaign would support Needles' success

Events, including the Route 66 Centennial and a farmers' market, could elevate the city

The railroad is an important employer and could be a stronger resource

Needles is the only riverfront town on the California side of the Colorado River

Land in Needles is relatively inexpensive and available for development

There are multiple opportunities for new industries in the city

A specific plan for the riverfront, including a boat launch, would be welcome

Jack Smith Park could be expanded to include boats

Off-road vehicles are allowed on City streets

The cannabis culture could be leveraged and elevated

The land along the river offers great development opportunities

THREATS

Although there are three exits to Needles, the city has low highway visibility

The cost of doing business in California makes a short move across the river to Arizona attractive

The regulatory environment in California makes living and doing business in the state challenging

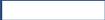
There is a historical distrust of prior City policies that may be impacting residents' present-day perceptions

The city is very reliant on the cannabis industry

There are limited employment opportunities and a limited job base in the city

Strong competition for tourism dollars can be found all along the Colorado River

The days are getting hotter, and there are an increasing number of extreme heat days each summer



City Comparisons

To help the panel set the context for its evaluation of the housing challenges and opportunities in Needles, the panel conducted an analysis of comparable cities in the region. The cities under consideration included Mohave Valley, Fort Mojave, Parker, Laughlin, Blythe, and Bullhead City. Using the data from each of these municipalities, the panel evaluated the retail and commercial space at work in each and looked at basic demographic data, such as population, employment, income, and housing ownership and occupation.

Compared to its peers, Needles sits in the middle of the pack, with some cities skewing larger and more affluent and others ranking below Needles. The panel noted the following key data points as particularly relevant to a discussion about new housing development in the city:

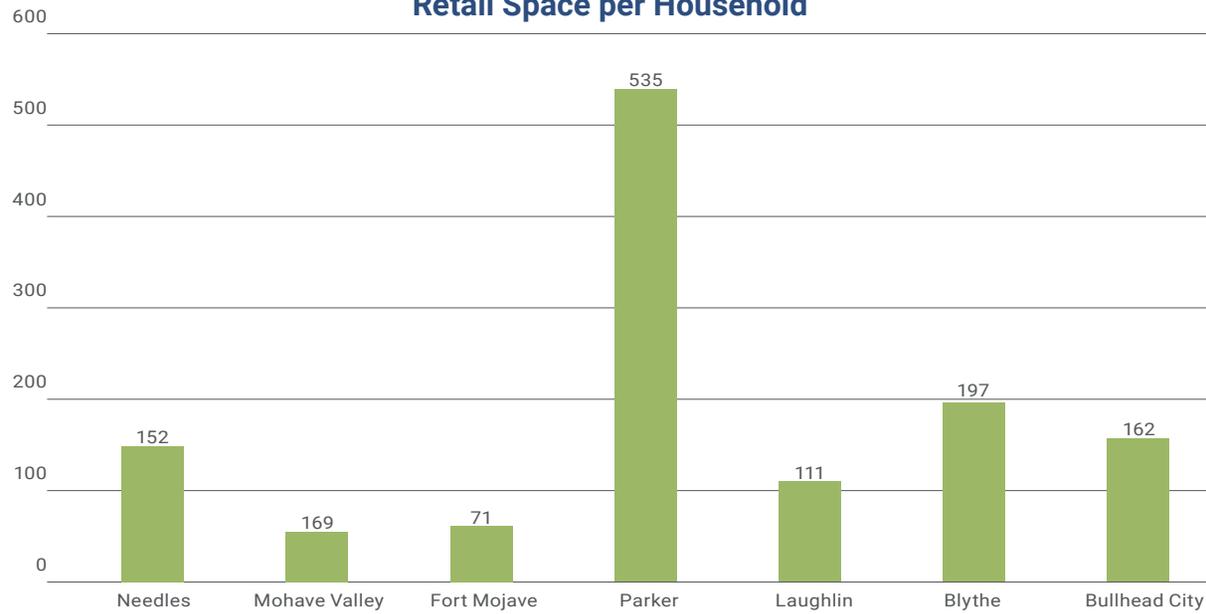
- **Employment:** Needles is a regional employment node, drawing employees from in and around the city in both California and Arizona.
- **Housing occupation:** The city has a high share of homes not occupied year-round,

which can be attributed to both second or vacation homes and vacant properties.

- **Retail space:** Needles is in line with the regional average for retail space per household, although much of the space is relatively old.
- **Industrial and warehouse space:** In large part because of its cannabis industry, Needles has a relatively high amount of industrial/warehouse space per household.

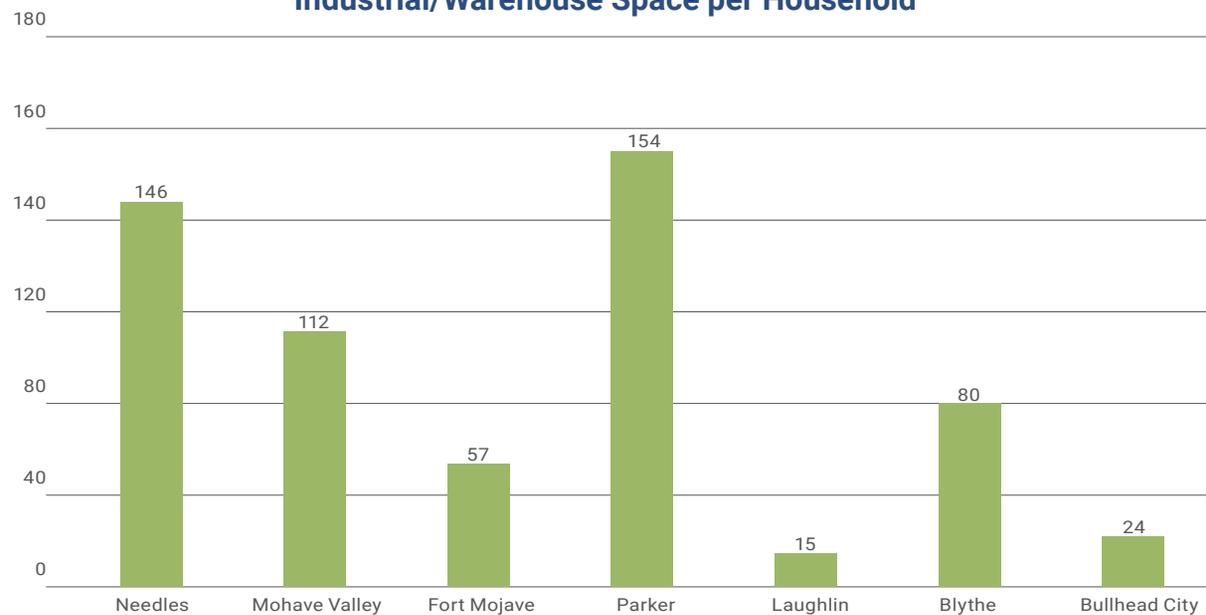
	Needles	Mohave Valley	Fort Mojave	Parker	Laughlin	Blythe	Bullhead City
Population	4,908	2,959	16,854	3,391	8,522	18,161	43,271
Household	2,068	1,203	7,147	1,113	4,421	4,508	19,920
Employment per Household	1.2	0.4	0.5	2.0	3.9	1.0	0.7
Household Size	2.4	2.5	2.4	2.9	1.9	2.7	2.2
Median Age	44.8	49.9	55	34.4	60	37.4	55.8
Median Household Income	\$ 43,888	\$ 71,262	\$ 67,664	\$ 73,620	\$ 46,222	\$ 57,561	\$ 49,164
Median Household Net Worth	\$ 73,320	\$ 277,501	\$ 311,974	\$ 154,725	\$ 88,949	\$ 88,793	\$ 164,449
Percent of Homes that are Owner-Occupied	52%	84%	83%	64%	51%	51%	67%
Percent of Homes that are Vacant or Second Homes	25%	18%	16%	7%	18%	15%	22%

Retail Space per Household



Retail options in Needles are rather limited and the city lacks a grocery store.

Industrial/Warehouse Space per Household



Cannabis growers are building new industrial facilities across the city.



Big Picture: The Housing Challenge

In typical real estate and economic development scenarios, housing development is catalyzed and furthered by employment and job creation. In Needles, that process is not happening as it should.

The current environment demonstrates the mismatch between jobs and housing in Needles, and the panel identified a number of influencing factors. The jobs are arriving, if slowly, through the addition of the cannabis industry, but new homes are not yet being built. The housing that is available is not yet the right kind of move-up or missing middle housing that more closely aligns with the incoming jobs in either Needles or the Mojave Valley region. Added to the mix, the current development activity, represented by infill and boutique builders, is not enough to meet the middle market demands. The region remains relatively untested for production homebuilders, who look for markets that can support multiple years of consistent construction, and there is not the type or volume of comparable sales that would help make the case for production building in Needles. Finally, the trades that would be called on to support the volume of new home construction the region needs remain untested and unknown for the builders in the area, further increasing the current risks associated with this market.

In comparison to other comparable markets, particularly those in neighboring Arizona, Needles presents a challenging environment for new home builders. While some of the challenges, such as materials costs

and state regulations, remain outside the City's control, other factors are within the City's control. These City-controlled items represent important variables that should be considered as Needles' leadership evaluates how it can more aggressively pursue housing development. Permitting and impact fees can be adjusted down. The ease of the permitting process should be analyzed versus Needles' peers to determine where and how Needles can improve or streamline processes to reduce developers' pre-development time and associated carrying costs.

Housing Insights

Following its evaluation of the market and the development needs in Needles, the panel outlined the following summary for new housing potential in the area:

- **Production capacity.** The trades will come once there is a scalable development opportunity in Needles.
- **Production quantity.** The city has capacity for 50 or more homes per year, which is scalable and may be attractive for a mid-size developer.
- **Sales range.** A \$100,000–150,000 household income translates to home sales of up to approximately \$400,000. These income levels represent the move-up or middle market in Needles, which is currently missing. Focus should be on this missing middle price point.

Market Comparisons

Production home builders operate on a six to eight percent profit margin. With that slim margin, there is little room for error and less room for risk. Evaluating Needles against competitive markets, like those across the Colorado River to the east, can push builders to choose other markets first, where costs will be lower and margins will be more reliable.

Needles, CA vs Fort Mohave, AZ

Land Cost	Lower
Hard Cost	Higher
Building Permits	Higher
Impact Fees	Higher
Permit Time	Longer
Home Sales Price	Lower
Property Taxes	Higher

- **Public subsidies and market uptick.** New and existing home values will increase over time, which will reduce the need for public subsidies and result in higher-quality homes over time.

Housing production in Needles is reliant on a number of larger economic factors that will need to be addressed in order to elevate the housing development opportunities and help support the business case for new construction in the city.

Housing Recommendations

While building the case for new development, the City has a role to play in helping to attract new home builders and builders that can scale housing production in Needles. During the panel's evaluations, however, it

identified a possible disconnect between what the City believes is financially feasible and what home builders can actually build in Needles. Builders are willing to meet with City leadership and present financial metrics that can help clarify the current challenges and identify potential areas for improvement.

Streamline the project approval process.

The City is strongly encouraged to closely review its permitting processes to identify areas for streamlining. With a path that is as short as possible, developers and builders can reduce carrying costs and lower the potential risks associated with a project.

Create a clear path for approvals. With a streamlined process in hand, the City is also encouraged to make that shorter process as clear, visible, and accessible as possible,

helping to reduce uncertainty for incoming builders and making it clear that the City is ready to support new development in Needles.

Infrastructure and a note of caution.

Needles has enjoyed a very positive boost to City revenue through fees collected from cannabis growers moving into the area. These fees are being put to good use, assisting with road paving and other infrastructure projects. Going forward and in the pursuit of new housing development, the panel encourages caution in seeking further infrastructure assistance from new development. A partnership approach to addressing infrastructure needs will prove more palatable than asking builders to shoulder all improvements alone.



Housing in Needles is often found at opposite ends of the affordability spectrum, with few, if any, options in the middle.



Economic Development, Urban Design Framework, and the Public Realm

The City's pursuit of new housing development in Needles, particularly middle-market housing, is an important endeavor. The success of new housing in Needles cannot happen in a vacuum, however, and will instead rely on a broader economic development framework that is grounded in sound urban design principles.

Overarching Goals

The panel outlined five key goals for the City that will help bolster the city's underlying economic framework and support the business case for new housing in Needles.

Attract people (and their money) to Needles.

In addition to attracting new residents and businesses to Needles, the City and business community should also consider how Needles can attract more people who want to spend money in the city. There is a pressing need to stimulate the economic health and vitality of Needles' businesses, and this can be accomplished by encouraging current and future residents, seasonal residents, and tourists, and employees to spend money in Needles and support the local economy. The health of existing businesses can bolster the case for new business growth and expansion, bringing with it more jobs and the type of increased housing demand builders seek.

Capture regional growth. The Colorado River area is popular as both a primary and a secondary home destination. Needles' leadership needs to be cognizant of this regional growth and stand out as a strong and attractive player in the market where

new business and residential opportunities are considered.

Capitalize on key city assets. Needles has a number of assets that are unique to this city, and these assets can help it stand out from the competition. The city's location along the Colorado River is key, as it is attractive to both potential new primary residents and those seeking second homes or vacation destinations. The Needles golf course, situated largely on City-owned land, is also prime riverfront acreage that could be leveraged for additional uses beyond golf. The city's rich history as a railroad town and the existing strength of the rail economy are also assets that could be leveraged and elevated further with destination-themed

businesses and rail tours. Needles also has a charming downtown with local businesses that are eager to see the city succeed. Corridors like West Broadway and J Street could support additional activity and ensure that those driving through have ample reason to stop and spend money.

Include current residents. Efforts to attract new and additional dollars to Needles can leave existing residents feeling left out if their support is taken for granted. The City is encouraged to be sensitive to the potential perceptions of existing residents, taking the time to demonstrate early how the results of planned investments are expected to improve existing residents' quality of life while also bolstering the economic health of the city.



Needles' access to the Colorado River is a major draw that should be leveraged further.

Expand branding and marketing. The brand of the city is important in helping the community differentiate itself from all of the other recreational destinations in the area or other stops along Interstate 40. Taking an approach that is uniquely Needles, City and business leaders are encouraged to explore opportunities to elevate its authenticity, highlighting characteristics that residents love and that visitors will find compelling. Branding firms can help the City shape this identity, and marketing firms can help tell the story and disseminate the messaging across all potential markets. All of this should be reflected, too, in the city's signage and wayfinding, making it clear that there are great places to explore in Needles and helping visitors find those gems.

Economic Development

Stimulating additional economic investment in Needles will benefit from clear intentionality as to purpose and focus and will likely rely on investment from the City in the early stages.

Invest in the investors. The early work of the City should include creating a framework for additional private investment and development. The City is encouraged to identify where it would like to see development and then help stimulate interest there with early public investments. These investments will signal that the City is serious about supporting the work of the private sector in these areas.

Support early adopters. Those early developers who take the risk to come alongside the City in these early stages should receive some benefit or support from the City. This could take the form of a reduction in development fees or assistance with initial capital improvements.

Support pioneers. Similar to early adopters, the pioneers who launch new businesses in Needles will help generate more confidence in the market. This pioneer mentality applies to residential developers, retail operators, and hospitality businesses. Consideration for their pioneering moves is warranted, as is recognition for existing businesses that continue to support the Needles economy.

Consider creative financing. The City has unique opportunities to assist new development with creative financing options. Whether through public financing, a public-private partnership, or through grants to support specific efforts (such as facade improvements, signage assistance, etc.), the City can use some of its fee collections or other general revenue to support these private sector efforts.

Urban Design

The design of the city and the minutiae of the built environment will support the future success of the community. By taking a new approach to a host of existing city attributes, Needles may be able to see an uptick in economic activity and broader interest in tourism and residential moves into the community.

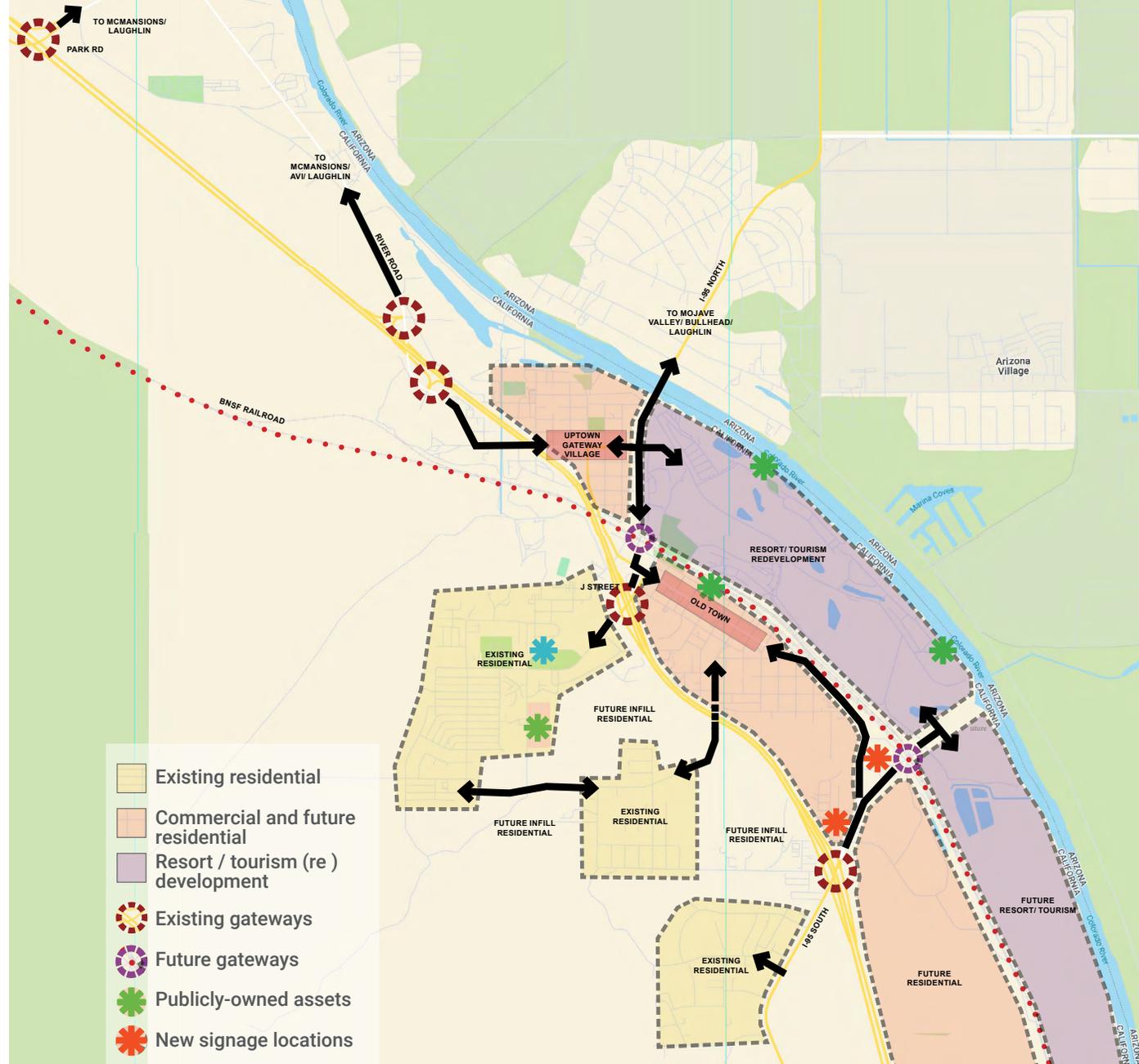
Improve city gateways. In addition to the three interstate exits, Needles also has several "internal" gateways that should be considered and improved. Moving into and through the city of Needles should be clear, interesting, and even exciting. Improving the gateway experience, making it clear when you have entered the community, can help considerably.

Improve internal circulation and connectivity. The geography of the city is quite fragmented. Interstate 40 runs north and south through Needles, as do the rail lines, all of which converge and cross with Route 66 close to the middle of the community. These transportation pathways are foundational to mobility and commerce, yet each also creates barriers, interrupting the connectivity of neighborhoods and commercial areas. Pockets of activity are easily separated, are not walkable, and often have their own character. Improving the connectivity between these pockets and improving circulation around town, making it a nearly seamless experience, should be prioritized to support citywide economic activity.

Enhance trip capture. Those driving along Interstate 40 have three opportunities to exit and explore Needles. The City is encouraged to consider how it can better elevate the dining, shopping, and entertainment options in Needles for those passing by. Attracting those dollars to the city's businesses will boost existing businesses' vitality and help make the case for new businesses, services, and residential development.

Focus on new planning areas. Through enhanced connections across the city, new planning areas can emerge as potential areas for commerce or residential use.

- South of Jack Smith Park.** The area south of Jack Smith Park along the river holds exciting potential for new development. The addition of a new railroad crossing, near the point where Route 66 and East Broadway Street merge, would provide the needed access to the area and unlock its development potential. Located along the river, new residential development here could provide the city with some of the new middle-market options it needs.
- Old Town.** In the area considered downtown Needles today, the district could be rebranded as "Old Town." Old Town would embrace its Route 66 roots and help draw visitors from the interstate into the city, sparking new commercial enterprises that could cater to residents and visitors alike.
- Uptown Gateway Village.** This section of the city, along the route that many take to enter Arizona, holds potential for new commercial development as well. With highway visibility and proximity, commercial businesses here should be positioned to capture through traffic, giving people a reason to stop.



The panel identified several distinct districts: residential pockets west of the highway and to the south; commercial areas between the highway and the rail lines; and areas that are well-positioned for resort and tourism uses along the river. Additionally, the panel noted the existing gateways into the city and new access points that should be considered, including a new bridge over the rail lines at Route 66 and improved access under the rail lines at K Street. Publicly-owned assets, noted with green asterisks, represent points of leverage or investment by the City, either contributing more deeply to the public realm or contributing to new private development.

Resort and Tourism Ideas

Tourism is not new to Needles. What may be new, however, is focusing on new uses that can enhance the tourism appeal of the city, perhaps drawing new visitors with offerings unique to the region or uses that might be expected along a popular recreational waterway.

Although residents and visitors currently enjoy the city's municipal golf course, there may be an interesting opportunity to redesign the course to free up land for new uses. By moving to a more narrow fairway design or shifting to an executive nine-hole course, some of the city's most valuable

riverfront real estate could be leveraged for new uses—uses that might have a broader appeal and could result in greater economic vitality for the city.

The panel brainstormed a number of potential ideas that could attract more people to Needles. These uses would cater to visitors—whether they are staying for an hour, a weekend, or a month—while also providing residents with additional recreational, restaurant, and entertainment options. Some of the ideas, like a [PopStroke](#) facility or a [surf park](#), could be a significant regional draw, particularly in the middle of the desert. Other ideas, like riverfront restaurants and

bars, could become part of the regional river appeal, drawing boaters from destinations further north and south. Still other options, like the man-made [San Antonio River Walk](#), could create an entirely new and vibrant river district along Needles' riverfront.

It is also important to note that incorporating enhanced resilience measures into these and other public realm improvements can help keep visitors and users more comfortable. These opportunities for enhanced comfort can encourage more amenity use and make visiting Needles more attractive, thereby supporting tourism and generating economic benefits for the city and its businesses.



PopStroke can satisfy golfers and provide a fun entertainment option for the rest of the community.



San Antonio's River Walk is waterway lined by restaurants, residences, and commercial uses.



Indoor pickleball courts can provide recreation in any weather condition.



Riverfront dining options can be a significant draw for residents, city visitors, and people enjoying time on the river.





Placemaking and Wayfinding

In an effort to further support the economic vitality of the city and encourage more activity that could ultimately support additional housing development, the panel also turned to Needles' public realm. Making improvements to the wayfinding found throughout the city and along the highway can support the ability of residents and tourists to discover and explore all of the various assets Needles has to offer. Expanding placemaking efforts—boosting Needles' existing mural program, adding new programming to the city's public spaces, and activating the nodes identified by the panel—will also help drive visits by residents and tourists and support more economic activity.

It is also vital to recognize the impact of extreme heat on the city and its ability to provide cool spaces during the peak of summer temperatures. Drought-tolerant landscaping, sturdy shade trees, and man-made shade structures can help expand the hours of activity in Needles by ensuring that the public has ready access to cooler spaces within the public realm.

Placemaking to Support Economic Vitality

According to the [Project for Public Spaces](#), "placemaking is a participatory process for shaping public space that harnesses the ideas and assets of the people who use it." For Needles, placemaking can provide a boost to community pride, support for Needles' business owners' efforts, and

help attract additional visitors and future residents, driving further economic activity.

Promote the city's riverfront location.

As the only city along this stretch of the Colorado River in California, the city has a unique and very valuable edge over its competition for residents and visitors. The City is strongly encouraged to prioritize and elevate this characteristic, making sure that anyone thinking of Needles also thinks of the river—and conversely, anyone thinking of river recreation thinks of spending time in or launching from Needles to do so.

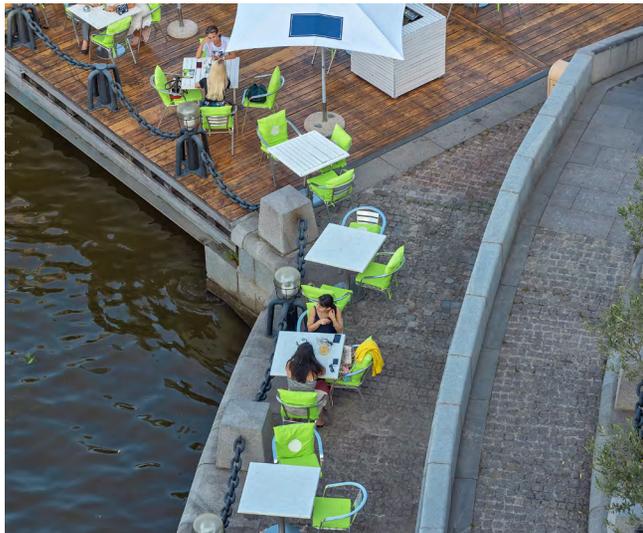
Embrace the city's accessibility. Compared to its recreational counterparts and competition, Needles is far more accessible for motorists than either Bullhead City or Lake Havasu City. With easy access to Interstate 40, Needles is easy to find and easy to access.

Capitalize on river frontage. The land along the river represents the city's most valuable real estate. At present, some of this river frontage is highly underutilized, particularly on land that is publicly-owned. With careful planning and design, the City can make more productive and valuable use of its riverfront property while still ensuring that golfers and park visitors are happy and entertained.

Create District Identities

Needles is challenged by a disconnected geography. The same interstate that provides desirable access and visibility to the city also carves it into physically separate sections. There is an interesting opportunity to use this segmentation to the city's advantage by creating unique districts within the city.

Designate and elevate the visibility of the city's districts. The panel identified



Riverfront walkways and accessible paths that allow the public to get close to the water can increase the city's riverfront appeal.

three initial new districts that the City could elevate with unique identities, using placemaking to highlight the features that people might find appealing and draw more visitors and residents to the area.

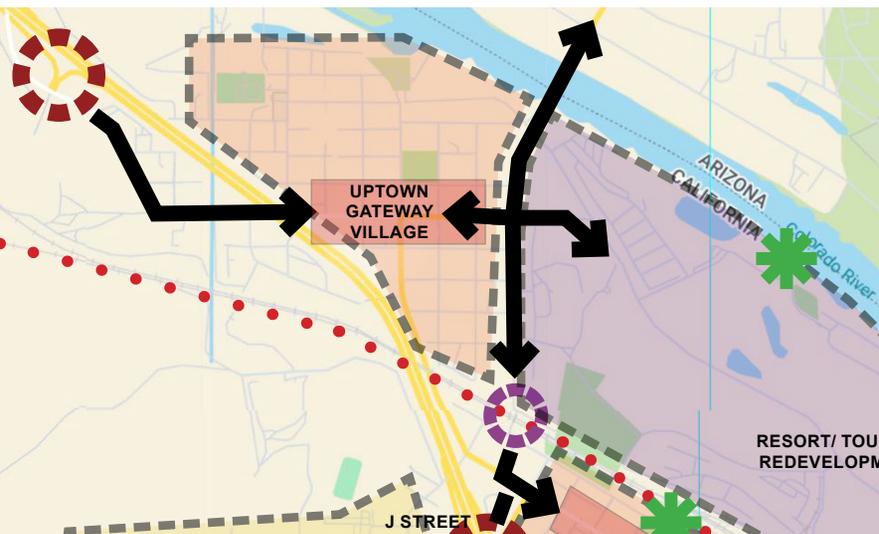
Create an Uptown Gateway Village. In the area loosely bound by North K Street on the east, the river to the north, and the interstate to the south, a new Uptown Gateway Village could feature uses that would be of particular interest to people traveling back and forth across the river. With access under the interstate along Needles Highway, the businesses here could also serve as the launching point and cater to the people who come to Needles for its off-road vehicle recreational opportunities. There is also an opportunity for a stronger connection to River Road from Needles Highway, ensuring ready access to the recreational opportunities along the river.



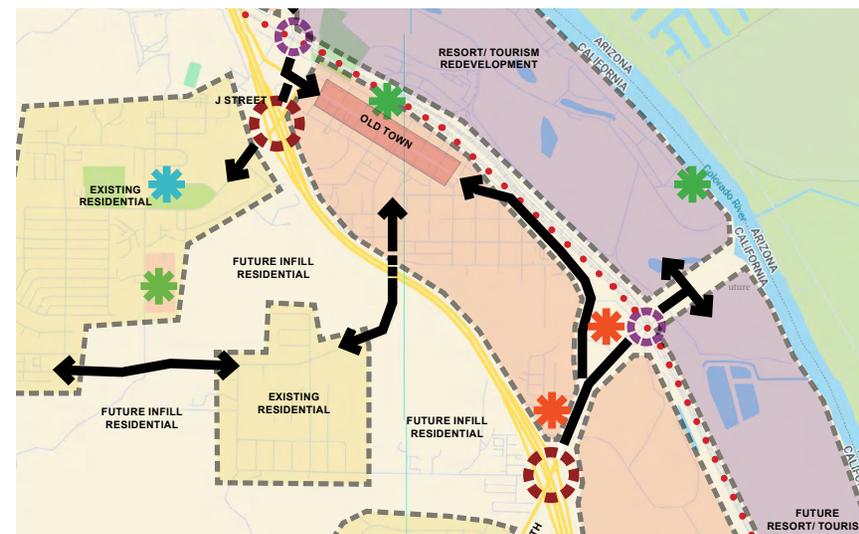
Turn downtown into Old Town. The city's downtown, potentially renamed "Old Town," could hearken to Route 66 heydays, leverage the historic attributes of the buildings, and use the tighter grid network to create an enticing walkable destination.

Create a new River District. Welcoming visitors at River Road and Marina Drive, a new River District could better leverage the city's riverfront land for resort and tourism uses, as well as residents' river access and recreation. Creating a lively destination that caters to those on the river as well as those just wanting to spend time near it will help boost the city's economy and elevate Needles among boating and water enthusiasts.

Placemaking within each of these new districts could elevate their unique attributes while also aligning with the city's branding and identity, together creating destinations that are uniquely Needles.



(top) Signage and branding can help draw people into the city and elevate the characteristics that make Needles interesting and unique.



(left and right) The panel envisioned several new districts across the city that could leverage existing assets and attract new development.

Branding and Marketing Considerations

Every city can benefit from a thoughtful, engaging, and authentic branding campaign. Branding can call attention to the city's unique attributes and differentiate it in the market. Branding can also help reposition the city in a manner that breaks away from historic messaging or public perceptions. A brand works well when it is authentic to the place and has a tie back to something that residents can recognize as true and that visitors may find compelling. Branding can and should also serve as a through-line for the city's marketing and messaging efforts, leveraging the city's core brand and reinforcing that messaging across digital and print media, in signage and wayfinding, and even in street banners and interstate billboards.

Develop a comprehensive signage program.

Right now, Needles is relying on the simple Department of Transportation signs on the highway to direct motorists. Signage within the city is varied—the chamber is erecting "Needles Business Guide" signage that lists businesses for a fee, and individual businesses are erecting their own signs on site. Right now, there is little tying these and other city signage efforts together. A comprehensive approach, led by a branding and marketing agency, can create a signature Needles look, featuring a color scheme, unique font, iconography, etc., that will help visibly define Needles' assets, assist with navigation, and support its identity.

Participate in and promote the Route 66 Centennial anniversary. The 2026 [Route 66 Centennial anniversary](#) is shaping up to be an impressive nationwide event. As the first city in California along the historic motorist route, Needles' leadership should explore all of the ways it can play up its aligned history and cater to the travelers and revelers who will be retracing and celebrating the historic route.

Elevate Needles' social media presence.

Social media assets (Facebook, Instagram, TikTok, and more) can be easy and cost-effective marketing tools. With a consistent posting schedule and engaging online persona, the City can use these social channels to draw residents and visitors to events, encourage participation in community initiatives, highlight community pride and achievements, and even solicit advice through polling or other crowdsourcing tools. There is an entire population that will check Instagram first before booking a trip, to get a sense



This art deco sign creates a distinct vibe for Needles that was captured in this painting.



High school seniors have a tradition of painting murals on this railroad underpass. The idea could spread across town.



The chamber has a nascent signage campaign that could use a boost.

of what they will see, do, and experience while there. If Needles cannot be found, or the posting is anemic, visitors will choose another destination.

Wayfinding: Uptown, Old Town, and the River District

Navigating in and around Needles can be challenging. The winding interstate creates pockets of activity and interrupts the street grid. Finding the fun spots that are unique to the city can also be challenging for those unfamiliar with Needles. Wayfinding, using signage that is clear and recognizably aligned with Needles' brand, is important to both assist with navigation and to help elevate the city's identity.

Direct motorist to the River District. Drivers traveling east along Interstate 40 are likely unaware of the presence of the Colorado River until they cross over it and have already passed Needles. Those driving west from Arizona will see the river as they drive over, but may remain unsure of the potential exits they can use to access river activities. Signage is needed from I-40 to the river, drawing people into the new River District at the Park Road exit and following Route 66 into the city.

Embrace new businesses and a river identity in Uptown. The area surrounding Needles Highway, North K Street, and River Road should be a destination. With a focus on river activities and access, businesses should enliven the area, catering to those looking to eat, drink, recreate, or shop with

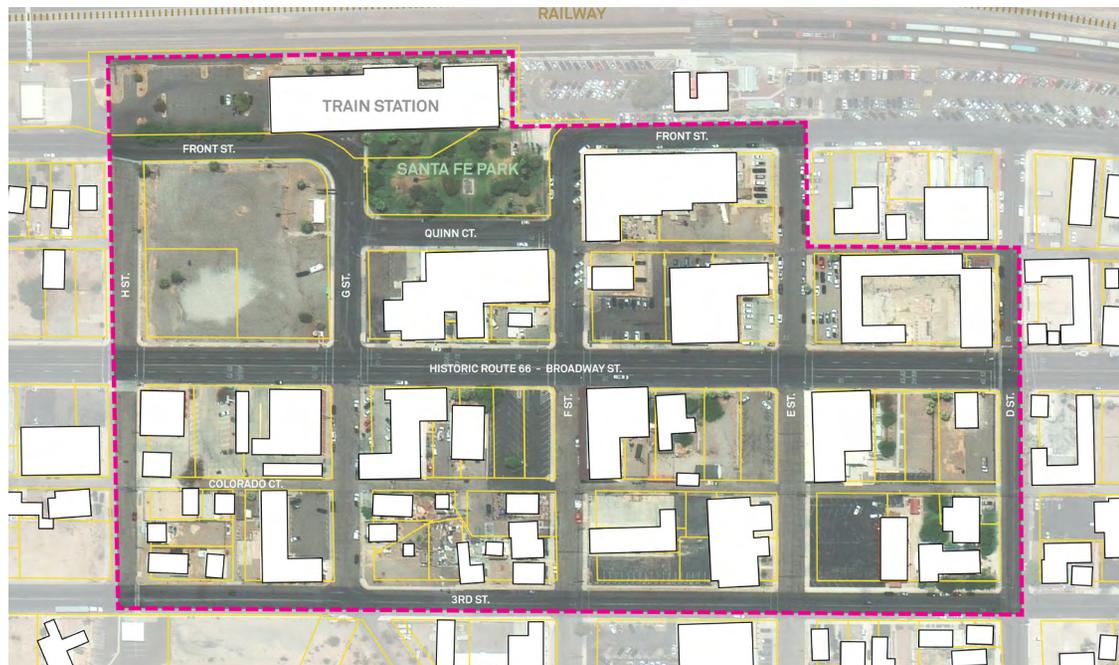
a river focus. Businesses' proximity to the river and the vacant land in the area could be leveraged to a much greater degree to support and draw on river-based activities.

Example: Historic Old Town

As a way to demonstrate how placemaking and wayfinding could support the city's districts, the panel turned to the historic downtown. As it stands today, the downtown area has low traffic volumes, particularly between D Street and H Street, and the geography is fairly tight with limited room for expansion. The connection to the El Garces is limited, and Santa Fe Park is underutilized. With several key interventions, this quiet downtown neighborhood could become a walkable and thriving Old Town district.

Reposition downtown as Old Town. The look and feel of the city's downtown area brings Needles' rich history to mind. Route 66 and the railroad greatly influenced the development of Needles and could serve as continuing threads that tie this section of the city together, respecting and elevating that history for today's residents and visitors.

Install wayfinding to direct motorists. Old Town should have a presence on the interstate, with signage that can direct motorists from I-40 into Old Town at the J Street and South I-95 exits. Leveraging the Route 66 connection, using similar branding and messaging, can also draw more visitors into the Old Town area to retrace and explore the historic route and the businesses lining it.



The panel envisioned the potential boundaries of an Old Town district, which would capture the allure of Needles' historic downtown streets.

Open a Visitor Center at the south entrance. A new visitors' center at the south end of the Old Town district, near the intersection of Route 66 and Broadway with the interstate, could also elevate this part of town while helping direct visitors to fun Needles destinations.

Reduce travel lanes along Broadway. The alignment of Broadway Street and Route 66 through Old Town is important. In the core of the Old Town district, the four blocks between D Street and H Street, the roadway should be narrowed to one lane in each direction. This road narrowing would still adequately manage the traffic volume while slowing speeds through what should be a very walkable district. In the new space created along the outside edges of the roadway (where vehicle lanes are no longer positioned) could be reclaimed for angled on-street parking to replace the current parallel option. Bike lanes, parklets, or other pedestrian or business-based uses could also expand into this space.

Elevate a mural program in Old Town. There is a scattering of fun and interesting murals



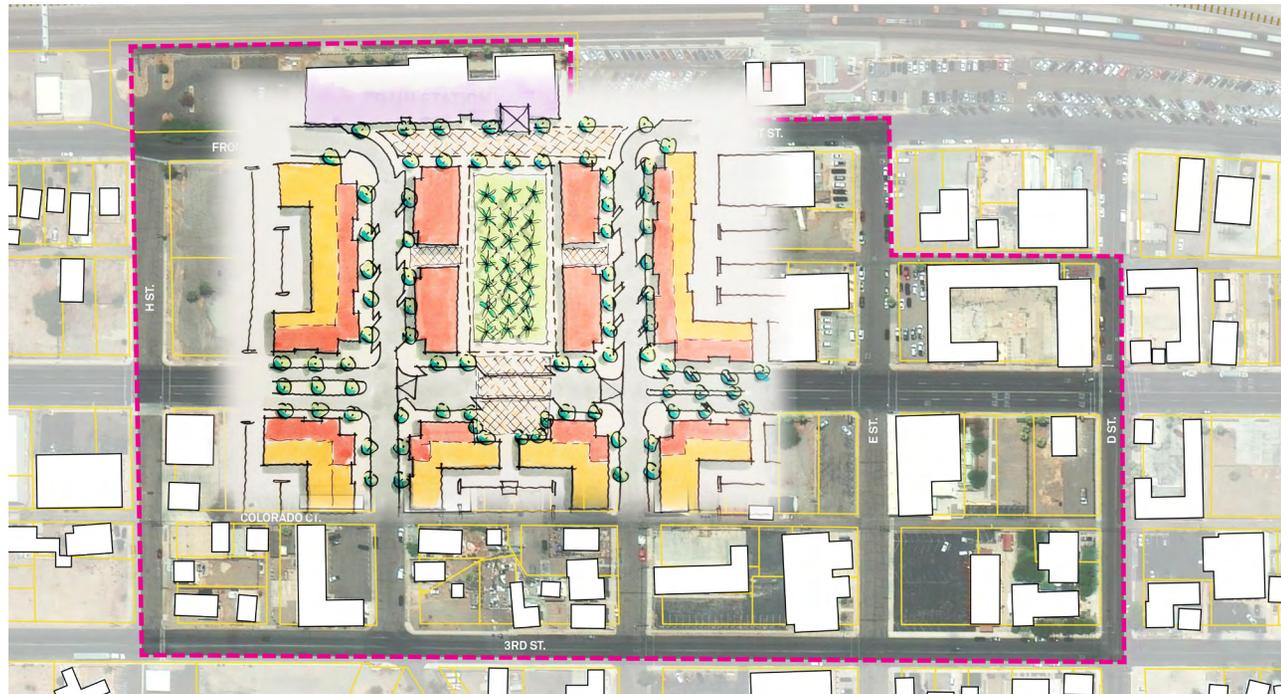
in Old Town. With a little additional planning, some new installations could help tie the murals together into a mural walk or other community program that visitors might like to tour and that residents would be proud to call uniquely Needles.

Create a community hub. The public realm throughout Old Town could be reshaped to provide a more natural space for community gatherings and special events. Whether through strategic temporary street closings or transformations of vacant lots, the Old Town corridor would be a great location for bringing the community together for special occasions.

The panel brainstormed a host of events that the City, chamber, or other community

organization might want to consider hosting in this newly repositioned district:

- A motorcycle “River Run,” which could become an additional Needles destination
- A street fair with sports clubs and other clubs hosting booths
- Signature off-road racing event
- Boat show
- Music festivals
- Annual mural show
- Art and lounge walk
- Cannabis/brewery festivals (i.e., tour of cannabis facilities)
- Wellness retreats



A re-imagined Old Town could create space for new mixed-use buildings lining a central gatherings space.



Sample Housing: Rustic Acres

When addressing the questions relating to new housing development in Needles, the panel considered a number of potential design ideas that could make use of existing mapped areas in the city. The potential designs provide a range of attainable housing options and incorporate a number of important resilience features for living in a particularly hot desert environment.

In its housing design explorations, the panel turned to an existing undeveloped tract of land in the city. The Rustic Acres subdivision in the southwest area of Needles has an existing tract map in place, yet it has not been able to break ground. Given current market constraints, regulatory conditions, and parcel sizes, the existing map is not producing a financially feasible development. By reconfiguring the parcels, however, and reimagining potential housing designs, the project may become financially viable.

The potential reconfiguration of Rustic Acres hinges on two key elements: (1) resizing the lots to increase the number of developable parcels, and (2) expanding the potential housing types to include a significant number of smaller home options. Housing trends have shifted to smaller homes and more efficient lots, which in a city like Needles, can cater to residents seeking a move-up option beyond a starter home as well as second-home buyers who are not interested in the typical maintenance obligations associated with a larger yard and outdoor area.

The four design alternatives conceptualized by the panel will fit within the existing Rustic Acres mapped parcels as well as other developable areas of the city. These configurations can begin to produce a development scenario that is more financially attractive to the private sector and could be developed with less or no reliance on public subsidies.

Design Alternative 1

In this first design option, the panel took the 67-foot by 115-foot lot and maximized the buildable space, reducing the outdoor maintenance area and maximizing potential buildable space, creating the largest of the single-family design options.

- 1,800 square feet in one story
- 3 bedrooms, 2 bathrooms

Design Alternative 1



- Front and back porches to allow for outdoor entertainment
- 2-car attached garage, attached RV or boat garage, and pad for additional uncovered parking
- Accessory dwelling unit (ADU) in the backyard to expand living space for family members or to generate rental income. The ADU design faces away from the main house, providing both sets of occupants with privacy while outdoors.

Design Alternative 2

In the second design alternative, the panel took two parcels (68 ft x 115 ft) and divided them into three smaller parcels (each now 45 ft x 115 ft), creating narrower lots upon which one- and two-story homes can be built.

Design Alternative 2



- 1,400 square feet in one story; 3 bedrooms, 2 bathrooms
- 1,700 square feet in two stories; 4 bedrooms, 2.5 baths
- Both design ideas have attached 2-car garages
- Patios or "California Rooms" on the back of the home and porches on the front
- Simplified structures help reduce costs and roof overhangs assist with shade
- North/south placement minimizes western exposure, and limiting western-facing windows reduces the amount of direct sunlight entering the home
- Interior shades and exterior shutters further reduce the impacts of sunlight and heat on the interior

Design Alternative 3

In the third design alternative, the panel took 12 lots from the original Rustic Acres map and reconfigured them into 24 parcels. This reconfiguration doubles the number of lots, which has the potential to increase the development value.

- 1,300 square feet in two stories; 2 bedrooms, 2 bathrooms
- 1,500 square feet in two stories; 3 bedrooms, 2.5 bathrooms

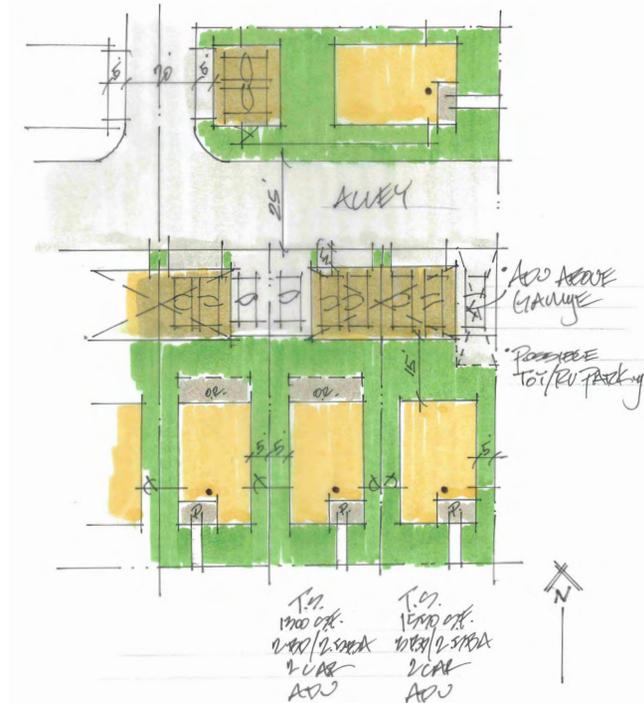
- Both configurations have detached 2-car garages behind the home, which are served by a 25-foot-wide alley
- ADUs could be built above the garages, which are attached across two lots to help leverage buildable space
- One additional uncovered space can provide either RV parking or ADU parking

Design Alternative 4

In this final design configuration, the panel turned a current two-parcel lot grouping into a four-parcel lot configuration. Served by a common driveway/courtyard, these homes are the smallest of the four and yet could still meet some of the new housing market demand identified for Needles.

- 800 square feet in one story; 1 bedroom, 1 bathroom
- 1,600 square feet in two stories; 3 bedrooms, 2.5 bathrooms
- Each unit has a 1-car garage and a pad for guest parking
- Minimizing east-west glazing again reduces heat exposure
- Windows, patios, and outdoor "rooms" provide ample air flow and opportunities for outdoor enjoyment in a smaller yard

Design Alternative 3



Design Alternative 4





Community Resilience

Cities across the United States are racing to figure out how they can use public policy measures to create more energy-efficient and resilient spaces for community members. Nowhere is this more pressing than in the desert communities of the Southwest. Heat mitigation strategies and resilience support are priorities for Needles' public sector leaders, and encouraging the adoption of key measures in both private and public sector development was an important consideration throughout the TAP.

Cool the Public Realm

As it relates to the spaces it can directly control or influence, the City is encouraged to create cooler, more comfortable, accessible, and functional outdoor spaces throughout the community. People using the city's public spaces—the sidewalks, parks, parking lots, and buildings—will benefit from more shade, more access to water, and a reduction of the heat island effect.

Increase opportunities for shade. Across the community, the City is encouraged to install shade structures and plant trees adapted to the climate to help shade residents and visitors as they move throughout Needles.

Install water features. Accessible and appealing water features in public spaces can give everyone, residents and visitors alike, easy opportunities to cool down on a hot day. Hydration stations, misters, splash pads, and more should be considered across the city's geography, with an emphasis on places where people gather or visit frequently.

Reduce the heat island effect. The heat island effect is the phenomenon where urban areas are significantly warmer than surrounding green spaces because human-made structures absorb and store more heat compared to natural landscapes. For Needles, the addition of shading, cool materials, landscaping, and green infrastructure (where feasible) can have palpable impacts on the heat people experience in the city.

Each of these measures will increase the opportunity for residents and visitors to enjoy the city's public spaces comfortably. This cooler and more welcoming environment will better support outdoor activity and tourism and help further activate the city's public spaces, creating a lively environment where people want to spend time.

Encourage and Incentivize Cooling in Private Development

Passive cooling measures in the built environment can assist with cooling spaces without additional mechanical assistance. The City should consider measures that encourage passive cooling and heat mitigation strategies in private development.

Encourage context-sensitive site design. Site design plays a critical role in the ability of a building to leverage passive cooling. Buildings should be positioned to capture natural air flow and help cool spaces.



Shade structures and water features in easily-accessible community spaces can help keep everyone cooler in the hot desert months.

Scorched: Extreme Heat and Real Estate

This 2019 ULI report outlines how extreme heat will affect the real estate and land use sectors and highlights the leadership and the potential positive impact of the real estate sector in implementing “heat-resilient” building designs and land uses. The report provides case studies and an overview of extreme heat’s connections to the built environment and includes an in-depth discussion of heat mitigation and adaptation strategies related to building design, building materials, green infrastructure, and public space design. These strategies can “future-proof” real estate in vulnerable markets; lower operations and management costs; improve tenant and occupant experience; and otherwise differentiate a real estate project.

Encourage energy-efficient materials and building designs that support occupant and community comfort. There is a wide range of building materials and products on the market that will help cool spaces with less energy than systems of previous generations. These more sustainable products, such as energy-efficient heat pumps, should be encouraged and incentivized where feasible. Building ventilation measures and opportunities for passive cooling through window placement, awnings, and porches should also be encouraged in private development and incorporated as a matter of course in publicly-supported projects. Public infrastructure that uses cool materials for roads, roofs, and other impervious surfaces is also encouraged.

Encourage or even require shade. Shade trees and man-made shade structures can provide protection from the sun and reduce the energy required to cool spaces, helping to lessen the energy cost burdens lower-income residents often experience particularly during prolonged periods of high heat.

Encourage green infrastructure. Green infrastructure should not be a luxury. Some communities have shifted to include trees as elements of the city's infrastructure network and require attention as such. Landscaping that uses drought-tolerant plant materials should be encouraged. Additionally, green infrastructure that captures and reuses stormwater can increase a community's resilience as it also helps cool the environment.



Building design and site placement can maximize passive cooling opportunities, while white roofing and paving can help keep areas cooler. Green infrastructure along roadways can help leverage stormwater for plant material and ambient cooling.

Establish Community Resilience Centers

Community resilience centers are publicly accessible spaces that can be used by residents and visitors in times of extreme heat and other hazards. Ideally, a community resilience center (CRC) serves multiple purposes and is open to community members throughout the year, serving as a resource beyond times of emergency, including wildfires, storms, and flash floods.

As a multipurpose community facility, CRCs often provide the following services and feature the following resilience attributes:

- Shelter, sleeping areas, bathrooms and showers, lockers and storage, facilities for washing clothes, a pet shelter, and a kitchen and food storage area
- Energy-efficient and resilient power systems, which could include solar panels, batteries, and a backup power source (generator)
- Year-round support for community services and resilience, education, and training in climate preparedness and workforce training
- Climate resilient landscaping as a demonstration, showing residents how similar features might work in private residences
- Indoor and outdoor cooling areas
- Covered parking zones for cars that can double as cooling areas with water misters

CRCs work well when they are incorporated into upgraded buildings that the community

already frequently uses as a function of their daily lives. New buildings can also be used to provide a community with resilience resources, yet additional programming may be required in the early days to spur attendance and help the community begin to see the building and its resources as a community asset.

In Needles, the Senior Center, the Aquatic Center, and the Branch Library are each designated cooling centers for use during times of excessive heat. These buildings are good at providing the community with temporary relief, yet the services are generally limited to cooling, and all are located in the same area of town.

Identify opportunities for new CRCs. City leadership is encouraged to upgrade an existing cooling center (like the Senior Center) to serve as a resilience center and consider new resilience hubs to serve other areas of the community.

Explore grant funding. There are grants and other funding resources available to help communities establish and support the operations of CRCs.

- The [California Strategic Growth Council Community Resilience Centers Program](#) can provide up to \$3 million in grant funding per project.
- There may be interesting opportunities to leverage community partnerships in pursuit of other grant funding by pooling resources, aligning missions, and expanding the potential impact.



The City of Coachella (top) received a \$10 million grant from the CRC Program. Tuolumne County's CRCs (bottom) were funded by a federal grant.

- The San Bernardino County Transportation Authority is conducting an [Evacuation and Resilience Center Design \(ERCD\) Study](#) that could help fund a future dedicated resilience center.
- The [Inland Southern California Climate Collaborative](#) is also worth exploring for potential partnership and resource opportunities to support Needles' resilience efforts.



Next Steps

As the City considers the path forward toward achieving its housing goals and supporting community resilience, the panel recommended that the foundational work, the early and consistent steps, include thoughtful, thorough, and regular community engagement.

Embrace Community Engagement

The economic development efforts required to build the business case for new housing production in Needles will succeed more readily when the community is informed, engaged, and generally supportive of the process.

Develop a community outreach strategy.

The City is encouraged to develop an ongoing outreach strategy with the community that will help set the stage for future economic development efforts.

Acknowledge the past. The lovable small-town nature of Needles comes with challenges, one of those being a long collective memory. The community still remembers the lost opportunities of previous public administrations. Moving past these lost efforts will require acknowledgment and careful listening.

Use outreach to educate and engage.

Community outreach efforts should be a two-way street, used to both share information (educate the community about issues and efforts) and gather valuable resident and visitor input on what is missing,

what is desired, what might work well, and what to perhaps avoid.

Cultivate community leaders. This work will require a broad-based community effort and cannot be managed by the public sector alone. The City is encouraged to identify and welcome community leaders who can become community and initiative champions, supporting the City's efforts, helping to answer questions, and sharing information more broadly across networks.

Sequencing the Work

In the near term, the City is encouraged to tackle the following early steps:

Conduct community ascertainment.

Evaluate and understand the specific barriers to development and capacity for new housing in Needles.

Conduct an inventory. Conduct a community-wide inventory of potential development sites.

Delineate planning areas of focus. Identify and codify areas of specific planning applications.

Solicit developer and homebuilder input. Share initial findings with developers and homebuilders to gather feedback and refine as needed.

Mid-term goals should include the following:

Create a vision and set goals. The City should work with the community to set its vision for the future, define its housing mission, and set realistic goals and objectives.



Prepare planning area studies. Once the planning areas are identified, the City should prepare the associated area studies.

Update and refine research. Both economic and market research will be critical to the success of the City's efforts. Research should be updated and refined along the way to ensure that developers, investors, and builders are working with up-to-date and relevant data.

Create community branding. The branding and identity efforts should be launched once the vision is in hand. The branding can leverage and support the vision while being rolled out in a community marketing program that will elevate the public perception of Needles and support economic development efforts.

Plan events and programming. Community activation is key. Planning and hosting global, regional, and local community events and programming will bring vitality and activity to the streets, public spaces, and

businesses in Needles, supporting economic health and viability.

The following actions should be taken in the long term. Some efforts are a continuation of early work, while others require a longer lead time or longer time to realize.

Finalize the strategic plan. Work on the strategic plan should begin in the near term, but the realization of the plan will not occur for years.

Continue community engagement. The outreach into and engagement with the community should continue throughout all of these efforts, providing the City with ample opportunities to share and sell the plan.

Conduct public hearings. Public hearings should be a part of the community outreach, providing residents with a structured forum for conducting city business and sharing feedback.

Conduct developer and homebuilder engagement. While some early conversations with developers and builders can provide

valuable insights to help shape programs, deeper engagement will occur once the City's housing and strategic plans are in place.

Implement capital improvement projects. In addition to attracting private investment, the City is encouraged to invest in itself. Implementing high-profile and/or critical capital improvement projects will signal to private investors (including developers and builders) and the community that the City believes in itself and is putting its own money to task.

Advocate for regulatory exemptions. The challenges to doing business in California, when a more relaxed regulatory environment is just a few hundred yards away in Arizona, can make Needles a hard economic development sell. Advocating for certain state regulatory exemptions will take time, time to build the required relationships and time to make an effective case to decision makers at the state level.





Appendix

The following proposal from Ground UP Development was received by the City of Needles during the course of this ULI study. The letter from the developer and the City's response are included here as examples of the types of requests for development support the City is receiving as developers evaluate how to best deliver new housing in Needles in a manner that will be economically feasible.



Date: July 30, 2025
To: City of Needles, CA
Attn: Patrick Martinez | City Manager
Subject: Proposal for Affordable Housing Partnership



City of Needles
817 Third Street, Needles, California 92363
(760) 326-2113 • FAX (760) 326-6765
www.cityofneedles.com

Mayor Janet Jernigan
Vice Mayor Ellen Campbell
Councilmember Tona Belt
Councilmember Jamie McCorkle
Councilmember JoAnne Pogue
Councilmember Henry Longbrake
Councilmember Larry Ford
City Manager Patrick Martinez

Dear Patrick Martinez,

Ground UP Development ("GUPDEV") is pleased to submit this proposal to partner with the City of Needles on an urgently needed initiative to increase access to affordable homeownership in the community. We are prepared to develop 63 single-family homes on the lots located on Calle Hernandez, with a focus on high-quality, cost-conscious housing options for local working families.

Project Overview

GUPDEV will deliver a turnkey development solution for the City by undertaking the following responsibilities:

- Securing construction financing
- Full construction of homes
- Project management from entitlement through close of escrow
- Comprehensive marketing and buyer outreach
- Coordination and management of home sales and closings

Our homes will be thoughtfully designed to meet the needs of modern households while maintaining long-term affordability and efficiency.

Request for City Support

In order to ensure the success and accessibility of this project, we respectfully request the City of Needles' support in the following areas:

1. Down Payment Assistance for Homebuyers
Commitment from the City to offer up to \$20,000 per qualified buyer in down payment assistance, helping local residents bridge the affordability gap and become homeowners.
2. Waiver of Development and Connection Fees
Request for the City to waive development impact fees and utility connection fees for each unit, which will directly reduce construction costs and allow pricing to remain within affordable housing thresholds.

GUPDEV has a proven track record of delivering residential developments across Arizona and California and is uniquely positioned to execute this project efficiently and responsibly. We welcome the opportunity to present this proposal further and collaborate with the City on the next steps toward implementation.

Thank you for your consideration and commitment to housing solutions for Needles. We look forward to working together.

Sincerely,
Joseph Leyva
Joseph Leyva
Ground Up Development

Ground Up Development, LLC
2210 North 7th Street Phoenix, Arizona 85006
www.gupdev.com

October 7, 2025

Mr. Joseph Leyva
Founder & CEO
Ground Up Development
2210 N 7th Street
Phoenix, AZ 85006

Subject: City Support for Your Proposed Housing Development in Needles, CA

Mr. Leyva,

I want to thank you for your continued interest in the City of Needles. Your proposed housing development aligns strongly with the City's vision for smart growth and expanded access to quality, attainable homes for working families and middle-income earners.

As you work to advance your plans and secure the necessary financing, please know that the City supports your efforts and recognizes the value your project would bring to the community. Our recent Housing Demand Assessment identified a clear need for approximately **550 new housing units over the next ten years**, with particular demand in the for-sale and workforce rental segments. With more than **60% of existing homes built before 1980**, Needles is well-positioned—and in need of—modern residential product that reflects today's quality, efficiency, and affordability expectations.

The City of Needles has taken several steps to create a builder-friendly environment:

- We are proud to be the **first rural city in California to receive the State's Prohousing Designation**;
- We have invested **over \$15 million** in infrastructure upgrades to support future growth;
- We maintain a collaborative, streamlined approach to permitting and planning, ensuring that qualified projects can move forward efficiently.

Your concept is consistent with the City Council's housing goals, and we believe it represents the type of development that will contribute meaningfully to the future of Needles.

While this letter is not a legal or financial commitment, it does reflect the City's general support for your vision and our intent to remain an engaged and cooperative partner throughout the development process. As part of that commitment, the City will also make a good faith effort to identify potential development funding resources—whether local, state, or federal—that may assist in bringing this project to life.

Please don't hesitate to reach out should you need additional information or assistance. Sincerely,

Patrick Martinez
City Manager
City of Needles, California



The Panel



Karen Gulley

Panel Chair
Principal
PlaceWorks



Scott Naples

Vice President - Planning
and Design
Lewis Group of
Companies



Adam Seidman

Principal
The Concord Group



Mike Cantrell

Architect and Senior
Principal
William Hezmalhalch
Architects



Matt Romero

Associate Principal
Studio-MLA



Tom Grable

Division President
Tri Pointe Homes
(retired)



Tammy Seale

Principal
PlaceWorks

