CALL AND NOTICE OF SPECIAL MEETING AT 5:00 PM OF THE VALLEJO CITY COUNCIL

MAY 5, 2026

HYBRID MEETING
www.Cityofvallejo.net

Council Chambers
555 Santa Clara Street
Vallejo, CA 94590

COUNCIL MEMBERS
Andrea Sorce (Mayor)
Diosdado "JR" Matulac (Vice-Mayor)
Peter Bregenzer
Helen-Marie Gordon
Tonia Lediju, PhD
Alexander Matias
Charles Palmares

NOTICE: Members of the Public will be able to participate in-person or remotely via Zoom	City Hall and the Council Chambers will be open to members of the public 30 minutes prior to the start of the meeting.
PUBLIC COMMENT: Members of the Public may provide public comments during the City Council Meeting in person or via ZOOM (https://ZoomRegular.Cityofvallejo.net), or via phone, by dialing (669) 900-6833.	**For additional instructions on how to speak remotely during public comment, please visit, www.cityofvallejo.net/publiccomment**
VIEW THE MEETING: **There are four different ways you can view this public meeting:** • **In Person** • **Watch Vallejo local channel 28** • **Stream from the City website: www.cityofvallejo.net/Streaming** • **Join the Zoom webinar: https://ZoomRegular.Cityofvallejo.net**	Scan QR code for live captions and translation in Spanish and Tagalog.

Hybrid Options are available for members of the public to participate. To participate remotely

Option to Join by Computer	**Option to Join by Phone**
From your browser go to https://ZoomRegular.CityofVallejo.net to launch and join the zoom application. Meeting ID: 914 0075 0676# Meeting Password: 131313	Dial (669) 900-6833 Enter Meeting ID: 914 0075 0676# Meeting Password: 131313 Press *9 to digitally raise your hand from the phone. Press *6 to unmute/mute

Any supplemental writing related to an agenda item for an open session of a regular meeting that is distributed to all or a majority of all members of the City Council less than 72 hours before the meeting will be posted concurrently on the City's website at www.cityofvallejo.net/agendas Written material distributed during the meeting, will be available at the meeting if prepared by the City or after the meeting if prepared by someone else. Such materials may be obtained from the City Clerk

Vallejo City Council Chambers ADA compliant. Devices for the hearing impaired are available from the City Clerk. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof

AGENDA

TO THE MEMBERS OF THE VALLEJO CITY COUNCIL:

You are hereby notified that I do hereby call the Vallejo City Council in special session to consider only the matters stated on the agenda listed below. NOTICE: Members of the public shall have the opportunity to address the City Council concerning any item listed on the agenda before or during consideration of that item. No other items may be discussed at this special meeting

1. CALL TO ORDER

2. ROLL CALL

3. ACTION CALENDAR

NOTICE: Members of the public wishing to address the Council on Action Calendar Items may do so in person by signing in to the Public Speaker's kiosk located in the back of the Council Chambers or via ZOOM (https://ZoomRegular.Cityofvallejo.net), or via phone, by dialing (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press *9 to digitally raise your hand from the phone. Press *6 to unmute/mute. For additional instructions on how to speak remotely during public comment, please visit, www.cityofvallejo.net/publiccomment. Each speaker is limited to five minutes pursuant to Vallejo Municipal Code Section 2.02.420 or as approved and announced by the Mayor. In person speakers will be recognized first

A. **RECEIVE AND ACCEPT A PRESENTATION OF THE CITY OF VALLEJO'S – STRATEGIC PLAN ON MARITIME REVITALIZATION AND PROVIDE FEEDBACK**

Recommendation: Staff recommends that the City Council receive and accept the Strategic Plan for Maritime Revitalization and provide feedback and discuss potential next steps as Vallejo positions itself within a rapidly evolving national maritime landscape.

Contact: Nalungo Conley, Assistant City Manager
nalungo.conley@cityofvallejo.net

B. **PRESENTATION OF OVERVIEW OF THE FISCAL YEAR 2026-2027 BUDGET DEVELOPMENT PROCESS AND BASELINE BUDGET; DIRECTION TO STAFF RELATING TO BALANCING CONSIDERATIONS AND REVENUE GENERATION OPTIONS**

Recommendation: Presentation of overview of the Fiscal Year 2026-2027 budget development process and baseline budget; direction to staff relating to balancing considerations and revenue generation options.

Contact: Nalungo Conley, Assistant City Manager/Interim Finance Director
Nalungo.Conley@cityofvallejo.net

4. ADJOURNMENT

ADDITIONAL CITY INFORMATION

Members of the public can:

- Like us on Facebook and Instagram (@cityofvallejo)
- Sign up to receive City Communications via e-mail (www.cityofvallejo.net/subscribe)
- Sign up for emergency alerts at: alertsolano.com

Dated: Wednesday, April 29, 2026	Andrea Sorce, Mayor

I, Dawn Abrahamson, City Clerk do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to

Andrea Sorce (Mayor)
Diosdado "JR" Matulac (Vice-Mayor)
Peter Bregenzer
Helen-Marie Gordon
Tonia Lediju, PhD
Alexander Matias
Charles Palmares,

at the time and in the manner prescribed by law and that this agenda was posted at City Hall, 555 Santa Clara Street, CA at 4:30 p.m., Wednesday, April 29, 2026.

Dated: Wednesday, April 29, 2026	

DATE: May 5, 2026
TO: Mayor and Members of the City Council
FROM: Nalungo Conley, Assistant City Manager
SUBJECT: **RECEIVE AND ACCEPT A PRESENTATION OF THE CITY OF VALLEJO'S – STRATEGIC PLAN ON MARITIME REVITALIZATION AND PROVIDE FEEDBACK**

RECOMMENDATION

Staff recommends that the City Council receive and accept the Strategic Plan for Maritime Revitalization and provide feedback and discuss potential next steps as Vallejo positions itself within a rapidly evolving national maritime landscape.

REASONS FOR RECOMMENDATION

The Roosevelt Group (TRG) has developed a comprehensive set of **27 actionable strategies** designed to help Vallejo leverage its distinct regional assets, emerging partnerships, and alignment with national initiatives in maritime, defense, innovation, and workforce development.

This plan is intended to serve as a strategic foundation—giving Council a structured way to evaluate investment opportunities, funding priorities, and policy decisions that support Vallejo's role in the federal government's **Maritime Action Plan**[1], the most detailed maritime policy guidance released by this administration to date.

[1] https://www.whitehouse.gov/wp-content/uploads/2026/02/Restoring-Americas-Maritime-Dominance.pdf

BACKGROUND AND DISCUSSION

The City of Vallejo has faced challenges reactivating its downtown and commercial corridors and attracting investment across both mainland Vallejo and Mare Island. Momentum grew when Representative Garamendi introduced the **Shipbuilding and Harbor Infrastructure for Prosperity and Security (SHIPS) for America Act**, which catalyzed national dialogue on the state of the maritime industrial base.

As a former Navy shipyard, Vallejo is uniquely positioned to contribute to national defense and maritime innovation. The City engaged The Roosevelt Group (TRG), experts in shipbuilding, defense, maritime policy, and related technology sectors, to assess Vallejo's assets and opportunities through the lens of federal priorities. TRG reviewed:

- Vallejo's participation in green technology corridors
- Economic prosperity zones
- Workforce development pipelines
- Regional educational institutions, including Cal Poly Maritime (the West Coast's only degree-granting maritime academy), Touro University, and Solano Community College

The resulting plan provides structure for cross-sector collaboration and outlines how Vallejo and regional

partners can build a competitive maritime ecosystem.
Below is a concise synthesis of the 27 strategies, grouped to create clearer narrative flow. Please refer to the original document for the complete summary of each strategy.

I. Foundational Partnerships & Governance

#1 Public-Private Partnership – Mare Island
Leverage federal Maritime Action Plan priorities to attract investment.

#2 City-Led Vallejo Maritime Industrial Base Coalition
Coordinate stakeholders and pursue maritime industrial base upgrades.

#3 Formal Partnership with CalPoly Maritime
Establish structured communication and shared program development.

#4 Direct Communications with the U.S. Navy & Prime Contractors
Increase transparency regarding repair, funding, and strategic basing decisions.

#5 Identify Key Maritime & Ship Repair Leaders
Build an organized advocacy framework aligning Vallejo's and the Navy's interests.

II. Infrastructure Modernization & Strategic Positioning

#6 Plan for Priority Mare Island Improvements
Develop creative funding structures to support phased growth.

#7 Expand Berthing Options for Long-Term Navy & USCG Activities
Model what a live-work-entertainment zone could support.

#8 Understand NAVSEA Shipyard Certification Requirements
Assess feasibility and value of pursuing certification.

#11 Upgrade Waterfront Infrastructure
Strengthen berthing capacity and shore-side facilities.

#26 Deepen the Mare Island Strait (DREDGE)
Coordinate messaging grounded in national security and supply chain needs.

#13 Prioritize Mare Island as a West Coast Cutter Hub
Synchronize our infrastructure and community development with the Service's Homeport Analysis Tool (HAT)

III. Technology, Innovation & Future-Focused Industry

#9 Outreach to Robotics & Autonomous Vessel Companies
Position Vallejo as a hub for autonomous maritime innovation.

#12 Position Vallejo as Homeport for Tech-Intensive Frigates & Unmanned Vehicles
Reduce barriers to innovative maritime start-ups and leverage proximity to Silicon Valley.

#15 Launch Vallejo Maritime Tech Accelerator
Focus on dual-use technologies including cybersecurity, advanced materials, and energy resilience.

#16 Develop a Maritime Innovation Campus & Demonstration Site
Activate underutilized industrial space for innovation and training.

IV. Workforce Development & Housing Alignment

#10 Expand Housing to Support Workforce Needs
Align new housing growth with maritime industry workforce requirements.

#14 Expand the Talent Pipeline
Build a full K-12 through higher-ed pathway aligned with maritime, technical, and defense industries.

V. Economic Development & Investment Mobilization

#17– #22. Six Core Economic Development Strategies
These include:
• creating a Vallejo enterprise fund
• developing a sites inventory and prospectus
• launching unified marketing
• building a business retention program
• establishing a development concierge
• leveraging strategic asset management for sustainable revenue

VI. Federal Advocacy & Funding Strategies

#23 Maximize Legislative Advocacy
Build coalitions for congressional directed maritime investments.

#24 Engage the National Defense Authorization Act (NDAA) Process
Work with the California delegation on proposals enhancing West Coast ship repair capacity.

#25 Target Federal and State Grants
Create a grants unit capable of tracking, coordinating, and submitting major applications.

VII. Maritime Environment & Stewardship

#27 Abandoned & Derelict Vessel (ADV) Removal
Use MDMAP tools to prioritize and remove derelict vessels.

These strategies are intended to serve as a launching point for discussion and coordinated action among key partners at the local level—City Council, Vallejo residents, and the business community—as well as across the broader region, including neighboring cities, counties, and maritime-focused investors. Bringing these groups together in strategic categories aligned with overlapping areas of activity will help ensure that the Solano region, a potential Maritime Prosperity Zone[1], is recognized as a significant player in the maritime sector and is well-positioned to attract large-scale investment across national security priority areas.

Vallejo, together with Mare Island, holds several strategic assets that can offer scalable solutions to the challenges outlined in the current Administration's Maritime Action Plan. This document highlights areas of

opportunity that can be used to advance, market, and strengthen Vallejo's position as a hub for technology and innovation. The City stands ready to leverage increased coordination among federal agencies, the private sector, and leaders in technology, shipbuilding, maritime, and defense industries. Through this alignment, Vallejo can accelerate economic vitality and build a sustainable foundation for long-term growth.
[1] https://californiaforever.com/regional-coalition-proposes-california-delta-as-maritime-prosperity-zone-for-u-s-shipbuilding-to-restore-americas-maritime-dominance/

FISCAL IMPACT

There is no fiscal impact as this is an informational report

ENVIRONMENTAL REVIEW

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has the potential of resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

1.	City of Vallejo - A Strategic Plan for Maritime Revitalization_condensed_rev1

CONTACT

Nalungo Conley, Assistant City Manager
nalungo.conley@cityofvallejo.net

TRG

The Roosevelt Group

Chosen for expertise. Defined by results.

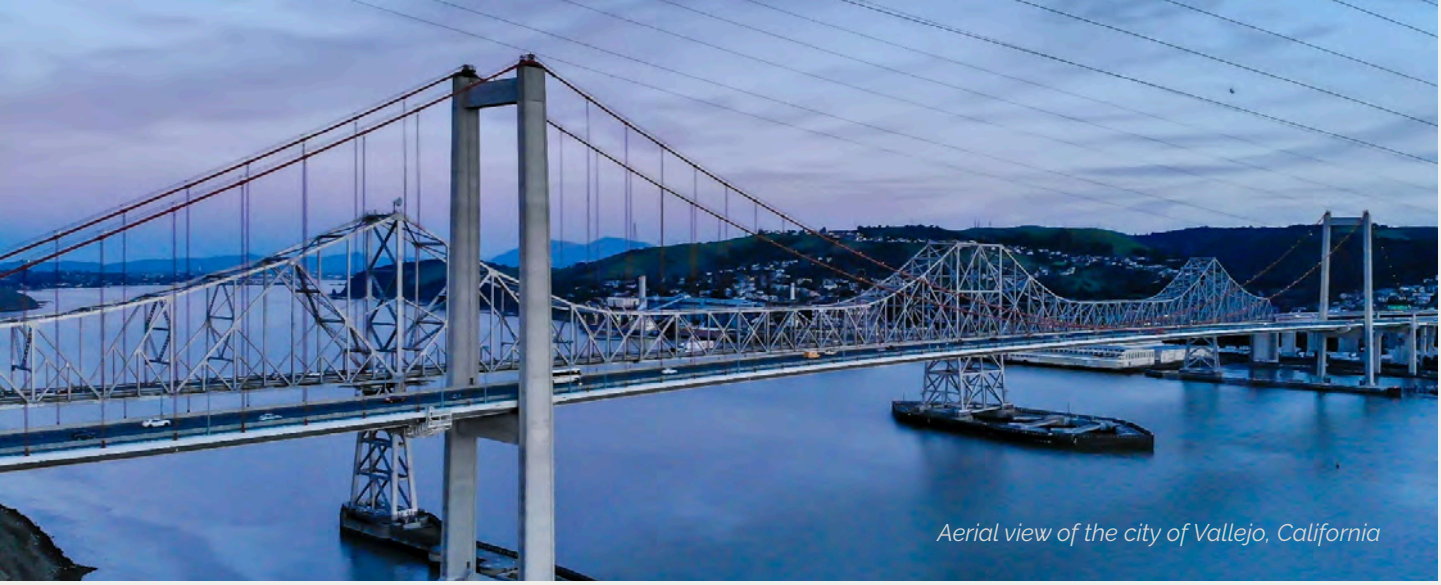
City of Vallejo

A Strategic Plan for Maritime *Revitalization*

Aerial view of the city of Vallejo, California

City of VALLEJO California

Table of Contents



Aerial view of the city of Vallejo, California

Introduction

In December 2025, the City of Vallejo (the City) contracted with The Roosevelt Group to provide two deliverables in support of the City's ongoing economic development goal of revitalizing its maritime industrial base. The first deliverable is a succinct white paper to be used by City stakeholders to advocate before the United States Government (USG) for greater use of the maritime assets already located in the region, including shipbuilding repair, high technology, and maritime focused education assets. The second deliverable is a Strategic Plan to help guide the City in leveraging its maritime assets with actionable recommendations across three focus areas:

1. **shipbuilding and repair;**
2. **ship basing at Mare Island; and**
3. **the development of a high technology maritime ecosystem.**

Both deliverables are included in this document.

The City's timing is prescient — the Administration's *Maritime Action Plan* (MAP) was released in February 2026, and previews specific opportunities that States and communities will seize upon in the short term, from the establishment of Maritime Prosperity Zones (MPZ) to vying for new and re-energized maritime industrial funding sources. It is imperative the City is aware of such opportunities and decides how they wish to take advantage of them. The White Paper will propose a pathway to do so and form the City's written "elevator speech" — a short but impactful narrative for the City's leadership to present before commercial and/or USG decision-makers and to make a case for the City's maritime value proposition.

The Strategic Plan (the Plan) is designed to be action-oriented. The Plan is light on aspirations and heavy on facts, recommendations, and implementation mechanisms. Background is provided as necessary and especially when it comes to the origins of the nation's shipbuilding and repair challenges and the rationale for its rejuvenation with new government and government-inspired commercial spending. The underlying purpose of the Plan is to provide City decision-makers with an easy-to-follow guide to implement a series of steps that can expand participation in the maritime industrial base. Each section

of the Strategic Plan provides specific Recommendations and Implementation steps, as requested by City officials, that can be actioned without significant investment in time or money.

The Strategic Plan is organized in three sections. First, a comprehensive overview of the state of the shipbuilding and repair industry and how the Mare Island facility can participate in it. The Mare Island facility is the epicenter of the City's maritime industrial base, and without it, there is no viable or tangible connection to broader maritime industrial endeavors. Second, is a discussion of maritime basing at Mare Island, including the process, challenges and upsides to achieving permanent homeported vessels at Mare Island. Third, is a robust analysis of the maritime technical ecosystem encompassing Mare Island, the City and region. Understandably, this is the most comprehensive and important section of the Plan. It focuses on mechanisms to better identify, link, and rebrand the region's maritime and technical capabilities and to fortify each capability through targeted investment, collaboration and cooperation.

There are a couple of ancillary sections in the Strategic Plan that remain important and provide for further exploration and action. There is thorough treatment accorded to dredging and the removal of hazards to navigation in the Napa River. There is also a comprehensive section on existing and future Congressional and Federal Government grant opportunities that will provide the City with a sustained game plan to seek monies annually from a broad array of USG and Congressional funding sources.

Finally, there is an addendum that lists all of the people the firm spoke to over the phone and in person, including those who participated in our two visits to the City and some on multiple occasions. The Roosevelt Group wishes to extend our thanks to these individuals, who all provided honest, patient, and meaningful feedback. We realize we could not consult with every stakeholder in such a narrow scope of time. However, our contract allows two additional months of service to refine these recommendations and implementation plans. We will continue to consult with local leaders and experts as we use this remaining time to assist the City in developing the mechanisms to set our recommendations and implementation plans into action.

City of VALLEJO California

Aerial view of the city of Vallejo, California

01 / Mare Island Shipbuilding & Repair

This section is designed to provide the City with a comprehensive assessment of the nation's shipbuilding and repair industry in order to determine if Mare Island's assets are being optimized to fit into this construct for the economic benefit of the City and region. The team visited the shipyard twice, viewed its key features like the dry docks, finger piers, and shore infrastructure, and met with officials from the Mare Island Dry Dock (MIDD) Company. Generally, the analysis indicates the infrastructure is sound and capable of both shipbuilding and repair of any type of ship or underwater vessel that falls within the physical limits of the dry docks and piers. This section reveals the challenges of the U.S. Navy, the U.S. Coast Guard (USCG), other USG Federal Agencies, and the maritime private sector face when it comes to shipbuilding and repair and provides a number of recommendations and implementation steps that may provide better pathways to move Mare Island closer to achievable USG and commercial maritime opportunities.

THE DECLINE

The Mare Island Shipyard was one of five public Navy shipyards closed during three rounds of Base Realignment and Closure (BRAC) in the 1990s. The so-called "Peace Dividend" translated to a real and sustained drop in naval ship construction, resulting in excess ship repair capacity that made Mare Island an easy target for closure. Following the fall of the Berlin Wall, the Navy had eight public shipyards to service its nuclear and conventionally powered fleet, equally divided on the East and West Coasts. Half are now closed. Worse, the fleet concentration area around San Francisco that once hosted ships and submarines vanished, including Naval Station Treasure Island and the Naval Air Station Alameda. These two Navy bases were the life blood of the area's Navy presence, hosting not only aircraft carriers, but amphibious ships, logistics vessels, guided missile cruisers, destroyers and frigates.

> "As a case in point, the so-called post-Cold War peace dividend was financed by cuts in defense, and the Navy's share was substantial; if its budget had only grown with inflation since 1989 compared to the money actually provided, the Navy would have lost over $1.2 trillion in buying power."
>
> *Rebuilding America's Military: The United States Navy*
> Heritage Foundation
> February 2021

Shipyards like Mare Island and Hunters Point, and logistics bases like the Oakland Fleet and Industrial Supply Center, were all shuttered. The loss of this ecosystem, both major fleet concentration areas comprising dozens of warships and their support functions, makes the prospect of the Navy returning to Mare Island challenging without substantial investment by both the Navy, and likely, the dry dock owner and the City. Simply put, the Navy moved on from Mare Island, Treasure Island, Hunters Point, Oakland, Alameda, and Long Beach and consolidated their fleet concentration into five fleet areas, including two on the West Coast: one in the State of Washington and one in San Diego, CA. These fleet concentration areas feature exactly what the Bay Area used to have — numerous Navy and commercial ship and repair outfits located in close proximity to its warships, making repair events convenient to sailors who essentially remain in their own homes or berthing facilities during a typically long repair availability. This luxury is now unavailable at Mare Island. Combined with a gradual loss of Mare Island's maritime workforce, these factors present significant challenges to the Navy, the USCG or commercial ship owners should they consider utilizing Mare Island for repair and maintenance.

Mare Island Dry Dock Company, a lessee of the Mare Island Company, recently declared bankruptcy due to the lack of consistent repair work. Despite chronic delays, challenges, and bottlenecks to repair and maintenance, there is no plan to move Naval surface vessel or submarine repair work to this area. Instead, MIDD has focused on the Ready Reserve Fleet, Military Sealift Command, National Oceanic and Atmospheric Administration (NOAA), and the USCG. These ships are not as geographically restricted as a large surface combatant or submarine, and can be accommodated by the Vallejo local economy. Unfortunately, these ship types do not provide substantial and continuous work; their small numbers of ships require relatively short and less complex repair periods, which typically span only a few months at a time. Predictability and workforce loading to plan these repair opportunities remain a problem, making the loss of a bid or the delay of an award particularly damaging to profitable operations.

MIDD recently lost the bid to repair the USCGC Healy, a 420-foot Arctic research icebreaker, providing a bleak reminder of the instability inherent in the existing business model. A competitive bid was not enough. While there remain additional USCG opportunities on the horizon, including work already under existing contracts, the current tempo for repair remains unstable without a more permanent customer base, like the Navy, a new and large private sector shipbuilder, or a repair company with substantial USG or commercial work.

ADDITIONAL MARKETS

It is important to point out that Mare Island's shipyard capabilities are best suited for USG maritime assets that seek US repair yards, whether by law, specific skillsets, or for national security reasons. Commercial ship building and repair at Mare Island is not economically feasible without federal support. Today, China manufactures 55% of all commercial vessel tonnage worldwide while the United States produces less than 1%. Commercial vessels actively seek foreign ports for scheduled repair to leverage overseas capacity, efficient repair, and competitive market prices. While smaller commercial vessels, Jones Act shipping, barges, ferries, and other working boats remain competitive for U.S. ship repair facilities, large commercial shipping repair and overhaul is not a serious pursuit for Mare Island Dry Dock without significant financial incentives. The SHIPS for America Act (SHIPS Act) and the Maritime Action Plan both seek to address these market forces.

THE REBIRTH - SHIPS ACT AND AMERICA'S MARITIME ACTION PLAN

National security imperatives, additional resources for shipbuilding and repair, and renewed attention to the maritime industrial base should hold significant promise for Mare Island. The SHIPS Act was introduced in Congress in late 2024 to revitalize America's commercial shipbuilding industry. While the SHIPS Act has not been signed into law, it is a highly visible and bipartisan policy effort in favor of a muscular shipbuilding sector, and funded by a dedicated trust fund financed by fees and duties that will directly invest in a new generation of shipyard workers. On April 9, 2025, President Trump signed Executive Order 14269, "*Restoring America's Maritime Dominance*," which called for the development of America's Maritime Action Plan (MAP), later released in February 2026. Like the SHIPS Act, the MAP calls for a whole-of-government approach to revitalize the nation's shipbuilding industry and to aggressively fund and cultivate a nationwide workforce development effort.

Both the SHIPS Act and the MAP hold a long overdue opportunity for the City of Vallejo. The authors of the MAP are attempting to accelerate legislative proposals within the plan and make the SHIPS Act unnecessary. Such legislation will be important to carefully track and to flexibly respond. The Administration intends to "transform" shipbuilding and refresh repair infrastructure with significant investments to commercial shipyards. Anticipated funding will "modernize dry docks, heavy-lift and gantry cranes, panel lines, and automated material handling systems to support higher-rate production and large hull handling." Funding will be provided to "upgrade pier utilities (shore power, high-capacity electrical distribution, potable water, sewage, high-bandwidth communications) to support modern combat systems, sensitive electronics, and sustained yard operations." Additional funding will focus on "terminal and rail connectivity improvements" to move shipbuilding equipment and material.

The MAP also includes a focus on the nation's public shipyards. Until its closure, Mare Island was a public shipyard, specializing in the repair of fast attack nuclear submarines. Although there have been public discussions to open a fifth Navy shipyard, there are no plans to do so. The MAP advocates for continued recapitalization of the remaining public shipyards in Virginia, Maine, Washington and Hawaii, as well as the USCG yard in Baltimore, MD. Notably, the plan calls for adding dry docks and heavy-lift capacity with "projected demand for nuclear and large surface platform" work in mind, precisely the type of work once performed at Mare Island — but, this investment already appears to be earmarked to the public shipyard in Puget Sound, WA. Bottom line, a significant portion of the MAP's largesse may be prioritized upfront to the nation's existing public shipyards.

There are a variety of means to fund the MAP's endeavors, including the expansion of the Small Shipyard Grant program to medium and large yards. There is significant encouragement of public-private partnership to "create projects that attract institutional investors while securing national-security priorities." Additional mechanisms and new constructs will govern how future investments will flow to eligible shipyards, all of which will merit constant attention at the City level. For example, the MAP proposes amending the Maritime Administration's (MARAD's) Federal Ship Financing Program (Title XI), creating a Maritime Incentives Coalition composed of Federal Agencies, State governments, and economic development agencies; and expanding Shipyard Capital Improvement Financing.

Another prominent feature of the MAP is the establishment of Maritime Prosperity Zones (MPZs) "to incentivize and align new domestic and allied investment in the US maritime industries and waterfront communities." It is envisioned that the Secretary of Commerce will designate 100 geographically diverse MPZs. The focus of individual MPZs will vary from shipbuilding to a focus on maritime supply chain, workforce development, and advanced manufacturing. California is well positioned to participate as evidenced by its self-declared *California Delta Maritime Prosperity Zone* proposal, which includes Mare Island. The plan encompasses the geographic areas of the Sacramento-San Joaquin River Delta and associated waterways of the San Pablo Bay. Participants include The Nimitz Group, California Forever, Cal Poly Maritime Academy, the Bay Area Council, the Working Waterfront Coalition, and Solano Economic Development Corporation.

THE COST OF DOING BUSINESS IN CALIFORNIA

California offers unmatched market access, talent, and innovation capacity but faces significant structural cost disadvantages relative to Gulf Coast, Southeast, and East Coast competitors. These factors must be actively mitigated to attract and retain large-scale industrial investment.

The table on the following page highlights some of these challenges.

Table 1:
State Tax & Incentive Comparison: California vs. Key Competitor States

Category	California	Competitive States (LA, TX, MS, AL, VA)
Corporate Tax Rate	8.84%	0% TX ↔ 6.5% AL
Franchise / Privilege Tax	$800 flat fee minimum, or CA net income multiplied by the appropriate tax rate, whichever is greater. (C Corp- 8.84%, S Corp-1.5%)	Ranges from none or repealed (LA, VA) to variable rates based on net worth (AL), capital (MS), or retail/wholesale status and revenue (TX).
Personal Income Tax *$100k median salary*	6% *	0% ↔ 5.75%
Major Property Incentives	Capital Investment Incentive Program (CIIP) strictly for manufacturing facilities with assessed values exceeding $150 million.	Wide variety of programs, including up to 10-year abatements (LA, MS), local exemptions (VA), and various targeted zones or inventory exemptions (TX).
Capital Investment & R&D	No permanent full expensing for capital investments, but offers a 15% to 24% R&D tax credit and allows R&E costs to be immediately deductible.	Options range from 100% bonus depreciation (MS), upfront deductions that reverse over time (LA), specific R&D credits (AL, TX), or multi-year depreciation requirements (VA).
Standard Deduction	$5,540 single / $11,080 joint.	Ranging from $0 (TX) up to generous deductions of $12,500 single / $25,000 joint (LA).

** Effective state tax not including standard deduction.*

To remain competitive, local and state governments must offer scalable investment incentives, targeted tax relief for strategic industries, improved capital cost recovery policies, expanded property tax abatements, and streamlined permitting processes.

Aerial view of the city of Vallejo, California

1 Recommendation

Recommendation #1

Establish a Public-Private Partnership-Mare Island to leverage the Maritime Action Plan and Future MPZs.

Develop a **Public-Private Partnership-Mare Island (PPP-MI)** in furtherance of seeking USG investments in Mare Island and consistent with the Maritime Action Plan. This partnership should result in a definable vision to incorporate Mare Island into the Navy's Maritime Industrial Base (MIB) investment stream. This construct can be adaptable to address commercial ship and civilian maritime investments as MAP-supporting legislation takes shape.

Implementation & Rationale

Establish a City of Vallejo partnership with the California Shipbuilding Ecosystems Alliance (CalSEA), Solano Economic Development Corporation (EDC), Bay Area Council, Working Waterfront Coalition, California Governor's Office of Business and Economic Development (GO-Biz), Nimitz Group, Mare Island Company and Cal Poly Maritime Academy to forge a partnership with workforce venture capital partners to build the vision of a PPP-MI.

Consider a PPP-MI as a separate effort, and non-associated with the California Delta MPZ. This effort would be independent of the MPZ and solely focused on the short-term rehabilitation of Mare Island.

Develop the vision into an actionable prospectus that can be disseminated to the White House, Congress, the Navy, USG maritime organizations, as well as the private sector. The prospectus must align with the Maritime Action Plan and the future designation of MPZs in California. That is, it should be independent of, but complement a *California Delta Maritime Prosperity Zone*, and serve as the Region's **near term and available working solution** to enter the nation's rejuvenated maritime industrial base.

Façade of the Empress Theater, Vallejo, California

2 Recommendation

Recommendation #2

Establish a City-led **Vallejo Maritime Industrial Base Coalition**, composed of existing partners, and potentially new ones, to ensure the City is persistently tracking developments and new USG investments in the MIB and to support and provide assistance to a Public Private Partnership - Mare Island effort.

Implementation & Rationale

Establish a formalized, City-led organization with a dedicated mission to advocate for, advertise, and to seek new partnerships for the recapitalization and rebirth of Mare Island as a hub of ship repair, build, stationing and technical innovation.

Model the organization on hundreds of existing defense community organizations that advocate on behalf of their defense installations before the Pentagon and Federal Agencies.

Establish an Executive Board of Directors and leadership positions, comprising a small number of full-time personnel. Oversight should include retired Admirals, Senior Executive Service, industry and academia leaders.

Consider the benefits of a regular cadence of meetings, an appointed leadership structure, and the development of objectives and expectations.

Continued

Implementation & Rationale Continued

Much of this work is underway. Leverage the partnerships the City has already developed with the Working Waterfront Coalition; Mare Island Company; Solano EDC; Bay Area Council; CalSEA; GO-Biz; local workforce development boards; Cal Poly Maritime Academy; and Vallejo School Board.

A formalized organization could provide numerous advantages by:

Taking the lead on advocacy before the Department of War (DOW), the Navy, USCG and other Federal agencies to push for Mare Island's inclusion in the MIBs;

Overseeing the development of an annual Congressional appropriations campaign focused on Naval and Commercial MIB funding and grant opportunities;

Coordinating regular outreach to key Congressional leaders;

Serving as the City's voice and representative to the *California Delta Maritime Prosperity Zone*;

Establishing a dedicated website that provides the City's vision for a maritime ecosystem, a role for Mare Island, its participation in the California MIB, and ties to the area's existing industry and academic maritime partners;

Supplementing the Mare Island Company's efforts to tell the Mare Island story and its advantages for USG and commercial maritime concerns;

Real-time monitoring of the Maritime Action Plan and SHIPS Act — in particular, the funding mechanisms, the legislative proposals to implement the MAP, and specific opportunities the City should pursue. For example, the amendment of MARAD's Federal Ship Financing Program (Title X); creation of a Maritime Incentives Coalition and how the State of CA intends to participate and represent the interests of the City of Vallejo; the expansion of the Shipyard Capital Improvement Financing Program;

Monitoring key developments in Navy program offices that impact maritime repair and maintenance; the leaders who run these offices; schedule outreach visits to the Pentagon, Navy and to USG maritime agencies; and participate in key industry trade shows focused on the maritime industrial base; and

Acting as the ambassador of the City to major maritime commercial firms that may be seeking industrial facilities to fabricate and build maritime components for manned and unmanned vehicles, or to develop Navy-related repair activities.

THE CRITICAL ROLE OF THE CAL POLY MARITIME ACADEMY

Cal Poly Maritime Academy is a tremendous ally to Vallejo's economic prospects in light of the Maritime Action Plan. The MAP's Pillar II is dedicated to reforming workforce education and training. It will increase support to the six State Maritime Academies (SMAs) in California, Maine, Massachusetts, Michigan, New York and Texas. This is an important opportunity to leverage, as the MAP seeks to expand mariner training and education; provide financial support and regulatory incentives for the training of US credentialed mariners; and grow a "large, ready, and willing mariner workforce."

There are specific areas that the City and Cal Poly should carefully track. For example, the MAP calls for the authorization and funding of a new Mariner Incentive Program at MARAD that would "authorize a suite of programs to support mariner education, recruitment, training, and retention to meet current and future economic and national security needs." The MAP calls for working directly with the SMAs like Cal Poly to expand capacity — it anticipates the Department of Transportation increasing the funding for the Center of Excellence (COE) for Domestic Maritime Workforce Training and Education Program, and expanding support to include Registered Apprenticeships, community colleges, and "accelerated trades programs to produce more credentialed mariners." Additionally, the MAP calls for leveraging the Workforce Innovation and Opportunity Act, Pell Grants, Accelerated Training in Defense Manufacturing (ATDM) Talent Pipelines, and Additive Manufacturing COEs to educate and scale the mariner workforce. Cal Poly is in an enviable position to participate in, shape, and leverage each of these initiatives and should track them, understand them, and adapt to them.

Cal Poly Maritime Academy is already positioned to increase its partnerships with the USG. They have utilized the Education Partnership Agreement mechanism in the past to advance and facilitate the growth of a workforce development pipeline through the Air Force Research Lab (AFRL). Other expanded Cal Poly initiatives may include the Manufacturing Engineering Education Program (MEEP), funded by the Office of Naval Research. While this program is not necessarily a STEM-focused effort, it may be useful for "re-skill" training. In fact, part of Cal Poly's approach is "learn by doing" and they do host re-skilling programs for veterans, military, and government retirees.

Ultimately, Cal Poly's current initiative to capture the ATDM-West Coast (ATDM-WC) center, "Danville West" project, provides its most promising and recent opportunity to truly participate in the Naval MIB revolution. Valued at $250 million dollars, the ATDM-WC effort is a well-constructed concept backed by a broad and impressive array of partners, including Northrop Grumman, the Working Waterfront Coalition, and others. While there has been no actual award made, the Navy MIB Office appears supportive, has visited Cal Poly, and should be on track to award an ATDM-WC applicant soon.

Aerial view of Cal Poly Maritime Academy

3 Recommendation

Recommendation #3

Reinforce City-Cal Poly Maritime coordination.

Establish a formal means to coordinate and share information with Cal Poly Maritime on any and all potential maritime funding opportunities at the College. Any opportunity created for Cal Poly Maritime Academy through the MAP's new initiatives will also generate meaningful benefits for the City.

Implementation & Rationale

Actively support Cal Poly Maritime by ensuring surveillance of all DOT programs re-focused on the MIB, including the COE for Domestic Maritime Workforce Training and Education Program.

Coordinate, as appropriate with Cal Poly Maritime, on potential changes to the Workforce Innovation and Opportunity Act, Pell Grants, and the existing Additive Manufacturing Centers of Excellence.

Coordinate accordingly with Cal Poly Maritime to consider mechanisms to apply for competitive grants each year — continue to monitor the requirements, changes, and potential new opportunities associated with such grants. For example:

EPAs at the University level:
https://www.navsea.navy.mil/Home/Warfare-Centers/Partnerships/Business-Partnerships/Educational-Partnership-Agreements/

Workforce Development is the Manufacturing Engineering Education Program (MEEP) funded by ONR:
https://www.onr.navy.mil/work-with-us/funding-opportunities/fy25-office-naval-research-onr-science-technology-engineering

FOLLOWING THE MONEY AND THE REQUIREMENTS

While Executive Orders, the SHIPS Act, and the Maritime Action Plan set broad policy goals and intent, money and real opportunities for growth matter. The Trump Administration is quick to point out that the money is already flowing. In February, Secretary of the Navy John Phelan addressed the AFCEA/USNI West Conference in San Diego, and described $29 billion in naval shipbuilding provided by the One Big Beautiful Bill Act (OBBB) and another $2.6 billion dedicated to Maritime Industrial Base spending. The Secretary predicted a $1.5 trillion defense budget in FY27 to deal with a "most hostile, dangerous, and unpredictable global security environment."

The OBBB shipbuilding plan calls for investing $4.6 billion toward a second Virginia-class fast attack nuclear submarine, $5.4 billion for two guided-missile destroyers, $2.7 billion to procure three T-AO fleet replenishment oilers, and $1.5 billion for three amphibious transport dock ships and one amphibious assault ship. The plan includes an additional $1.5 billion to expand production of small unmanned surface vessels and $2.1 billion for medium unmanned surface vessels, new entrants to the Navy's shipbuilding enterprise that offer unique opportunities for Mare Island. The $2.7 billion in Maritime Industrial Base funding includes investments in advanced manufacturing upgrades, automation, and advanced metallurgy. Another $450 million is intended for automation at shipyards and their suppliers.

The Coast Guard is also the recipient of OBBB funding, receiving $25 billion for its own shipbuilding program. The Coast Guard has already spent about a third of the money, putting six new Arctic Security Cutters under contract with negotiations underway for five more. Seven additional cutters will be built at shipyards in Finland, Texas and either in Louisiana or Florida. The Service intends to build 25 Offshore Patrol Cutters and plans to build more than 10 new National Security Cutters "2.0," an updated version to the same cutter that has been repaired at Mare Island.

Much of the OBBB funding is already earmarked for new ships, cost-to-complete ships already under construction, and capabilities like additive manufacturing, steel plate manufacturing, and the application of artificial intelligence throughout the shipbuilding and repair industrial base. In some cases, investment will fortify existing ship repair at locations other than Mare Island. For example, $500,000,000 has already been secured for Dry Dock 4 at Puget Sound Naval Shipyard — a huge investment to address the seismic issues identified there and to expand repair capability for nuclear submarines. In other cases, the Navy's MIB funding may have a direct and positive impact on the City via Cal Poly's ATDM-WC effort. It appears that OBBB money will fund the expansion of the ATDM by $250 million, making certain an award in the near term.

A DEEPER DIVE ON THE POTENTIAL FOR NAVY SHIPBUILDING AND REPAIR WORK

Pursuing the money and requirements is indeed a worthy pursuit by the City; the Navy and Coast Guard, as witnessed by both policy intentions and actual budgets, have both. Without such customers, Mare Island's prospects for more robust, predictable, and complex forms of work will be diminished. The future will look much like the past, consisting of work orders for smaller USG fleets with fickle repair schedules and work based on expediency and economies of scale, not on complex capabilities and desires for

technical advantage, overmatch with peer navies, or increased national security through US-flagged merchant marine traffic.

Shipbuilding and repair inside the USG is the largest potential source of funding in the near-term and understanding the state of play is vital. This includes knowledge of the shipbuilding and repair environment, the main suppliers of services, current challenges, and opportunities. There are a number of potential Courses of Action for the City, and each one deserves consideration:

A. Advocacy to the Navy for a piece of the Navy shipbuilding and repair pie. This does not necessarily mean building new naval ships from the keel up, but could mean the build-out of certain naval components, structures and modules.

B. Advocacy to the Coast Guard for increased ship repair for geographically and non-geographically constrained vessels. The cutters at Alameda rely on MIDD and have a vested interest in keeping it operational. Long-term ship repair contracts would help current and future operations.

C. Advocacy to the major shipbuilding and repair prime contractors to be included in their supplier network to provide direct assembly, repair and touch labor as a sub-contractor.

D. Advocacy to non-traditional shipbuilding companies specializing in non-traditional surface and subsurface autonomous and robotic vessels, components, structures, and subsystems.

THE STATE OF NAVY SHIPBUILDING AND REPAIR

Mare Island has the necessary infrastructure and supporting infrastructure to actively contribute to Navy shipbuilding and repair activities. While the infrastructure is dated and has been underutilized or repurposed, the core functions remain, and with fresh investment that aligns to MIB activities, such functions can be restored. This includes four dry docks that can accommodate most ships and submarines; three finger piers; two shipways; and industrial facilities. While some industrial facilities have been repurposed for commercial uses, lease covenants allow for tenants to be relocated elsewhere on Mare Island and the vacated facilities to be converted back to purpose-driven maritime functions.

There is clear consensus among City stakeholders that a fully utilized ship activity at Mare Island can develop in harmony alongside Mare Island Company's plans for residential home growth. Mare Island's maritime work is geographically isolated from the residential area and can provide meaningful jobs and a tax base to complement such housing development. Should the Secretary of Commerce officially designate the *California Delta Maritime Prosperity Zone* and should the Navy move forward with Cal Poly's ATDM-WC proposal to build a "Danville West," the Navy may be inclined to conduct a comprehensive evaluation of Mare Island for some form of ship construction and repair. In fact, it is not unreasonable to consider circumstances whereby the Navy insists Mare Island returns to a shipbuilding or repair activity, whether via an MPZ designation or the ATDM-WC center.

An initial question is why a Naval shipbuilding and repair rejuvenation has not already happened at Mare Island, given how ripe conditions appear to be. There are a number of factors that have contributed to the lack of Navy activity at Mare Island — some already discussed, and a MIB "rebirth" is still a relatively new phenomenon. Setting potential shipbuilding opportunities aside, it is no longer debatable that the Navy lacks capacity to expeditiously and efficiently repair its surface and subsurface vessels. Today, the system has no margin for error. There are three circumstances in particular that the Navy has no solution for: growth, emergent, and emergency battle repair. The Navy's network of repair yards essentially have just enough dry dock capacity to get by, but zero surge or emergency capacity. In wartime, the Nation will struggle. Inevitably, emergency teams will fly to geographical areas worldwide to supervise repair work. Any port of call will probably do and less than reliable partners will be recruited to provide support. In these circumstances, the Navy may in fact come calling to Mare Island, and undoubtedly the Island would answer the call and move mountains to do its best.

So, why wait? Congress has already appropriated money toward its $21 billion Shipyard Infrastructure Optimization Program (SIOP) to modernize its remaining four public shipyards. But, to date, those funds have not substantially increased ship repair capacity. Improvements have cost significantly more than estimated and the plan is designed to be implemented over a 20-year period — far too long to support potential near term war scenarios. Neither SIOP nor the Navy's four overseas shipyards (Spain, Bahrain, Japan(x2)) will solve the maintenance and repair crisis in the Navy. The Heritage Foundation's *Rebuilding America's Military Report* reported 70% of all maintenance is late in these yards. All told, there remains a real case for shifting, at a minimum, some level of repair work from the existing four public shipyards to private ones, and preferably on the west coast, which is closest to the nation's threats.

Prior to becoming the current Chief of Naval Operations, Admiral Caudle, then in charge of Fleet Forces Command, put it this way:

> "If I went into conflict, high-end conflict where I had to repair numerous ships simultaneously, I do not have enough capacity. I don't have enough dry docks, and I don't have enough shipyards to get after that."
>
> Admiral Caudle
> current Chief of Naval Operations

National security has not improved since Caudle's remarks. In 2025, the Chinese Navy (PLAN) commissioned at least 18 ships, including one new aircraft carrier with an electromagnetic catapult, one large amphibious attack ship, two nuclear fast attack submarines, eight Type 55D destroyers, and six frigates with vertical launch systems (VLS).

The U.S. Navy commissioned two vessels in 2025 — no aircraft carriers, no amphibious ships, no destroyers or frigates. The U.S. Navy only commissioned the USS Iowa (SSN-797), a nuclear fast attack submarine, and the USS Pierre (LCS-38), a Littoral Combat Ship that the Navy has all but written off. China's Navy is expanding at speed; its aircraft carriers and its submarines are becoming more quiet and lethal each year. Should a conflict erupt, multiple unclassified wargames predict serious U.S. naval losses unseen since World War II.

> "If we have a serious strategic interest in the defense of a country that is endangered by an adversary or potential adversary of the United States, and we know it, you don't wait until it happens. You prepare in advance."
>
> Seth Cropsey
> President, Yorktown Institute

There is broad consensus that to meet the challenges posed by China and Russia, the U.S. Navy will need to continue to grow. The required numbers will certainly contain a significant percentage of robotic autonomous systems, the so-called new Naval Hedge Force. In January 2026, the Navy announced that by 2045, 45% of its surface fleet should be unmanned. Regardless of the exact mixture between manned and unmanned platforms, naval shipbuilding will begin to accelerate, and will occupy existing and newly commissioned dry dock and pier facilities, further squeezing repair and maintenance capabilities.

NAVY SHIP REPAIR - JUST GOOD ENOUGH AND THE THREE BREAKING POINTS

> "If we cannot satisfactorily execute ship repair and maintenance in peacetime, we cannot do it in wartime."
>
> U.S. Navy Fighting Instructions
> Released February 9, 2026

While conditions may appear enviable for Mare Island to reassert itself in some form of shipbuilding or component buildout, as well as maritime repair and maintenance activities, the Navy has not aggressively expanded its aperture to non-traditional and new partners. No previously BRAC-closed Naval public shipyard has been re-opened or re-used by the Navy. The closest example is the Philadelphia Shipyard, purchased in December 2024 by the Hanwha Group. Hanwha will build Jones Act ships, including a new class of liquified natural gas carrier, medium range oil and chemical tankers, the U.S. Maritime Academy training ships, and potentially, naval hull blocks, auxiliary ships, and possibly full naval vessels. There are a variety of reasons why the Navy has remained cautious of expanding its builder and repairer shipyard supplier base that merit attention.

Today, there are only seven shipbuilders the Navy uses for its surface combatants and only twelve companies are eligible to conduct complex repair work on the non-nuclear Navy surface ships. As referenced in this Plan, neither shipbuilding or repair schedules are close to projections or required timelines. February 2025 projections from the Government Accountability Office (GAO) paint a less than desired ship construction picture as witnessed in the below chart, though ship deliveries are improving and undoubtedly will continue to, with such large infusions of MIB funding. According to the GAO, "in FY 2023, private industry delivered seven new surface combatants, but private industry would need to deliver an average of 13 ships per year for 30 years to meet the optimal fleet size goal under the current shipbuilding plan." Obviously, these numbers account for a larger future fleet, 91 ships over 30 years, offset by the Navy's plan to decommission 292 ships over the same period. The GAO concludes, after discussions with each of the seven shipbuilders, "that none of the shipbuilders are currently positioned to meet the Navy's delivery goals."

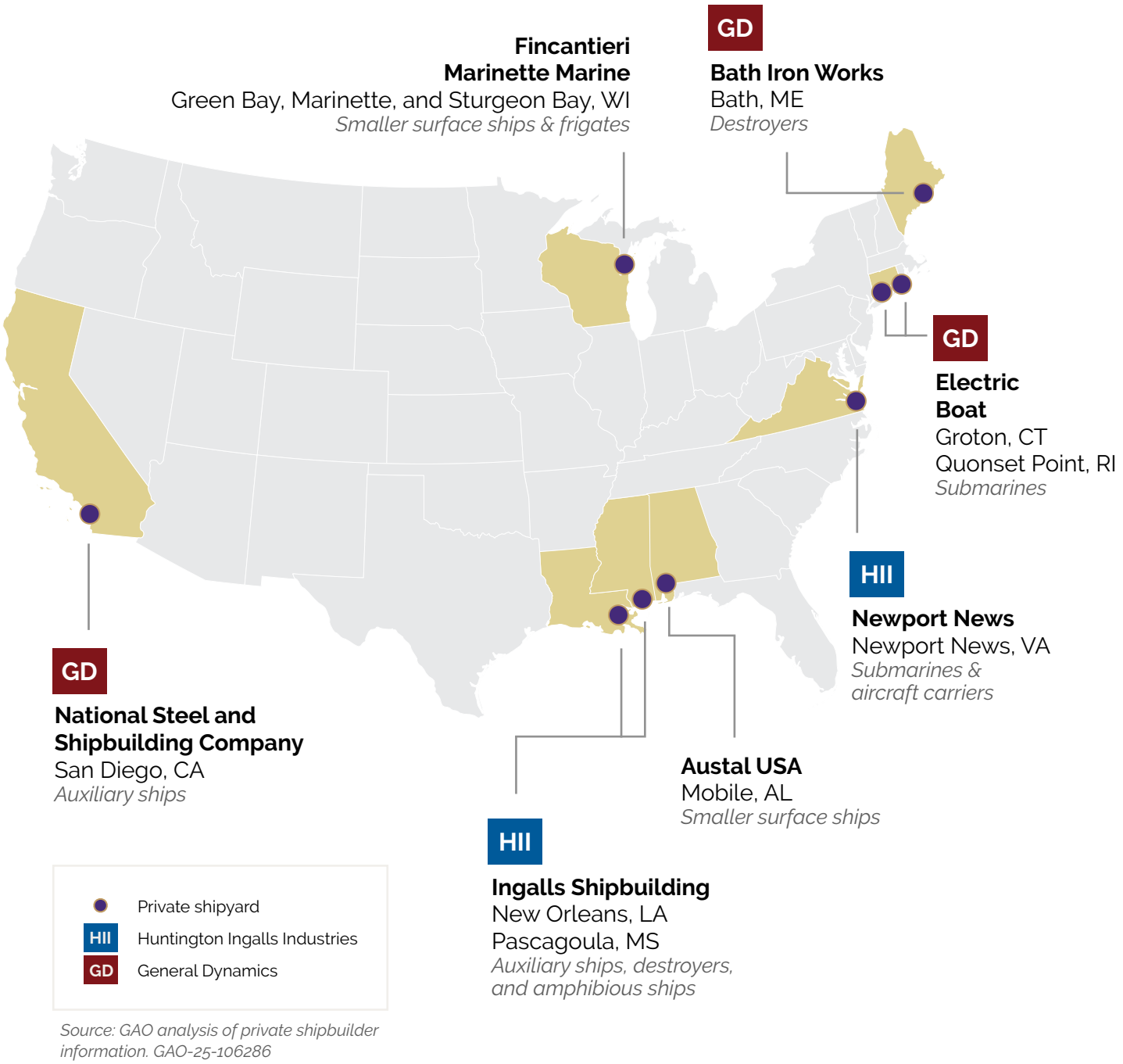
Table 2:
Number of Navy Planned Delivery of VCS and DDG 51 Compared with Actual Delivery Rates, Fiscal Years 2019 - 2023

Source: GAO analysis of Navy documentation. / GAO-25-106286

Fiscal Year	VCS to be delivered	VCS delivered	DDG 51 to be delivered	DDG 51 delivered
2019	3	1	3	1
2020	3	1	4	1
2021	2	0	2	1
2022	2	2	3	1
2023	1	0	3	3
Total	**11**	**4**	**15**	**7**

VCS: Virginia class submarines
DDG 51: Arleigh Burke class destroyers

Figure 1:
Map of Major Shipbuilders for U.S. Navy Ships, as of September 2024



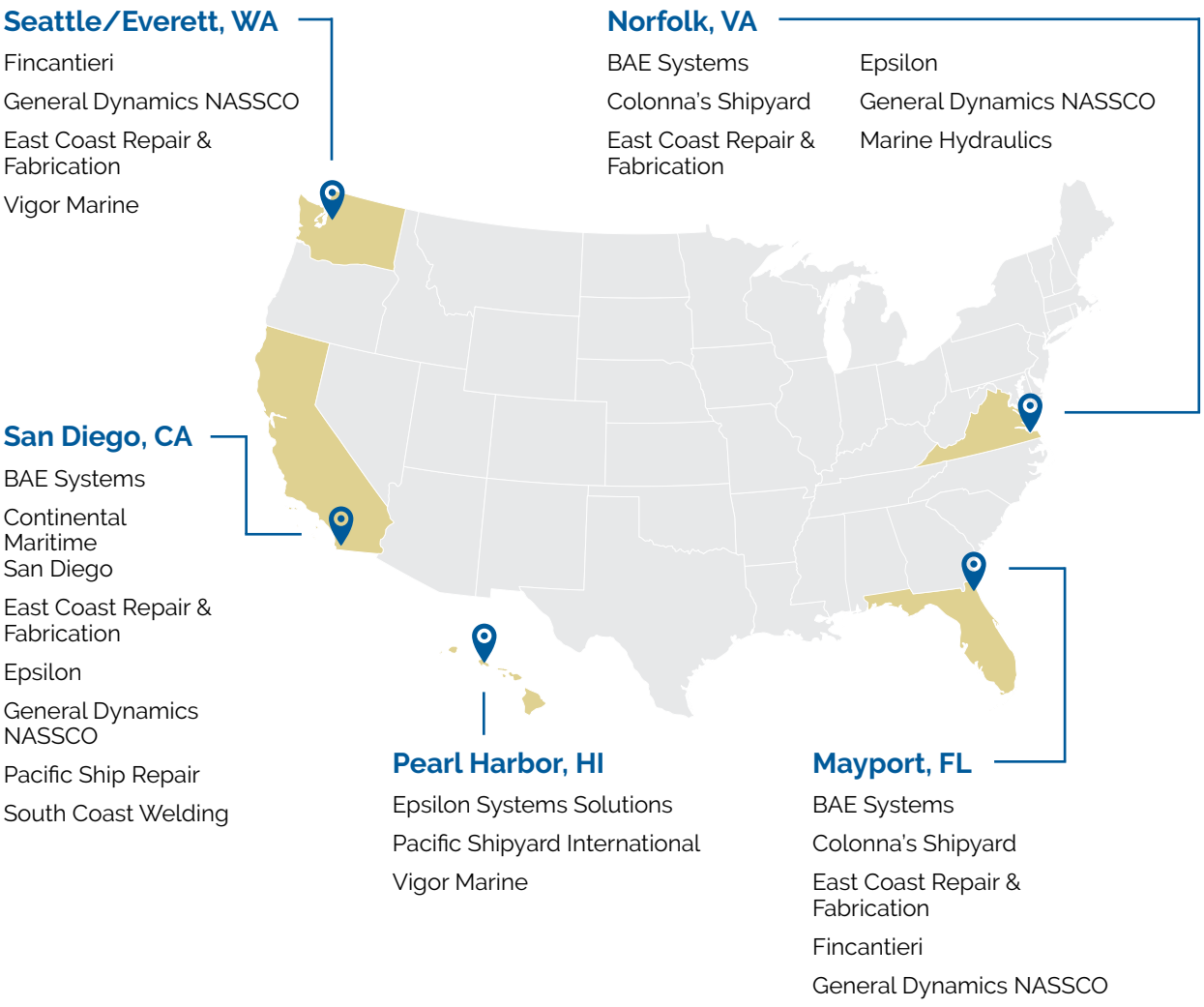
Source: GAO analysis of private shipbuilder information. GAO-25-106286

The refocus on ship construction via the MAP, OBBB appropriations, and robust appropriations budgets is less than surprising when the Navy's own FY25 shipbuilding plan stated the U.S. commercial shipbuilding market had experienced a near-total collapse and called for the long-term revitalization of the industry to bolster Navy shipbuilding. The primary constraints on shipbuilding speed are infrastructure and workforce limitations. Limited physical space at these seven commercial yards is already forcing two of the

shipbuilders to outsource work to other commercial shipyards. One shipbuilder has plans to outsource and has likely commenced such work; another shipbuilder was ready to outsource but is awaiting a major contract award.

The commercial ship repair industry also struggles to complete its work on time, though it is improving. One factor in improving throughput is the commercial investment taking place. For example, Austal invested in a dry dock in San Diego in 2021; BAE and Fincantieri are doing the same. It is important to realize the GAO's own analysis found the industrial base for ship repair has "sufficient infrastructure capacity at least through FY 2026 in each of the five fleet concentration areas." The GAO interviewed commercial ship repair companies in a variety of fleet concentration areas. The majority adamantly claimed there is unused dry dock capacity across the existing ship repair enterprise. However, as previously discussed, **there still remains no answer for two contingencies that impact repair schedules today and one that may pose risk in the future.**

Figure 2:
Map of Private Ship Repair Companies Conducting Complex Navy Ship Repair Work by Fleet Concentration, Area as of May 2024



First, *growth work* happens during scheduled ship repair, and extends the period of time a ship remains in a repair status. Second, *emergent repair* occurs during ship operations when components fail unexpectedly and require immediate repair. Third, the GAO indicates "the Navy needs additional capacity for wartime repair, as the Navy has not had to conduct battle damage repair on multiple ships concurrently since World War II." **Further, the GAO reports the Navy estimates that at some point through FY31, its planned repair workload "could exceed ship repair companies workforce capacity," forcing the Navy to expand its geographic range for repair periods**. In particular, the GAO is most concerned with repair capacity in the San Diego fleet concentration area. Navy officials are less concerned with repair needs in the Mayport, Fl and Pearl Harbor, HI fleet concentration areas.

The GAO reports the Navy "plans to begin providing grant funding for private ship repair industrial base infrastructure improvements but have yet to determine the amount of additional infrastructure the Navy needs for its surface ship repair." The GAO notes the FY24 National Defense Authorization Act (NDAA) provides the Navy with the authority to award grants to the ship repair industrial base for infrastructure improvements, ranging from piers, to dry docks, to maritime training programs. The Navy has indicated its planned grant process will follow ones like the Maritime Administration's Small Shipyard Grant program. However, as of the GAO's February 2025 reporting, it claims the Navy has yet to determine the amount of expanded private dry dock space for emergent and wartime scenarios it needs. In fact, the Navy indicated to the GAO that no such analysis exists to quantify such emergent, surge and wartime needs. Inevitably, some of these requirements have already been "baked in" to the recent OBBB expenditure plans, including the dry dock investments in Puget Sound and other repairs already accomplished, such as the Navy's purchase of a government operated dry dock in San Diego.

POTENTIAL MARKETS - AMPHIBIOUS SHIPS

The Navy is experimenting with new contracting mechanisms to reduce repair times and get ships back to sea. Naval Surface Force instituted a new pilot program in 2025 to improve amphibious ship readiness on both the East and West Coasts. Essentially, the Navy will develop a maintenance package for this type of ship 500 days before contract award and one year before the overhaul begins. An amphibious ship could be a reasonable repair target for Mare Island in the near future. The pilot program helps contractors order long lead items ahead of the availability and injects predictability into the repair schedule — exactly what the Mare Island operator and all commercial shipyards desire. Amphibious ships continue to experience persistently low readiness levels, placing the Navy's ability to deploy a three-ship Amphibious Ready Group with an embarked Marine Expeditionary Unit at significant risk. While the Marine Corps has identified a requirement for 38 amphibious ships, federal law mandates that the Navy maintain its current inventory of 31 ships requiring an 80% readiness rate. Today, that readiness rate is around 50%, nowhere close to the desired end state to maintain the ships we have, or the ones we will be acquiring via OBBB funding and regular Congressional appropriations cycles in the future.

THE CASE FOR NUCLEAR FAST ATTACK SUBMARINE REPAIR AT MARE ISLAND

The U.S. Navy's military requirement is 66 nuclear fast attack submarines. Today, there are only 49 in the fleet and the inventory will likely decline to 46 by 2030 as older submarines are retired faster than they are replaced. During the Reagan Administration's pursuit of a 600 ship Navy, fast attack submarines peaked at 98 boats. By fiscal year (FY) 2022, fast attack submarine strength declined to 47.

Figure 3:
FY 2032 Projection of end-strength numbers.

26	3	21
Los Angeles Class	Seawolf Class	Virginia Class

Current submarine construction plans will see end-strength numbers increase to 50 by FY2032, which is only a net increase of one submarine over the next six years. In the interim, there has been significant attention paid to the ongoing fast attack submarine maintenance backlog. According to the Navy's accounting, since 2022, the Navy has nearly twice as many submarines "sidelined for maintenance than it should." A variety of USG reporting clearly points to a lack of shipyard workers, facility constraints at the four Navy public shipyards, and lingering supply chain issues. To address the current backlog, the Navy has invested in the four existing public Naval shipyards with ongoing SIOP and OBBB funding. The Navy has not shifted any submarine repair work from its public shipyards. It had shifted a small amount of fast attack submarine repair work to General Dynamics/Electric Boat and Huntington Ingalls/Newport News Shipbuilding, the two commercial producers of new Navy submarines, but has subsequently focused these yards on new construction.

> "Of course. I need six! I need enough capacity in our shipyards to drive the backlog down to zero…I can today, if I had the backlog chopped down, have a more effective, larger fleet today."
>
> Admiral Caudle, U.S. Fleet Forces Command
> *responding to a question at the 2023 Surface Naval Association on whether the Navy could use at least a fifth shipyard.*

These remedies will not be enough. Shifting submarine repair work to the two commercial producers of fast attack submarines is problematic considering the current and future demands for new submarines, including the annual procurement of two Virginia Payload Module (VPM) equipped Virginia-class submarines, a larger version of the current Virginia class submarine, plus one Colombia-class ballistic missile submarine. In short order, the nation's two submarine building yards must ramp up production from one non-VPM Virginia class submarine, to the equivalent of about five "regular" sized Virginia-class submarines to account for the workload of two VPM models and the one Columbia-class submarine. Just producing such a larger number of submarines, repair activities aside, will be daunting for the two producers. As of 2023, and over the previous five years, the two builders have never delivered two boats annually, but only 1.2 boats per year. During the same year, Vice Admiral Galinis, former Naval Sea Systems Command (NAVSEA) Commander, indicated that only 20-30% of submarine maintenance periods over the last decade finished on time. **Both new production and maintenance and repair lagged**.

Since 2022, the Navy has embraced strategic outsourcing to support the two commercial shipyards building the VPM-Virginia class and Columbia class submarines. The Navy will commit $2.4 billion between FY23-27 on supplier development funds alone, including funding for specialized commercial shipbuilding equipment, workforce development, and additive manufacturing, non destructive testing, and government oversight. Supplier development funding is an obscure but robust pot of funding that is often misunderstood. Largely funneled through the prime submarine contractors, it provides a significant infusion of cash for subcontractor equipment and business processes to better support submarine production. Tapping into it inevitably means tapping into the submarine prime contractors. For example, actual strategic outsourcing has begun at Austal USA, Mobile, Alabama, a shipyard that builds conventionally powered surface ships for the Navy. Austal USA is now constructing both Virginia and Columbia class Command and Control Systems Modules and Electronic Deck Modules — a lucrative amount of supplier development funding is surely flowing to Austal USA.

Mare Island once specialized in Navy fast attack nuclear shipyard repair. The dry docks and much of the dock side repair infrastructure still exists and can be refurbished. Though these investments would be considerable, and getting certified again for nuclear repair would be a significant effort, strategic outsourcing should not simply bypass Mare Island without renewed attention by the Navy or by the Navy's two submarine builders. Establishing and maintaining regular communication with NAVSEA and the nation's two premier naval ship construction companies is advisable. Huntington Ingalls Shipbuilding (HII) launched its Distributed Shipbuilding Concept not long ago, and continues to actively seek industry partners to build components across the nation at smaller shipyards. The City should actively consider reaching out to HII, and its CA Congressional Delegation, to consider Mare Island as a member of the Navy's Distributed Shipbuilding Concept.


Mare Island Museum

4 Recommendation

Recommendation #4

Establish direct communications with the U.S. Navy and its Shipbuilding and Repair Prime Contractors.

The City merits an organized advocacy and outreach program before the U.S. Navy and its Prime Contractors to elevate the visibility of Mare Island and the City's capabilities to expeditiously support the MAP and MIB initiatives.

Implementation & Rationale

Reconcile transparency and facts regarding the Navy's intentions for expanded shipyard repair capability in the out-years toward FY31. If, in fact, GAO's FY25 analysis is accurate, West Coast repair requirements may demand an expanded geographic repair footprint, clearly placing Mare Island in an enviable position. Direct communication with the U.S. Navy and the CA Congressional Delegation to discern the potential for Mare Island fitting into this construct is an imperative.

Directly engage with the Navy leadership regarding access to funding. The Navy's grant process to infuse additional monies into commercial repair shipyards lacks transparency and engagement with decision-makers is the only way to resolve key questions for the City and Mare Island. Namely, is Mare Island's repair activity currently eligible for a new grant process, whether it utilizes the Maritime Administration's Small Shipyard Grant Program, or not. When will such grants become available?

Continued

Implementation & Rationale Continued

If the GAO analysis is accurate regarding the Navy's lack of analysis to handle the *"three breakable repair scenarios"*, ie. growth, emergent, and emergency battle repair, enlist the CA Congressional Delegation to encourage the Navy to provide a clearer picture of these scenarios. Such transparency may move the ball forward to a more reasonable surge repair capacity for the nation.

Conduct formal outreach with Navy repair and maintenance leaders to discuss the existing state of nuclear fast attack submarine repair work and amphibious ship repair. As discussed, Mare Island's sole purpose as a shipyard was submarine repair. Today, it is repairing Ready Reserve Ships that are essentially the size of amphibious ships — while understandably less sophisticated, these ships are representative of potential larger repair scenarios for Mare Island.

Establish and maintain regular communication with the nation's premier naval ship construction companies. As discussed, Huntington Ingalls Shipbuilding (HII), recently launched its Distributed Shipbuilding Concept, which actively seeks industry partners to build components across the nation at smaller shipyards.

The commissioned mini USS Saginaw replica at the Mare Island Naval Shipyard

historic Mare Island naval shipyards in Vallejo, CA

Recommendation

Recommendation #5

Understand who the Navy's key leaders are in the MIB and ship repair and get to know them.

Establishing and maintaining regular communication with the Navy and the correct shipbuilding and repair offices, as well as, those shepherding the Navy's unmanned shipbuilding efforts is critical.

Implementation & Rationale

The City, like any defense community with an active duty military community, has real maritime industrial base equities that are heavily influenced by a handful of appointed, civilian, and uniformed Navy personnel. The City is encouraged to maintain situational awareness of the key offices that will implement the MAP, pick the winners and losers for MIB monies, and steer the evolution of fleet composition and repair policies to support it.

At a minimum, the City should consider maintaining an Advocacy and Contact Plan for ongoing engagement. While the below list is not all inclusive, it is a starting point to identify a Naval community of interest for the City and its MIB equities.

ADM **Bill Houston**, Naval Reactors
VADM **Rob Gaucher**, Direct Reporting Program Manager, Submarines
VADM **Jim Downey**, Commander, Naval Sea Systems Command
Mr. **Chris Miller**, Portfolio Acquisition Executive for Maritime

Continued

Implementation & Rationale Continued

Mr. J**ason Potter**, Performing the Duties of Assistant Secretary of the Navy for Research, Development and Acquisition (ASN (RD&A))

VADM **Seiko Okano**, Principal Military Deputy, Assistant Secretary of the Navy for Research, Development and Acquisition

Mr. **Matt Sermon**, Direct Reporting Program Manager, Maritime Industrial Base Program

VADM **Brendon McLane**, Commander of Naval Surface Forces

RADM **Biehn**, NAVSEA, Directorate for Surface Ship Maintenance, Modernization and Sustainment

Ms. **Rebecca Gassler**, Portfolio Acquisition Executive for Robotic and Autonomous Systems (PAE RAS)

Ms. **Erica Plath**, Deputy Assistant Secretary of the Navy for Sustainment

RADM **Derek Trinque**, U.S. Navy Director of Surface Warfare (N96)

RADM **Brian Metcalf**, Program Executive Office, SHIPS

Admiral's quarters on Mare Island, Vallejo, CA

MARE ISLAND DRY DOCK "TOP 10" DESIRED IMPROVEMENTS AND THE ARGUMENTS NOT TO UTILIZE MARE ISLAND FOR NAVY SHIP BUILD AND REPAIR

It would be a mistake for the Navy to dismiss Mare Island as a potentially rejuvenated ship repair and construction workhorse. To succeed, however, existing limitations must be recognized, assessed and mitigated. Three major themes arose during discussions with shipyard, City, and naval experts around such limitations, real and perceived.

First, the condition of the shipyard, its age, and its physical limitations. This involves the shipyard's ability to safely dock, repair, and move ships and submarines back out to sea. Second, doubts remain about the shipyard's ability to recruit and retain a capable workforce. Third, includes cost considerations and the overall business climate in California.

Questions about the physical condition of Mare Island are inevitable. The shipyard was formally closed on April 1, 1996, **30 years ago**. Much of the land has been remediated and turned over to its local redevelopment authority. Many of its shore facilities, including castings and forgings, piping and paint shops, and others, have been repurposed. But, the yard itself is still in operation and servicing USG ships today. Considering the anticipated infusions of MIB funding, Mare Island should be considered for targeted USG investments that will provide the U.S. Navy with certain capabilities and limit its risk during surges in repair and during wartime. In response to a query, MIDD identified the following priority investments in the table below. The list may not be all inclusive, but the top 10 improvements account for just over $40M. This number could reasonably escalate, but it provides a "snapshot of the possible," and can build a foundation for a broader discussion with the Navy and other USG agencies to seek such funding.

Table 3:
Top 10 Mare Island Dry Dock Improvements

#	Improvement	Improvements & Benefits	Est. Cost
1	Overhaul and upgrade two dry dock pump houses (2x)	Controls water flow into and out of dry docks Lessens down time and quicker docking / undocking	$16.0 M
2	Overhaul caissons (2x)	Seals docks from Napa River Quickens docking /undocking	$3.0 M
3	Overhaul and upgrade rail cranes (2x)	Provides crane services for dry docks and yard Increases efficiency and lifting capacity	$3.2 M
4	Upgrade DD2/DD3 Utilities	Provides fire protection, power, water, compressed air and sewage services in dry docks Enhances safety, efficiency and environmental factors	$3.0 M

#	Improvement	Improvements & Benefits	Est. Cost
5	DD2/DD3 General Repairs /Sealing	Repairs stairways, railings, and concrete Enhances safety and environmental factors	$3.0 M
6	Upgrade berth 14, 13, 12 utilities	Provides modern utility services to ships while at pier Provides for more reliable and additional shore connectors for additional capacity	$1.0 M
7	Repair DD2/DD3 capstans (10x)	Uses include docking, centering and undocking ships Reduces required workforce and extended tug assist currently required	$8.0 M
8	Install Tank Farm	Manages production wastewater Reduces overall costs, manpower, and environmental concerns	$2.0 M
9	Upgrade berth 14, 13, 12 fencing	Adds protection between the ship and pier Enhances vessel safety and allows for additional capacity	$1.5 M
10	Shipyard upgrades	Paves areas of yard surface Upgrades buildings (power, water, facilities, cranes) Increases efficiency and shop abilities	$3.5 M
		TOTAL UPGRADE COST	**$44.2 M**

The shipyard's ability to recruit and retain a workforce is likewise a worthy discussion to have. The fact is, the conditions have already been set for a more viable pipeline of maritime workers in the future, by years of hard work at places like The Working Waterfront Coalition, Northrop Grumman Marine Systems, CalSEA, and Cal Poly Maritime Academy. Should the Navy select Cal Poly Maritime Academy to host ATDM-WC, workforce training and pipeline concerns may also improve, but only marginally and over time. The fact is, maritime-related workforce challenges remain a problem nationwide. It is well known the shipbuilding industrial base will require 174,000 jobs over the next decade to just keep pace with Navy shipbuilding goals. It also takes between 3 to 5 years for employees to gain proficiency in specialized trades. In two discussions with MIDD executives, it was noted that Mare Island Dry Dock's bids have never been non-compliant for lack of workforce. In some cases, the Company acknowledged that certain required tradesmen are "flown in" temporarily to complete certain jobs — but such practices inject certain efficiencies in bids and minimize exposure for known and otherwise unobtainable types of specialization at the current time.

Questions regarding the business climate of California are also inevitable but tend to be hyperbolic. Research revealed that there are certain environmental requirements in the Bay Area that may be unique but are not overly burdensome or time consuming. Mare Island Dry Dock's recent bid for the USCGC Healy was reportedly less expensive than the winning bid. In reality, the Navy and USCG spend handsomely for ship repair and basing in the State of California and there is no indication they plan to alter their business practices. Should reasonable cost and regulatory efficiencies be identified to incentivize new USG work at Mare Island, they should be brought forward for debate and consideration.

Finally, two additional lesser issues were cited during our research that both called into question the usefulness of Mare Island to a greater role in Navy and USG shipbuilding and repair. The first issue was dredging the approaches to the Mare Island repair facility from the Napa River. To put the dredging issue into perspective, it is useful to consider that the MV Cape Orlando is finishing a planned ship repair. The vessel is 635 feet long and its beam is 92 feet. Its deadweight is 20,500 tons and its draft is 30.2 feet. The vessel was docked, repaired, and will be safely put back to sea. Dredging is a reality and a cost of doing business on the MV Cape Orlando and any large vessel entering the facility. It is accounted for in bid packages, just as countless other shipyards around the world do. There is no indication that ongoing dredging costs are making, or have ever made, Mare Island repair prohibitively expensive.

The second is housing for sailors during repair periods. As referenced earlier, this is a concern, but one that is relatively mitigatable. Ship repairs can be lengthy and complex, which favors repair facilities closer to the ship's homestation. Such circumstances afford sailors the ability to commute a reasonable distance to and from the shipyard. Often a ship repair period occurs directly after a lengthy deployment, some lasting close to a year. Moving a ship from San Diego, after a long deployment, for a six-twelve month repair period, hundreds of miles away, puts a significant strain on the quality of life of sailors and their families.

Housing and accommodations will be required on Mare Island before any significant U.S. Navy repair activity takes place. Berthing barges and lesser efforts, e.g. local and dispersed hotel berthing, should be avoided unless absolutely necessary. Fortunately, the Mare Island Company has options, including the refurbishment of existing former barracks space, and potentially a partnership with the local community college, that could provide exceptional quarters with the proper amount of funding. The quality of berthing and quality of life opportunities at Mare Island will help drive demand and ease concerns about extended periods away from a home station.

Refurbishment of Mare Island's existing berthing facilities should be seriously considered. An analysis of potential MIB or Federal Funding sources should be included in such analysis. For example, the Office of Local Defense Community Cooperation (OLDCC) offers multiple grant opportunities to local redevelopment authorities still working on BRAC reuse issues. Other USG sources inside Housing and Urban Development (HUD) and other agencies should be considered. Public-private partnership between the City, State, and Mare Island Company, levering Federal sources of capital and participation could also be considered.

Housing options away from a fleet concentration area will always be a challenge. Commute time and long distances from a sailor's home station is an issue the Navy has struggled with — long deployments followed by a long repair availability for sailors

onboard a ship is not a healthy combination — and has propelled the Navy to action to minimize this strain. Mare Island and the City of Vallejo will have to fit eloquently into this reality with reasonable and forward leaning quality of life options, admired and thoughtful, but not necessarily perfect.

Launching ceremony for the collier USS Prometheus at Mare Island Navy Yard in 1908. At the time of its launch, it was the largest, most expensive ever built at Mare Island.

Aerial view of the Mare Island Naval Shipyard

6 Recommendation

Recommendation #6

Develop reasonable Courses of Action for the funding of Mare Island's Top 10 improvement projects.

The City and Mare Island Company should embrace and discuss the requirements to fully restore Mare Island's dry dock capabilities. MAP and MIB money is now a reality and the Navy is undeniably taking a fresh look at repair and maintenance options. Taking a pro-active approach to identify needs will accelerate consideration for investment and show seriousness on behalf of the City and its maritime equities.

Implementation & Rationale

Consider all possible avenues for investment to provide for the Top 10 Mare Island improvements.

Utilize the City's White Paper "elevator pitch" to provide visibility into Mare Island's necessary investments for immediate education and feedback from Navy and MIB leadership.

Continued

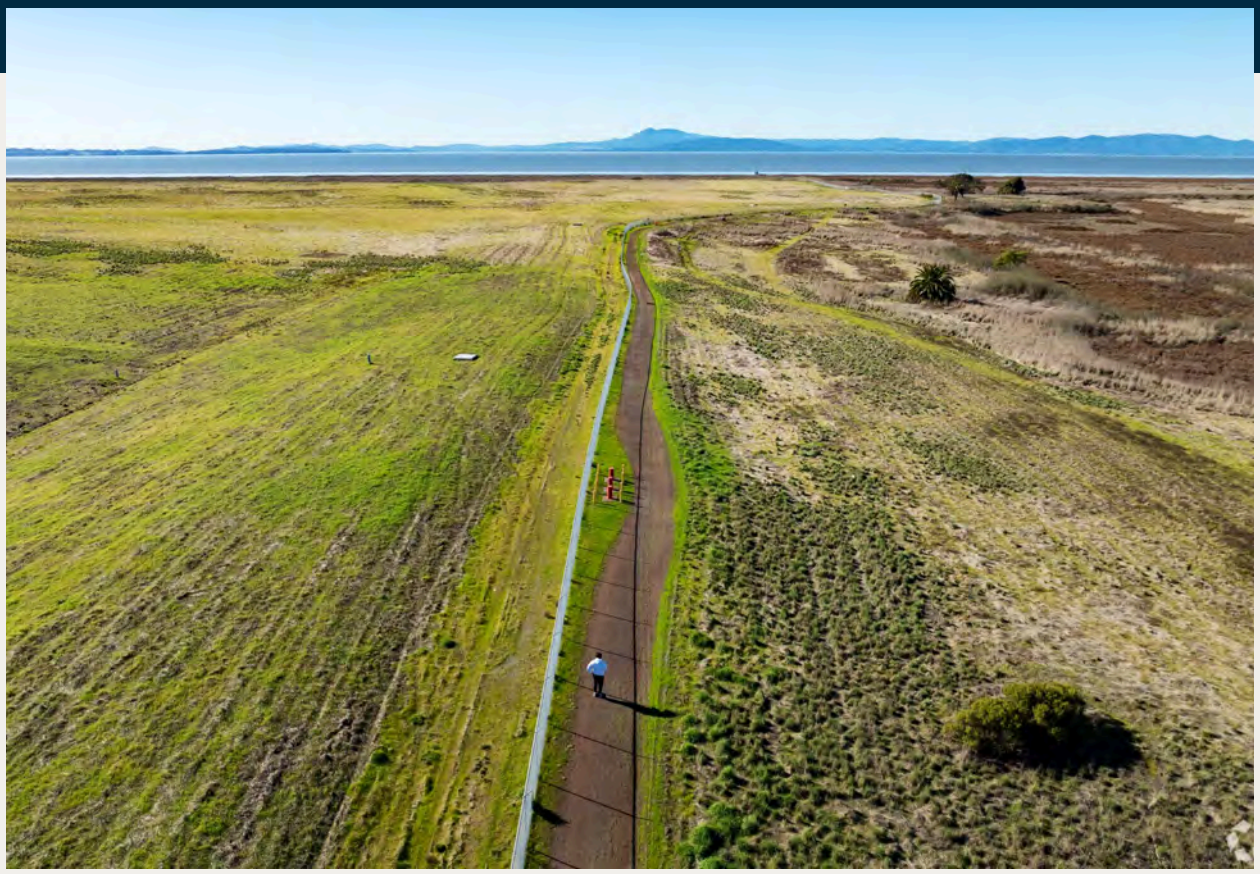
Implementation & Rationale Continued

Explore Industrial Base Analysis and Sustainment (IBAS) funding and Defense Production Act (DPA) Title III funding. While our own analysis suggests IBAS and DPA funding may be less focused on the MIB, these offices are relatively accessible inside the Pentagon, and merit attention.

IBAS is particularly important for supporting technical education skillsets.

DPA funding is designed to restore domestic production capacity for critical components and technologies. The GAO provides an example: adding ship steel shipbuilding capacity to a shipyard.

Explore the Defense Manufacturing Community Support Program, which supports long-term community investments that seek to strengthen the defense industrial ecosystem, including the shipbuilding and submarine workforce.



San Pablo Bay Trail, Mare Island


Aerial view of Mare Island

7 Recommendation

Recommendation #7

Develop Courses of Action, including Federal, State, and Public-Private Partnerships investments to develop berthing options on Mare Island for complex and longer-term Navy and USCG repair activities.

Develop a cost-benefit analysis and feasibility study to provide for a 300-500 person lodging area on Mare Island for U.S. Navy, USCG and other Federal Agency sailors.

Implementation & Rationale

Consider existing Federal and State grant authorities to commission a study to revitalize existing post-BRAC military berthing areas on Mare Island. Consider the Department of War OLDCC grant opportunities that typically flow to the local redevelopment agency. In this case, it is possible such funds could be directed to the City of Vallejo or directly to Mare Island Company.

Explore potential DOE and DOW grant sources to provide for temporary and surge berthing capabilities at Touro University, utilizing the community college's dormitory spaces.

Explore use cases of geographically located ship repair facilities for innovative berthing and quality of life initiatives.

Actively engage the CA Congressional Delegation with findings to implement potential funding pathways.

8 Recommendation

Recommendation #8

Fully understand the NAVSEA Shipyard Certification process and seek a means to work alongside the Navy, expedite the process in order to become eligible for all MIB- and MAP-related repair and maintenance activities.

Mare Island's major dry dock operator will inevitably require some form of a NAVSEA shipyard certification. That process should be fully understood and discussed with the Navy in order to develop the required framework for implementation, including the investment to do so, and the anticipated return on investment.

Implementation & Rationale

Investigate MIB funding and pathways to achieve an accelerated pathway to the U.S. Navy's Safety Certification Program (SCP). The core objective of the SCP is to ensure the safety of Navy ships during all docking, repair, construction and launching operations.

Understand the challenges to receive a Safety Certification in its totality. A variety of opinions exist regarding the importance and difficulty of receiving a certification. In fact, one former NAVSEA official remarked that a certification "is not hard to overcome" and can be dealt with should the Navy desire the shipyard to participate in repair activities.

Liaison with NAVSEA to seek potential remedies and mitigation for an expedited process to achieve a Master Ship Repair Agreement, used to validate a company's ability to conduct major repair periods.

If looking to perform nuclear work on submarines, seek certifications from Naval Nuclear Propulsion Program for work on engine room systems and from the Submarine Safety Program for work on the hull.

THE NEW PARADIGM: UNMANNED VESSELS AND SPECIALIZED BUILD PROCESSES AT MARE ISLAND AND SURROUNDING AREAS

Mare Island's organic ship building attributes, dry docks, piers, and industrial areas could be a natural fit for non-traditional ship and underwater vehicle manufacturing, especially in the autonomous domain. In the OBBB funding mechanism, the Navy will spend the following in 2026 alone:

Expansion of small, unmanned surface vessel production: $1.5 billion
Expansion of purpose-built medium unmanned surface vessels: $2.1 billion
Expansion of unmanned underwater vehicle production: $1.3 billion
Development of testing of maritime robotic autonomous systems: $188 million

Mare Island's previous expertise and purpose-built capabilities for nuclear fast attack submarine repair should offer possibilities to pursue such large amounts of money. The Navy will be of little help to the City — such work will have to be generated directly with the Prime contractors seeking autonomous vehicle build contracts. It is a crowded and competitive space and many bets have already been made by autonomous producers on existing and new construction shipyards to support, for one, shipbuilding in support of the Modular Attack Surface Craft (MASC) program.

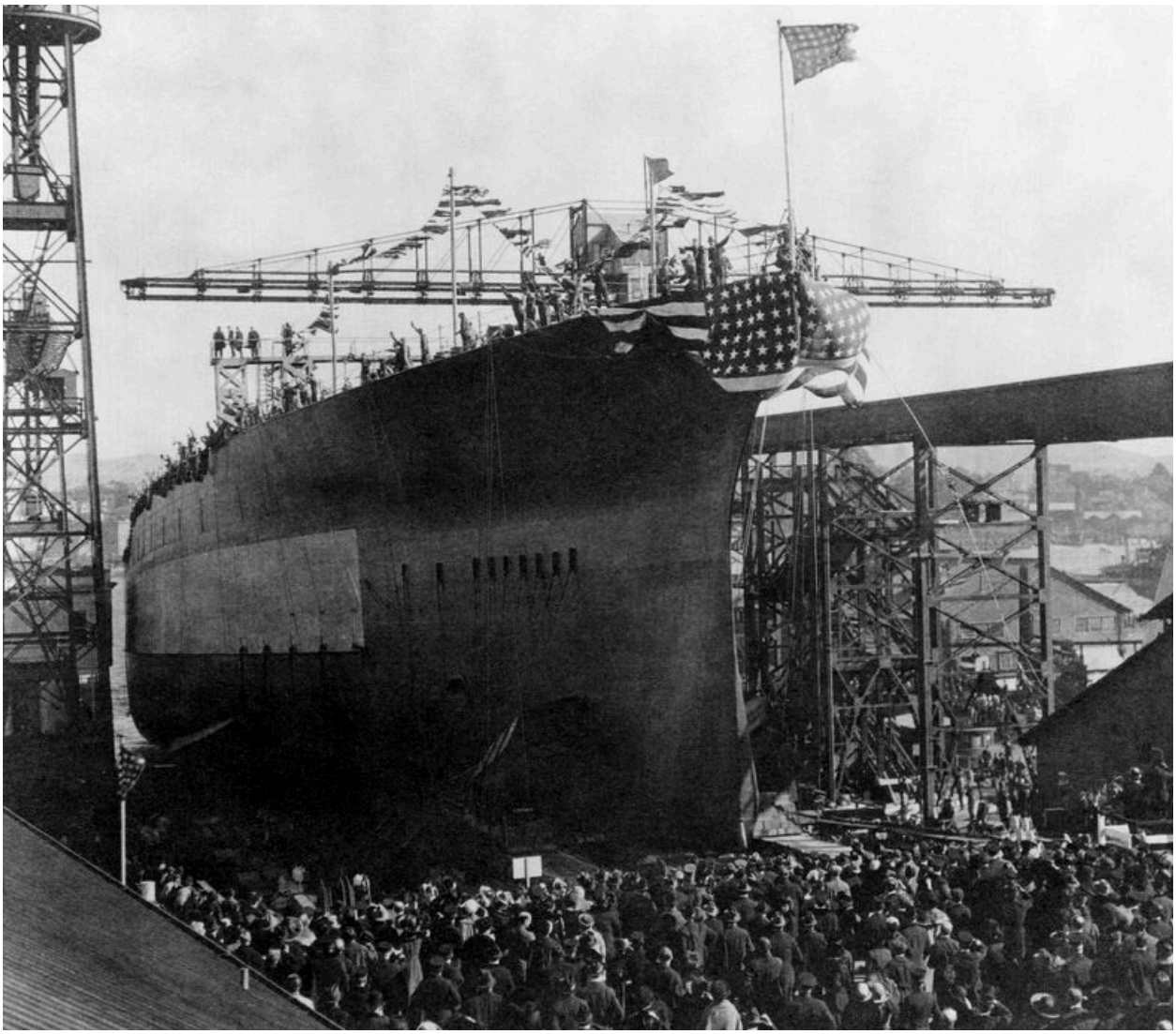
It is not too late to move in the direction of supporting the robotic and autonomous maritime industrial base. The City is in fact in an enviable situation, with existing underutilized waterfront assets, a higher education facility dedicated to a maritime workforce, the prospect of joining a new Maritime Prosperity Zone, and being located close to one of the greatest technical ecosystems in the world. While the big names like Saronic, Serco, Boeing and others stand out, California has a robust presence in this space. Each of these companies should be aware of Mare Island's capabilities, including those firmly established elsewhere in the State. Companies include Saildrone in Alameda, CA; Anduril Industries in Costa Mesa; Liquid Robotics in Sunnyvale; SeaSatellites and SubSeaSail, in San Diego, among others. Almost all of the prime contractors are committed to the autonomous market. Lockheed Martin, Huntington Ingalls Industries, General Dynamics, Boeing / Liquid Robotics, Leidos, L3Harris, and Northrop Grumman are all in the mix. Each should be a real target to develop potential partnerships and presence on Mare Island and elsewhere in the Vallejo area.

There are numerous advantages to participating in the autonomous space. It involves relevant technology that will only increase in demand and be applicable to both national security and commercial markets. The technology depends on high compute methods, artificial intelligence and machine learning. High technology systems and sensors see, discern, navigate, communicate, and ultimately make decisions to fight or not. The vehicles are highly intelligent and demand the best engineering and maritime designs, command and control systems, and software packages available. While there is obviously a significant and challenging component to the shipbuilding aspect of autonomy at-sea, the many technical competencies required provide a diversified and complex range of opportunities for a high technology workforce to satisfy.

Advantages will be provided to those who focus on what one author in "*The Industrial Logic of the New Robot Navy, 3/10/26*" explains as a "single, stable design in succession." He notes that the Naval Post Graduate School in 2020 found shipyards achieve efficiency gains when they focus on one ship-type, built in succession, and decline when shipyards

attempt to build multiple and complex designs simultaneously. There is a certain power to this knowledge considering autonomous companies still have a healthy amount of work to be performed in this space.

Autonomous ships of the future will be handsomely funded and will incorporate highly technical features, many pioneered in the State of California, including autonomy, artificial intelligence, and digital engineering. The author further contends that ships will be characterized by commonality and not exquisiteness, meaning shipyards could produce hundreds per year. Such repeatability will offer ongoing and predictable production, promoting a stabilized supply chain and a workforce that can hone its expertise on a repeatable and common platform whose main growth will be the result of software and not hardware changes.



Launching ceremony for the USS California, Mare Island, November 20, 1919. The Mare Island-built battleship was badly damaged in the attack on Pearl Harbor, December, 1941. On March 25, 1942, the ship was finally refloated and towed to dry dock for repairs.


Alfred Zampa Memorial Bridge at Dawn

9 Recommendation

Recommendation #9

Consider an organized outreach campaign to the major robotic and autonomous prime, subcontractor, and significant vendors supporting the Navy's Hedge Strategy.

Implementation & Rationale

Position Mare Island as a strategic node within the autonomous ecosystem. The Navy's Hedge will mean a significant percentage of all naval vessels being autonomous, a huge objective that will require new capabilities and waterfront access across the country.

Capitalize on the Navy's multi-billion dollar investment in small and medium surface autonomous vessels and unmanned underwater vessels, despite ongoing challenges in acquisition and integration in Fleet operations.

While the ecosystem is taking shape, establish relationships with the large network of prime contractors, subcontractors, and vendors who are designing and eventually building these systems.

Launch an organized outreach campaign to attract partners and potentially yield long-term dividends.

Engage Navy leaders overseeing the selection and deployment of such technology. It would be useful to interface with, at a minimum, Portfolio Acquisition Executive for Robotic and Autonomous Systems (PAE RAS) to spread the word about Mare Island's capabilities and to receive any possible feedback related to MIB investments and the Navy's expectations for commercial shipyards participating in the enterprise.

Aerial view of the city of Vallejo, California

02 / Stationing of Vessels at Mare Island

The prospect of the City of Vallejo becoming a federal homeport is directly tied to the expansion of the federal fleet rather than the simple replacement of aging assets. While a one-for-one ship swap maintains existing operations, it rarely opens the door for new regional growth or infrastructure investment. A realistic opportunity only arises when the total number of hulls increases. This section examines that shift, focusing specifically on the U.S. Navy and the U.S. Coast Guard, as both services undergo significant changes to their fleet size and the types of vessels they deploy.

Selecting a homeport is a high-stakes, resource-informed decision for any federal Agency faced with matching maritime assets to a local community. For the U.S. Navy and Coast Guard, the "Strategic Laydown" is the deliberate positioning of operating forces to support Department of War guidance and ensure national security readiness. This process is designed to execute operation plans (OPLANs) and concept plans (CONPLANs) approved by the Secretary of War. To achieve this, planners must navigate three primary tensions:

1. **Rapid Deployment vs. Cost Efficiency**
   Forces must be positioned to facilitate immediate transit across transoceanic distances for theater-shaping and contingency response. However, this proximity to operational areas must be balanced against the lifecycle costs of maintaining infrastructure in potentially expensive or remote locations.

2. **Strategic Dispersal vs. Economies of Scale**
   To preserve national readiness, the military must utilize "Strategic Dispersal" to preclude an unacceptable reduction of capability due to the loss of units in a single location from a natural disaster or wartime event. Conversely, agencies seek to "cluster" ships of the same class to gain "economies of scale" in specialized maintenance, training, and supply chains.

3. **Operational Availability vs. Human Wholeness**
   A harbor may be geographically ideal, but if the local community cannot support the crew, "Operational Availability" suffers. Planners must ensure the balance of hardware, people, and support, by verifying that a location provides the necessary "Quality of Service" to retain a professional force.

These competing demands require an analytical logic that is transparent and defensible to senior leadership and to Congress, ensuring that every dollar spent on the shore translates to readiness at sea. To attract or support home basing or stationing of USG vessels, the City of Vallejo must align its strategic planning with the specific evaluation criteria and timelines utilized by these services. Because Vallejo is a civilian municipality, its role is to present a "supportable" environment that scores highly within the Navy's Strategic Laydown and Dispersal (SLD) and the Coast Guard's Cutter Homeport Decision Process (CHDP).

THE FIVE MEASURES OF EFFECTIVENESS USED BY GOVERNMENT PLANNERS

While the Navy and Coast Guard employ distinct planning processes, both services rely on a standardized evaluative framework grounded in the logic of the Homeport Assessment Tool (HAT). This model ensures that basing decisions consistently prioritize operational availability and platform wholeness, providing the quantitative foundation for posture testimony before Congress and for resource prioritization. At its core, the framework assesses five principal measures.

1. **Mission Performance:** Examines geography and navigation, specifically whether a vessel can safely exit the harbor and meet the Mission Need Date outlined in its assigned operational plan.

2. **Support and Maintenance:** Evaluates the availability of industrial capacity, including waterfront and materials handling equipment (WHE/MHE) and specialized shore utilities required to sustain the platform.

3. **Local Support Infrastructure:** Considers crew and family wholeness, assessing whether the surrounding community can absorb personnel, particularly junior enlisted members, without undue hardship.

4. **Environmental Impact:** Addresses legal guardrails under NEPA, ensuring decision-makers are fully informed of environmental and historic considerations.

5. **Cost (Fiscal Responsibility):** Determines whether the proposed location minimizes the total cost of ownership across the Future Years Defense Program (FYDP).

Although these five measures are consistent across platforms, their relative weighting varies based on mission and design; for example, a heavy icebreaker or nuclear-powered carrier will place greater emphasis on industrial support and maintenance, whereas a coastal patrol craft may prioritize mission performance. The following sections break down these criteria in further detail.

Mission Performance & Maintenance
Operational viability begins with physical geography and ends with industrial capacity. The port must be able to host the platform while facilitating strategic dispersal to remove single points of failure.

Hard requirements for ship basing begin with navigation and geography, which function as binary "go/no-go" factors. Physical constraints such as channel depth, bridge clearance relative to mast height, and sufficient harbor maneuvering room must be met before any further consideration. Planners also evaluate key transit metrics, including the distance to the primary Area of Responsibility or Operating Areas, recognizing that every additional day spent in transit reduces operational availability and increases fuel consumption.

Beyond access, support requirements related to maintenance and logistics are equally critical. Adequate industrial capacity is mandatory, including proximity to public or commercial shipyards and access to specialized crane services and waterfront and materials handling equipment necessary for mast, antenna, and ordnance maintenance. Modern waterfront configuration standards also require scalable "shore ties" for electrical power, potable water, telecommunications, and sewage to preserve shipboard wholeness while vessels are pierside with engines secured. Finally, planners weigh the efficiencies gained through co-locating multiple ships of the same class against the strategic imperative to geographically disperse the fleet to enhance resilience and operational reach.

Local Support & Family Well-being
A ship's readiness is tethered to the stability of its crew. The military evaluates "Local Support Infrastructure" to ensure that a homeport move does not degrade the "Quality of Service" or place an undue burden on sailors, Coast Guardsmen, and their families. The Quality of Service Scorecard reports on the following metrics:

> **School Quality:** Planners analyze graduation rates and test scores; family stability is the primary driver of mid-career retention.
>
> **Housing & BAH Alignment:** The local market must have sufficient capacity to prevent "potential hardship for junior enlisted" sailors who rely on the Basic Allowance for Housing (BAH).
>
> **Medical Access:** Proximity to both military clinics and civilian "Trauma Centers" is a non-negotiable health and safety requirement.
>
> **Spousal Employment & Economy:** Robust local job markets are essential for the modern two-income military family.
>
> **Training Proximity:** Closeness to "'C' Schools" (Navy or Coast Guard) reduces Temporary Additional Duty (TAD) costs and time away from home.

A community must be a safe harbor for families while meeting rigorous environmental legal standards.

Environmental Stewardship
The National Environmental Policy Act (NEPA) is the primary legal requirement that informs decision-makers of the impacts of their actions. No major personnel relocation can occur, and no construction contracts can be awarded until NEPA analysis is complete.

In early 2025, the regulatory landscape for military NEPA compliance underwent a major shift designed to prioritize speed and national security over traditional procedural timelines. Following President Trump's Executive Order 14154, the Council on Environmental Quality rescinded its previous, more restrictive NEPA regulations and paved the way for a more streamlined effort. Furthermore, under the OBBB, the Navy and Coast Guard can now leverage an expedited review track that utilizes third-party funding to cut review timelines by half. While the core requirement to study environmental impacts remains, the shift toward permitting Reform has effectively transformed NEPA from an open-ended investigative process into a strictly managed schedule focused on rapid infrastructure deployment.

The City of Vallejo can be most impactful by positioning itself as a permitting-ready site that maintains ready-to-use data on water quality and historic resources to ensure these guardrails do not become roadblocks.

An aerial view of Vallejo's Mare Island straight.

10 Recommendation

Recommendation #10

Strengthen Community Support for Service Members and their Families.

It is imperative that the City of Vallejo develop housing and family-support infrastructure that aligns with federal basing requirements and improves Mare Island's competitiveness in homeporting decisions.

Implementation & Rationale

Conduct an analysis of workforce housing inventory and execute corrective actions.

- Ensure adequate housing inventory is available and priced in alignment with federal housing allowances (e.g. Basic Allowance for Housing (BAH))
- Develop unaccompanied housing by repurposing the former barracks facilities on Mare Island for military personnel and maritime workers.
- Document the City's ability to support an expanded military presence with housing availability data.

Conduct an assessment of community quality metrics and improve them where able.

- Compile data on school performance to include (standardized test scores and graduation rates).
- Compile data on public safety, transportation access, and recreational amenities.
- Partner with healthcare providers to ensure access to medical services and regional trauma centers and medical services.
- Explore public-private partnerships to support child development centers.
- Document Highlight local recreational opportunities and family employment prospects.

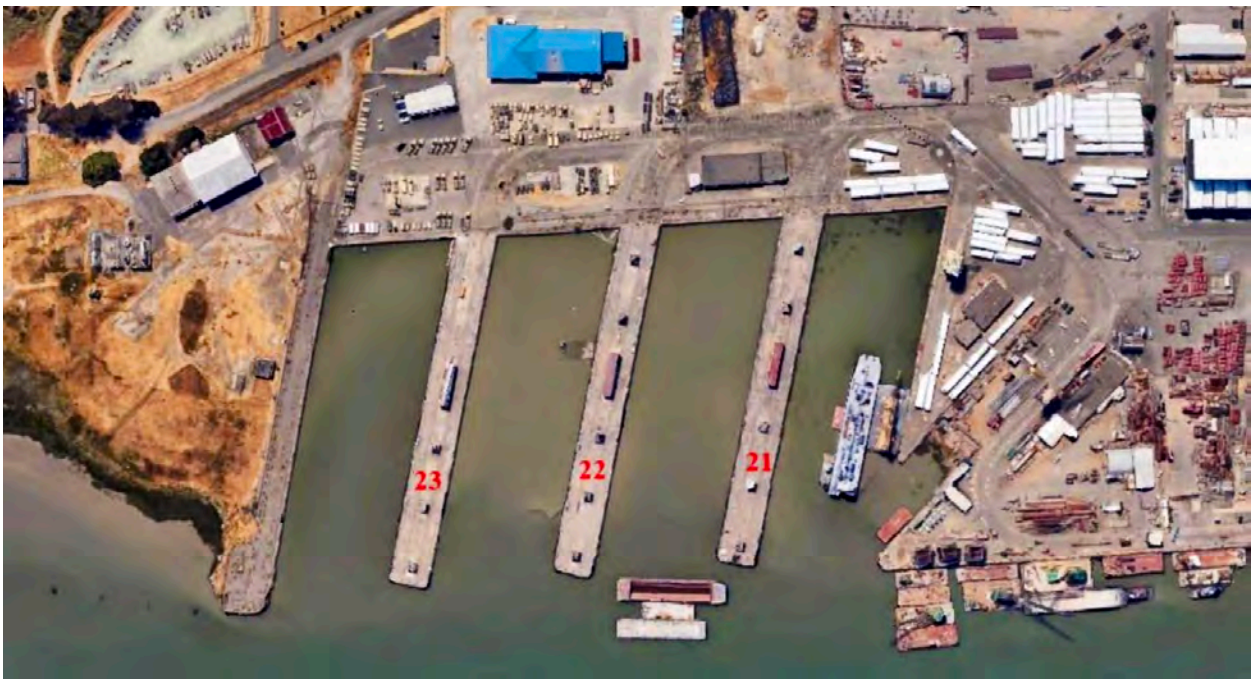
Prepare a "Quality of Service" profile highlighting Vallejo's ability to support military families.

Military basing decisions increasingly consider the well-being of service members and their families as family readiness is inextricably linked to mission readiness. Communities that provide stable housing, strong schools, and accessible medical care reduce personnel turnover and improve operational readiness. Demonstrating these strengths improves the City's position during the federal evaluation process. Cities that proactively mitigate capacity exceedance risks improve the feasibility of basing.

Furthermore, investing in community support functions is essential because it fosters a deep-seated connection between the military community and the local area, turning a duty station into a permanent home. When a homeport provides robust resources, families are more likely to put down roots and invest socially and economically in the City. This sense of belonging often leads service members and their families to choose to remain in the region long after their service ends, transitioning from active-duty members to a skilled local veteran workforce. By prioritizing these support structures, the City supports military readiness and facilitates a long-term symbiotic relationship where the City benefits from the stability and expertise of a resident veteran population.

EXISTING INFRASTRUCTURE

Mare Island currently has three finger piers and wharf berths capable of supporting a majority of vessels in the Navy and Coast Guard fleet. The finger piers, Piers 21, 22, and 23, are each 750 feet long by 80 feet wide. The piers do not currently have active utilities, but all major utilities are within reasonable proximity and could be reconnected. When active, the Navy maintained the depth of the piers at 39 feet. Major dredging would need to occur to get back to that depth.



Mare Island Naval Shipyard, Vallejo, CA / Present Day
Aerial view showing repurposed dry docks and industrial waterfront redevelopment.

Mare Island Naval Shipyard, Vallejo, CA / Historical
Historic view during active U.S. Navy operations, with dry docks filled by naval vessels.

Per the Unified Facilities Criteria (UFC) system, which is the military's design and construction guide, the width of the finger piers will be a limiting factor on how many vessels would be allowable on each berth. This guidance requires general berthing to have a minimum width of 115 feet, assuming vessels will occupy both sides of the pier. Because these piers are only 80 feet wide, each pier can only berth vessels on one side. For homeporting planning, the City must propose single-side berthing for multiple smaller cutters/USVs to meet modern standards.

The following table outlines the guidance UFC 4-152-01, piers and wharves.

Table 4:
Naval Pier Design Standards by Function and Ship Type

Function Classification/Type	Ship Type	Typical Pier Width *(feet)*		Typical Wharf Apron Width *(feet)*	Railroad Track *(Standard Gage)*	Rail Mounted Cranes
		Single Deck	Double Deck			
Amunition	Amunition	100	-	100	-	-
General Purpose Berthing	Auxiliary	115	93	65	-	-
	Surface Warfare	115	93	65	-	-
	CVN	150	93	90	-	-
	Submarine [a]	65	-	65	-	-
	Submarine [b]	85	-	65	-	-

Function Classification/ Type	Ship Type	Typical Pier Width *(feet)*		Typical Wharf Apron Width *(feet)*	Railroad Track *(Standard Gage)*	Rail Mounted Cranes
		Single Deck	Double Deck			
Repair (Type III)	Surface Warfare	125	-	75	4 tracks; 2 each side	(2) 40' gage; 1 each side
	CVN	150	-	100	-	-
	Submarine	100	-	100	-	-
Type IIA		*	*	*	-	-
Fueling	Auxiliary	50	40'/50' [c]	-	-	-
Supply (General)	Auxiliary	125	-	100	2 tracks	-
Supply (Container)	Auxiliary	125	-	100	Up to 3 tracks	(1) 100' gage

* Must meet minimum requirements for a Type III

[a] Pier width is shown for a pier with only in-shore berths

[b] Pier width is shown for a pier with in-shore and off-shore berths (multiple berths along its length)

[c] Operational deck = 40' (12 m); utility deck = 50' (15 m)

In addition to the piers, there is upwards of 10,000 linear feet of structurally reinforced berth space bordering the Mare Island Strait that could also serve as a permanent berth space. The utilities at these berths could be upgraded to meet the requirements of specific vessels.

Mare Island waterfront berth space along Mare Island Strait

A major factor that needs to be considered is the fact that the government currently does not own any of the land or infrastructure that would support vessel homeporting. The Navy and Coast Guard could expand their vessel berthing capacity through two primary approaches: constructing new berthing infrastructure on acquired land or utilizing layberthing arrangements at existing waterfront facilities.

Land acquisition and construction involves purchasing or securing waterfront property and developing purpose-built piers, utilities, security infrastructure, and maintenance support facilities. This approach provides long-term capacity, greater operational control, and the ability to design facilities specifically for the size and mission requirements of assigned vessels. However, it typically requires significant capital investment, environmental review, and multi-year construction timelines.

Alternatively, the services can expand capacity through layberthing agreements with commercial shipyards, ports, or municipal waterfront facilities. Layberthing allows vessels to be moored at existing piers that may not require the full suite of homeport infrastructure but can provide safe docking, shore power, and basic support services. This method is generally faster and more cost-effective in the near term because it leverages existing infrastructure and avoids the lengthy processes associated with land acquisition and new construction. The current term limits of layberthing contracts is 5-10 years, making them particularly useful for surge capacity, temporary homeporting, vessels awaiting maintenance, or forward staging of ships in strategically useful locations. Legislation would be required to allow a greater contract term limit.

An aerial view of Vallejo's Mare Island straight.

Recommendation

Recommendation #11

Enhance Ship Infrastructure to Support Modern Vessels.

Upgrading waterfront infrastructure is essential to meet modern military vessel berthing standards and enable the clustering of multiple ships. The City should focus on the finger piers as they can be distinctly isolated as compared to the wharf berths.

Implementation & Rationale

Upgrade waterfront infrastructure through Public-Private Partnership (as indicated in Recommendation #1).

- Retrofit the Finger Piers with high-capacity shore power connections. Provide sufficient utility redundancy to support multiple ships simultaneously.
- Ensure access to potable water, sewage, and telecommunications infrastructure.
- Ensure pier load ratings support Weight/Material Handling Equipment (WHE/MHE) and potential ordnance logistics.
- Provide access to shore front facilities for administrative requirements, warehousing and industrial maintenance.

Document industrial maintenance capability.

- Develop a partnership with MIDD, or current dry dock operator, to provide maintenance augmentation and highlight proximity to public or commercial shipyards for additional maintenance.
- Inventory crane capacity, heavy manufacturing capability, and industrial power available in buildings such as the Mare Island foundry and metal fabrication facilities.
- Assess proximity to fuel availability.

Continued

Implementation & Rationale Continued

Provide capacity for ordnance logistics and operational loading requirements.

Facilitate environmental compliance by maintaining ready-to-use data on water quality, historic and cultural resources, and potential impacts on protected species or habitats in the Mare Island area.

Secure federal funding to restore navigational access and berthing by deepening the Mare Island Channel and Strait, as well as the finger piers, to between 30-40 feet depth. Final depth would depend on the specific vessel assigned.

Develop a clustered berthing concept. Plan each pier configuration for at least 2 surface combatants or unmanned surface vessels of the same ship class while ensuring adequate maneuvering room for safe ingress and egress of vessels.

USNS Sisler (T-ARC-6) undergoing maintenance in a historic graving dry dock on Mare Island

Establishing a military homeport is a long-term federal commitment that requires more than available pier space. Successful homeport locations must provide a complete logistics, maintenance, and operational support ecosystem capable of sustaining vessels with advanced systems and a high operational tempo. Federal agencies, therefore, prioritize sites that already possess essential infrastructure, as this reduces the cost and timeline of federal investment required to make a location operational.

At Mare Island, infrastructure improvements should focus primarily on the three Finger Piers, where security requirements and operational configuration make them better suited for military berthing than the existing waterfront wharves. Upgrading these piers with reliable shore utilities, cargo handling capability, and supporting logistics infrastructure would allow the site to safely berth multiple vessels while supporting maintenance and operational readiness.

Mare Island's industrial assets, including large manufacturing and fabrication facilities, combined with available former barracks for personnel housing, create the foundation of a self-supporting maritime operations hub. These elements collectively strengthen the case for rotational stationing or homeporting of Navy or Coast Guard vessels.

However, the site's historic limitation remains channel depth and ongoing silting, particularly around the Finger Piers. Addressing this constraint through federal dredging authorization is essential for supporting larger cutters and maintaining navigational access. In addition, environmental compliance remains a critical requirement; projects must meet the standards of the National Environmental Policy Act (NEPA) before any federal homeporting decision can be finalized.

Together, targeted pier upgrades, dredging to maintain navigational depth, and environmental readiness will provide the foundational infrastructure needed to position Mare Island as a viable maritime homeport candidate.

POTENTIAL U.S. NAVY STATIONING OPPORTUNITIES

The United States Navy is currently undergoing the most significant structural pivot since the end of the Cold War. The Navy is moving beyond the 355-ship goal of 2016 toward the "Golden Fleet," a 381-manned-ship force-level goal augmented by a 134-vessel unmanned fleet. This transition is predicated on the Distributed Maritime Operations concept, which aims to disperse manned and unmanned units over a wide area to complicate adversary targeting. However, this expansion is being launched from a precarious position; the fleet is projected to hit a near-term low of 283 ships in 2027 before the planned expansion begins in earnest.

This ramp-up is fueled by the OBBB of 2025, which provided $26.5 billion in mandatory funding for 16 ships, which represent 56% of the FY2026 shipbuilding budget. To convert these appropriations into operational power, the Navy's force development centers on three critical emerging platforms: the Guided Missile Battleship, Unmanned Surface Vehicles, and a new class of Frigates. The table below highlights the increase in need for these three platforms and represents the most significant basing opportunities over the next decade.

Table 5:
355-Ship, 381-Ship, and Golden Fleet Force-Level Goals

	355-Ship Force-Level Goal / 2016	381-Ship Force-Level Goal / 2023	Golden Fleet Force-Level Goal / 2026
			Forthcoming
Battle force ships (i.e., manned ships)			
Ballistic missile submarines (SSBNs)	12	12	N/A
Attack submarines (SSNs)	66	66	N/A
Aircraft carriers (CVNs)	12	12	N/A
Large surface combatants	104	87	N/A
Battleships	0	0	15-25
Cruisers and destroyers	104	87	N/A
Small surface combatants	52	73	N/A
Frigates (FFGs and FFs)	(24)	(58) [a]	50-65
Littoral Combat Ships (LCSs)	(28)	(15) [a]	N/A
Larger amphibious ships	38	31	N/A
LHA/LHD amphibious assault ships	(12)	(10)	N/A
LPD/LSD amphibious ships	(26)	(21)	N/A
Smaller amphibious ships (i.e., Medium Landing Ships [LSMs]) [b]	0	18 [b]	N/A
Combat Logistics Force (CLF) ships (i.e., at-sea resupply ships)	34	46	N/A
TAO oilers and TAOE replenishment ships	(20)	(20)	N/A
TAKE dry cargo ships	(14)	(13)	N/A
TAOL light replenishment oilers	(0) [b]	(13)	N/A
Command, expeditionary, and support ships	37	36 [b]	N/A
LCC command ships	(2)	(2)	N/A
AS submarine tenders	(2)	(2)	N/A
ESD Expeditionary Transfer Dock ships	(2)	0	N/A
EPF Expeditionary Fast Transport ships	(10)	(8)	N/A
ESB Expeditionary Sea Base ships	(6)	(6)	N/A
ARS and ATF salvage ships and fleet ocean tugs	(8)	(8)	N/A
TAGOS ocean surveillance ships	(7)	(10)	N/A
Subtotal battle force ships (i.e., manned ships)	**355**	**381**	N/A
Large Unmanned vehicles			
Large Unmanned Surface Vehicles (USVs)	0	78	N/A
Large Unmanned Underwater Vehicles (UUVs)	0	56	N/A
Subtotal large unmanned vehicles	**355**	**134**	N/A
TOTAL battle force ships and large unmanned vehicles	**355**	**515**	N/A

Source: *Table prepared by CRS based on U.S. Navy data. The Navy categories LSMs as expeditionary ships, CRS and the Congressional Budget Office (CBO) categorize them as smaller amphibious ships.* [a] *Under its FY2025 budget submission, the Navy wanted to maintain a force of 25 (rather than 15) LCSs. This could imply a total of 48 (rather than 58) frigates.* [b] *The Navy states that "The 2022 Amphibious Force Requirements Study determined an initial capacity goal of 18 LSMs, with a total requirement [sic] of 35." (U.S. Navy, Report to Congress on the Annual Long-Range Plan for Construction of Naval Vessels for Fiscal Year 2025, p. 4 (Table 1, note).*

Guided-Missile Battleship (BBG)
The Golden Fleet force-level goal fundamentally alters naval doctrine through the reintroduction of the Guided-Missile Battleship (BBG). This is not a nostalgic return to big-gun diplomacy but a strategic requirement for heavy surface combatants capable of serving as high-capacity missile nodes and command centers within the operational framework.

The Navy has established a requirement for 15–25 guided missile battleships. This BBG(X) program is scheduled for implementation beginning with the FY2027 budget. Given that lead ships of this complexity now face 10-to-11-year build cycles, the industrial lead time logic dictates that the infrastructure to support these hulls, specifically those that require deep-draft piers and high-capacity electrical grids, must break ground by 2028 to meet a mid- to late-2030s operational delivery.

The addition of up to 25 BBGs to a fleet currently dominated by Arleigh Burke-class destroyers represents a massive shift in the Navy's tonnage profile. BBGs will require specialized maintenance facilities that do not currently exist in the civilian sector. By establishing these missions outside of the primary shipyards, the Navy can bypass the legacy backlogs that have already sidelined portions of the fleet.

These are large vessels and could be over 800 feet in length and have a crew size of 650-850 personnel. The size of these vessels will require wharf berthing on Mare Island and the quality of service for this large number of personnel would be paramount. Keeping these factors in mind, the City of Vallejo should not consider BBGs and focus resources on other platforms.

Unmanned Surface and Underwater Vehicles
The current Navy objective mandates a battle force of 134 unmanned surface and underwater vehicles by the year 2045. The Golden Fleet vision signifies the next evolution of this force-level goal, potentially altering the mix of high-end combatants and autonomous platforms to meet emerging threats. These systems allow the Navy to distribute firepower and sensor reach across vast maritime theaters without the exorbitant manning costs of traditional hulls.

Austal concept of Large Unmanned Surface Vessel (LUSV)

> "Looking at some projections moving out over the future, by 2045 we expect about 45 percent of the surface force to be unmanned systems."
>
> Rear Adm. Christopher Alexander,
> Special Assistant to SURFPAC

Large Unmanned Surface Vessels (LUSVs), classified as 200–300 feet long, serve as adjunct missile magazines and are designed to travel with manned multi-mission platforms, providing additional vertical launch cells while maintaining a 20-year service life. While experimentation is ongoing, procurement has been delayed to 2027, with a steady-state purchase rate of 2 vessels per year.

Medium Unmanned Surface Vessels (MUSVs), classified as under 200 feet, serve as persistent sensor platforms for reconnaissance. MUSVs possess a small displacement, allowing them to utilize smaller shipyards and non-traditional naval ports. This creates an opportunity for smaller coastal communities to homebase these vessels, creating resiliency against single-point-of-failure strikes.

The Navy has organized Unmanned Underwater Vehicles (UUVs) into four primary size-based categories, ranging from small, man-portable units to "extra-large" vehicles that are less than 100 feet in length. These vehicles are designed to operate entirely submerged without a crew to perform missions such as mine countermeasures, intelligence gathering, and oceanographic surveys. West Coast UUV operations are currently executed out of three established hubs: Keyport, WA; Port Hueneme, CA; and San Diego, CA. These locations already cover the entire lifecycle of a UUV, from technical repair and command training to heavy-launch operations.

The framework for basing unmanned systems follows three main concepts:

1. Positioned in proximity to potential Western Pacific flashpoints to provide immediate deterrent value;
2. Based near the manned multi-mission platforms (like DDG-51s) to ensure seamless integration of fires and local security during transit; and
3. Dispersed at a higher density in forward operating locations.

These basing concepts present a challenge for the City of Vallejo, but the smaller footprint of unmanned vessels makes them ideal for communities without deep-water ports and access to available, high-tech maintenance facilities. The Navy is firmly committed to its current West Coast footprint for UUVs, so the City should focus its efforts on attracting LUSVs and MUSVs

NOTE: In 2025, the Navy consolidated its LUSV and MUSV initiatives into the new Modular Attack Surface Craft (MASC) program. While specific procurement numbers and timelines remain unannounced, several defense contractors have already offered competing USV designs for the project. Current naval force structure plans suggest the fleet could eventually include several dozen of these vessels, but there is much uncertainty around the future of this program.

Frigates (FFG and FF)
The forthcoming Golden Fleet target of 50–65 frigates represents a major departure from previous assumptions. The Navy is moving toward a single-crew concept which means vessels will spend significantly less time forward-deployed, requiring a higher total ship count to maintain an equivalent overseas presence. This mandate for increased volume serves as the primary driver for the current Frigate procurement surge, known as Flight II, that could see over 50 new Frigates in the fleet.

The Navy decided to truncate the Constellation-class Guided Missile Frigates and redirect future small surface combatants to the same parent hull as the USCG Legend-class cutter. The need for ships of this size is still valid, though the design of the hull and the capability of the ship have dramatically changed. This, however, creates a direct connection to the logistics support and sustainment infrastructure for the current National Security Cutters homeported in Alameda. That shared hull form is already well known in the region, particularly by Mare Island Dry Dock, which has extensive experience maintaining and modernizing these cutters. With an established industrial base familiar with the platform's engineering, systems integration, and lifecycle requirements, the City of Vallejo is uniquely positioned to leverage this expertise and infrastructure to evolve into a future frigate maintenance hub, supporting the Navy's next-generation small surface combatants.

Future frigates are expected to operate with crews of approximately 150 personnel. This smaller crew size makes homeporting and support requirements more manageable for the City of Vallejo, reducing strain on housing, transportation, and local services. With investment in waterfront infrastructure and support facilities, the City could homeport multiple frigates.

The Carquinez Bridge in the Bay area of California

12 Recommendation

Recommendation #12

Position Mare Island as a future Navy Homeport for FF/FFG, LUSV, and MUSV.

To secure the homeporting of a Navy vessel, the City of Vallejo must shift from being a passive recipient to a proactive, all-in partner. The strategy must minimize readiness risk and total cost of ownership through public-private partnerships. Preparing to host a new class of Battleship would be a challenge for the City, so it should focus on hosting multiple vessels of a smaller ship class.

The Frigates and unmanned vehicles require relatively small berthing footprints but depend heavily on robust shore-side infrastructure and technical support. The Frigates have a smaller crew, which reduces the need for robust housing and base infrastructure, but still requires reliable pier utilities, maintenance services, and industrial support. The unmanned vehicles operate without onboard crews, but rely heavily on shore-based facilities where a hybrid workforce of contractor and military personnel handles routine navigation, logistics, pier-side maintenance, and tactical operations.

By prioritizing these smaller, tech-intensive platforms, Vallejo can transform its waterfront into a vital hub for the Navy's next-generation fleet while fostering a specialized industrial base that supports both military readiness and local economic growth. For unmanned systems, the focus should be on LUSVs and MUSVs.

Note: This recommendation is independent of the recommendation to homeport Coast Guard vessels (Recommendation #13). If both are pursued, a hybrid strategy is recommended.

Implementation & Rationale

Develop and execute a Navy senior leader engagement strategy. Engagements need to prove geostrategic and fiscal value, technical readiness (workforce, infrastructure, maintenance), and present an adequate quality of life portfolio.

Key leaders include:

- Office of the Chief of Naval Operations (OPNAV)
  - VADM **Yvette Davids**, Deputy Chief of Naval Operations for Plans and Operations (OPNAV N3/5)
  - VADM **Jeffry Jablon**, Deputy Chief of Naval Operations for Infrastructure and Logistics (OPNAV N4)
  - RADM **Derek Trinque**, U.S. Navy Director of Surface Warfare (N96) (OPNAV N96))
- Ms. **Rebecca Gassler**, Portfolio Acquisition Executives (PAE) for Robotic and Autonomous Systems (RAS)
- Mr. **Chris Miller**, Portfolio Acquisition Executive for Maritime
- VADM **Scott Gray**, Commander, Navy Installations Command (CNIC), and RDML **Rich Jarrett**, Commander, Navy Region Southwest
- VADM **James Downey**, Naval Sea Systems Command (NAVSEA)
- VADM **Brendan McLane**, Commander, Naval Surface Force, U.S. Pacific Fleet (COMNAVSURFPAC)

Develop and execute a Congressional engagement strategy that includes representatives of House and Senate Armed Services Committees and Appropriations Committees.

Continue to monitor the Navy's 30-year shipbuilding plan for opportunities tied to identifying future platform needs that align with its deep-water access and industrial capacity.

Pay close attention to the development of the Navy's Modular Attack Surface Craft (MASC) program and how that might affect future unmanned surface vessel requirements. Develop briefing materials demonstrating Mare Island's infrastructure readiness and community support capacity.

Engage Congressional representatives to ensure the City's capabilities are mentioned during posture testimony.

Promote new legislation that would allow a private entity to host new platforms through a 40-year service agreement.

Navy basing decisions prioritize locations that reduce readiness risk, minimize the total cost of ownership, and provide the infrastructure and community support necessary to sustain fleet operations. Rather than attempting to attract a larger vessel, which would require significant new investment and present substantial operational challenges, the City should focus on hosting multiple smaller surface vessels whose requirements better align with existing infrastructure and industrial capacity at Mare Island.

The City of Vallejo is particularly well-positioned to support the Navy's emerging mix of small surface combatants and unmanned systems. These platforms have relatively modest footprints and maintenance requirements, and crew sizes that align closely with the infrastructure and industrial ecosystem already present at Mare Island. In particular, the frigate's design lineage from the Legend-class National Security Cutter creates a natural regional advantage by having the same hull form that is already supported at Alameda and MIDD. This local familiarity with the platform's engineering and lifecycle support requirements reduces the risk to the Navy while positioning Vallejo to become a maintenance and sustainment hub for the future frigate force. At the same time, the smaller size and modular support needs of MUSVs and LUSVs make them ideal candidates for distributed basing in communities with available industrial capacity but without the scale required for large combatants.

City leadership must actively engage with the right Navy leadership and federal decision-makers to demonstrate that they can, and are willing to, support these platforms. This includes developing a senior-leader engagement strategy that communicates the City's geostrategic value, existing maintenance and logistics capabilities, workforce readiness, and quality-of-life advantages for sailors and their families. Engagement with key Navy organizations will ensure that Vallejo's capabilities are understood by the leaders responsible for fleet planning, infrastructure investment, and readiness. At the same time, coordination with congressional representatives can elevate Vallejo's profile during hearings and support legislative initiatives that allow innovative public-private arrangements for hosting Navy platforms.

Equally important is aligning the City's efforts with the Navy's Strategic Laydown and Dispersal process, which evaluates potential homeports based on their ability to support "warfare wholeness" and provide resilient geographic distribution of the fleet. The City of Vallejo should seek inclusion in future Navy "excursions" by making it clear that Mare Island already possesses many of the infrastructure, logistics, and industrial capabilities required to support modern surface ships.

The Navy does not want to acquire additional property, so a winning strategy is to provide a "homeporting-as-a-service" concept, or layberthing, through private investment. Long-term layberthing agreements can provide immediate capacity and access to private shipyard capabilities without the legislative hurdles of land acquisition. Additional legislation would be required to extend an initial agreement, but this concept would quickly provide the Navy with deep-water access, private shipyard capability, and proximity to the Pacific Fleet operating areas. Mare Island would be well-suited to host multiple frigates alongside unmanned platforms, enabling the Navy to expand distributed maritime operations while minimizing new infrastructure investment.

POTENTIAL COAST GUARD STATIONING OPPORTUNITIES

The Coast Guard is currently executing a multi-billion-dollar recapitalization of its offshore fleet, a move that represents a fundamental shift in maritime domain awareness rather than a simple hardware upgrade. Transitioning from legacy cutters to the National Security Cutter (NSC), Offshore Patrol Cutter (OPC), and Fast Response Cutter (FRC) tiers provides a national security fleet sophisticated enough to execute future missions. To remain a credible maritime force, the Coast Guard requires the enhanced sea-keeping, endurance, and interoperability inherent in these new platforms.

The Legend-class NSC is the centerpiece of the fleet, acting as an afloat command-and-control hub capable of 60- to 90-day cycles in the most demanding environments on earth. In 2024, the Coast Guard commissioned the 10th NSC vessel and transitioned the program to a full-operational sustainment phase. The inventory is complete, and the geographic footprint for NSC homeporting is effectively locked. Coast Guard Island in Alameda, CA, is already homeport to four of these vessels.

As there will be no further opportunities to secure an NSC basing mission, the City should focus on OPC and FSC platforms. These cutters signify the most credible opportunities for future stationing of Coast Guard vessels at Mare Island.

Heritage-class Offshore Patrol Cutter (OPC)
The Coast Guard's highest investment priority is expanding its inventory with 25 new 360-foot Heritage-class cutters. These OPCs serve as a capability bridge and are designed to replace 210-foot and 270-foot medium endurance cutters that are currently 50 and 30 years old, respectively. These legacy vessels are on a path to total obsolescence, making the OPC the only viable long-term solution for maintaining offshore mission effectiveness.

Photograph of the first offshore patrol cutter

The OPC program is structured into three distinct acquisition phases:

Stage 1 (OPC 1–4)
Stage 1 was awarded to Eastern Shipbuilding Group and its lead vessel was scheduled for delivery in late 2026 following significant setbacks. These four cutters are planned to be homeported in San Pedro, CA (2) and Kodiak, AK (2).

Stage 2 (OPC 5-15)
Stage 2 was awarded to Austal USA to stabilize production, with the lead vessel scheduled for delivery in late 2027. The first four cutters are planned to be homeported in Newport, RI. The homeport for the remaining seven cutters has not been determined.

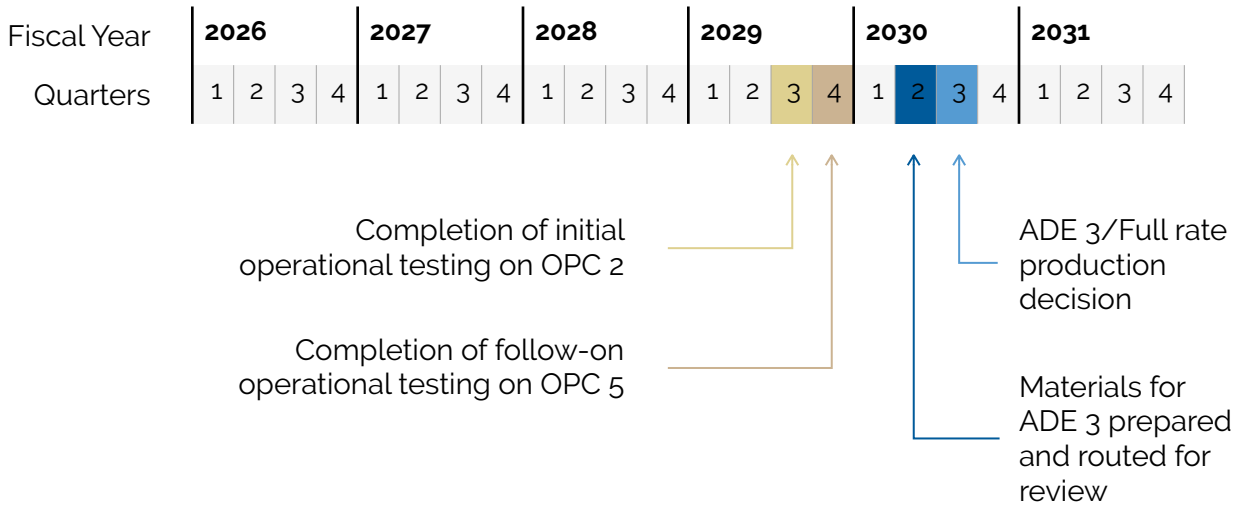
Stage 3 (OPC 16-25):
Stage 3 has not been awarded to a shipbuilder and will be open for competition at a later date. The Coast Guard wants to perform operational testing on Stages 1 and 2 prior to validating performance before moving forward.

The projected delivery timeline as of May 2025 is identified below.

Figure 3:
Schedule of Selected Testing and Acquisition Events for the Offshore Patrol Cutter (OPC) Program, as of May 2025

Source: GAO analysis of U.S. Coast Guard information / GAO-26-107583

ADE = acquisition decision event



As Coast Guard leadership examines future OPC locations, they will consider grouping similar vessels at the same geographic concentration to maximize operational efficiency and reduce maintenance costs. They will also look at the cost of infrastructure recapitalization. Since OPCs are significantly larger than the ships they are replacing, major pier and shoreside upgrades are likely. For example, in Newport, the Coast Guard is

spending between $100-250 million to construct a new pier (1,000' long x 80' wide) for four OPCs.

Because the homeports for OPCs 9 through 25 remain "to be determined," this represents a prime opportunity for the City of Vallejo to secure a high-value maritime mission. As the OPC is designed to serve as a mobile command platform for surge operations, basing decisions will favor locations with robust infrastructure capable of supporting the vessel's 360-foot length, 54-foot beam, and 10,200 nautical mile range.

The OPC has a crew size of up to 126 personnel. This smaller crew size makes homeporting and support requirements more manageable for the City of Vallejo, reducing strain on housing, transportation, and local services. With investment in waterfront infrastructure and support facilities, the City could homeport multiple OPCs.

Sentinel-class Fast Response Cutter (FRC)
The Coast Guard is actively planning for and establishing new homeports for its expanding fleet of FRCs. The OBBB included $1 billion for additional FRCs and the Coast Guard has exercised a contract option with Bollinger Shipyards of Lockport, Louisiana, to increase the total planned fleet of FRCs from 67 to 77 vessels. The Sentinel-class FRCs feature advanced command, control, communications, computers, intelligence, surveillance and reconnaissance equipment; over-the-horizon cutter boat deployment to reach vessels of interest; and improved habitability and seakeeping.

The FRC has a minimal crew size of 24 personnel. This smaller crew size makes homeporting and support requirements more manageable for the City of Vallejo, reducing strain on housing, transportation, and local services. With investment in waterfront infrastructure and support facilities, the City could homeport multiple FRCs.

To date, 59 of these cutters are in service and 64 of the vessels have been named. The remaining hulls represent the last phase of coastal fleet expansion and the final opportunity for communities to host this vital coastal defense asset. This is the critical period for regional leaders to demonstrate their value as strategic maritime hubs.

Arctic Security Cutter (ASC)
The Coast Guard plans to procure 11 ASCs as part of a revitalized icebreaker fleet. To accelerate delivery, construction has been split between allied and domestic shipyards: four ships will be constructed in Finland and seven ships in the United States, specifically Louisiana and Texas.

For basing, the Coast Guard is developing a two-hub polar homeporting strategy. The primary hub will remain at Seattle, which has historically been the center of the icebreaker fleet. A secondary hub is being established in Juneau, Alaska, to position ships closer to Arctic operations, with capacity for several cutters once new facilities are completed later in the decade. Final homeport assignments for the remaining ASCs are expected in 2026 and will depend on port depth, infrastructure, and personnel support requirements.

Because basing decisions have been, or shortly will be, made, the City of Vallejo should not aggressively pursue hosting ASCs but should keep them on the radar. There could be infrastructure or maintenance challenges at the assigned bases that make those locations untenable and the Coast Guard could seek alternatives like Mare Island.

13 Recommendation

Recommendation #13

Prioritize Mare Island as a West Coast Cutter Hub.

To secure Mare Island as a premier Coast Guard cutter hub, the City of Vallejo must synchronize its infrastructure and community development with the Service's Homeport Analysis Tool (HAT) and long-term acquisition timelines. By optimizing deep-water capacity and shore-side support to meet federal readiness metrics, the City can position itself as a viable location for FRC, OPC, or ASC fleets. Specifically, this location offers a strategic "inside-the-bay" advantage, enhancing maritime security and emergency response across the San Francisco Bay–Delta.

Note: This recommendation is independent of the recommendation to homeport Navy vessels (Recommendation #12). If both are pursued, a hybrid strategy is recommended.

Implementation & Rationale

Immediately develop and execute a Coast Guard senior leader engagement strategy. Engagements need to prove geostrategic and fiscal value, technical readiness (workforce, infrastructure, maintenance), and present an adequate quality of life portfolio.

Key USCG leaders include:

Coast Guard Headquarters

- RADM **Chad Jacoby**, Deputy Commandant for Systems (DCS)
- RADM **David Barata**, Deputy Commandant for Operations (DCO)
- VADM **Thomas Allan**, Deputy Commandant for Mission Support (DCMS)

Continued

Implementation & Rationale Continued

RDML **Amy Grable**, Assistant Commandant for Capability (CG-7), specifically the Office of Cutter Forces (CG-751)

RDML **Adam Chamie**, Assistant Commandant for Response Policy (CG-5R)

Assistant Commandant for Acquisitions (CG-9)

RADM **Carola List**, Operational Logistics Command (LOGCOM)

RADM **Joseph Buzzella**, Acting Commander, Pacific Area

RDML **Jeffry Novack**, Commander, Southwest District and Deputy Commander, Pacific Area

Develop and execute a Congressional engagement strategy that includes representatives from the House Committee on Transportation and Infrastructure, Senate Committee on Commerce, Science, and Transportation, and DHS Appropriations Subcommittees.

Conduct a self-assessment using the HAT Measures of Effectiveness and execute plans to address deficient areas.

Monitor and evaluate the potential FRC homeporting decisions and ship construction timelines.

Monitor and evaluate the potential OPC homeporting decisions and ship construction timelines that include the Stage 1 and Stage 2 operational trials.

Support a land acquisition of the finger piers by the Coast Guard. This involves engaging Congressional representatives to secure the appropriate legislation and funding.

Secure Major Acquisition Systems Infrastructure (MASI) Procurement, Construction, and Improvements (PC&I) funding to upgrade waterfront facilities.

Develop briefing materials demonstrating Mare Island's infrastructure readiness and community support capacity.

Engage Congressional representatives to ensure the City's capabilities are mentioned during posture testimony.

The City of Vallejo has a credible opportunity to position Mare Island as a West Coast hub for new Coast Guard cutters by aligning its efforts with the service's modernization initiatives and acquisition timelines. Recent fleet expansion initiatives tied to Force Design 2028 and new federal funding authorities have accelerated procurement of future cutters, creating potential opportunities for additional homeports.

The Coast Guard evaluates candidate locations through the Homeport Analysis Tool (HAT), which assesses mission effectiveness, support infrastructure, environmental readiness, and community quality. Mare Island's extensive berthing capacity, deep-water access, and existing maritime infrastructure provide strong underlying conditions to score competitively in this evaluation process if these capabilities are clearly documented and presented to Coast Guard planners.

Establishing a cutter hub at Mare Island under the operational umbrella of USCG Sector San Francisco represents a realistic and strategically sound objective. In particular, basing Sentinel-class Fast Response Cutter (FRC) units in Vallejo offers strong geographic advantages for regional missions. FRCs primarily conduct coastal search and rescue, fisheries enforcement, and port security operations, making a North Bay location well-suited to support activity across the San Francisco Bay–Delta and the high-traffic commercial ports of Oakland and Richmond. While vessels stationed deeper inside the bay would experience slightly longer transit times to the Pacific Ocean than those based near the Golden Gate, the cutters' maneuverability and shallow-water capability allow them to operate effectively in restricted waterways and inland channels. As a result, FRCs homeported at Mare Island could serve as a critical "inside-the-bay" asset for United States Coast Guard District 11, enhancing maritime security, emergency response coverage, and law enforcement presence throughout the region.

The case for basing larger Heritage-class Offshore Patrol Cutter (OPC) vessels in Vallejo is more complex. OPCs are designed for extended offshore patrols and deep-water missions, and their operational profile favors homeports with more direct access to the open ocean. Transit through the full San Francisco Bay system adds additional time and fuel consumption for each deployment cycle. However, given the OPC's ability to remain on station for extended patrols of up to 60 days, this transit penalty may be operationally manageable in certain scenarios. While existing infrastructure at Coast Guard Island in Alameda will likely remain a preferred homeport for many OPCs, Vallejo should actively engage in the homeporting decision process to ensure Mare Island remains a viable alternative should fleet distribution or capacity requirements change.

The Coast Guard typically requires a homeport decision memorandum eight years before a new cutter arrives. For Vallejo to secure any of the remaining OPCs (OPCs 9 through 25) or FRCs, it must move from passive monitoring to active engagement with the Office of Cutter Forces (CG-751) and Congressional representatives immediately to be included in early acquisition planning.

If Vallejo were selected as a homeport, the Coast Guard would fund necessary infrastructure improvements through its Major Acquisition Systems Infrastructure (MASI) account within the Procurement, Construction, and Improvements (PC&I) budget. These funds are typically requested three to four years prior to vessel arrival to support engineering design, environmental review, permitting, contract solicitation, and construction of required facilities. Because these investments are tied directly to asset

delivery schedules, the scope and cost of projects vary by location and infrastructure complexity.

Under this strategy, the City of Vallejo would not need to rely heavily on private investment to modernize maritime infrastructure. Instead, local resources could be directed toward strengthening the community factors that influence homeport decisions, including housing availability, transportation access, education, childcare capacity, and overall quality of life for service members and their families. By combining strong infrastructure readiness with demonstrated community support, Vallejo can present Mare Island as a competitive and strategically valuable West Coast location for the Coast Guard's next generation of cutters.

Downtown Vallejo, California

03 / Maritime Innovation, Workforce, and Economic Development

The City of Vallejo cannot fully capitalize on ship repair, vessel stationing, or advanced manufacturing opportunities at Mare Island unless it also builds the workforce, innovation, and partnership structure necessary to sustain them over time. Parts One and Two of the Strategic Plan establish the importance of coordinated leadership, alignment with Cal Poly and Cal Poly Maritime Academy, direct engagement with maritime industry stakeholders, and demonstrating workforce and community readiness to federal decision-makers. Part Three turns those ideas into an actionable maritime innovation strategy for Mare Island and the City.

This section builds on proposals already advanced by regional stakeholders and organizes them into an action-oriented agenda for the City. Together, they position Mare Island, the City, and the region as a candidate for emerging federal designations, such as MPZs, Economic Development Administration (EDA) Regional Tech Hubs, and Defense Technology Hubs.

Part Three is organized around four implementation pillars:

- **Pillar 1:** Maritime Workforce Pathway
- **Pillar 2:** Maritime Tech Accelerator
- **Pillar 3:** Maritime Innovation Campus and Demonstration Site
- **Pillar 4:** Strong Economic Development Platform

Each pillar reflects current federal priorities, draws from relevant models, and includes concrete implementation steps. Collectively, these components establish a cohesive framework for cultivating an innovation ecosystem that is rooted in both the City's maritime heritage and vision of catalyzing a robust workforce to expand the industrial base talent pool.

VALLEJO MARITIME WORKFORCE PATHWAY

The workforce question is central to Mare Island's future. Waterfront infrastructure, dry docks, and industrial buildings make a difference. They are necessary components of a thriving maritime ecosystem. By themselves, however, they are not sufficient. A revitalized maritime economy centered on Mare Island will depend on whether Vallejo and its regional partners can produce, attract, and retain the right mix of skilled workers across the full ladder of occupations. These include a wide range of professionals, from welders, electricians, and machinists to mechatronics, robotics, and marine systems technicians. It also encompasses inspectors, maintenance personnel, engineers, digital systems talent, and future supervisors who understand the realities of modern maritime manufacturing.

Stakeholders in the region have already begun to mobilize around this challenge. Solano EDC's recent application to the GO-Biz under the Jobs First Initiative proposes a vertically integrated workforce network spanning secondary education through advanced technical training. Cal Poly Maritime Academy's ATDM-WC concept similarly emphasizes multiple entry points, modernized training facilities, transferable credentials, and a training system tied directly to employer demand. As an essential partner in the success of these efforts, the City of Vallejo and the Vallejo City Unified School District (VCUSD) should view this renewed focus as an opportunity to lead.

Career Technical Education (CTE) should sit at the center of that effort. A maritime workforce pathway cannot begin only at the community college or apprenticeship level. That is too late. Vallejo needs earlier exposure, earlier skill formation, and a more visible pathway into maritime work. Vallejo, therefore, needs a maritime CTE program inside VCUSD that is tied directly to the industries this Plan is trying to grow. VCUSD is large enough to have an impact. The district serves nearly 9,000 students across 20 schools. Its high school course catalog already reflects an understanding of pathways and academies as tools for college and career readiness.

VCUSD's current CTE offerings are substantive. The district offers robust career pathways to include a full engineering curriculum (Design, Principles, and Development), a three-tier construction technology sequence, and broad categories such as Health Careers, Hospitality, Multimedia, and Law. Although the district has a strong CTE base to build from, it does not yet have a maritime technology pathway tied to ship repair, maritime manufacturing, marine electrical systems, waterfront operations, or the emerging technology sectors now shaping the future of the maritime industrial base.

Mare Island's future labor demand will be specific, technical, and difficult to meet without earlier training. It will not be met through broad career awareness alone. The labor profile implied in this Plan is highly specific. If Mare Island is to support expanded ship repair, component fabrication, autonomy-related manufacturing, waterfront modernization, clean maritime energy projects, and other innovation activities, then the school district must begin orienting students toward those sectors years before they enter the labor market. The purpose of a maritime technology CTE program is therefore not simply to add a few elective courses with a waterfront theme, but to create a well-defined pre-apprenticeship pipeline that introduces students to maritime industry careers, builds foundational technical skills, and seamlessly moves them into community college, union, employer, and university pathways. That is the foundational requirement of the broader ecosystem strategy. Without it, the rest of the plan becomes harder to execute at scale.

The strongest way to do this is not to build a traditional maritime academy model from scratch. Vallejo does not need a separate high school. It needs a modern CTE pathway embedded inside VCUSD and closely tied to local industry, Solano Community College, Cal Poly Maritime, and regional workforce partners. That approach is more achievable and better suited to the occupational mix Mare Island is likely to require. The district already has a platform in engineering and construction. The logical next step is to build a maritime technology strand on top of that base.

CTE Instructional Bands

A Vallejo Maritime Technology CTE Program should be organized around three instructional bands: maritime fabrication and repair; maritime electrical, propulsion, and energy systems; and maritime robotics, digital systems, and advanced manufacturing. Together, these bands provide the program's basic structure and carry students from early exposure to more advanced technical work. The proposed three-course sequence should be understood as the instructional delivery model for those bands. In practice, students would be introduced to all three bands early, then move through them in a deliberate progression over the course sequence, with each year building deeper technical competency and stronger alignment to postsecondary and employer pathways.

The first band, maritime fabrication and repair, is the closest fit to current shipyard and industrial demand. It should expose students to welding fundamentals, metal fabrication, blueprint reading, measurement, quality assurance, shop safety, hand and power tools, and introductory non-destructive testing concepts. This band would feed directly into the Welding Technician and related industrial programs at Solano Community College and into regional apprenticeship opportunities. Solano already offers advanced manufacturing instruction built around electronics, mechanics, electrical systems, computer technology, automation, and robotics, and its catalog continues to list Welding Technician as a current certificate pathway. That makes Solano the natural postsecondary anchor for the sub-baccalaureate side of the pathway.

The second band, maritime electrical, propulsion, and energy systems, is where Vallejo can build a more differentiated CTE identity. Mare Island's future is unlikely to be limited to traditional hull work. It is also likely to involve vessel modernization, shore power, hybrid propulsion, battery systems, controls, and waterfront energy resilience. Students should therefore be introduced to DC and AC electrical fundamentals, marine electrical safety, motors and controls, hydraulics and pneumatics, instrumentation, sensors, programmable logic, and basic propulsion and auxiliary systems. This is where the bridge to Solano's mechatronics and advanced manufacturing capacity becomes especially important. It is also where the bridge to Cal Poly Maritime becomes most visible. Cal Poly Maritime's Marine Engineering Technology program trains students in shipboard mechanical and electrical systems. Its Facilities Engineering Technology program similarly blends mechanical and electrical fundamentals with applied systems operations. These are not high school programs, but they represent the logical upper end of the same pathway.

The third band, maritime robotics, digital systems, and advanced manufacturing, would give the Vallejo program a stronger connection to the innovation agenda outlined later in Part Three. It should expose students to robotics, automation, machine controls, Computer-Aided Design (CAD), digital fabrication, additive manufacturing concepts, sensors, remote systems, and digital diagnostics. The district already has an engineering base that includes design and robotics-oriented instruction. That base should be expanded and reoriented toward maritime use cases. Students should not be learning

robotics in the abstract. They should be learning how robotics, sensors, autonomy, and digital systems apply to shipyards, vessels, port operations, waterfront inspection, predictive maintenance, and marine manufacturing. The relevance of this band is reinforced by the broader regional environment. University of California (UC) Berkeley maintains a substantial robotics research presence in Mechanical Engineering, and UC Davis identifies dynamics, controls, vehicles, and robotics as a defined engineering research area. Vallejo does not need those universities to run its CTE program, but their presence gives the City nearby higher education partners whose technical strengths align with the direction of the pathway.

Proposed High School Maritime Technology Sequence
VCUSD should create a three-course maritime technology sequence at the high school level, supported by electives and dual-enrollment options. A representative sequence could include:

Year 1:
Introduction to Maritime Technology and Working Waterfront Systems
This should be the gateway course. It should introduce students to Mare Island, shipyards, ports, vessel systems, maritime safety, industrial career pathways, blueprint literacy, measurement, and basic tool use. It should also include site visits and guest speakers, so students understand that the pathway is tied to real employers and real local opportunities. This course would do for maritime technology what the district's current introductory engineering and construction courses already do for those sectors.

Year 2:
Maritime Fabrication, Electrical, and Mechatronics Fundamentals
This should be the core technical course. Students should rotate through basic welding processes, electrical circuits, controls, motors, hydraulics, pneumatics, shop math, quality control, and introductory mechatronics. The objective is not full trade mastery in high school. The objective is to produce students who can enter community college, a pre-apprenticeship, or an employer-based training program with a real head start. That design would mirror the ATDM-WC concept's emphasis on rapid training, hands-on equipment, and industry-aligned competencies.

Year 3:
Maritime Robotics, Digital Shipbuilding, and Capstone Practicum
This should be the capstone course. Students should work on applied projects in CAD, digital work instructions, sensors, robotics, remote inspection concepts, and introductory digital twin or systems-integration exercises. The course should culminate in a project tied to a real use case at Mare Island or with a regional employer. This is also where work-based learning should be embedded. Students should leave the sequence with a portfolio, not just course credit. That would make the pathway far more compelling to employers, colleges, and parents.

This sequence would be strongest if paired with a small number of supporting electives or embedded micro-credentials. These could include OSHA-10 or comparable industrial safety preparation, introductory CAD, maritime field operations, marine environmental compliance, and work-readiness modules focused on resume building, interview preparation, and employer expectations. The ATDM-WC concept emphasizes exactly this type of broader employability and retention support.

Existing Models

There are already useful models elsewhere in the country that can serve as a guide. Maritime High School in Highline Public Schools, south of Seattle, is one of the clearest examples of a district-level public school built around maritime pathways. Its academic model includes dedicated pathways in vessel operations, marine science, and marine construction. Its Vessel Operations pathway combines academic coursework with practical maritime training and is delivered in partnership with Northwest Maritime and Washington State Ferries. Students work toward credentials that include the Merchant Mariner Credential and the Transportation Worker Identification Credential. The lesson for Vallejo is not that VCUSD should replicate Maritime High School's full school model. The lesson is that maritime pathways are more convincing when they are built around applied learning, fieldwork, industry partnerships, and recognizable credentials. That is directly applicable to Vallejo. **A local maritime technology CTE program should likewise be defined by hands-on learning and formal partner engagement, not by classroom branding alone.**

Another useful model is Ballard High School's Maritime Academy in Seattle Public Schools. Ballard's course catalog includes Maritime I and Maritime II as formal CTE courses. Maritime I introduces students to marine-related industries and maritime skills, including the use of those skills aboard a historic steamship. Maritime II deepens those skills and prepares students for the Operator of Uninspected Passenger Vessel license while also exposing them to practical skills on a schooner. This is a narrower model than Highline's schoolwide pathway approach, but in some ways it is even more relevant to VCUSD because it shows how maritime content can be inserted into an existing comprehensive high school system through a sequence of career-oriented courses. Ballard's example shows that **VCUSD does not need to wait for a new institution to begin offering maritime-specific CTE**. It can begin with a defined course sequence, external vessel and waterfront partners, and a progression toward recognized credentials.

A third useful model is New York Harbor School, a public high school whose entire CTE structure is organized around marine science and marine technology pathways. Harbor School introduces all ninth graders to the full range of options through a common "Harbor Class," then moves students into one of eight state-approved CTE programs beginning in tenth grade. Those programs include Vessel Operations, Marine Systems Technology, Ocean Engineering, Welding and Fabrication, Professional Diving, Aquaculture, Marine Affairs, and Marine Biology Research. **The direct lesson for Vallejo is the value of structured exposure before specialization**. Students do not select a pathway blindly. They are first exposed to the range of maritime careers and then move into a more focused sequence. That design is especially relevant to VCUSD because it offers a way to build a maritime pathway that remains broad enough to attract students while still channeling them into specialized sub-tracks later in high school.

VCUSD should not choose between a traditional shipyard trades model and a future-facing maritime technology model; it should combine them. That blended model fits Mare Island's likely industrial profile. This Plan envisions ship repair, modernization, waterfront operations, and the return of substantial industrial maritime activity. It also points toward robotics, autonomy, digital shipbuilding, energy systems, and innovation. The district's maritime CTE program should be built around that convergence. Students should encounter welding alongside robotics, electrical systems alongside digital diagnostics, and the working waterfront alongside advanced manufacturing as parts of a single industrial ecosystem.

It also gives the City a stronger basis for partnership. The City itself should not run coursework. Its role should be to convene VCUSD, the Solano County Office of Education, Solano Community College, the Workforce Development Board of Solano County, Cal Poly Maritime, the Working Waterfront Coalition, labor partners, and employers to define competencies, sequence courses, pursue funding, and establish work-based learning commitments. The role is fully consistent with the governance logic already embedded elsewhere in this Plan and with the broader regional proposals already under consideration.

A Vallejo Maritime Workforce Pathway should begin with a serious commitment to Career Technical Education. A maritime technology CTE program inside VCUSD is the front door to the broader workforce system this Plan envisions. Properly designed, it would give Vallejo a visible local pipeline, provide students with an earlier entry point into high-wage maritime and industrial careers, strengthen the case for public and private investment, and create a more durable foundation for Mare Island's long-term economic revival. It would also help ensure that, as Mare Island's industrial activity grows, Vallejo students are better positioned to compete for the jobs created there rather than watching those opportunities flow elsewhere.

Accordingly, the City should organize a vertically integrated Vallejo Maritime Workforce Pathway centered on the creation of a modern maritime technology CTE program in VCUSD and aligned from the outset to community college, apprenticeship, employer, and university pathways tied to Mare Island and the region's maritime employers.

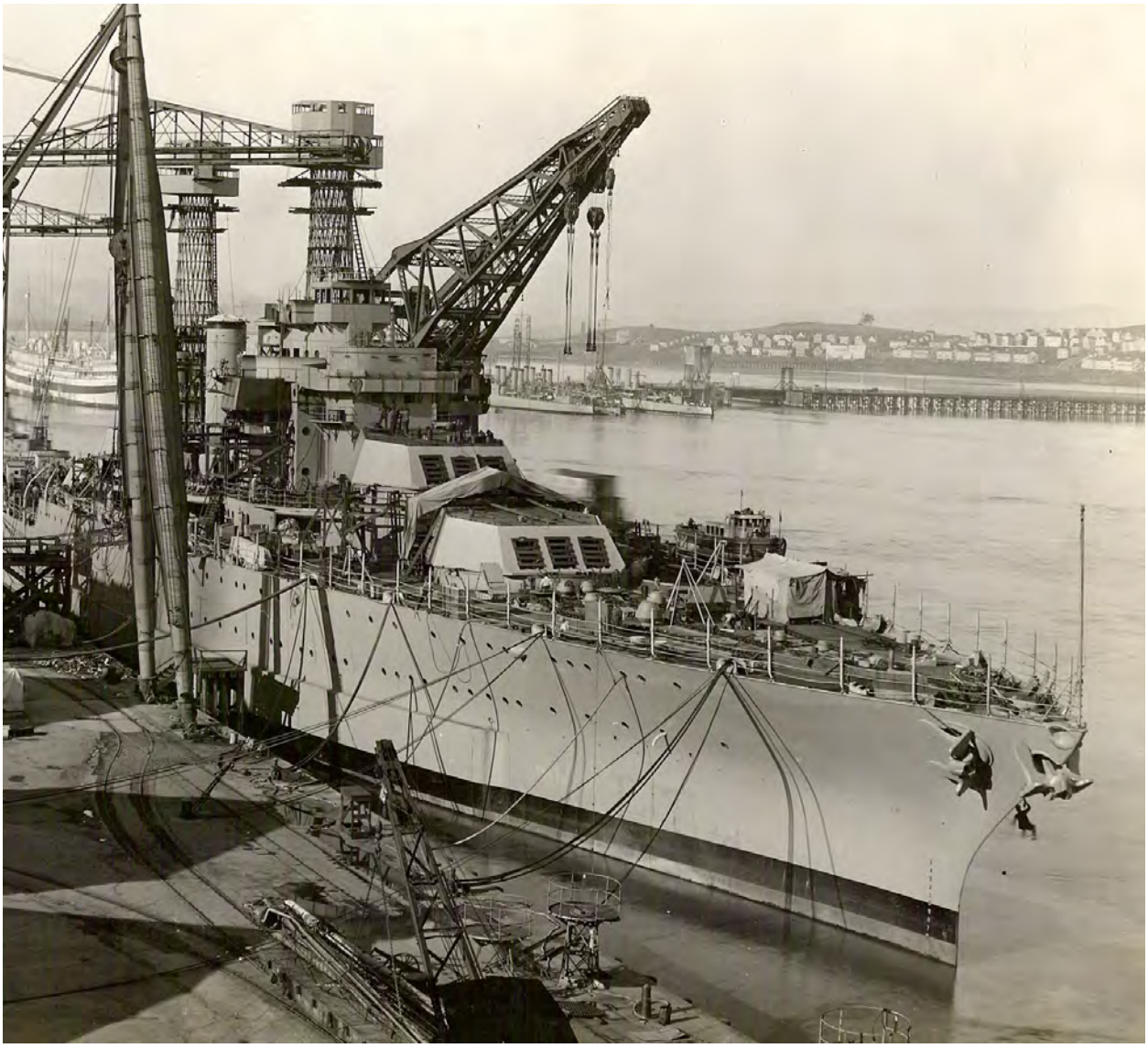
Public-Public Partnerships: Using IGSAs for Workforce Development

The federal government authorizes military installations to enter into Intergovernmental Support Agreements (IGSAs) with state and local governments, which include a variety of political subdivisions and administrative entities such as cities, counties, and public universities. IGSAs can be used by the military departments to provide, receive, or share installation support services on a sole-source basis, without the burden of federal acquisition regulations (see 10 U.S.C. 2679). Originally conceived for physical infrastructure services such as utilities and road maintenance, the IGSA authority has expanded significantly in recent years. In 2024, Navy Region Southeast executed the first-ever IGSA with a public university (the University of Georgia), committing an estimated $20 million over ten years for resilience research and technical support services. **That agreement demonstrated that the Navy is willing to use the IGSA authority as a vehicle for knowledge-intensive, capability-based services well beyond traditional base operations, establishing a clear and actionable precedent for other naval regions to follow.**

The City of Vallejo should pursue a regional IGSA with the Navy to support long-term maritime workforce development partnerships. This mechanism can be well-suited for the City when the existing public institutions for education and training – a community college, CTE program, or public university partner – are already delivering maritime trades training, welding, marine technology, or engineering curriculum to the local workforce, as those services can be extended under an IGSA to support Navy installation readiness needs, thereby satisfying the statute's requirement that the local government already provide the service for its own use. An IGSA structured around shared training facilities, joint curriculum development, or apprenticeship program administration could give the Navy sole-source access to proven local workforce infrastructure while providing the City of

Vallejo with a durable, multi-year revenue and partnership agreement that validates its maritime innovation campus as a genuine node in the national defense industrial base.

A narrower initial approach would be both realistic and easier to achieve. The City of Vallejo can begin by identifying the support services it "currently provides" by establishing clear institutional linkages between the City and its public college and university partners. Starting narrow, with shared facility access for education and training support as the initial service under an IGSA, can reduce approval complexity and build the bilateral relationship needed to layer in higher-value services over time. The combination of sole-source authority, Federal Acquisition Regulation exemption, and a term of up to ten years makes an IGSA another tool to consider for converting maritime infrastructure assets and workforce training capacity into a formalized, federally recognized partnership with the Navy.



Battleship USS California (BB-44) under construction at the Mare Island Naval Shipyard, Vallejo, CA, 1921

Downtown Vallejo, CA at sunset

14 Recommendation

Recommendation #14

Expand the Talent Pipeline through a Vallejo Maritime Workforce Pathway, centered on the establishment of a Maritime Career and Technical Education Program.

The City of Vallejo should act now to build a local workforce structure capable of supporting future investment. Accordingly, the City should lead the development of a vertically integrated maritime workforce pathway that begins with K-12 career awareness and CTE, connects to community college and apprenticeship opportunities, and culminates in advanced technical and university-level pathways aligned to the labor needs of Mare Island and the region's maritime employers. This pathway should be designed not only to meet local employer needs, but also to connect Vallejo's workforce strategy to broader regional efforts to expand California's maritime industrial and supplier base.

Implementation & Rationale

Convene the Solano County Office of Education, Solano Community College, the Workforce Development Board of Solano County, the Working Waterfront Coalition, Cal Poly Maritime Academy, Solano EDC, and, where appropriate, CalSEA to define the City's priority maritime occupational pathways and align local training with emerging regional maritime industrial-base demand. This work could be carried out through the Vallejo Maritime Industrial Base Coalition proposed in Recommendation #2 or a similar coordinating body.

Establish a Vallejo Maritime CTE program focused on occupations such as welding, marine electrical systems, Computer Numerical Control (CNC) machining, non-destructive testing, metrology, robotics, advanced manufacturing, and maritime systems maintenance.

Continued

Implementation & Rationale Continued

Map existing regional training and apprenticeship capacity against projected maritime labor demand, including both ship repair occupations and emerging maritime technology skill sets.

Develop structured pathways from K-12 awareness into certificate and apprenticeship programs, including maritime field trips, hands-on exposure, employer guest speakers, summer internships, and dual-enrollment or articulated credit opportunities where feasible.

Support the expansion of registered apprenticeship and work-based learning opportunities with regional shipyards, maritime employers, contractors, utilities, and advanced manufacturing firms.

Coordinate with Cal Poly Maritime Academy and regional partners to ensure that sub-baccalaureate workforce programs connect to longer-term advancement pathways in engineering, maritime systems, autonomy, and operations.

Pursue a regional Intergovernmental Support Agreement (IGSA) with the Navy, anchored by the City and Cal Poly Maritime Academy, to provide hands-on installation-support services and applied training in maintenance and repair, testing and validation, infrastructure optimization, environmental compliance, and cybersecurity.

Leverage the proposed Navy IGSA to strengthen the Vallejo Maritime CTE program as the front end of a broader workforce pipeline, linking high school instruction to Navy-relevant support services, Cal Poly Maritime pathways, and regional apprenticeship and technician opportunities.

The ferry terminal in Vallejo, CA

The City's role should be to organize the partnership structure, not to operate workforce programs itself. Rather, its role should be to organize the partnership structure, align stakeholders, assist with funding pursuit, and ensure that local education and training assets are tied to actual employer demand.

VALLEJO MARITIME TECH ACCELERATOR

Technology accelerators are a structured mechanism for moving promising young firms from concept toward market adoption at a faster pace. They are more disciplined than general business incubators and more practical than traditional networking programs. A credible accelerator brings a small number of early-stage companies into a defined process and gives them access to mentors, industry problem sets, technical advisors, pilot opportunities, customers, and sources of capital. Their purpose is straightforward. Accelerators help firms close the distance between invention and deployment.

The value of a strong accelerator goes beyond startup formation and also serves broader economic development purposes. It helps a region attract firms that might not otherwise enter the market. It exposes local institutions to emerging technologies before those technologies mature elsewhere. It creates a pipeline of companies that may later become tenants, suppliers, employers, and long-term industry partners. In sectors that involve design, manufacturing, and technology integration, accelerators can also shorten the path to prototype validation and operational use.

The strongest accelerators share several important characteristics. The strongest accelerators are sector-specific, built around a defined market need, anchored by active industry participation, and designed to offer more than mentoring alone. They provide access to facilities, operating environments, technical validation, and demonstration opportunities. They are also selective. Not every startup is the right fit. The best programs prioritize firms that align with the host region's physical assets, institutional strengths, and economic direction. They are connected to capital as well. That does not require a large in-house fund, but it does require a clear pathway to investors who understand the sector and its timelines.

The accelerator model fits Vallejo because Mare Island is not starting from zero. The City has waterfront, shipyard infrastructure, underutilized industrial buildings, and direct access to San Pablo Bay and onward routes to the Pacific. It has a purpose-built maritime setting that can support rapid demonstration, testing, industrial adaptation, and technology validation. In a field where many innovation programs are built around office space and software, Mare Island can offer something more durable and harder to replicate.

The difference is important because the sectors most relevant to Mare Island are not purely digital. Robotics and autonomous maritime systems require real operating environments. Advanced and additive manufacturing require fabrication capacity, industrial users, and places to prove out production methods. Hybrid propulsion and energy systems benefit from proximity to vessels, waterfront infrastructure, and industrial facilities. Digital shipbuilding and digital twin applications are more useful when developed near actual repair, sustainment, and production activity. Maritime cybersecurity is more useful when tied to shipyard systems, vessel systems, and port-related industrial control environments. These are all applied technologies that benefit from applied places.

The City is uniquely positioned to use a Vallejo Maritime Tech Accelerator as a practical tool to connect Mare Island's physical assets to the broader economic objectives established in Parts One and Two of the Plan. A focused, maritime-specific accelerator fits squarely within that framework. It would help link site activation to technology adoption, workforce formation, tenant development, and capital attraction, while creating a clearer structure for bringing emerging firms and new technologies into the island's evolving industrial base. California's Accelerate CA Hub program makes this opportunity more concrete by offering Vallejo a credible state pathway to organize, designate, and resource a regional innovation platform built around the proposed Maritime Tech Accelerator.

Integration with the Northern California Innovation Ecosystem

Northern California remains one of the country's strongest concentrations of startup formation, engineering talent, advanced technology firms, and venture capital. That cluster exists because of decades of interaction among universities, national laboratories and federal research centers, major technology firms, defense and aerospace activity, private capital, and dense entrepreneurial networks. It is especially strong in software, robotics, autonomy, sensors, artificial intelligence, energy technology, and advanced manufacturing tools. Those are precisely the fields that are now shaping the next generation of maritime systems and maritime industrial processes.

The region's technology base includes assets that are directly relevant to Mare Island's dual-use focus, especially Lawrence Livermore National Laboratory (LLNL) and Lawrence Berkeley National Laboratory (LBNL). LLNL is already advancing maritime-relevant autonomous systems and at-sea validation. As a recent example, in January 2025, the laboratory tested autonomous and remote raft systems at Pillar Point Harbor for its Independent Diagnostic Scoring System, a maritime platform intended to gather diagnostic data in support of missile-related monitoring missions near the Marshall Islands. LLNL's Autonomous Sensors program develops coordinated drones, vehicles, and robots for operations across land, air, and sea. LBNL offers a complementary model through Cyclotron Road, its lab-embedded entrepreneurship program run with Activate, a nonprofit fellowship platform that helps scientists translate hard-tech research into commercially viable ventures. Through that partnership, entrepreneurial scientists receive funding, training, mentorship, and access to Berkeley Lab facilities and expertise. Berkeley Lab also brings relevant strengths in ocean robotics, sensing, and other technologies applicable to maritime operations and infrastructure.

Vallejo should treat these regional assets as practical partners in building a maritime innovation ecosystem at Mare Island. The Vallejo Maritime Tech Accelerator can serve as an entry point for identifying dual-use technologies, engaging technical experts, and connecting startups to commercialization pathways, while the Maritime Innovation Campus can provide the applied waterfront setting needed for pilot activity, testing, and demonstration. That framework is especially well-suited to autonomous maritime systems, distributed sensing, waterfront energy resilience, advanced materials, inspection technologies, and digital maritime tools. Structured this way, Mare Island would be positioned not only to support innovation but to help move promising technologies from research and early development into operational maritime use.

Vallejo has the opportunity to forge its own distinct path while complementing the broader Bay Area innovation ecosystem. Through the Vallejo Maritime Tech Accelerator, Mare Island can provide something that the regional technology market often lacks — a maritime and industrial proving ground. Many founders and firms in the region are working

on technologies that could be adapted for vessel systems, waterfront operations, port security, digital shipbuilding, industrial automation, energy resilience, and maritime logistics. Far fewer have access to a place where those technologies can be tested, demonstrated, or refined against real maritime use cases. Mare Island can fill that gap.

Dual-Use Technology and Problem-Driven Design

The Vallejo Maritime Tech Accelerator should be explicitly maritime-specific and dual-use in character. In this context, dual-use refers to technologies with both commercial and national security applications. The same autonomous surface vessel technology may support port inspection, offshore operations, and Navy mission sets. The same digital shipbuilding tools may improve commercial vessel sustainment and defense maintenance planning. The same energy resilience, cybersecurity, advanced manufacturing, or shipyard automation solutions may serve both private maritime operators and military users. For Mare Island, the point is that a dual-use focus broadens the market for participating firms while tying the accelerator to sectors that match the island's strategic value.

A Vallejo Maritime Tech Accelerator should therefore focus on technologies that matter to both commercial maritime markets and national security applications. That includes robotics and autonomous maritime systems, advanced and additive manufacturing, energy resilience, clean maritime energy technologies, hybrid propulsion and energy systems, shipbuilding automation, digital shipbuilding and digital twin applications, maritime cybersecurity, advanced materials and coatings, and related enabling technologies. That focus fits Mare Island and also fits the Bay Area, where adjacent technical capabilities already exist at scale.

Just as importantly, the program should be designed around real maritime and industrial problems rather than broad innovation themes. The accelerator should not become a general forum for entrepreneurship with a maritime label attached to it. Its purpose should be to help firms solve defined operational and industrial challenges that matter to shipyards, ports, maritime operators, defense users, and infrastructure owners. Those challenge areas could include automation tools that reduce labor hours in fabrication and repair, inspection and sensing technologies that improve vessel sustainment and waterfront infrastructure management, digital engineering tools that improve planning and configuration control, energy technologies that support vessel electrification and shoreside resilience, or cyber tools that protect maritime operational technology environments. A problem-driven design would keep the accelerator relevant to industry and aligned with the larger role envisioned for Mare Island.

The combination of dual-use focus and problem-driven design is critical to making the accelerator commercially useful and operationally relevant. It would help ensure that the accelerator is tied to real demand, connected to credible end users, and oriented toward technologies that can move more quickly from prototype to operational adoption. The program should therefore be structured around challenge statements and use cases that reflect the needs of shipyards, waterfront operators, public agencies, and defense stakeholders rather than around innovation themes that are too broad to generate meaningful industrial outcomes.

Integrating Workforce Development and Long-Term Growth

An accelerator can also support the Plan's workforce objectives in a direct way. On Mare Island, workforce development and innovation activity should reinforce one another. A maritime technology accelerator would create a working link between startups, students,

faculty, technical trainees, incumbent workers, and employers. It would expose local residents and regional trainees to the technologies that are reshaping shipbuilding, repair, and maritime operations. It would also help training providers and educational institutions align programs to visible market demand rather than static assumptions.

That bridge is especially important in sectors such as robotics, automation, digital engineering, advanced manufacturing, energy systems, and marine electrical work. These fields require both engineers and skilled technicians. They require software talent, but they also require welders, electricians, CNC machinists, inspectors, systems integrators, maintenance personnel, and production workers who can operate in an increasingly digital industrial environment. The accelerator can make those pathways tangible. It gives students and trainees exposure not just to occupations, but to the firms and technologies that are likely to generate future demand.

The existing regional partnership structure gives Vallejo a strong foundation for this approach. Cal Poly Maritime Academy is a natural anchor because it brings maritime credibility, engineering capacity, student talent, and industry relationships. The Regional Investment Initiative concept already proposes a Maritime Innovation Campus at Mare Island with dedicated accelerator capacity, applied research capability, and a vertically integrated workforce network. The ATDM-WC concept points in the same direction. It frames Mare Island and Cal Poly Maritime as part of a broader regional model for accelerated trades training, advanced manufacturing, engineering integration, and the productive reuse of underutilized former Navy facilities. Taken together, those concepts support the same conclusion: innovation, workforce development, and industrial activation will create more value if they are built together.

The benefits to Vallejo extend beyond startup firms themselves. A focused accelerator can become an upstream feeder for longer-term site activation. Some companies that enter the accelerator may later need workshop space, fabrication space, demonstration berths, test environments, or light industrial facilities. Some may become suppliers to larger firms on the island. Some may decide to establish a local operating presence if the surrounding ecosystem is strong enough. In that sense, the accelerator can generate future demand for the very uses this Plan seeks to attract. It can begin turning Mare Island from a location with maritime potential into a place where maritime technology firms build, test, hire, and stay.

The City should launch the accelerator with a modest number of firms and keep the program highly selective, emphasizing quality over scale. Support should come from committed industry mentors, technical advisors, university and workforce partners, and potential end users. The program should include demonstration days, challenge statements, student problem-solving opportunities, and direct engagement with shipyards, maritime operators, defense stakeholders, and established industrial firms. It should also create a clearer pathway from early participation to longer-term presence on Mare Island for firms that show technical promise and strategic fit.

Tech Accelerator Models

Two existing accelerator models can offer useful guidance to the City. The first is the Washington Maritime Blue Innovation Accelerator, which was founded in Seattle in 2018. It is a strong benchmark because it is maritime-specific, mentor-driven, and embedded within a broader regional blue economy strategy rather than operating as a stand-alone startup program. Washington Maritime Blue was created as a nonprofit strategic alliance

to help position the Pacific Northwest as a global leader in the Blue Economy, and it operates in partnership with the Port of Seattle and the Washington State Department of Commerce. The program is tightly structured and execution-oriented. The accelerator runs for four months and is designed to help venture-scale maritime startups move from early traction toward market growth. Participating firms receive targeted mentorship, specialized programming on business development, investment strategy, legal and communications issues, and access to a broad network of industry leaders, research institutions, public agencies, and startup advisors. The program is also physically anchored at the Blue Hub in Seattle's Fishermen's Terminal, a 6,000-square-foot collaboration space that serves as a gathering point for founders, industry, educators, and investors. The physical setting is part of the model's strength. It reinforces the idea that an accelerator works best when it is rooted in a real maritime place and supported by an active regional coalition.

Just as important, Washington Maritime Blue connects acceleration to capital, cluster development, and workforce formation in one integrated model. As of its 2025 cohort, participating startups receive a $100,000 investment through an early-stage venture capital firm (Meliorate Partners), giving firms not only advice and exposure, but a concrete pathway toward growth. The accelerator's focus areas include decarbonization, renewable ocean energy, sustainable fisheries, healthy ocean ecosystems, and digital maritime solutions. Its broader value lies in the way it operates as one piece of a larger ecosystem that links commercialization, maritime industry engagement, convening, and workforce-oriented programming. For Vallejo, the main takeaway is that the most effective maritime accelerators are not isolated startup programs. They sit inside a wider operating system that links commercialization, industry engagement, place-based infrastructure, and talent development. That is the aspect of the Washington model most applicable to Mare Island.

The second model is PortXL in Rotterdam, established in 2015. It offers a different but equally useful model. If Washington Maritime Blue illustrates the value of a regionally embedded cluster strategy, PortXL shows how a maritime accelerator can be organized around direct industry problem-solving, proof-of-concept development, and commercialization inside a major port environment. PortXL was founded in Rotterdam with the vision of cultivating innovation within the global maritime industry, and it has since positioned itself as a bridge between emerging technology firms and established maritime, logistics, energy, and industrial partners. Its model is anchored in one of the world's leading port complexes and built around the premise that startups gain traction fastest when they are brought into direct contact with operators that have real operational problems to solve. The parallel to Vallejo is direct. Like Mare Island, Rotterdam is using a real working waterfront and an established industrial ecosystem as an applied platform for innovation rather than treating acceleration as a purely office-based or software-centric exercise.

PortXL is also notable for the way it ties startup selection to deployment opportunities. Its accelerator model brings startups and scale-ups into an intensive program designed to refine business models, strengthen partnerships, and create pilot opportunities with ecosystem partners. Over the last decade, PortXL reports that it has supported more than 130 startups and scale-ups, maintained a strong survival rate among alumni, and helped participating companies raise substantial outside funding. More important than the headline numbers, however, is the program's operating logic. PortXL consistently emphasizes challenge statements, partner engagement, and proof-of-concept work that gives startups a route into real-world adoption. For Vallejo, that is the key takeaway. A

maritime accelerator becomes much more valuable when it is designed not simply to coach founders, but to help firms test products in live maritime environments, validate use cases with established operators, and move more quickly toward contract, pilot, or procurement pathways. That aspect of the PortXL model is especially relevant to the future role Mare Island could play as a proving ground for maritime and dual-use technologies.

Vallejo does not need to replicate these models exactly, but both show the basic structure of a serious maritime accelerator. The program should be specialized, grounded in place, connected to maritime users and industrial partners, and designed to support commercialization rather than visibility alone. And it should reinforce the workforce and innovation elements that the City and its regional partners are already working to assemble.

For Vallejo, the larger objective is to use the accelerator as a practical instrument for economic development, industrial modernization, workforce formation, and capital attraction. The establishment of a specialized maritime technology accelerator at Mare Island is a logical next step in building the type of ecosystem this Plan envisions. Done well, it would help translate Vallejo's maritime geography, industrial legacy, educational partnerships, and regional technology access into a more visible and durable platform for growth. It would also give the City a direct way to connect innovation activity to real industrial outcomes at Mare Island.

The Vallejo Model

The City should move to establish a Vallejo Maritime Tech Accelerator Program that is maritime-specific, narrowly focused, and built around dual-use technologies with strong commercial and national security relevance. Properly structured, such a program would strengthen the City's workforce and innovation objectives, support industrial modernization, and help position Mare Island as a serious location for the next generation of maritime firms.

Drawing from the achievements of other accelerator programs, the Maritime Tech Accelerator should be designed as a structured, cohort-based initiative that takes place at least once annually, welcoming 6 to 10 companies into each cohort. To maximize the reach of early-stage technology, the program should consider targeting pre-seed to Series A/B startups developing dual-use maritime technologies in the following priority areas:

Autonomous and Unmanned Maritime Systems
(e.g., USVs, UUVs, AUVs, drone swarms for maritime patrol and survey);

AI-Enabled Naval Operations
(e.g., predictive maintenance, autonomous navigation, sensor fusion, command-decision support);

Digital Shipbuilding Tools
(e.g., digital twin platforms, AR/VR for shipyard training, BIM for ship design, additive manufacturing for parts production);

Maritime Cybersecurity
(e.g., ICS/OT security, secure communications, vessel control system hardening);

Advanced Materials and Fabrication
(e.g., composites, hybrid structures, corrosion-resistant alloys, acoustic signature reduction);

Sustainable Propulsion and Energy
(e.g., hybrid-electric systems, hydrogen fuel cells, energy storage for naval platforms); and

Port and Logistics Modernization
(e.g., AI-driven port optimization, supply chain visibility, maritime domain awareness).

Furthermore, each cohort should include the following core elements over a 16-week program:

USG Customer Discovery: Structured engagement with representatives from the Navy, USCG, Customs and Border Protection (CBP), NAVSEA, and USINDOPACOM to validate problem-solution fit;

SBIR Pathfinding: Expert guidance on Phase I/II application strategy;

OTA Navigation: Facilitated introductions to Other Transaction Authority consortium managers for prototype agreements;

Demo Day and Investor Access: Structured demo day connecting cohort companies with VC firms, defense-focused investors (Shield Capital, Andreessen Horowitz, American Dynamism, Founders Fund), and strategic corporate partners;

Waterfront Demos: Priority access to Mare Island demonstration berths and the Maritime Innovation Campus for technology testing and validation; and

Mentor Network: A curated cadre of mentors, including former Navy program managers, retired officers, defense prime business development leaders, and serial defense tech founders.

The operation of this accelerator should be managed using a public-private partnership model. The City, in coordination with Cal Poly Maritime Academy, can facilitate physical space and offer institutional credibility; a private operating partner can provide program operations and national deal flow; and a federal program partner, such as Defense Innovation Unit, can provide mission connectivity to customers. An equity-free or minimal-equity model is strongly recommended for the accelerator's initial years to maximize founder participation and community goodwill.

To maximize credibility and funding leverage, the City should consider forming a joint steering committee (one seat each for the City, lead federal partner, and private operating partner) sitting above a lean operating nonprofit or small business that runs the day-to-day program. The City can act as a conduit for federal grants, while defense primes can be invited to co-invest in lab space, absorb graduates into supply chains, and provide SBIR matching funds for participating companies. On the other hand, federal partners can participate as advisors and customers, rather than equity holders, to avoid procurement conflicts. For a site like Mare Island, the compelling case is that this type of partnership model isn't just structured as an ordinary technology accelerator — it's an integrated program that capitalizes on prime infrastructure in a way that aligns with MAP and SHIPS Act priorities and the Navy's stated need to rebuild the domestic defense industrial base.

Accelerate CA Hub Designation Opportunity

California already operates a statewide Accelerate CA Hub network designed to accelerate the growth of innovation-based firms through regional partnerships that combine entrepreneurial training, mentorship, access to capital, technical assistance, and connections to research and industry. The program evolved from the earlier iHub and iHub2 models and now supports a network of 13 designated hubs across the state. The California Office of the Small Business Advocate's (CalOSBA) current framework is not built around isolated municipalities acting alone. It is built around defined regional ecosystems led by eligible entities and structured as multi-partner hubs that connect universities or research centers, economic development organizations, investors, accelerators, workforce entities, and industry. For Vallejo, that makes Accelerate CA a highly practical opportunity. The proposed Maritime Tech Accelerator is already moving toward the same model: a place-based, sector-specific platform that links technology firms, applied testing environments, workforce partners, and commercialization pathways.

For Vallejo, the value of Accelerate CA is not limited to grant funding. Hub designation would help place Mare Island inside a recognized statewide innovation network and strengthen the City's ability to connect maritime startups to investors, technical advisors, university and laboratory partners, and state-supported programming. It would also give the proposed accelerator a stronger institutional identity by framing it not as a stand-alone local initiative, but as a regional innovation node serving a distinct industrial niche. That is important because Northern California already contains significant hard-tech and advanced-manufacturing capacity, including existing Accelerate CA activity tied to hardware, robotics, ocean technology, and climate-oriented innovation. What Mare Island can contribute to that broader ecosystem is something more specialized and less common: a maritime proving ground where dual-use technologies can be tested, demonstrated, and refined in a real waterfront and industrial setting. That is the void Vallejo can fill.

Vallejo should prepare now rather than wait for a future CalOSBA solicitation. The immediate task is to structure the Vallejo Maritime Tech Accelerator so it aligns with Accelerate CA requirements and expectations. That will require identifying an eligible lead applicant, defining a clear regional service area, formalizing the partnership of Cal Poly Maritime Academy, Solano EDC, workforce and industry partners, and relevant research institutions, and building an accelerator program that can demonstrate a credible focus on maritime and dual-use innovation, diverse founder participation, commercialization support, and measurable economic outcomes. Vallejo's objective should be to assemble a designation-ready maritime innovation consortium so that when CalOSBA opens the next funding round, Mare Island is positioned to compete for recognition as a maritime-focused Accelerate CA Hub.

Cal Poly Maritime Academy campus

Recommendation

Recommendation #15

Launch a Vallejo Maritime Tech Accelerator Program Focused on Dual-use Maritime Technologies.

The City should partner with Cal Poly Maritime Academy and regional stakeholders to launch a Maritime Tech Accelerator Program at Mare Island focused on dual-use maritime technologies that support national security, modernize shipbuilding and repair, and attract innovative private firms to Vallejo.

Implementation & Rationale

Define the accelerator's initial focus around a limited number of high-value dual-use sectors tied to national security use cases, such as autonomous maritime systems, energy resilience, shipbuilding automation, digital shipbuilding and digital twin applications, maritime cybersecurity, advanced materials and coatings, and shoreside modernization technologies.

Create an accelerator funding roadmap that inventories all viable public, institutional, philanthropic, corporate, and private funding sources; sequences them by timing and fit; assigns lead responsibility for pursuing each one; and positions the City and its partners to pursue a blended funding model rather than relying on any single source.

Partner with Cal Poly Maritime Academy, the Working Waterfront Coalition, Solano EDC, regional industry stakeholders, and existing defense or university-affiliated innovation networks to shape challenge statements, technical programming, and mentorship.

Use Mare Island to host pitch events, workshops, demonstration days, student problem-solving challenges, and targeted engagements with maritime technology startups and established primes.

Continued

Implementation & Rationale Continued

Explore the use of limited non-dilutive support, sponsored pilot projects, or challenge-prize concepts sourced through a mix of City economic development tools, university participation, philanthropy, corporate sponsorship, and state or federal innovation funds.

Ensure the accelerator is marketed not as a generic startup initiative, but as a targeted platform for solving real maritime industrial and operational problems relevant to shipyards, ports, Navy and Coast Guard users, and commercial maritime operators.

Establish a formal engagement track with Lawrence Livermore National Laboratory and Lawrence Berkeley National Laboratory to help shape accelerator challenge statements, connect startups to relevant technical experts and commercialization pathways, and identify dual-use maritime technologies suited for pilot activity at Mare Island.

Position the Vallejo Maritime Tech Accelerator to compete for future Accelerate CA Hub designation by building a Mare Island-anchored regional consortium, designating an eligible lead applicant, formalizing cross-sector partnerships, and maintaining readiness for the next CalOSBA solicitation.

Aerial view of Vallejo, CA

The proposal to establish a Vallejo Maritime Tech Accelerator complements Part One's recommendation that the City conduct organized outreach to prime contractors and major firms involved in maritime autonomy and related technologies. It is also consistent with Solano EDC's Regional Investment Initiative concept, which envisions Mare Island as home to a Maritime Innovation Campus with dedicated accelerator capacity for maritime technology startups and small manufacturers.

Recent federal initiatives further reinforce this direction. The SHIPS Act contemplates incubator-style activity linking entrepreneurs, startups, commercial technology companies, and venture capital sources to maritime innovation. The MAP likewise emphasizes technological modernization and stronger pathways for private-sector investment in the maritime industrial base. Vallejo should move early to establish a credible platform that can absorb and channel these opportunities, while linking startup formation and pilot activity to the broader regional maritime ecosystem already being advanced by partners across industry, academia, workforce development, and economic development. A Tech Accelerator is the ideal vehicle to implement this.

MARITIME INNOVATION CAMPUS AND DEMONSTRATION SITE

While a technology accelerator focuses on speed to market, the concept of a Maritime Innovation Campus is geared towards the usage of the physical environment where technology can be developed, tested, and demonstrated. The space is intended to be shared and asset-focused. As such, the City should consider such an innovation campus as a core capability and a long-term strategic asset.

In this vein, a Maritime Innovation Campus can function as the physical backbone of the City's innovation ecosystem: a flexible, mixed-use, waterfront campus where academic researchers, technology startups, and maritime end users can access shared space, test prototypes, and evaluate systems in a controlled environment. Mare Island's historic dry docks, machine shops, paint shops, and waterfront access are assets that can provide mutual value and benefits to the various stakeholders involved. For instance, a commercial startup developing an AI platform for seabed inspections could occupy office space on Monday, run a wet lab experiment on Tuesday, prototype a component in the fabrication shop on Wednesday, test it in a demonstration berth on Thursday, and host a site visit with a Navy program manager on Friday. The ability to offer this type of access to startups and government end users is highly beneficial, as it facilitates collaboration for rapid prototyping and technical evaluation of maritime capabilities. As the concept matures, the campus should be developed in coordination with key stakeholders such as Mare Island Company, Cal Poly Maritime Academy, the Working Waterfront Coalition, Solano EDC, and, where useful for regional alignment, CalSEA and GO-Biz.

In the spirit of sparking innovation and forging partnerships, an innovation campus works in tandem with a technology accelerator to signal to stakeholders that the accelerator is "how" the City of Vallejo attracts innovators and talent, but the innovation campus is "where" and "why" companies and government customers converge. Additionally, if the City moves forward with an expanded maritime CTE program, students will need more than a traditional classroom. They will need a place to see modern maritime work up close. They will need access to equipment, workspaces, and the types of operating environments that define today's maritime industry. The Maritime Innovation Campus can provide that setting. It can serve as a practical learning laboratory for students enrolled in

the City's maritime workforce pathway and help turn CTE instruction into direct exposure to Mare Island's industrial future.

The Maritime Innovation Campus proposed in this section can be broken down into various parts. The campus components below are designed with the physical environment of Mare Island in mind. Each element — shared laboratories, fabrication facilities, demonstration berths and event venue — serves a distinct function in the innovation value chain. Together, they constitute a complete operating environment capable of taking a dual-use maritime technology concept from bench to berth to battlefield within a single campus footprint. The sections that follow describe each component in detail, along with the strategic rationale for its inclusion and its relationship to the broader ecosystem this plan is designed to build.

Shared Workshop Space
The proposed campus should offer a shared, modular workshop space designed for maritime technology research, development, and testing. Under this design, high-value assets are those that would serve both the technology accelerator community and the workforce training pipeline at the same time. A welding bay, for example, simultaneously trains apprentices in marine structural welding and enables hardware-focused startups to fabricate metal prototypes for testing; machining access can train students in precision manufacturing while giving startup companies the ability to produce custom components without outsourcing; and a developer of an autonomous vehicle needs to be able to wheel their prototype from the fabrication bench to the dock without disassembling it. Thus, a shared space serving multiple users, enabling multiple technology categories, and supporting both the innovation mission and the workforce training mission simultaneously should be a goal of the campus stakeholders.

Key elements for consideration include:

- Shared lab space for structural welding, pipefitting, and electronics.
- Integration bay designed for assembling, configuring, and preparing full-scale or near-full-scale maritime systems for deployment.
- Dedicated wet lab with seawater and freshwater systems — a small indoor test tank (e.g., 10-foot by 20-foot range with variable depth) can support companies to conduct initial functional testing of subsurface systems before committing to an open-water deployment.
- Ease of access to a dock.
- Conference room with VTC capability.
- Hot desks and private office suites for accelerator cohort companies and resident innovators.

Rapid Prototyping Fabrication Space
Having an on-site rapid prototyping suite can help companies that need to quickly produce custom enclosures, sensor mounts, brackets, and housings without waiting for an outside vendor. The key design principle is accessibility and speed, not production volume. A startup that can iterate on a physical component in hours rather than days or weeks has a material competitive advantage in defense prototype programs, where timelines are tight and demonstration dates are fixed. This space should be available on a

drop-in, tool-checked-out basis and should be the most accessible and lowest-friction space on the entire campus.

This type of fabrication infrastructure offers shared value in the innovation ecosystem — it enables technology companies to build hardware prototypes, while serving as a hands-on training environment for the workforce program's advanced manufacturing tracks. Shared equipment access models (e.g., membership tiers, hourly booking) can be considered to generate ongoing revenue while keeping barriers low for early-stage startups and academic research.

Demonstration Berths and Event Space

The ability to offer waterfront demonstrations is arguably the single feature that most clearly differentiates this campus from any landlocked alternative. Controlled, accessible, institutionally supported waterfront demonstration and test infrastructure transforms the campus from a place where maritime technology is conceived and designed into a place where it is proven. That distinction is decisive for the federal customers who ultimately fund and field these systems.

An innovation campus with dedicated demonstration berths, crane access, and an instrumented near-shore test range can support testing and evaluation on site and on short notice. The proposed campus's most unique and irreplaceable asset is direct waterfront access, so campus stakeholders would greatly benefit from having operational berths for maritime technology demos and training sessions. To attract high-growth maritime technology companies, the campus should consider incorporating:

- At least two (2) dedicated demonstration berths capable of accommodating vessels from small USVs to Coast Guard-class cutters.
- Crane and launch facilities for deploying unmanned surface and subsurface vehicles.
- Instrumented test range in adjacent waters for acoustic, electromagnetic, and performance testing.
- Shore power and data connectivity at each berth to support extended testing operations.
- Visitor staging and observation area (e.g., a covered, waterfront-facing observation area adjacent to the berths with seating, AV capability for live data feeds, and protection from weather).

The demonstration site can also be used for promoting stakeholder engagement. The same waterfront infrastructure should be flexible enough to be used as an event venue, offering a direct line of sight to the water via an adjacent covered outdoor observation deck. This space can serve as the public face of the innovation ecosystem at Mare Island by hosting events, such as maritime innovation summits, bi-annual tech accelerator demo days, federal program manager site visits, or other community events that build local awareness and pride in the innovation ecosystem of Northern California.

The Maritime Innovation Campus as a CTE Learning Laboratory

To build a stronger local talent pipeline, this campus gives that pipeline a place to operate in a real maritime setting. Students participating in a CTE program need more than classroom instruction and simulated exercises. They need to see how modern maritime

work is performed. They need exposure to the tools, spaces, and work routines that define the industry they may enter after graduation.

The shared workshop space described above can support that goal in practical ways. Students in welding, fabrication, marine electrical, machining, and systems maintenance tracks could use the space for supervised hands-on instruction tied to actual industry standards and equipment. Prototype and integration areas could introduce students to the way components are assembled, tested, modified, and prepared for field use. That type of access would help students understand not just a single trade, but the larger process by which maritime systems are built, repaired, and deployed.

The campus can also expose students to technical areas that are often difficult for school-based programs to replicate on their own. Wet lab space, test tanks, waterfront berths, and adjacent demonstration areas can give students direct familiarity with vessel systems, sensors, autonomous platforms, dockside operations, and the physical realities of the working waterfront. For students considering careers in ship repair, advanced manufacturing, marine systems, or maritime technology, that kind of exposure has real value. It makes the curriculum more tangible. It gives students a clearer picture of the jobs available to them and the skills those jobs require.

Just as important, the campus creates a setting where students are not separated from the employers, innovators, and practitioners they are preparing to join. A student participating in the Vallejo Maritime CTE pathway could attend class instruction, complete hands-on work in a shared shop, observe a technology demonstration at the berth, and hear directly from a startup founder, shipyard manager, or visiting federal customer in the same environment. That kind of proximity strengthens career awareness and reinforces the credibility of the program. It can also support internships, work-based learning, employer engagement, and early recruiting. In that sense, the campus is not just a facility. It is a bridge between education and employment on Mare Island.

Corporate Partnerships to Equip the Campus and Strengthen CTE

A successful Maritime Innovation Campus should not rely on public funding alone. Vallejo should pursue corporate partners that can support both the campus and the proposed Maritime CTE program in two forms. The first is direct financial support through grants, sponsorships, scholarships, and targeted program investments. The second is in-kind support through equipment, software, curriculum tools, instructor training, and technical assistance. This is a strong model for Vallejo. It supports the shared-use concept behind the campus, strengthens the workforce pipeline envisioned in Recommendation #14, and reinforces the broader innovation, workforce, and partnership strategies outlined in this Plan.

This approach is already well established in manufacturing and technical education. Many industrial companies invest in workforce programs because they need more workers trained on modern equipment and familiar with current production systems. These partnerships often include branded training labs, discounted or donated equipment, instructor training, curriculum support, student scholarships, and industry-recognized credentials. It can help equip the Maritime Innovation Campus, strengthen the Maritime CTE pathway, and connect both efforts to real employer demand.

Several established models demonstrate that this approach works in practice. For instance, Haas Automation is a leading American manufacturer of CNC machine tools, and

its affiliated Gene Haas Foundation has become a major supporter of machining education. At Gadsden State Community College in northeastern Alabama, the Gene Haas Foundation provided a $1 million grant in 2024 to support the school's Precision Machining Program in the new Advanced Manufacturing and Workforce Skills Training Center. That investment helped establish and equip the Gene Haas Center for Advanced Machining and Engineering Technology with industry-standard CNC machines and tooling. It also supported scholarships and financial assistance for students in the program. Through its Haas Technical Education Community program, Haas also helps schools build advanced machining labs by providing access to industry-standard machines, classroom materials, professional training, and related technical resources.

Other companies use the same model in fields that are equally relevant to Mare Island. FANUC, a global leader in industrial robotics, factory automation, and CNC systems, supports a large education network that gives students hands-on exposure to the same automation and robotics platforms used in modern production environments. Lincoln Electric applies a similar model in welding and fabrication. Lincoln is one of the leading American manufacturers of welding equipment, consumables, and automated welding systems. Through its partnership with the National Coalition of Certification Centers, schools can offer industry-recognized welding certifications along with instructor training and program support. For Vallejo, the relevance is clear. These partnerships align directly with the trades and technologies that support ship repair, metal fabrication, robotics, industrial automation, and advanced maritime manufacturing.

These partnerships can also improve student recruitment and program credibility. A campus equipped with multi-axis CNC machines, robotic welding systems, laser cutting tables, and modern metrology tools will have a clear draw for students. It has a cool factor. It signals that the program is modern, serious, and tied to real industry practice. Just as important, this equipment is a gateway to high-wage technical skills and durable careers. The same assets can train CTE students, support community college and short-course instruction, help startups prototype hardware, and help employers shape curriculum and evaluate talent. That is the value of this model. It serves students, industry, and the campus at the same time.

Companies also have a reason to participate. These partnerships help shape the future workforce before students enter the labor market. They reduce onboarding time by familiarizing students with the machines, controls, and workflows already used in the field. They build familiarity with company platforms among future technicians, machinists, welders, and supervisors. They also give companies a visible role in regional workforce development. For Vallejo, that means corporate partnerships should be treated as a core pillar of its Maritime Innovation Campus development strategy.

Recommendation

Recommendation #16

Develop a Maritime Innovation Campus and Demonstration Site at Mare Island.

This recommendation builds on Solano EDC's proposal for a Maritime Innovation Campus at Mare Island featuring robotics and digital shipbuilding capabilities, hybrid propulsion and energy systems testing, advanced materials work, and accelerator functions. Innovation infrastructure and workforce programming create greater value when implemented together rather than separately. The City of Vallejo should work with regional partners to support the phased development of Mare Island as a Maritime Innovation Campus that integrates applied research, prototyping, technology demonstration, workforce training, and early-stage industrial activation.

Implementation & Rationale

Coordinate with Mare Island Company, the Nimitz Group, Cal Poly Maritime Academy, Working Waterfront Coalition, and other partners to identify candidate buildings, waterfront locations, or underutilized industrial spaces that could support phased activation of innovation and training uses.

Prioritize near-term uses that are realistic and visible, including shared lab and workshop space, short-course training facilities, prototype fabrication space, demonstration berths, and event space for workshops and maritime technology showcases.

Support opportunities for "innovation berths" or similar waterfront adjacent or accessible points where emerging technologies can be demonstrated, tested, or showcased in a real maritime environment.

Continued

Implementation & Rationale Continued

Design the campus concept so that workforce and innovation activities reinforce each other, allowing trainees, students, faculty, startups, and employers to interact in a common environment rather than through disconnected programs.

Ensure the campus concept is positioned as a regional asset that supports both industrial modernization and the attraction of new maritime technology tenants.

Develop and solicit corporate partnerships in CNC machining, welding, robotics, industrial automation, and marine systems to provide grants, in-kind equipment, instructor training, certifications, and curriculum support for the Vallejo Maritime CTE program anchored at the Maritime Innovation Campus on Mare Island.

Use the Maritime Innovation Campus and demonstration berths to pursue pilot-scale validation projects with regional laboratories (e.g. LLNL, LBNL), universities, and startups in areas such as autonomous maritime systems, distributed sensing, waterfront energy resilience, advanced materials, and digital shipyard applications.

Vallejo Farmers Market, Vallejo, CA

VALLEJO'S MARITIME INVESTMENT AND ECONOMIC DEVELOPMENT PLATFORM

The City of Vallejo must pair the workforce, innovation, and campus initiatives outlined above with a strong economic development platform that can convert those assets into recruitable projects, activated sites, new tenants, and private capital investment. Mare Island presents both a major opportunity and real complexity.

Mare Island redevelopment still operates within a complex framework shaped by acquisition agreements, development agreements, environmental remediation agreements, and the original Economic Development Conveyance with the U.S. Navy. While the site's historic infrastructure and proximity to Bay Area markets are major assets, they come with significant constraints. Success depends on building a disciplined local capability to turn this operational complexity into a competitive advantage. It's imperative that the City shape its own future as it considers advancing the comprehensive update to the Mare Island Specific Plan and the Vallejo Waterfront Specific Plan.

A modern local economic development strategy should stay focused on a few basic missions — expand the tax base; create durable, high-value jobs; improve the experience of investors, employers, and site selectors; and support the firms that are already here. Those objectives are straightforward and urgent. Vallejo is financially functional, but its operating budget is vulnerable to structural pressure. Public reporting in early 2026 described a projected $20 million shortfall for fiscal year 2026-27 under current assumptions. Vallejo City Unified School District has also reported a projected deficit of about $20 million in 2025-26, with larger gaps in later years absent corrective action. A stronger economic development effort is not peripheral to that challenge. It is one of the few practical ways to address it over time.

The City's Economic Development Department will be central to establishing Vallejo as a maritime industrial hub. The department is responsible for business attraction, business retention, site selection assistance, asset management of City-owned property, and Mare Island conversion. That makes the department the logical lead for coordinating investor-facing activity, aligning City departments with private partners, assembling recruitment efforts, supporting existing employers, and carrying implementation forward from concept to action.

No single City department can implement this plan alone. Planning and Development Services will shape entitlement and permitting. Public Works will influence infrastructure, access, and the marina. Finance will affect budget capacity and long-range projections. The City Manager and City Council will set direction and authorize major actions, but the Economic Development Department is the organization best positioned to connect those parts into a working system. The following six recommendations are meant to strengthen that system. Their purpose is direct — improve Vallejo's ability to expand its tax base and increase employment opportunities through a more capable, better-resourced, and more execution-focused economic development function.

One immediate implication is straightforward. The City should appoint a permanent Economic Development Secretary as soon as possible. A department expected to coordinate investment strategy, manage stakeholder traffic, support active recruitment, and serve as the operating hub for implementation needs stable leadership and full operating capacity. Filling that post should be treated as an early implementation action.

Downtown Vallejo, CA

17 Recommendation

Recommendation #17

Establish a Vallejo Enterprise Fund.

Vallejo needs a dedicated economic development funding mechanism. Staff effort alone will not carry a serious recruitment and site activation strategy. Initiatives require small but decisive expenditures that often fall outside normal departmental budgets. Those costs can include site-readiness studies, due diligence support, matching funds for grants, early infrastructure analysis, targeted incentive support, confidential market work, and other actions needed to keep a live opportunity moving. Without a flexible tool to cover those needs, Vallejo will often be too slow or too constrained to compete with other communities.

The City's economic development resources are currently spread across broader priorities like public safety, housing, and core services that consume most of the available fiscal capacity. That structure leaves Vallejo without a focused instrument for business attraction, job retention, and private investment support. A Vallejo Enterprise Fund, or VEF, would fill that gap and give the City a practical tool for advancing projects that matter most to long-term tax base growth and employment expansion.

The VEF should be simple by design. It should define lawful uses, establish clear approval thresholds, require appropriate legal review, and preserve enough executive flexibility for the City to respond to time-sensitive opportunities. The point of the fund is speed, discipline, and strategic effect. If the approval structure is too cumbersome, the fund will fail when speed and discretion are most needed.

The VEF should also be built around future value creation. Vallejo should capitalize it over time through negotiated revenue associated with future land conveyances, lease activity, concessions, public-private partnerships, and other development actions that create new economic value. The preferred model is to grow the fund through future activity rather than place new burdens on current tenants. This creates a durable cycle in which new development helps finance the next round of site activation and business attraction.

Implementation & Rationale

Establish the Vallejo Enterprise Fund as a dedicated economic development fund for activities that directly support job retention, business attraction, site activation, and private investment.

Limit the fund's purpose to economic development uses. It should not function as a general operating reserve.

Adopt a simple governance structure. Define eligible uses, approval thresholds, reporting requirements, and legal review procedures at the outset. Permissible uses should be defined broadly enough to support technical studies, site-readiness work, grant matches, incentive support, development negotiations, prospect support, and strategic facilities planning.

Preserve an executive disbursement mechanism that allows the City to act quickly on time-sensitive opportunities, including confidential and competitive deals.

Capitalize the fund through negotiated revenue streams as opportunities arise. Potential sources include future federal and state land conveyances, lease and concession revenue, selected development proceeds, and other asset-related revenues where lawful.

Capture recurring allocations from future development activity where feasible. Potential examples include waterfront development, retail pads, public-private partnerships, hotel or entertainment projects, and transitions of selected City assets to private or nonprofit operation.

Structure future VEF revenue around new value creation. Revenues tied to newly activated sites and new tenants are preferable because they strengthen City capacity without undercutting existing revenue streams.

A mural on display downtown Vallejo, CA

Recommendation

Recommendation #18

Build a Maritime Investment Prospectus and Active Sites Inventory.

Vallejo needs a precise picture of what it is selling. Site selectors and investors look first for clarity in that they want to know which buildings and parcels are available, what infrastructure exists, which uses are realistic, what constraints are known, and how quickly a project can move. The City must answer those questions clearly to hold investor interest. Mare Island's complexity makes this even more important. A live site inventory and a strong prospectus reduce friction at the front end of the process.

Vallejo should therefore maintain an active inventory of buildings, parcels, waterfront assets, and adaptive-reuse opportunities on Mare Island and in other strategic areas of the City. This inventory should be turned into a formal maritime investment prospectus that packages ownership status, infrastructure, utility conditions, target uses, permitting considerations, workforce assets, and partnership structures into a usable market document. Investors and consultants should be able to assess the opportunity quickly.

The City must distinguish between sites that are merely available and those that are truly industry-ready. Not all properties are equally marketable. Some can be promoted now while others require remediation, demolition, infrastructure work, entitlement action, or more complex structuring. Vallejo should not blur that distinction. An honest readiness framework will improve the City's standing with investors and help concentrate effort on a smaller set of near-term wins.

The prospectus should also reinforce workforce development, innovation programming, and campus activity, which all become more compelling when they are tied to identified sites and visible growth opportunities. The prospectus should show how those elements fit together on the ground.

Implementation & Rationale

Establish and maintain a live inventory of available buildings, parcels, waterfront assets, and adaptive-reuse opportunities on Mare Island and in other strategic parts of Vallejo.

Build a formal maritime investment prospectus from that inventory. Include site status, ownership, utility conditions, industrial infrastructure, access, likely uses, workforce connections, known constraints, and target industry segments.

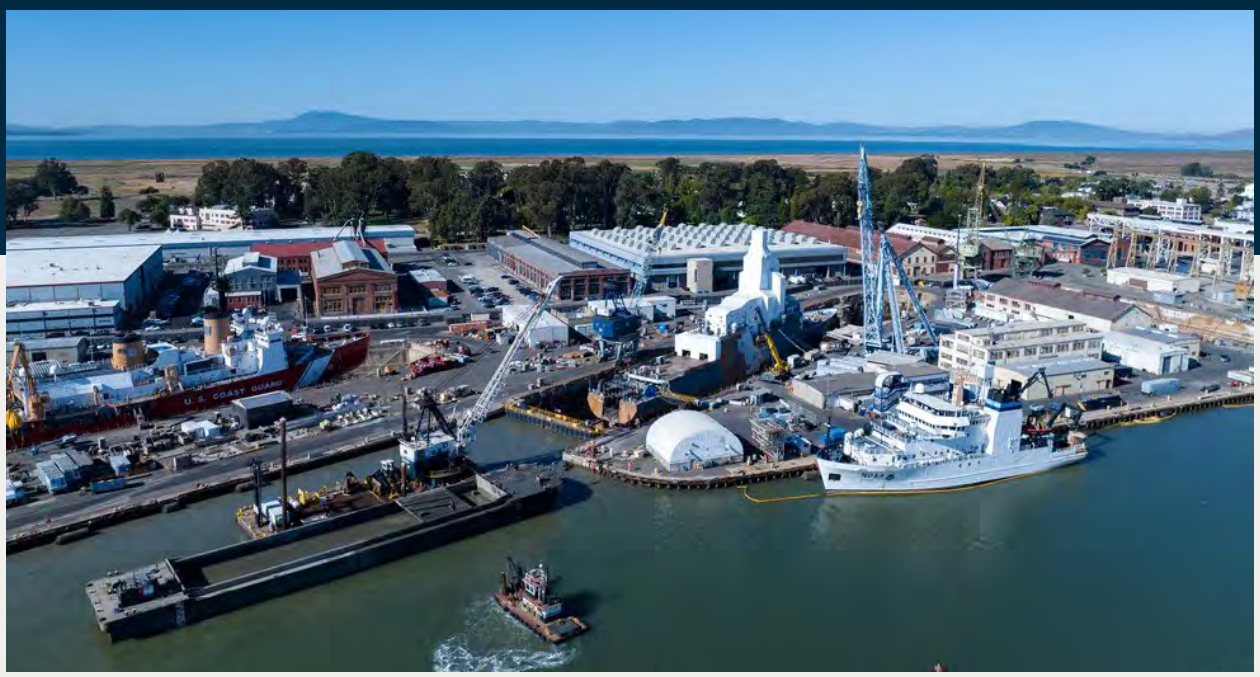
Identify and label a small number of industry-ready or investment-ready sites and facilities for immediate promotion. Secure documentation related to environmental, zoning, etc., and ensure they are readily available.

Distinguish clearly between sites that are marketable now and sites that require remediation, demolition, infrastructure work, entitlement action, or partnership structuring.

Include properties already being marketed through the Mare Island Company so the City's inventory complements private-sector activity rather than operating in isolation.

Package Mare Island's physical assets as business tools. Dry docks, waterfront access, industrial buildings, fabrication space, and demonstration areas should be described in terms that matter to target firms.

Update the prospectus regularly and use it in investor meetings, consultant outreach, conference engagement, and grant applications.



The waterfront on Mare Island

Recommendation

Mare Island Museum

Recommendation #19

Launch a Unified Recruitment, Marketing, Lead Generation, and Consultant Cultivation Campaign.

Vallejo and the Mare Island Company should present one outward-facing message to the market that ties together assets, available sites, and innovation programs in a single value proposition. Firms respond better to a comprehensive approach as they can see how all the pieces fit together.

To drive economic development, the City should treat this campaign as a business development function to create high-impact lead generation and sector-specific outreach, engaging investors and industry leaders where they are most active. This involves cultivating consultants and a disciplined conference and trade-show presence. A multi-year engagement strategy can create coordinated lines of effort that feed off one another to create opportunities.

Vallejo's message to the market should be clear. Mare Island offers unique and valuable industrial waterfront assets in the Bay Area. It offers maritime heritage, physical scale, and a growing base of industrial and technical activity. It offers proximity to engineering talent and regional supply chains. It offers a City that is working to become more responsive and more coordinated in support of investment. That is a compelling proposition if it is presented with discipline.

This campaign should remain selective and recruit firms that deepen Vallejo's maritime and technical ecosystem, add capability, support supply-chain growth, and reinforce the industrial logic of the broader plan.

Implementation & Rationale

Coordinate with the Mare Island Company on a unified recruitment and marketing strategy so Vallejo speaks to industry, investors, and site selectors with one consistent voice.

Build a formal lead-generation program. Maintain target lists, track prospects, assign follow-up responsibility, and manage outreach as a disciplined pipeline.

Develop sector-specific messaging for maritime manufacturing, ship repair suppliers, clean maritime energy, marine autonomy, dual-use robotics, and related industrial technologies.

Cultivate site-selection consultants, industrial brokers, infrastructure advisors, and other intermediaries who can bring qualified leads to Vallejo.

Represent Vallejo and Mare Island at a targeted set of trade shows, maritime and defense industry events, and economic development conferences where target firms and advisors gather.

Ensure all investor-facing materials link sites, workforce, innovation, public tools, and regional partnerships into one value proposition.

Survey Bay Area and California maritime and industrial firms facing land-use pressure, regulatory friction, or expansion constraints to determine whether relocation or expansion into Vallejo is feasible.

The Mare Island Dock of Bay Music Festival

Recommendation

Recommendation #20

Establish a Formal Business Retention and Expansion Program.

Executing the recommendation of this Plan will put pressure on the City to primarily focus on firms that are not part of the current ecosystem. Although this is tempting, the City must make certain the same amount of focus is put on existing employers. Existing employers are one of the strongest sources of near-term job growth and tax-base stability. They already know the local operating environment, already employ workers, already occupy space, and already use infrastructure. The City would quickly benefit from their expansion and conversely, would quickly realize losses if they decide to leave and take their business elsewhere.

This recommendation is especially important for Vallejo because Mare Island and the surrounding waterfront economy already support operating firms. Existing dredging, tug, barge, ship service, fabrication, logistics, and industrial employers are part of Vallejo's current maritime base. They also provide firsthand insight into workforce needs, infrastructure constraints, permitting problems, and supply-chain gaps. A formal business retention and expansion program turns that intelligence into action.

Business retention should be a more regular, visible, and structured function tied directly to implementation of this Plan. It is essential that the City makes every effort to show that it values its existing employers while chasing future prospects.

Implementation & Rationale

Establish a formal business retention and expansion program focused on existing maritime, industrial, waterfront, logistics, and fabrication employers in Vallejo and on Mare Island.

Continued

Implementation & Rationale Continued

Conduct recurring employer visits and structured interviews to identify expansion plans, workforce needs, infrastructure constraints, and risk factors that could lead to stagnation or relocation.

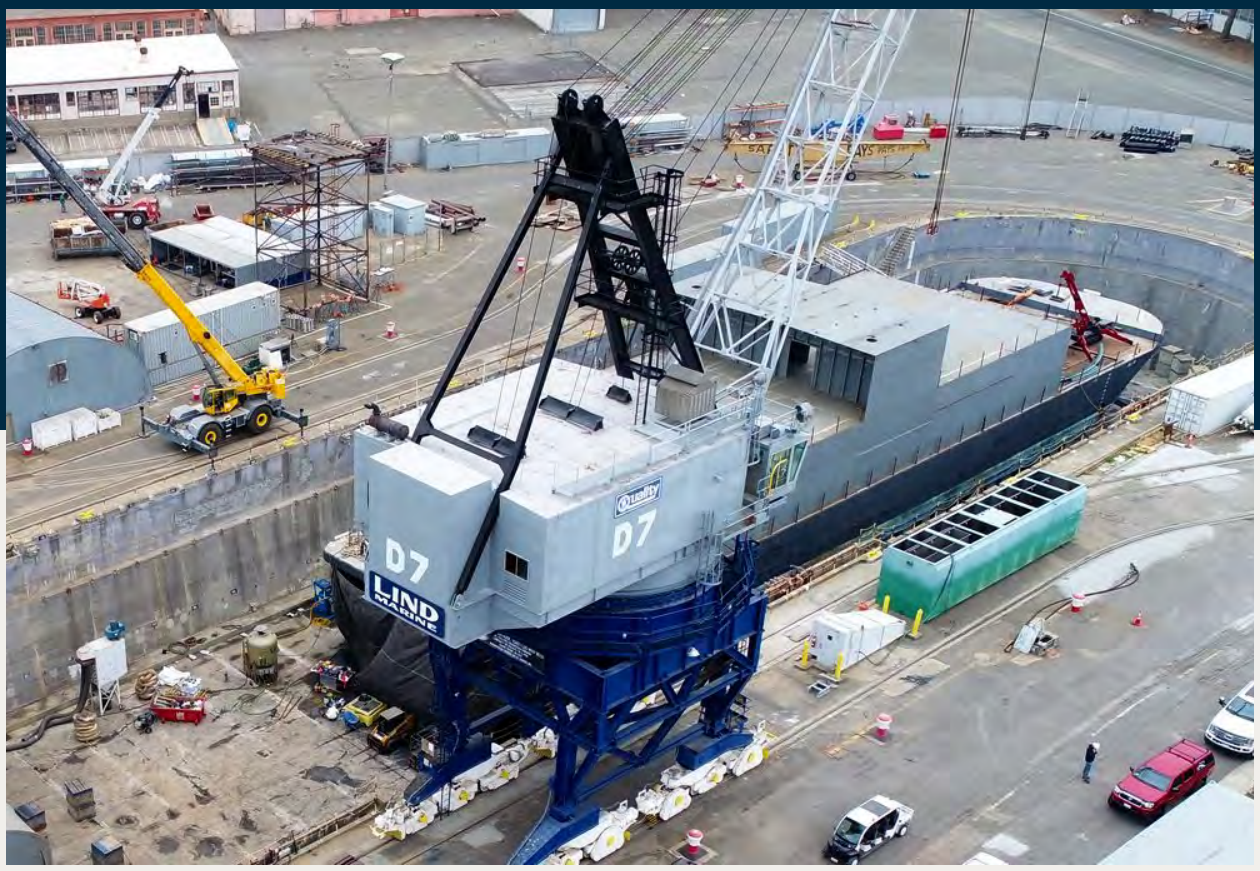
Create an internal process to escalate business issues that require City coordination so firms do not have to solve cross-department problems one office at a time.

Prioritize support for firms with demonstrable plans to add jobs, expand facilities, or deepen maritime and industrial capability in Vallejo.

Use the program to identify supplier and service gaps in the local ecosystem and feed that information into later recruitment efforts.

Include major existing maritime operators as anchor participants in the program.

Track recurring issues across employers, such as power, transportation, site condition, permitting, or labor shortages, and use that information to shape City budgeting, infrastructure planning, and prospect support.



Lind Marine Completes Waterborne Data Center Barge Project on the Mare Island Naval Complex in Vallejo, CA

21 Recommendation

Recommendation #21

Create a Development Concierge and Strategic Incentives Program.

The City of Vallejo should embrace that Mare Island is a complicated place to do deals and should lean into improving the experience of serious prospects and current business owners. Establishing a "Concierge" to provide a more hands-on and technically informed process for firms evaluating sites, facilities, and expansion opportunities would be extremely valuable. Prospects need the City to help them understand the way forward.

A concierge function is a useful mechanism for navigating challenges such as complex legal requirements or difficult permitting issues. It organizes the process by helping firms understand likely approvals, infrastructure interfaces, timing, City contacts, and where outside agencies enter the picture. In a competitive environment, that kind of clarity can influence whether a project stays active. A project champion who understands the process early is more likely to stay active.

This recommendation also includes strategic incentives and support tools. Vallejo does not need to win every deal with subsidies. In many cases, it cannot. But the City should know what tools it can lawfully use and when to use them. Some projects may need fee treatment, infrastructure participation, grant matching, or partnership structuring. Others may mainly need speed, access to decision-makers, and disciplined process management. The City should be able to calibrate its response.

This is ultimately a capacity issue. Vallejo will compete better when it makes the process easier to understand and easier to navigate.

Implementation & Rationale

Create a formal concierge function within the Economic Development Department to serve as the first coordination point for major prospects, expanding employers, and strategic partners.

Provide early guidance on likely approvals, permit pathways, infrastructure conditions, timing, key City contacts, and outside agency interfaces so firms can make decisions with more confidence.

Develop internal protocols that link Economic Development, Planning and Development Services, Public Works, Finance, and the City Manager's office on major opportunities.

Prepare a menu of lawful tools the City can use to support competitive projects. These may include fee treatment, grant matching, infrastructure participation, and selective use of incentives where justified.

Use the concierge function to explain how City processes intersect with Mare Island's larger redevelopment framework, including development agreements, remediation issues, ownership structure, and related implementation constraints.

Track major projects from first contact through disposition so the City knows where each prospect stands, what obstacles remain, and which departments need to act next.

Treat speed, predictability, and clear communication as competitive advantages. In many cases, those qualities will matter more than cash incentives that the City cannot readily afford.

The Empress Theatre, Vallejo, CA

Recommendation

Recommendation #22

Use Strategic Asset Management and Recurring Revenue Generation to Strengthen Vallejo's Economic Development Capacity.

Vallejo should continue to manage public assets with economic development in mind. Understanding how City-controlled and City-influenced assets can support tax-base growth, site activation, public-private partnerships, and recurring revenue over time is critical. The City's asset management strategy should link future value creation to future implementation capacity and therefore be judged in part by whether it improves the City's ability to finance the next round of economic development work.

For example, the Vallejo Marina is a City asset with operating, capital, and revenue implications. It also has direct relevance to waterfront activity, visitor access, and the broader market position of Vallejo. The City is using all means necessary (e.g., state grant) to create operational stability while seeking a future construct that reduces fiscal drag and generates positive value. A portion of future revenue could be put back into the Vallejo Enterprise Fund as previously indicated.

An effective asset management strategy must also align infrastructure planning, industrial development, and workforce investment with clean energy deployment and decarbonization goals. California's Green Empowerment Zone (GEZ) model promotes this approach by leveraging long-term policy certainty, multi-stakeholder governance, and co-location efficiencies that integrate clean energy production directly into industrial and maritime assets. For Vallejo, embedding this framework into its economic development strategy means prioritizing industry clusters such as energy storage, green hydrogen, zero-emission transportation, and sustainable materials, while repurposing existing infrastructure into clean energy-enabled industrial hubs. By fostering regional collaboration, aligning with state mandates, and piloting innovative technologies like wave energy on underutilized waterfront assets, a city can reduce costs for industry, attract private investment, ensure regulatory compliance, and position itself as a competitive, future-ready center for sustainable economic growth.

Furthermore, until MPZs are established, the City should continue to leverage its Federal Opportunity Zone (OZ) designation to maximize the value and performance of underutilized public and private assets. Established under the Tax Cuts and Jobs Act of 2017, the OZ program incentivizes long-term private investment in economically distressed areas by offering federal tax benefits tied to sustained capital deployment. The city can strategically align this designation with priority geographies — such as Mare Island, the downtown waterfront, and the Sonoma Boulevard corridor — by proactively packaging sites, streamlining entitlements, and targeting investments that enhance infrastructure, activate vacant properties, and support mixed-use and industrial redevelopment. By integrating OZ incentives into a broader asset management framework, the City can attract patient capital, accelerate redevelopment timelines, and ensure that investments contribute to long-term economic resilience, increased tax base, and improved community outcomes.

As a whole, a stronger City waterfront will reinforce a stronger Mare Island, and vice versa. Vallejo should manage both efforts as complementary, not competing, initiatives.

Implementation & Rationale

Evaluate major City-controlled and City-influenced assets for their economic development value and prioritize accordingly.

Identify future lease revenues, concessions, development proceeds, and other asset-related revenues that could lawfully support the Vallejo Enterprise Fund.

Continue a focused strategy for the Vallejo Marina with attention to operations, capital needs, dredging requirements, and long-term revenue performance.

Treat marina management, waterfront planning, and maritime economic development as connected efforts rather than separate tracks.

Use public-private partnerships where appropriate to improve asset performance and reduce long-term fiscal drag.

Direct recurring economic-development-related revenues from asset strategy toward long-term activation capacity where feasible.

Keep complementary place-based initiatives moving, including waterfront development and support for existing maritime firms, so broader asset strategy reinforces the larger maritime growth agenda.

04 /

Supplemental

Funding Opportunities

FEDERAL FUNDING OPPORTUNITIES FOR MARE ISLAND'S MARITIME FUTURE

There are several categories of annual federal funding opportunities that the City of Vallejo should consider to strengthen the City's maritime economic development growth. This section will focus on these funding opportunities that include direct congressional action, including earmarks (also known as Community Project Funding or Congressionally Directed Spending) and provisions in the annual National Defense Authorization Act, competitive federal grant programs, and authorizing programs or federal financing mechanisms. These sources can support investments that strengthen shipbuilding, ship repair capacity, maritime manufacturing, workforce development, and maritime infrastructure at Mare Island, positioning it as a major contributor to the West Coast maritime industrial base.

While this list may appear exhaustive, the City should have complete awareness of the span of opportunities available. It would be impossible and infeasible to tackle large numbers of these each year. Instead, the City should understand them and target the ones that are most applicable to the City's current situation and the requests that can provide the greatest value proposition and return to its needs. Bottom line, the City should have complete situational awareness of existing funding sources, already available via Congress and Federal Agencies, and the potential for new ones as a result of the Maritime Action Plan and SHIPS Act.

CONGRESSIONAL EARMARKS

Congressional earmarks are one of the most direct and flexible mechanisms for supporting maritime economic development initiatives. Earmarks take the form of Community Project Funding in the House of Representatives and Congressionally Directed Spending in the Senate. This funding process allows constituent groups to seek funding for projects by making direct requests to their local Members of Congress and Senators, rather than going through a competitive process. The City of Vallejo would request earmarks through Congressman John Garamendi and Senators Alex Padilla and Adam Schiff. This process usually begins early in each calendar year, so the City should be prepared to submit requests no later than March of each year. It is critical that project recipients are able to spend the earmarked funding within one fiscal year.

NATIONAL DEFENSE AUTHORIZATION ACT

Additional opportunities to help the development of Mare Island are possible through advocacy for provisions in the annual National Defense Authorization Act (NDAA). Congress

frequently directs federal agencies to assess defense industrial base gaps or evaluate infrastructure needed to support defense readiness in the NDAA, so it is a vehicle to achieve your goals.

For example, legislative direction could require the Department of War or maritime agencies to evaluate West Coast ship repair capacity, assess opportunities to expand shipyard infrastructure, or examine potential roles for facilities such as Mare Island in supporting naval logistics and maintenance operations, especially in wartime surge contingencies in support of INDOPACOM scenarios. Such direction can elevate the strategic importance of maritime infrastructure and help position facilities like Mare Island for future federal investment.

COMPETITIVE FEDERAL GRANT PROGRAMS & FINANCING MECHANISMS

A variety of federal grant programs across multiple agencies could support key elements of Mare Island's revitalization, including infrastructure modernization, maritime industrial development, workforce training, and environmental remediation. Programs within the Departments of Transportation, Commerce, Labor, and the Environmental Protection Agency offer funding for port and shipyard infrastructure, transportation connectivity, advanced manufacturing, and workforce development aligned with maritime industries.

SUMMARY

These collective opportunities suggest a phased approach to federal engagement. Initial investments could focus on strengthening shipyard infrastructure, workforce development, and maritime industrial capabilities that support shipbuilding and ship repair. As maritime activity expands, the City of Vallejo could then pursue larger-scale infrastructure investments through federal shipyard modernization programs, port infrastructure funding, defense industrial base initiatives, and advanced manufacturing programs. Through this combination of federal funding sources, Mare Island has the potential to reemerge as a major center for shipbuilding, maritime manufacturing, and maritime technology development on the West Coast.

The Alfred Zampa Memorial Bridge and the Carquinez Bridge

Recommendation

Recommendation #23

Maximize Community Project Funding or Congressionally Directed Spending Opportunities.

Implementation & Rationale

Present Mare Island as a regional and national asset, not as a post-BRAC redevelopment issue. The City of Vallejo should emphasize Mare Island's historic role, its remaining industrial infrastructure, and its potential to support ship repair, maritime training, and port logistics, given current and evolving national security threats.

- Provide economic and job growth within their constituency.
- Strengthen the U.S. maritime industrial base.
- Support national security apparatus, including Coast Guard and Navy efforts.
- Highlight workforce efforts in shipbuilding and maritime transportation trades.

Build a regional coalition. Congressional offices respond strongly to regional alignment. Vallejo should coordinate with:

- Solano County.
- Local port authorities.
- Labor unions.
- Maritime industry partners
- Universities (Incl. Cal Poly Maritime Academy)

Present Members of Congress with "shovel-ready" projects that include completed feasibility studies, environmental impact assessments, detailed cost estimates, and if needed, the ability to meet fund-matching requirements.

Mare Island Museum

24 Recommendation

Recommendation #24

Pursue Opportunities through the National Defense Authorization Act (NDAA).

Implementation & Rationale

Develop legislative proposals directing the Department of War and maritime agencies to assess West Coast ship repair capacity and evaluate the potential role of Mare Island.

Coordinate with the California congressional delegation to sponsor NDAA language requiring studies of shipyard infrastructure and defense industrial base needs.

ACCOUNTS ELIGIBLE FOR CONGRESSIONAL EARMARKS

Transportation, Housing and Urban Development (THUD) Appropriations:

Department of Transportation (DOT), Maritime Administration (MARAD) – Port Infrastructure Development Program Grants

Funds improvements to port and maritime transportation infrastructure that enhance the safety, efficiency, and reliability of the nation's freight transportation system.

Eligible activities include port terminal construction, berth improvements, intermodal connectors, cargo handling infrastructure, and port-related road or rail improvements.

Could support redevelopment of maritime industrial infrastructure, pier and berth upgrades, cargo handling facilities, and port access improvements to enable shipyard, maritime manufacturing, and vessel operations at Mare Island.

Earmark Range: $1,000,000 - $20,000,000

Department of Transportation - Transit Infrastructure Projects

Funds capital investments in public transportation infrastructure.

Eligible activities include construction or rehabilitation of transit stations, rail infrastructure, bus rapid transit, ferry terminals, and related multimodal facilities.

Could support ferry terminal expansion, transit connectivity improvements between Mare Island and Vallejo, or infrastructure to support workforce access to shipyard and maritime industrial facilities.

Earmark Range: $1,000,000 - $25,000,000

Department of Transportation - Highway Infrastructure Projects

Funds the construction and improvement of public roadways and transportation infrastructure.

Eligible activities include roadway reconstruction, bridge repair, freight mobility improvements, port access roads, and multimodal transportation infrastructure.

Could support road, bridge, and freight access improvements connecting Mare Island redevelopment areas with regional highway networks and port facilities.

Earmark Range: $1,000,000 - $25,000,000

Department of Housing and Urban Development (HUD) Economic Development Initiative (EDI)

Supports economic development and redevelopment projects that stimulate regional growth and industrial revitalization.

Eligible uses include industrial site redevelopment, infrastructure supporting economic growth, workforce development infrastructure, and redevelopment of former military installations.

This account is frequently used to support the redevelopment of former federal properties and large industrial sites.

Particularly relevant to Mare Island given its history as a naval shipyard and its potential to support maritime manufacturing, ship repair, and shipbuilding activity.

Earmark Range: $500,000 – $5,000,000

Energy and Water Development Appropriations:

Department of Energy - Energy Projects

Includes requests for energy infrastructure and demonstration projects.

Eligible uses include industrial decarbonization projects, clean energy infrastructure, and demonstration projects tied to emerging energy technologies.

Could support electrified port infrastructure, clean shipyard technologies, or alternative maritime fuel infrastructure.

Earmark Range: $225,000 - $8,000,000

U.S. Army Corps of Engineers Investigations

Funds feasibility studies and planning work for water resource and maritime infrastructure projects conducted by the Army Corps of Engineers.

Eligible activities include port development studies, navigation improvements, waterfront infrastructure planning, and coastal or flood control analysis.

Could support planning and analysis related to maritime infrastructure improvements at Mare Island, including port access and shipyard waterfront development.

Earmark Range: $200,000 – $5,000,000

U.S. Army Corps of Engineers Construction

Supports the construction of major water resource and maritime infrastructure projects.

Eligible uses include port infrastructure improvements, navigation channel work, waterfront stabilization, and other maritime infrastructure investments.

Relevant for infrastructure improvements supporting shipyard operations, vessel access, and maritime logistics at Mare Island.

Projects must be authorized by the bi-annual Water Resources Development Act legislation. (The dredging section of this report will address this process in detail.)

Earmark Range: $100,000 - $450,000,000

U.S. Army Corps of Engineers Operations and Maintenance

Supports maintenance and repair of navigation channels, harbors, and other maritime infrastructure.

Eligible activities include dredging, harbor maintenance, and operational improvements to maritime navigation systems.

Could support channel access and maritime infrastructure necessary to sustain vessel traffic to shipyard facilities.

Projects must be authorized by the biannual Water Resources Development Act legislation.

Earmark Range: $240,000 - $75,000,000

Labor, Health and Human Services, Education, and Related Agencies Appropriations:

Department of Labor, Employment and Training Administration – Training and Employment Services

Funds workforce development programs that prepare workers for employment in high-demand industries and support regional workforce training initiatives.

Eligible activities include workforce training programs, apprenticeship development, career and technical education partnerships, and workforce development infrastructure tied to regional economic needs.

Could support workforce training and apprenticeship programs focused on maritime trades, shipbuilding, advanced manufacturing, and skilled industrial occupations associated with the redevelopment of Mare Island shipyard facilities.

Earmark Range: $500,000 - $5,000,000

Military Construction, Veterans Affairs (MilCon-VA) Appropriations:

Military Construction

Funds construction and improvement of facilities supporting the Department of War.

Eligible activities include construction of operational facilities, training centers, logistics infrastructure, and support facilities on or adjacent to military installations.

Could support redevelopment or modernization of facilities supporting maritime operations, ship maintenance, or training activities associated with the historic Mare Island Naval Shipyard infrastructure.

Must be included in a request from the Department of War, either via an unfunded priority list (UPL) or future years defense plan (FYDP).

Earmark Range: $500,000 - $5,000,000

Interior, Environment Appropriations:

Environmental Protection Agency (EPA) State and Tribal Assistance Grants (STAG) – Water Infrastructure

Funds drinking water and wastewater infrastructure projects that protect public health and improve water quality.

Eligible activities include wastewater treatment upgrades, stormwater management systems, sewer system rehabilitation, and drinking water infrastructure improvements.

Could support modernization of water, wastewater, and stormwater systems needed to support redevelopment of former shipyard industrial areas on Mare Island.

Earmark Range: $850,000 - $15,000,000

Commerce, Justice, Science Appropriations:

National Institute of Standards and Technology (NIST) Construction of Research Facilities

Funds the construction of research and advanced manufacturing facilities.

Eligible activities include the development of laboratories, manufacturing innovation facilities, and technology research centers.

Could support the development of a maritime advanced manufacturing or shipbuilding technology facility tied to modern shipyard operations and maritime engineering innovation.

Earmark Range: $897,000 - $70,000,000

ADDITIONAL ELIGIBLE FEDERAL FINANCING MECHANISMS

Department of Transportation:
The U.S. Department of Transportation has several applicable grant programs. MARAD administers several programs that are directly relevant to shipyard modernization and maritime industrial growth.

The Small Shipyard Grant Program, administered by MARAD

This is one of the most important federal funding sources for improving U.S. shipbuilding and ship repair capacity. The program funds shipyard modernization, workforce development, and capital improvements that increase productivity and competitiveness in domestic shipyards.

Eligible uses include shipyard equipment purchases, workforce training initiatives, technology upgrades, and infrastructure improvements that enhance ship construction or repair capacity.

For Mare Island, these grants could support modernization of dry dock facilities, upgrades to ship repair infrastructure, and investments that expand the region's ability to service commercial, government, and Coast Guard vessels.

MARAD shipyard grants typically range from about $500,000 to $5 million.

Applications for the Small Shipyard Grant Program are typically solicited once per year, with the Notice of Funding Opportunity usually released in late summer and applications generally due in early fall.

Marine Highway Program, administered by MARAD

This program is designed to strengthen America's maritime freight network by shifting cargo from congested highways to designated marine corridors.

This program funds alternatives to land-side freight transportation to reduce congestion and improve the surface transportation system.

This program aligns well with opportunities to expand ferry service, develop waterfront logistics, or reactivate maritime freight corridors around Mare Island.

This program typically provides about $100,000,000 in total and ranges from modest planning grants to multi-million-dollar capital investments.

Marine Highway grants are typically offered annually, with the Notice of Funding Opportunity generally released in the spring and applications due in early summer.

Infrastructure for Rebuilding America (INFRA) Grants, administered by DOT
administered by DOT: INFRA is supporting nationally and regionally significant projects that improve the movement of goods, enhance safety, and strengthen supply-chain resilience.

- This program funds major freight corridors, intermodal connectors, and port access improvements.
- INFRA could support improvements to Mare Island's freight access roads, rail connections, or heavy-haul corridors that enable shipyard and industrial redevelopment.
- DOT provides a total of $800 million to $1 billion annually
- INFRA grant applications are typically solicited once per year, with the Notice of Funding Opportunity usually released in the spring and applications due in early summer.

Transportation Infrastructure Finance and Innovation Act (TIFIA) Loans, administered by the Build America Bureau
This program provides low-interest, long-term federal loans that can cover a substantial portion of eligible project costs.

- TIFIA supports large transportation projects—including port access roads, intermodal freight facilities, and rail connections—by offering direct loans, loan guarantees, and lines of credit.
- Aligning local priorities for infrastructure with the TIFIA Loan can secure prompt funding and attract private investment into waterfront assets.
- Unlike traditional grants, TIFIA accepts applications on a rolling basis throughout the year after an initial Letter of Interest is submitted and approved by the Build America Bureau.

Department of Commerce:
The U.S. Department of Commerce offers several grant programs that can support regional industrial development and advanced manufacturing growth. The Economic Development Administration (EDA) administers programs specifically designed to strengthen regional economies and support strategic industry clusters.

Economic Adjustment Assistance (EAA), administered by the Economic Development Administration
This program supports infrastructure, planning, and economic diversification projects that strengthen regional economies and create jobs.

- Eligible uses include industrial infrastructure development, site preparation, economic diversification projects, and strategic investments that support key manufacturing sectors.
- For Mare Island, EAA funding could support infrastructure improvements necessary to expand ship repair and maritime manufacturing capacity, including site redevelopment, industrial facility upgrades, and utilities that support shipyard operations.

EAA awards typically range from roughly $500,000 to $5 million, depending on project scope.

The EDA typically accepts applications on a rolling basis throughout the year, although many regions begin preparing proposals in the spring and summer for projects that will move forward in the following fiscal year.

Build to Scale Program, administered by the Economic Development Administration

This program supports innovation-driven economic development and regional technology ecosystems.

Eligible uses include technology commercialization, industry cluster development, entrepreneurship support, and partnerships between universities, industry, and regional economic development organizations.

For Mare Island, Build to Scale funding could help establish a maritime technology cluster focused on autonomous vessels, maritime robotics, digital shipyard technologies, and advanced maritime manufacturing.

Build to Scale grants generally range from approximately $300,000 to $2 million.

The program typically opens its annual Notice of Funding Opportunity (NOFO) in late spring or early summer, with applications generally due in July or August.

Federal technology and advanced manufacturing initiatives created under the CHIPS and Science Act

This may also support the development of advanced manufacturing clusters.

Programs administered by the Department of Commerce aim to create regional innovation ecosystems that connect universities, private industry, and manufacturing facilities.

A maritime technology cluster anchored at Mare Island could focus on areas such as autonomous vessels, maritime cybersecurity, advanced propulsion systems, maritime robotics, and digital shipyard technologies.

Given the Bay Area's strong technology and advanced manufacturing base, Mare Island could serve as a focal point for innovation in maritime manufacturing and vessel technology.

Department of War:

Several programs within the Department of War may also be relevant, given Mare Island's history as a naval shipyard and its potential role in strengthening the maritime defense industrial base. The Office of Local Defense Community Cooperation (OLDCC) administers several grant programs designed to support defense communities and strengthen national security infrastructure.

Defense Community Infrastructure Program (DCIP), administered by the Office of Local Defense Community Cooperation

This program funds infrastructure projects that support military installations and defense missions.

Eligible uses include transportation improvements, utilities, workforce infrastructure, and other capital investments that directly support defense readiness.

For Mare Island, DCIP funding could support infrastructure upgrades that enhance ship repair capacity, strengthen maritime logistics capabilities, or improve utilities and transportation systems supporting defense-related shipyard activities.

DCIP grants commonly range from approximately $1 million to $20 million, depending on project scale.

The DCIP funding opportunity typically opens in spring (April–May) with applications usually due in early summer (June or July).

Defense Manufacturing Communities Support Program (DMCSP), administered by the Office of Local Defense Community Cooperation

This program strengthens regional defense manufacturing ecosystems and supports industrial base expansion.

Eligible uses include workforce training initiatives, manufacturing infrastructure improvements, supply chain development, and regional industrial base planning.

For Mare Island, DMCSP funding could support the development of a maritime defense manufacturing cluster focused on ship repair, maritime supply chain production, and advanced naval manufacturing technologies.

DMCSP awards generally range from roughly $2 million to $15 million, depending on the scope of the proposed regional initiative.

This program is typically offered periodically rather than annually, but when available, the funding opportunity generally opens in the summer with applications due in late summer or early fall.

Department of Labor:

Workforce development funding from the Department of Labor is an important opportunity to support the skilled labor needs associated with maritime industrial growth and shipyard expansion.

Apprenticeship Building America (ABA) Grants, administered by the Employment and Training Administration

This program funds workforce development initiatives designed to expand registered apprenticeship programs in high-demand industries.

Eligible uses include apprenticeship program development, workforce training partnerships, curriculum development, and recruitment of workers into skilled trades.

For Mare Island, these funds could support training pipelines for maritime trades such as welding, machining, naval architecture, marine engineering, shipfitting, and advanced manufacturing.

Apprenticeship Building America grants range from approximately $1 million to $8 million, depending on project scale.

Funding opportunities for this program generally open in the late winter or early spring (February–March), with applications usually due in late spring.

Department of Energy:
Emerging federal investments related to maritime decarbonization and clean energy technologies may provide another avenue for funding maritime industrial development. The Department of Energy increasingly funds projects that support clean transportation systems and industrial decarbonization.

Several Department of Energy initiatives support port electrification, hydrogen-based maritime fuels, clean shipping technologies, and low-emission vessel systems. These programs often support demonstration projects, infrastructure upgrades, and technology pilots designed to reduce emissions from maritime transportation.

For Mare Island, these initiatives could support the development of clean maritime technologies such as electrified ship repair infrastructure, alternative maritime fuel systems, hydrogen fueling capabilities, or green shipyard operations. Positioning the site as a hub for sustainable maritime technologies could align with both federal climate priorities and California's clean energy goals.

Department of Energy maritime and port-related grant opportunities range from approximately $1 million to $20 million, depending on the scale of the project.

Most DOE funding opportunities are released through competitive Funding Opportunity Announcements (FOAs) that typically open in the spring or fall, with application deadlines usually 60–120 days after announcement.


Vallejo Waterfront Park, Vallejo, CA

Recommendation

Recommendation #25

Target Federal Grant and Appropriations Programs Annually to Enhance the Maritime Industrial Base.

Implementation & Rationale

Create a Federal Funding Coordination Team to track grant opportunities and coordinate applications across agencies and local partners.

Consider these opportunities as part of an annual campaign to identify, vet, and select potential legislative and Federal Agency requests. Consider this annual campaign as a fundamental task of the potential City-led Vallejo Maritime Industrial Base Coalition identified in Recommendation #2 of this Strategic Plan.

Develop a prioritized infrastructure investment plan identifying projects such as pier rehabilitation, transportation access, and utility upgrades that align with federal programs.

Advance "shovel-ready" projects by completing feasibility studies, engineering, and environmental review to improve competitiveness for grants.

Build regional partnerships with state agencies, ports, industry, and educational institutions to strengthen grant applications and demonstrate broader economic impact.

Leverage grants with private investment through public–private partnerships that expand maritime industrial development.

MARITIME ACTION PLAN & SHIPS ACT: FUTURE FUNDING OPPORTUNITIES

The following table highlights a range of emerging federal programs and incentives under the President's Maritime Action Plan and Congressional SHIPS Act that represent future funding opportunities the City of Vallejo could actively pursue. Together, these initiatives span workforce development, shipyard modernization, financing, and innovation, aligning closely with Vallejo's maritime assets and economic development goals. As these programs are implemented or expanded, they provide a roadmap for positioning Vallejo to compete for federal support and attract private investment in the shipbuilding and maritime industrial base.

Table 6:
Future Federal Maritime Funding Opportunities for the City of Vallejo

Initiative	Program	Funding Type	Description	Eligible Entities
Maritime Action Plan	Mariner Incentive Program (MIP)	Subsidy	Supports mariner education, recruitment, training, and retention. Includes improvements to Student Incentive Payments (SIP).	Mariner students at State Maritime Academies and maritime education programs
Maritime Action Plan	Make America Skilled Again Grant Program	Direct grant	Facilitates state and local investments in shipbuilding-related training.	States and localities
Maritime Action Plan	Capital Construction Fund for Shipyards (CCFS)	Tax incentive	Allows shipyards to establish tax-deferred accounts to reinvest earnings into infrastructure, equipment, or debt payment.	Commercial shipyards and potentially marine terminal operators
SHIPS Act	Public Service Loan Forgiveness for Merchant Marines	Loan guarantee	Amends the Higher Education Act to include full-time jobs in the U.S. Merchant Marine or a U.S. shipyard as qualifying service for loan cancellation.	Credentialed U.S. Merchant Mariners and U.S. shipyard workers
SHIPS Act	State Maritime Academy Sea Term Scholarship Programs	Subsidy	Establishes a scholarship program predominantly funded by private entities to offset expenses for summer sea terms required for USCG licensing.	Students at State Maritime Academies

Initiative	Program	Funding Type	Description	Eligible Entities
SHIPS Act	Mariner Educational Assistance (GI Bill Treatment)	Direct grant	Provides entitlement to educational assistance (Chapter 33) for mariners who served 10 years and received service medals in combat zones.	Full-time credentialed U.S. Merchant Mariners
SHIPS Act	Spouse Relicensing and Business Costs Reimbursement	Direct grant	Reimburses qualified relicensing or business moving costs (up to $1,000) for spouses of mariners who relocate due to military reserve reassignments.	Spouses of U.S. Merchant Mariners in reserve components
Both	Strategic Commercial Fleet (SCF)	Subsidy	Establishes a fleet of active, commercially viable, militarily useful vessels. Provides financial support for both vessel construction and operations to ensure reliable sealift capability.	Citizens of the United States, vessel owners/ operators, or bid teams, including U.S. shipyards
Both	Shipbuilding Financial Incentives Program	Direct grant	Provides Federal financial assistance to aid in the construction of U.S.-documented vessels or to incentivize qualified shipyard investments.	Proposed vessel purchasers (U.S. citizens) or U.S. shipyards capable of building military or foreign commerce vessels
Both	Title XI Federal Ship Financing Program	Loan guarantee	Provides shipyards access to long-term financing for large-scale capital projects and vessel construction.	U.S. shipyards and vessel owners/ operators
Both	Assistance for Small Shipyards (Small Shipyard Grant Program)	Direct grant	Provides capital and training grants targeted at facilities with less than 1,200 production employees to increase capacity, efficiency, and workforce training.	Small shipyards in the United States
Both	United States Center for Maritime Innovation Grants	Direct grant	Funds research, development, and maritime incubators to accelerate technology adoption like clean energy, autonomous systems, and advanced manufacturing.	Maritime incubators, academic institutions, and private sector research partners
Both	Maritime Prosperity Zones (MPZs)	Tax incentive	Incentivizes domestic private capital and allied investment in supply chain entities and training.	Maritime supply chain entities, workforce development and educational institutions, and advanced manufacturing initiatives

05 /

Supplemental

Dredging & ADV

DREDGING AND HAZARDS TO NAVIGATION

The waterways surrounding Mare Island are critical maritime corridors enabling a strategic nexus of regional economic vitality, environmental health, and national security. To maintain the successful execution of commercial shipping and federal missions, the Vallejo waterfront needs to mitigate acute sediment accumulation within the Mare Island Strait and remove abandoned and derelict vessels (ADVs). These hazards obstruct navigation, deter economic development, and threaten the integrity of the delicate marine ecosystem.

Mare Island Dry Dock Dredging

Addressing these sub-surface and surface-level obstructions is a mandatory requirement for Vallejo's long-term maritime resilience. This section of the strategic plan outlines the legislative levers and federal pathways necessary to restore the Mare Island Strait to its full operational capacity, ensuring its role as a secure and reliable deep-water asset.

FEDERAL CHANNEL DEEPENING (DREDGING)

Vallejo must capitalize on the legislative frameworks provided by the Water Resources Development Acts (WRDA) of 2022 and 2024 to secure dredging funding. Representative Garamendi is expected to offer a submission to the WRDA 2026 requiring USACE to conduct a Feasibility Study for the deepening of the Mare Island Strait. Regardless, the City must ask the federal delegation to take action to at least restore the Mare Island Strait to its currently authorized depth and dimensions. To be successful in either endeavor, the City should augment its advocacy away from the traditional criteria that primarily analyze commercial tonnage toward domestic security, national security, and safety justifications. Arguments for this include:

Mission Readiness for Polar Operations
A 36-foot depth is required for all-tide accessibility for the USCG's heavy icebreaker fleet. Specifically, Mare Island Dry Dock performs annual maintenance on the 399-foot Polar Star (WAGB 10). Vallejo must be framed as the strategic hub for servicing these national defense assets.

Gateway Reliability
As the gateway to the inland coast, any restriction in the Mare Island Strait compromises the logistics chain for the interior Delta and the San Francisco Bay, creating a strategic vulnerability.

Strategic Cutter Fleet Support
Deepening the channel directly supports operational drafts of modern cutter classes, ensuring that federal assets are not tide-restricted during emergency deployments

The Napa River becomes Mare Island Strait

26 Recommendation

Recommendation #26

Deepen the Mare Island Strait in the interest of national security.

Implementation & Rationale

Develop justification messaging around the national security imperative to support the Coast Guard and supply chain management.

Engage Congressional representatives to secure a $3 million federal appropriation for a formal U.S. Army Corps of Engineers (USACE) Feasibility Study.

Work with members of Congress to submit a WRDA request to the relevant committees for inclusion in the next WRDA, which is enacted every two years.

Leverage WRDA 2024 Section 1119 to request the use of non-Federal dredging material disposal facilities to accelerate project planning, ensure greater operational flexibility, and yield potential cost savings.

Vallejo is in a great position to align dredging objectives with the security-focused provisions of WRDA 2022 and 2024 to transform the Mare Island Strait into a resilient, all-tide corridor for the icebreakers, cutters, and other federal and commercial vessels. Collaboration with the prime federal beneficiary, Department of Homeland Security and USCG, will be critical for the inclusion of their requirements and impacts into any Congressional requests or USACE feasibility studies.

ABANDONED AND DERELICT VESSEL (ADV) REMOVAL

Removing ADVs is not only safe and environmentally responsible, but it also removes the visual eyesores that residents and visitors see along the waterfront. There are several strategies that the City could pursue to remove these vessels.

The first strategy is one that the City of Benicia successfully employed. Benicia was able to secure federal resources to address large-scale marine debris within the Carquinez Strait, demonstrating how local governments can successfully leverage federal partnerships to execute complex environmental removals without exhausting municipal budgets. This funding approach relies on securing resources through Congressionally Directed Spending, allowing the full cost to be covered through federal appropriations. This model also establishes a formal partnership with the NOAA Marine Debris Program, within the NOAA Office of Response and Restoration, to serve as the lead agency providing funding oversight and technical authority.

The second strategy is to leverage Section 1124 of the WRDA 2024, which provides expanded authorities for addressing ADVs. Under this provision, the U.S. Army Corps of Engineers (USACE), through the Secretary of the Army, is authorized to remove vessels that may not directly obstruct navigation but are determined to be contrary to the public interest. Implementing this authority typically involves coordination with state partners to support a formal public interest determination, allowing communities to document the environmental, safety, and economic impacts associated with ADV presence.

The statute also establishes requirements for designating a "covered vessel," which can present challenges when vessel ownership is unclear or when owners decline responsibility for removal costs. In such cases, coordination with the U.S. Coast Guard may be necessary to obtain formal determinations that a vessel is abandoned. Section 1124 further authorizes up to $10 million annually for fiscal years 2025 through 2029, creating a potential federal funding opportunity for communities that align their projects with the program's eligibility criteria and public interest framework.

The path forward requires immediate and assertive engagement by the City of Vallejo's leadership to elevate the waterfront's needs to federal representatives.

Mare Island Bridge Tower as seen from the local marina

27 Recommendation

Recommendation #27

Conduct systematic Abandoned and Derelict Vessel (ADV) Removal.

Implementation & Rationale

Utilize the Marine Debris Monitoring and Assessment Project (MDMAP) and remote sensing techniques to create a prioritized list of ABVs requiring removal.

Coordinate with federal, state, and local maritime and environmental agencies that have jurisdiction over navigable waterways.

Develop a comprehensive engineering and design plan.

Pursue multiple avenues to meet the objective.

- Initiate formal discussions with the NOAA Marine Debris Program's regional coordination team to align Vallejo's restoration goals with federal appropriations. Prepare a request for Congressionally Directed Spending for the estimated cost of removal to trigger NOAA Marine Debris Program action.
- Utilize the expanded authorities under Section 1124 to implore the Secretary of the Army to remove the vessels and utilize the $10 million annual funding stream allocated for this purpose.
- Specific to the Grand Romance, pursue Congressional Community Project Funding (earmarks) for the safe dismantling and removal of the vessel.

Vallejo's systematic removal of ADVs is a proactive strategy to mitigate environmental risks that obstruct navigable waterways. This initiative leverages complex jurisdictional authorities to shift the financial burden away from local taxpayers. By pursuing Congressionally Directed Spending for high-impact removals like the Grand Romance, the City clears the path for waterfront revitalization, improved public safety, and long-term ecological restoration. This comprehensive plan transforms a maritime liability into an opportunity for federal investment and economic growth.

CONCLUSION

The restoration of the Vallejo waterfront is a non-negotiable priority. Taking these steps today will ensure the Carquinez Strait remains a healthy, navigable, and prosperous gateway for future generations.

The Carquinez Bridge carries vehicles, bikes and pedestrians westbound across the Carquinez Strait

06 / Summary of Recommendations

#	Recommendation	Key Take-Away	Page
1	**Establish a Public-Private Partnership-Mare Island.**	Leverage the Maritime Action Plan and Future MPZs and serve as the near-term solution to get the Region involved in the Maritime Industrial Base.	10
2	**Establish a City-led Vallejo Maritime Industrial Base Coalition.**	Persistently track and develop action plans to take advantage of new opportunities to fund the maritime industrial base.	11
3	**Establish a formal means to coordinate and share information with Cal Poly Maritime.**	Ensure the City and Cal Poly Maritime are coordinating and aware of mutually reinforcing grant and funding opportunities. For example, a City role in the establishment of a new Additive Manufacturing Center of Excellence.	14
4	**Establish direct communications with the U.S. Navy and its Shipbuilding and Repair Prime Contractors.**	Ensure the City is coordinating directly with the Navy to anticipate the potential for Navy repair work and to directly solicit the Navy's prime contractors to become part of their supplier base.	25
5	**Understand who the Navy's key leaders are in the MIB and ship repair enterprise, and get to know them.**	Develop and maintain an Advocacy and Contact Plan; identify a naval community of interest to the City and its MIB equities.	27
6	**Develop reasonable Courses of Action for the funding of Mare Island's Top 10 improvement projects.**	Validate Mare Island Dry Dock's Top 10 infrastructure concerns and begin to solicit feedback from the Navy, MIB, and the CA Congressional Delegation.	33

#	Recommendation	Key Take-Away	Page
7	**Develop Courses of Action, including Federal, State, and Public-Private Partnerships investments to develop berthing options on Mare Island for complex and longer-term Navy and USCG repair activities.**	Explore all possible Federal, State, and PPP funding to mitigate a key deficiency preventing increased ship repair activity at Mare Island.	35
8	**Fully understand the NAVSEA Shipyard Certification process and seek a means to work alongside the Navy, to become eligible for all MIB- and MAP- related repair and maintenance activities.**	Remove a potential limiting factor for new Navy-related ship maintenance and repair work. At a minimum, fully understand the steps, challenges, and expenses to receive the proper clearances to proceed with Navy repair and maintenance work.	36
9	**Consider an organized outreach campaign to the major robotic and autonomous prime, subcontractor, and significant vendors supporting the Navy's Hedge Strategy.**	Fully develop an outreach, marketing and branding campaign to expose the autonomous vessel enterprise, both surface and subsurface, to the capabilities at Mare Island.	39
10	**Strengthen Community Support for Service Members and their Families.**	Develop housing and family-support infrastructure that aligns with federal basing requirements.	44
11	**Enhance Ship Infrastructure to Support Modern Vessels.**	Upgrade waterfront infrastructure to meet modern military vessel berthing.	49
12	**Position Mare Island as a future Homeport for FFG, LUSV, and MUSV.**	Secure the homeporting of a Navy vessel by becoming a proactive, all-in partner.	56
13	**Prioritize Mare Island as a West Coast USCG Cutter Hub**	Secure the homeporting of Coast Guard Cutters by aligning with the Cutter Homeport Decision Process.	62
14	**Expand the Talent Pipeline through a Vallejo Maritime Workforce Pathway, centered on the establishment of a Maritime CTE Program.**	Build a visible K-12-to-career pipeline that prepares local students for ship repair, advanced manufacturing, marine systems, and emerging maritime technology jobs.	73

#	Recommendation	Key Take-Away	Page
15	**Launch a Vallejo Maritime Tech Accelerator Program focused on dual-use maritime technologies.**	Create a targeted platform at Mare Island to attract startups, solve real maritime and national security problems, and connect innovators to pilots, mentors, and end users.	83
16	**Develop a Maritime Innovation Campus and Demonstration Site at Mare Island**	Establish the physical backbone of the innovation ecosystem: a place where students, startups, researchers, and operators can prototype, test, demonstrate, and train.	90
17	**Establish a Vallejo Enterprise Fund to support economic development execution.**	Equip the City with a flexible funding tool for site readiness, due diligence, grant matching, prospect support, and other actions needed to compete for investment.	93
18	**Build a Maritime Investment Prospectus and Active Sites Inventory.**	Package Mare Island and other strategic sites into a credible, market-ready product so investors and site selectors can quickly understand what is available and what is feasible.	95
19	**Launch a unified recruitment, marketing, lead generation, and consultant cultivation campaign.**	Present one coordinated message to the market and pursue targeted business development that brings qualified maritime and industrial prospects to Vallejo.	97
20	**Establish a formal business retention and expansion program.**	Support existing employers as aggressively as new prospects and use direct company engagement to identify expansion opportunities, constraints, and ecosystem gaps.	99
21	**Create a development concierge and strategic incentives program.**	Make Vallejo easier to navigate for serious prospects by offering coordinated project support, process clarity, and selective use of lawful economic development tools.	101

#	Recommendation	Key Take-Away	Page
22	**Use strategic asset management and recurring revenue generation to strengthen Vallejo's economic development capacity.**	Manage City-controlled assets to increase long-term value, improve waterfront performance, and generate recurring revenue that can help finance future economic development efforts.	103
23	**Maximize Community Project Funding or Congressionally Directed Spending Opportunities.**	Use Congressional earmarks as the most direct and flexible mechanisms to support maritime economic development initiatives.	107
24	**Pursue Opportunities through the National Defense Authorization Act (NDAA).**	Employ Congress to direct federal agencies to assess defense industrial base gaps.	108
25	**Target Federal Grant and Appropriations Programs Annually to Enhance the Maritime Industrial Base.**	Utilize federal grant programs to support key elements of Mare Island's revitalization.	118
26	**Deepen the Mare Island Strait in the interest of national security.**	Restore the Mare Island Strait to its currently authorized depth and dimensions.	122
27	**Conduct systematic Abandoned and Derelict Vessel (ADV) Removal.**	Remove ADVs to mitigate environmental and navigation risks.	124

Reclaiming Vallejo's Destiny

As a Maritime Industrial & Innovation Hub

The 2026 Maritime Action Plan (MAP) and the proposed SHIPS for America Act (SHIPS Act) create a historic "North Star" moment for the City of Vallejo, signaling an emerging opportunity to reignite Mare Island, a dormant engine of American maritime power on the West Coast. In an era defined by Great Power Competition, the necessity of a robust, surge-ready maritime industrial base on the West Coast has never been more acute. Vallejo stands ready to answer this call, by evolving into a cornerstone for domestic shipbuilding and repair that contributes to U.S. maritime dominance well into the future.

Problem Statement

The nation remains precariously short of capable ship building and repair capacity and still has virtually no answer for urgent, emergent, and emergency battle repair capacity. The post-Cold War "Peace Dividend" and subsequent base closures triggered a self-inflicted hollowing out of the nation's public shipyards, reduced from eight to four in a short amount of time. The Bay Area's maritime ecosystem was not spared, losing its fleet concentration area and numerous installations and shipyards, including Mare Island. This regional decline mirrors a broader national crisis: a small industrial base currently unable to meet the urgent demand for domestic ship construction and timely fleet repairs. The nation has a unique opportunity now to re-evalutate the future of its formerly vibrant West Coast facilities and defense communities, Vallejo, CA included, which stands ready to accelerate and expand its participation in our maritime industrial base.

Strategic Value

Thankfully, Mare Island's Military Sea Lift infrastructure has been re-purposed and not entirely lost. Even today, it is servicing MARAD, NOAA, US Coast Guard, and Ready Reserve ships in the very dry docks that once held nuclear fast attack submarines. A strategic reawakening of Mare Island is possible and overdue. The surrounding region is ready and understands the value of a future, thoughtful, and purposeful partnership with the USG to offer a ready-made solution to alleviate the current West Coast capacity crisis in naval shipbuilding and repair. Leveraging this existing, high-value infrastructure provides an immediate value proposition for national security, offering a level of industrial scarcity that is nearly impossible to replicate under modern regulatory constraints and within the timeframe necessary.

Key Mare Island assets include:

Dry Docks	Four specialized dry docks (200–780 feet) capable of supporting destroyers and submarines.
Pier Infrastructure	Three 750-foot finger piers and 10,000 linear feet of reinforced berth with utilities available to moor vessels.
Strategic Access	Two reinforced shipways for heavy structural integration and access to the Mare Island Strait to support ship fabrication.
Logistics Base	Inactive internal rail system designed for reactivation and connection to the California Northern Railroad.
Industrial Shell	High-power industrial buildings optimized for module fabrication and autonomous systems production.

Mare Island is a ready, scalable solution to America's maritime industrial challenge.

Charting the Course

To transform Vallejo into a thriving maritime hub, a multi-phased approach is underway that promotes unity of effort, aligns to federal priorities, and takes advantage of future MAP and SHIPS Act funding.

Bearing 1

"One Voice" Governance Model.

Demonstrate a clear investment climate by aligning regional stakeholders through a Maritime Industrial Coalition and formalizing public-private partnerships to leverage private capital and federal investment, including through a Maritime Prosperity Zone (MPZ).

Bearing 2

Strategic Federal Alignment.

Direct communications with federal needs and requirements by direct coordination with the U.S. Navy and Coast Guard to target capability gaps—such as autonomous vessels and small-to-medium ship maintenance—that the City is well-positioned to fill.

Bearing 3

Infrastructure and Quality of Life.

Seek to strengthen maritime competitiveness by modernizing shipyard infrastructure through federal grants and private investment while developing a high-quality maritime district with housing options, top-notch education, and essential amenities to support a skilled workforce.

Bearing 4

Maritime Ecosystem.

Creating a self-sustaining innovation loop by partnering with schools and colleges to build workforce pipelines and establishing an innovation campus and incubator to attract and grow maritime startups.

Bearing 5

The California Advantage.

Leverage market access and innovation capacity while offsetting high costs through state incentives—low-interest financing, tax abatements, training reimbursements, and competitive tax credits—paired with a federal MPZ designation to create a strong platform for the maritime industrial base.

Top 10 Mare Island Dry Dock Infrastructure Improvements

#	IMPROVEMENT	COST
1	Dry Dock Pump Houses	$16.0 M
2	Caissons	$3.0 M
3	Rail Cranes	$3.2 M
4	Dry Dock Utilities	$3.0 M
5	General Repairs, Sealing	$3.0 M
6	Berth Utilities	$1.0 M
7	Dry Dock Capstans	$8.0 M
8	New Tank Farm	$2.0 M
9	Berth Fencing	$1.5 M
10	Shipyard Upgrades	$3.5 M
		$44.2 M

Call to Action

The City of Vallejo remains a proud west coast community with a deep maritime heritage. Reintegrating the City and Mare Island into the fabric of the U.S. maritime industrial base is a transformative and timely action. In doing so, the Nation has a chance to immediately fix serious gaps in our ship building and repair needs, while sending an unmistakable and prominent signal to our adversaries that the nation's maritime strategy is serious. The City is ready to partner with the US Government today to unleash a form of technological innovation that can only be forged in its own unique and distinctly west coast way. It is time for a new chapter and destiny for the Vallejo waterfront–let's get to work.

The time is now for the City of Vallejo and Mare Island!

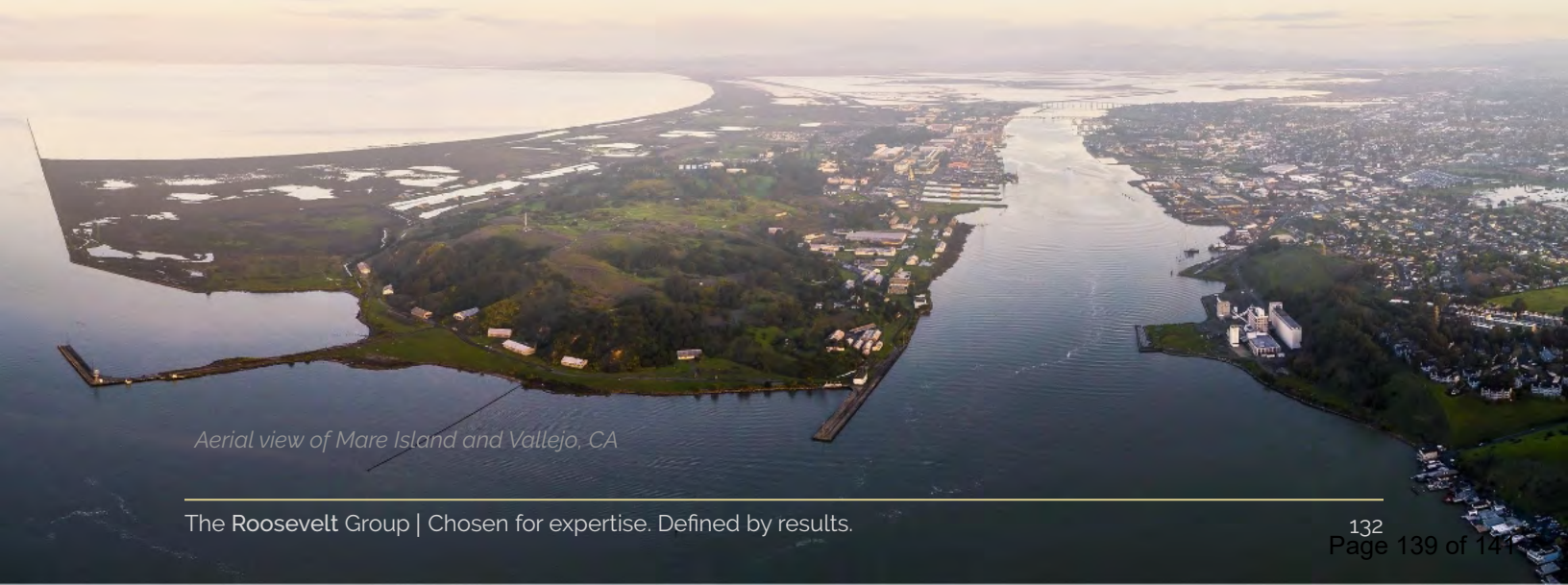
City of VALLEJO California

08 / Acknowledgements

Mayor's Office
Andrea Sorce, Mayor

City Council
Alexander Matias, Councilmember, District 1
Diosdado "JR" Matulac, Councilmember, District 2
Tonia Lediju, Ph.D., Councilmember, District 3
Charles Palmares, Councilmember, District 4
Peter Bregenzer, Councilmember, District 5
Helen-Marie Gordon, Councilmember, District 6

Departments and Divisions
Andrew Murray, City Manager
Nalungo Conley, Assistant City Manager
Gillian Haen, Assistant City Manager
Jason Ackley, Assistant to the City Manager
Brad Paul, Interim Economic Development Director
Erin Hanford, Economic Development Program Manager
Wanda Madeiros, Planning Commission



Aerial view of Mare Island and Vallejo, CA

AMPORTS

Ben Hammond, Managing Director, AMPORTS-West Operations

California Forever

Justin Esch, Head of Business Development

Jim Wunderman, Head of Public Affairs

California Polytechnic State University

Corey Cook, Ph.D., Vice President and CEO, Cal Poly Maritime Academy

Eric Jones, Rear Admiral, USCG (Ret.), Superintendent, Cal Poly Maritime Academy

Justin Wellner, Director for Government and Community Relations, Cal Poly

California State Assembly

Lori D. Wilson, Assemblywoman, District 11

City of Benicia

Sarah Shawkey, Deputy City Manager

Suzanne Thorsen, Asst. City Manager

Mare Island Dry Dock, LLC

Steve DiLeo, President

AJ Pangelinan, Operations Manager

Erik Mattson, Project Manager

John Macher, Contracts Manager

Mare Island Company

Brian Nagy, Senior Vice President of Operations

Nimitz Group

Darren Lingle, Lawrence Gateway

James Sauls, Cassidy & Associates

Northrop Grumman Corporation

Edward Robledo, Director, Defense Industrial Base, Navy and USMC Programs

Kevin Meehan, Director, Workforce Development

Office of Congressman John Garamendi

Bradley Bottoms, Chief of Staff

Debbi Gibbs, Deputy Chief of Staff/District Director

Mel Orpilla, Senior District Representative

Rob Hurd, Legislative Director

Sophia Danzeisen, Legislative Assistant

San Francisco Bay Ferry

Pippin Dew, Board Member

Solano County Board of Supervisors

Cassandra James, Supervisor, District 1

Monica Brown, Supervisor, District 2

Solano Economic Development Corporation

Chris Rico, President/CEO

Vallejo City Unified School District

Rubén Aurelio, Superintendent

Rubén Fernández, Asst. Superintendent of Business and Operations

Heather Topacio, Asst. Superintendent of Educational Services

Working Waterfront Coalition

Bobby Winston, Founder

Sal Vaca, Project Director

TRG

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We support a broad range of corporate, nonprofit, and government clients by providing timely analysis, strategic insight, and policy expertise tailored to evolving legislative and regulatory landscapes. This document outlines future federal maritime funding opportunities under the Maritime Action Plan and SHIPS Act to support the City of Vallejo's maritime revitalization efforts, helping stakeholders understand key programs, eligibility considerations, and potential impacts on planning, infrastructure investment, and long-term waterfront activation.

This analysis is intended solely for informational purposes and does not constitute legal advice, regulatory guidance, or an official position of The Roosevelt Group. While every effort has been made to ensure the accuracy and currency of the information provided, clients are encouraged to consult with legal or compliance professionals before making operational or strategic decisions based on the content herein.

200 Massachusetts Ave. NW
Suite 360
Washington, DC 20001

(202) 469-3490
rooseveltdc.com