

APPENDICES



APPENDIX A: SURVEY RESULTS

1. In what town/city do you live in?

City	Responses	Percent
Angels Camp	1	6%
Columbia	1	6%
Twain Harte	1	6%
Sonora	11	65%
Valley Springs	1	6%
Other unincorporated areas (Tuolumne County)	2	12%
Total	17	100%

2. Are you aware of any previous planning activities, documents, or reports undertaken that might be relevant to creating a new five year economic development plan?

Planning Activity	Responses	Percent
Community Assessment	2	20%
Economic Development Plan (EDA, CDBG, HUD, USDA-RD)	2	20%
Workforce Study or Analysis	0	0%
Target Industry Study	0	0%
Project Feasibility Study	0	0%
General plan (economic development element)	4	40%
Affordable housing	1	10%
Cell phone coverage	0	0%
Other	1	10%
Total	10	100%

3. Please list the names of the studies marked in question 2 above.

- Community Assessment Focus Group
- “Tuolumne County General Plan and related EIR
- Community Assessment funded by Sonora Area Foundation
- TUD Urban Water Management Plan
- Columbia Airport Master Plan”
- TOURISM & BUSINESS EXPANSION STUDY BY THE BUXTON COMPANY CDBG #I3-CDBG-8948
- Not sure what the “NAME” is. Tuolumne County General Plan?

4. In your opinion, what are the three leading causes of unemployment in your community? (Select up to three)

Cause	Responses	Percent
Lack of job opportunity within the region	14	29%
Ability to find qualified candidates	10	21%
Resident's willingness to work	3	6%
High business costs	5	10%
Slow business growth	4	8%
Availability of jobs	7	15%
Other	5	10%
Total	48	100%

5. What are the three leading reasons that businesses fail or private businesses, companies, or entrepreneurs might not be successful in business in your community? (Select up to three)

Reason	Response	Percent
Distance to markets	5	12%
Funding/capital access	3	7%
Community support	3	7%
Cost of energy	4	10%
Availability of skilled labor	7	17%
Employee recruitment and retention	5	12%
Cost of land	3	7%
Transportation/ cargo/ shipping	1	2%
Other	11	26%
Total	42	100%

6. How do you rank the following barriers to economic development within your community?

Barriers	Very Important		Somewhat Important		Not Important		Don't Know/ No Opinion		Total Responses
Distance to markets	3	21%	10	71%	1	7%	0	0%	14
Funding/ capital access	8	57%	5	36%	1	7%	0	0%	14
Community support	8	57%	5	36%	1	7%	0	0%	14
Finding qualified employees	8	57%	5	36%	1	7%	0	0%	14
Finding enough employees	7	50%	6	43%	1	7%	0	0%	14
Cost of energy	4	31%	6	46%	2	15%	1	8%	13
Real estate prices	6	46%	6	46%	1	8%	0	0%	13
Broadband access	11	73%	3	20%	1	7%	0	0%	15
Cell phone coverage	7	50%	6	43%	1	7%	0	0%	14
Local taxes/ licensing/ permitting	11	73%	4	27%	0	0%	0	0%	15

7. Are there any other barriers important to economic development within your community not listed in question six?

We don't need to look like cities in the valley, we need to build upon our unique location and history. Can you buy a pair of shoes or bedding or home goods here? We are sending our "customers" to other counties to purchase what should be here and in doing so send our sales tax dollars to other counties; Declining condition of roads and lack of Stategovt funding even though there are adequate funds raised through State license fee and gas taxes to fix these funds are diverted to other programs (health care, high speed rail, urban areas, etc) long permitting time frames and cost of development; Need more rentals. A large apartment complex, town homes, or condos is necessary immediately if any business is to survive in TC; Onerous regulation and related fees which discourage local investment; Lack of social outlets for young people. While the area might be attractive for its beauty and outdoor activities, there is nothing here to attract young professionals and families.

8. What has been done in the past to promote, support, and leverage economic development programs or initiatives in your community? (Check all that apply)

Past Action	Response	Percent
Participated in a regional program	7	19%
Created a program	6	17%
Obtained government grants or funding	9	25%
Obtained private or non-profit funding	4	11%
Don't know	7	19%
Other	3	8%
Total	36	100%

9. Of the items marked in question eight, which have been successful?

Past Action	Very Successful	Somewhat Successful	Not Important	Don't know/ no opinion
Created a program	2	2	3	0
Obtained government grants or funding	1	2	4	0
Participated in a regional program	0	4	2	0
Partnering with educational institutions	0	3	2	0
Other	1	1	1	0

10. What are the top three assets for doing business in your community? (Select up to three)



11. How important are the following business programs as a strategy for your community's economic development plan?

Business Programs	Very Important	Somewhat Important	Not Important	Don't know/ No opinion	Total Responses
Address needs of existing businesses (retention/expansion)	8 47%	9 53%	0 0%	0 0%	17
Promote entrepreneurship (startup)	13 76%	4 24%	0 0%	0 0%	17
Attract new businesses (recruitment of new companies)	14 82%	3 18%	0 0%	0 0%	17
Prepare workforce with training, skills, and education	13 76%	4 24%	0 0%	0 0%	17
Business advocacy	8 44%	10 56%	0 0%	0 0%	18
Subsidized access to capital programs	6 35%	8 47%	2 12%	1 6%	17

12. How do you see the private sector participating in local economic development/ business development program in your local community?

Participation	Very Likely	Somewhat Likely	Not Likely	Don't know/ No opinion	Total
Participating in ongoing planning activities (board member, advisory council)	4 21%	15 79%	0 0%	0 0%	19
Formation of strategic partnerships (business ventures, joint ventures)	4 22%	8 44%	4 22%	2 11%	18
Contractors for implementation of specific strategies	0 0%	14 78%	3 17%	1 6%	18
Project/ program financing	1 6%	12 67%	5 28%	0 0%	18

13. Are there any other ways not listed in question 12 that the private sector will very likely participate in local economic/business development in your economy?

Better support for proposed projects that will enhance and or generate economic development during the permitting process, work to "streamline and simplify" the permitting process; Local participation will be based on perceived value to the local business. It is an educational process to show cause and effect; The private sector will not be energetically involved unless and until the governmental/regulatory posture of the County changes; The local economy is basically very small businesses that depend on tourism and they aren't very aggressive.

14. How economically resilient do you think your community is? (The community's ability to recover quickly from a shock, withstand a shock, and avoid a shock altogether)

Resilience	Response	Percent
Very resilient	1	6%
Somewhat resilient	6	33%
Not resilient at all	9	50%
Don't know	2	11%
Total	18	100%

15. Which of the following tactics would best help your community become more economically resilient? (Select up to three)

Total		
Action	Response	Percent
Planning efforts to broaden the region's industrial base	10	24%
Adapting business retention and expansion programs	11	26%
Creating a more resilient workforce through workforce development	8	19%
Promoting business continuity and preparedness within the region	10	24%
Other	3	7%
Total	42	100%

16. What do you see as the two most successful business clusters in your region for job creation, investment, and economic development? (Select up to two)

Total		
Cluster	Response	Percent
Agriculture	1	3%
Manufacturing	3	8%
Retail Commercial	1	3%
Entertainment & Hospitality	8	22%
Business or Personal Services	1	3%
Healthcare	13	36%
Technology	2	6%
Recreation	2	6%
Other	5	14%
Total	36	100%

17. What should be the top three goals of the region's economic development program? (Select up to three)

Goals	Response	Percent
Increase/ retain jobs	13	25%
Develop or improve relations with businesses in our region	4	8%
Identify top businesses for relationship development and maintenance	4	8%
Improve/ change community image (internal and/or external)	5	10%
Improve/ preserve quality of life	4	8%
Program assessment of our current	2	4%
Better community planning	4	8%
Train & educate the workforce to fill skills gaps	6	12%
Increased capital access	1	2%
Business advocacy	5	10%
Other	3	6%
Total	51	100%

18. In the next five years, what would you like to see accomplished as part of an action oriented economic/business development program within the region? (Select up to three)

Item	Response	Percent
Supporting small and medium-sized enterprises	11	22%
Investing in physical (hard) infrastructure	11	22%
Ensuring that the local investment climate is functional for local businesses	7	14%
Encouraging the formation of new enterprises	7	14%
Investing in soft infrastructure (educational and workforce development, institutional	4	8%
Attracting external investment (nationally and internally)	4	8%
Supporting the growth of particular clusters of businesses	4	8%
Other	1	2%
Total	49	100%

Survey Comments:

2. Are you aware of any previous planning activities, documents, or reports undertaken that might be relevant to creating a new five year economic development plan including:

Other, Urban water Management Plan, Columbia Regional Airport Master Plan; Community Assessment Focus Group; Tuolumne County General Plan and related EIR, Community Assessment funded by Sonora Area Foundation, TUD Urban Water Management Plan, Columbia Airport Master Plan; TOURISM & BUSINESS EXPANSION STUDY BY THE BUXTON COMPANY CDBG #13-CDBG-8948; Not sure what the "NAME" is, Tuolumne County General Plan?.

4. In your opinion what re three leading causes of unemployment in your community? (Select up to three):

Other, State and Local Government regulations on development, abuse of CEQA, NIMBYism, Lack of ability to utilize natural resources in forest, conflicting State and local permitting regulations, too many state agencies with complex and slow permitting requirements; Other, communications systems, phone and internet, Example, downtown Angels Camp has zero cell phone service and limited internet/wifi. Political will to make use of our resources to benefit the county such as removing fuels from the forest is cheaper than fire suppression costs and could generate income from bio-mass; other, technology infrastructure, poor leadership at county level, lack of understanding of the essential need for a well-balanced general plan to update; Other, Lack of Capital Investment in our County, Our county policies have effectively driven resident capital out of the county and created barriers to outside capital coming in; Other, lawsuits by opposition groups; Other, Apart from government there is not activity that allows for full time decent paying jobs.

5. What are the three leading reasons that businesses fail or private businesses, companies or entrepreneurs might not be successful in business in your community? (Select up to three):

Other, Aging population, fairly low median income, lack of skilled work force, We have an aging population, reduction in population growth, lack of affordable housing and marginal education system. Kids are moving away. When groups propose economic development projects they are often met with resistance and lawsuits that are easy to file with the well intended but broken CEQA system; Permit process for start up business. Lack of understanding of what it takes to run a successful business by owner; Other, Failure to establish and work a business plan. Wanting the business to run on their schedule rather than when customers are around. Unwillingness by Caltrans and county to permit signs to inform tourists of what is offered; Other, I don't know, perhaps local businesses working together to engage with the visiting public/tourists... setting a welcome atmosphere, a sense of community, a small town sense of place; Other, Excessive regulation and related fees/taxation; Other, County Over Reach; other, overregulation; other, government, The State of California puts so many regulations on businesses. They make it hard for any business in California, especially a small business, to thrive. Raising minimum wage will be putting many small businesses out of business in the upcoming years; Other, Education & mentoring on how to run a business inc. employee and money management, Community Support goes both ways. Employee retention relates to wages and benefits; Other, successful business planning; Other, Lack of high-speed internet; Too close to Nevada where it is much cheaper to set up a business. No support/interest in bringing in industry.

6. How do you rank the following barriers to economic development within your community?

Declining condition of roads and lack of Stategovt funding even though there are adequate funds raised through State license fee and gas taxes to fix these funds are diverted to other programs

(health care, high speed rail, urban areas, ect) long permitting timeframes and cost development; We don't need to look like cities in the valley, we need to build upon our unique location and history. Can you buy a pair of shoes or bedding or home goods here? We are sending our "customers" to other counties to purchase what should be here and in doing so send our sales tax dollars to other counties; Need more rentals. A large apartment complex, town homes, or condos is necessary immediately if any business is to survive in TC; Onerous regulation and related fees which discourage local investment.

8. What has been done in the past to promote, support, and leverage economic development programs or initiatives in your community? (Check all that apply):

Other; Black Oak Tribe, Sonora Area Foundation and service organizations support; Innovation Lab, Resiliency funding, Grant funding for County Govt funding, tree mortality funding; The county has had a paid Economic Development person in the past. The concept was part of past General Plans. This is not a function of the Chamber of Commerce to do but they are trying to fill the void. Just as Destination Angels Camp or Angels Camp Business Association. Many efforts over the years, some successful but most spin into limited results for the money and time spent; Bureaucratic/governmental programs full of platitudes and political agendas but nothing of any consequence that seriously tackles the need to attract capital to our county; Other; Not much; Larry Cope, TCEDA Director has done a phenomenal job in all the above areas; The Alpine Biomass Committee has part of its mission to promote a sustainable local economy.

9. Of the items marked in question eight, which have been successful?

Economic Development should be the incubator of new ideas and be able to let others take the steps needed. It is not just about the money, the educational tools, or the level of noise generated around this activity. It is about being innovative and helping others to see opportunities.

10. What are the top three assets for doing business in your community? (Select up to three):

Other; Close proximity to large population centers and high income demographics, Have abundant natural timber resources but severely limited in ability to utilize, good recreation but road and transportation infrastructure is lacking; The tree mortality will be an ongoing project for the next decade or more. With it we will need to develop the "on the ground" ability to work with the bio-mass issue. Create jobs to improve our watersheds and our strengthen our communities by making use of the resources here. Reduce the fuel loading saves fire suppression costs and provides income; Other; desirable location; Other; lack of competition.

11. How important are the following business programs as a strategy for your community's economic development plan?

Assist in building a workforce trained in how to use the resources currently in the county. Water and wastewater operators, environmental work, forestry, minerals, and watershed management. Some of this is starting with Columbia College now; I assume the question is what we should be doing because if it is what we are doing the Not Important boxes should be checked.

14. How economically resilient do you think your community is? (The community's ability to recover quickly from a shock, withstand a shock, and avoid a shock altogether):

Our rural community tends to lag economic upturns and lead economic downturns. Rural communities are also at a disadvantage with urban areas for grants funding and legislation; We proved that with the Butte Fire; We learned from the Butte fire that we were not prepared and had no means of recovery in place. We had to rely on State and Fed funding, and help from FEMA, Red Cross and other non-profit organizations. That being said, there was little immediate organization in place; the narrow economic base of our County makes it very vulnerable to economic shock and likely prone to slow recovery; Its resilience comes from the dependency

on government.

15. Which of the following tactics would best help your community become more economically resilient? (Select up to three):

Other; Communication and Technology infrastructure; Other; Eliminate onerous regulations and fees, Focused and innovative efforts to attract capital to our County.

What do you see as the two most successful business clusters in your region for job creation, investment and economic development? (Select up to two):

Black Oak Casino is major; Chicken Ranch Casino is ok in spite of poor management, Sonora Regional Medical Center is a major asset from a jobs and service standpoint; Other; Timber and water, think of the largest group of highest paid workers in the county work for CCWD. And Sierra Pacific Industries has the greatest private investment of land and resources in the county; A healthy base of light, clean manufacturing would do much to bring jobs and financial stability to our County; Other; Aging Population.

17. What should be the top three goals of the region's economic development program? (Select up to three):

Better community planning should entail a more streamlined and SIMPLIFIED entitlement process that does not take years and cost tens of thousands of dollars (often hundreds of thousands); Calaveras is quickly becoming known as the new "pot capital" of the Sierras, not a good family image to present when young families are looking for a place to raise families; Other; technology infrastructure; Avoid bureaucratic or governmental flag-waving for political purposes. Focus on what needs to be done to ATTRACT CAPITAL to our county. Only then will we see job growth and new wealth developing here; Other; more resources into upkeep of our regions used for tourism; Other; Create vibrant town; Other; Forest restoration; There is the possibility of forest restoration providing significant jobs without having an adverse impact on tourism.

18. In the next five years, what would you like to see accomplished as a part of an action oriented economic/business development program within the region? (Select up to three):

We have had a number of interested individuals over the years that have tried to develop very viable projects and have run into so much regulation and/or opposition that they left or failed. Some notable examples are Bell's project in Tuolumne, Winery project on the Jamestown mine site, Mountain Springs master planned community. There are several notable residential, commercial and resort destination projects currently proposed that should be encouraged, supported and facilitated; We don't need more government programs to drain our already over-taxed community. We need innovative ideas for creating incentives to invest here and creating an environment that will support investors placing capital at risk. Period; Other; Forest restoration.

APPENDIX B: SBA WORKSHEET

ESTIMATED DISASTER ECONOMIC INJURY WORKSHEET FOR BUSINESSES

Accurate responses to the questions below will assist in the evaluating a request for an economic injury disaster declaration from the U. S. Small Business Administration.

Name of Business: _____ Type of Business: _____

Owner Details

Business Owner Mailing Address

Last Name: _____ Address 1: _____

First Name: _____ Address 2: _____

Work Phone: _____ City: _____ State: _____ Zip Code: _____

Home Phone: _____ County: _____

Email: _____ **Physical Business Street Address** Same as Above

Property Owner: _____ Address 1: _____

Dates of Economic Impact	
When did the impact start and what is the estimated end date?	
From: <input type="text"/>	To: <input type="text"/>

Address 2: _____

City: _____ State: _____ Zip Code: _____

County: _____

Estimated Adverse Economic Impact

What were your businesses' revenues during the affected damage period? _____

What were your businesses' revenues during that **SAME** period of the prior year? _____

Amount of business interruption insurance received or anticipated, if any: _____

Please provide a brief explanation of what adverse economic effects the disaster had on your business:

How many people did you employ prior to disaster? _____ How many did you employ after disaster: _____

Physical Damage to Business Property

If your business also suffered property damage, please answer the following questions:

Estimated dollar loss to: Real Property (Building), if owned: _____

Contents *: _____
* - includes machinery and equipment, furniture and fixtures, inventory, leasold improvements, etc.

Insurance recovery expected or received for property damages: _____

Date Form Completed: _____

I certify that the information provided above is correct and accurate to my best knowledge.

Form Completed By: _____ Title: _____

■ APPENDIX C: CSEDD STRATEGY COMMITTEE ROSTER

Terry Woodrow

Alpine County
209-753-2551

Randy Hanvelt

Tuolumne County
209-533-5521

Michael Oliveria

Calaveras County
209-754-6370

Paul DeBaldo

209-785-7697

Marshall Long

Mariposa County
209-966-3222

Tara Schiff

Mariposa County
209-742-1214

■ APPENDIX D: PHOTO CREDITS

Thank you to the photo contributors of this document. If you have any questions about the photos used in this document, please contact the Center for Economic Development at 530-898-4598.

Russell Neches
Cover

Jose Machado
Cover

Jason Jenkins
Page 3

Tom Hilton
Page 7

David Berry
Page 8

Brian Cantoni
Page 14

US Department of Agriculture
Page 22

Michael Koncuska
Page 23

Helen Gordon
Page 33

Jose Machado
Page 52

■ APPENDIX E: PUBLIC COMMENTS

The Central Sierra Economic Development District released the CEDS document for public comments and review between October 10, 2016 and November 9, 2016. The document was posted on the CSEDD website, and a press release was sent out to local media sources.

The Center for Economic Development at CSU, Chico (CED) received two public comments during the 30-day period. Where appropriate, the comments were incorporated into the CEDS. However, most comments were regarding the validity of the idea that government is at all responsible for the creation of jobs or the meeting of the outlined goals and objectives. The comment's author feel it is the business owners themselves and therefore not the regions place to claim job creation through business assistance and disaster relief. The comments also question the validity of disaster relief planning, as they feel it is more of an organic process. However, preliminary plans were made in accordance with EDA CEDS guidelines.

The second public comment was received on November 7, 2016 which highlighted the needs for a trained workforce at the local community college, improving and promoting the tourism industry, and enhancing regional water storage; all of which is already included within the CEDS. The objectives and goals in the CEDS were derived from community surveys and town hall meetings, and reflect the desires of the community members. Any suggestions not incorporated, were because they did not fit with the feedback the CED received during the community outreach.

From both the comments, the Center for Economic Development made changes to the CEDS. Objective three was reworded to better reflect the action items that are being completed in order to achieve the objective and goals. In addition, the description of the action items was changed to better convey how these will impact the regional community and business resiliency. The CED also addressed the term "BRE" within objective six. It was mentioned the term and definition of "Business Retention and Expansion" programs was confusing and not clear. The CED added further expansion to the term "BRE" and mentioned that it is a conceptual term and not a verbatim, dictionary definition.

To better acknowledge local zoning and permitting issues within the CSEDD region, the CED added "local zoning and permitting" to the top weaknesses

section of the document. Because it was mentioned in the public comments that this is a significant regional issue and should be addressed more thoroughly, an additional written explanation and opportunities for improvement was added to the CEDS.

If anyone has any questions regarding the incorporation of public comments, please contact the Center for Economic Development at 530-898-4598.

Fri, 4 Nov 2016 23:17:57

November 4, 2016

Meagan Weaver
Project Specialist
Center for Economic Development
California State University, Chico
Chico, CA 95929-0765

Mr. Larry Cope, Director
Central Sierra Economic Development District
99 North Washington Street
Sonora, California 95370

Subject: 2017-2022 CEDS Comprehensive Economic Development Strategy

Dear Sirs:

In response to the draft 2017-2022 Comprehensive Economic Development Strategy (CEDS) (herein referred to as Strategy) we are submitting for your review and consideration of the following "Response." As one successful business leader in the county recently stated when discussing this purposed Strategy - "If you have complaints, not only speak up but provide constructive comments and practical solutions. And then ask yourself, what do you want?"

First, we would like all interested parties who are concerned about the economic future of the region to read a copy of this Strategy. Then they would review our Response and speak up, either in writing or at public hearings, if they have any of their own concerns and suggestions. To help those that might feel intimidated by the length and breadth of the Strategy, listed below is a quick look at what we feel are some of the more important findings.

- The Strategy is a five-year road map to fulfill the District's regional vision to ***promote economic vitality within the CSEDD (Central Sierra Economic Development District)***. The Strategy was developed, in part, from a community survey and in which eight (8) Key Findings were uncovered.
- The eight Key Findings are represent the general concerns of citizens about current economic conditions throughout the four-county region (Alpine, Calaveras, Tuolumne and Mariposa).
- There are eight (8) goals and objectives have been purposed that will focus on addressing these regional economic concerns.
- Our Response provides comments and recommendations that focus primarily on the goal: and performance measures and whether or not they can be successfully implemented.
- Our Response provides a number of comments and recommendations that can be summed up in the following statement: "In many cases, local governments can promote economic development, but it cannot create, private sector businesses or jobs. Business

owners and private capital investment create them, thus being the primary driver of economic prosperity in the region - not government."

We encourage the community to take advantage of this public review process, which will hopefully start a much needed conversation with elected officials and their appointed organizations to ensure they are doing everything within their authority and financial resources to assist local businesses "***create a stronger, more resilient region, able to withstand both economic and natural disaster disruptions,***" as stated in the Strategy's Vision Statement. And since this is a five-year strategic road-map, the public will have a chance to make future comments and recommendations when the required Annual Reports must be published. It is never too late to become part of the planning process.

Introduction

There is no question that the Strategy contains ambitious economic development and disaster response plan goals. It is commendable for taking on so many important issues. But in several cases described below, this Response questions whether the District is actually accountable for all these objectives and goals and whether or not they can be achieved within the purported timeframes. Why? Because in most cases governmental agencies and many of their associated governmental partnership organizations have limited control or influence over whether or not local economies thrive, except when they can limit the number of burdensome and conflicting regulations, excessive fees and requirements that they imposed on local businesses in the first place. This is especially true when businesses are trying to create a new product or try to provide a new service in this ever changing marketplace. To demonstrate this point, look at some of the recent news headlines across America.

The Wall Street Journal has reported almost daily that “the US economy is inching along, productivity is flagging and millions of Americans appear locked out of the labor market (Sputtering Startups Weigh Down Growth).” In several of the Strategy’s Key Findings found on page 5 of the report, these are similar issues facing all of us at the local level. Business creation is down in lumber, forestry, mining and construction jobs are hard to find. Our young adults are still leaving the area seeking education and employment elsewhere. In just the last couple of weeks, a number of business owners have approached us and said that the Strategy’s “Key Findings and survey results” do reflect these same challenges. Government data also shows a decade long slowdown in entrepreneurship. However, it seems to us that the bigger big-box stores are doing very well regionally and seem to have survived the Great Recession. But they are not creating the type of jobs discussed in the Strategy, such as those found in small business involved in manufacturing and hi-tech. Add to this that our region’s job growth continues to be primarily in the low-paying service industry. Government jobs, however, continue to be available at a greater pace than in the private sector. These jobs are usually higher-paying with exceptional retirement and medical benefits, but are harder to qualify for given most require college degrees or years of specialized experience.

We do believe that the Strategy’s goals and objectives are needed for an economy that continues to struggle from the Great Recession, but we believe if they are to be achievable, certain changes or modification need to be made. Stated another way, we believe in many cases doing less is more. In addition, many times governmental organizations make promises they cannot possibly keep – like creating new businesses and jobs. So the focus of our Response, stated again, is to provide recommendations for those goals and objectives which we believe cannot be realistically completed.

Note: The authors of this Response each have over 30+ years of professional experience and educational training in senior level positions in both government (former County Directors of Environmental Health; Senior Staff Code Enforcement Officer and Rural County School Educator) and within the private sector (Local Private Land Developers, Private Business Owners; Construction Contractor) and Corporate Vice President of Environmental Affairs- both in the US and Internationally at companies with over 10,000 employees and with annual revenues between 1-3 billion dollars.

CSEDD Strategy - Overview:

The Comprehensive Economic Development Strategy (CEDS), dated 2017, stated that three (3) community town hall meetings were held by District staff and that a public survey (questionnaire) was conducted to elicit community feedback on what citizens were concerned about regarding local economic conditions and how the District and its partner organizations might find ways to “*promote a more resilient economy.*” A resilient economy is defined by how well a community can withstand and/or respond to certain types of disasters, i.e., fires and economic recessions. From these meetings and the survey questionnaire, a number of ‘*Key Findings*’ emerged that were reviewed at both regional and community levels. These key findings were to be used as an integral part of the CEDS committee’s SWOT analysis. The resulting SWOT analysis was used, in part, to develop the District’s five-year road map which attempts to address identifiable obstacles affecting economic growth in region.

After reviewing all of the material, as well as submitting written questions to CSEDD, Community Development Agency (CDA) officials, and Chico State University staff who helped in the writing of the Strategy, we have put together a list of comments and recommendations that we believe not only take into account our understand of the economic conditions that exist today in the region, but reflect our professional views of whether or not the purported goals and objectives in the Strategy can be achieved.

CEDS Public Survey Results and Key Findings

In preparation of the Strategy, a community survey (18-questions in all) was completed by employees from CSU – Chico University, California - Center for Economic Development. The survey was designed to uncover what citizens in the region were concerned about relative to current and future economic and business development needs. The survey questions were distributed to District Board members, as well as various community members and households via the internet, radio and media outlets. It is not known how many survey notices were actually sent out or how many individuals actually received them. This would have been helpful to determine the statistical validity of the results and whether or not they truly represent the concerns of the region.

There were only 17 responses received from the survey, of which 15 of them were from Tuolumne County residences. As survey goes, this is a very low response rate considering the large number of potentially affected citizens throughout the region, which could be in the tens of thousands. It would have also been helpful to know the breakdown of responders. Did they come from governmental employees, were they business owners, private sector hourly workers, retired citizens or from local land use developers and so on.

Comment and Recommendations:

In our opinion, this was not a statistically significant survey of the community. Given the uncertainty of the distribution method and the extremely low response rate, we would recommend a follow-up phone survey of at least 400 households per county and city. This would

allow the District to verify the accuracy of results and to give a clearer picture of what citizens are concerned about (baseline) and then allow for tracking of any the changes in perspective over the next five-years (trends).

From the SWOT, the public survey and regional meetings, the following is a list of the Strategy's Key Findings.

Key Findings:

1. **THERE IS A LACK OF JOB OPPORTUNITIES WITHIN THE REGION**
2. **THERE IS A SHORTAGE OF SKILLED LABOR WITHIN THE REGION**
3. **LOCAL ZONING AND PERMITTING IS HINDERING GROWTH**
4. **THERE ARE SOME CONUNTIES NOT COLLECTING TOT FROM AIRBNB TYPE VACATION RENTALS**
5. **INFRASTRUCTURE INCLUDING BROADBAND IS LACKING WITHIN THE REGION**
6. **VISITOR' SERVICES ARE INADEQUATE AND IN WRONG LOCATIONS**
7. **EDUCATIONAL RESOURCES ARE NOT BEING UTILIZED**
8. **ONE-DAY SHIPPING IS NOT AVAIBLE WITHIN THE CSEDD REGION**

Finding 1, 2 and 3 were of no surprise to us. They reflect what many of us have always believed - that there are just too many regulations and conflicting governmental requirements that impose unnecessary rules and costs on businesses without adding any measureable value to the local economy. This reality has also contributed, in our opinion, to the reported lack of jobs and skilled labor throughout the region, i.e., businesses are reluctant to expand and young adult coming out of local community colleges continue to seek better paying jobs elsewhere. There are many examples of where businesses or development projects have not been started due to the cost of obtaining regulatory approvals. And even if a particular project was actually viable and could have possibly made its way through the process, there still is this persistent and discernable belief that it is just not worth the hassle or expense. This negative community perception has become reality in many of cases, which results in a persistent negative view of local government – unfair or not. This negative perception of local government has been discussed many times at public meetings and before policy makers, but the perception persist to this day because little has visibly been done, in our opinion, to eliminate these governmentally created obstacles.

The other Key Findings (4 through 8) did not appear to originate from the public survey results. We are assuming they came primarily out of internal discussions between CSED staff, Chico employees and District board members. We have made no attempt to address them in this Response, although many of our recommendations about the limited power of government to create jobs and new businesses still applies throughout.

In summary, we believe most of the concerns articulated in Key Findings 1, 2 and 3 are nearly identical to our own and reflect the overall concerns of the community. A number of community members have expressed similar feelings to us that continues to be an unfriendly places to do business and more of the same is expected in the near future regardless of which political party is in power. We agree, as a group, that the concerns expressed in this Response will be difficult to address and that the Strategy's goals and objectives, although commendable, can ever be

successfully implemented or completed for the reasons detailed in the remainder of this Response.

Response to: CSEDD OBJECTIVES AND ACTION ITEMS for 2017-2022 –

In this Response only the first three Key Findings and several of the corresponding objectives, goals and action items have been addressed. The comments and recommendations are intended to not only give the District a general overview of what is believed to be the key economic issues facing the community, but also to point out why many local business owners believe that government cannot, and will not, create or save private sector jobs as promised. The goals and objectives in this Strategy, along with the goals and objectives in the previous Economic Development Strategy (2012-2015), as well as the grant funding that goes along with such efforts, will no doubt benefit those that currently work in government. These are the type of jobs that government can most readily create.

Listed below are the first three Key Findings and some of the corresponding objectives -

A. KEY FINDING: THERE IS A LACK OF JOB OPPORTUNITIES WITHIN THE REGION

- **Objective number Six: Build a skilled workforce within the CSEDD region.**
- **Action Item:** USDA Rural Development Program - Expand upon existing retention and expansion programs.

Measures: Create or save 20 additional jobs through BRE program; Create or save 5 additional jobs through BRE program.

Comments:

Besides the goal of creating or saving 20 jobs, the goal was also designed to “assess the unmet needs” in the community. This is to be accomplished by “hiring qualified consultants (whenever possible including existing consultants).”

How is this goal going to “create or save 20 jobs” by “studying the unmet needs for next three years” (see the timeline table for completion) and then provide referrals to Alliance SBDC for “business training.” Nowhere in the purposed “action item” does it describe how this is going to be completed, how many jobs per year will be created and what types of jobs are being targeted. We recommend that more details be provided, either in the Strategy or provide to us in this Response.

A number of local business owners recently discussed among themselves what could government possibly do to prevent a job loss if a local business couldn't make enough revenue to make pay roll, rent or pay their suppliers? How would the District or its partnership organizations help prevent an employee(s) from being laid off in this circumstance? What if the product or service is no longer in demand and the business is on the verge of going under? What can the District within the context of this Strategy to save the business? If the goal is to merely study these

unmet needs over the next three (3) years through “studies, consulting reports and making inquiries,” how would this achieve the goal? What would be the performance measures for each of the five years? Five (5) jobs per year or all 20-jobs at the end of year five? And who is going to report these outcomes, if any, in the CSEED’s Annual Report. Do the other partner organizations have their own internal and public Annual Reports? If so, wouldn’t your efforts be a waste of duplication of time and money? Besides, this is a USDS Rural Development grant. Who initially applied for the grant and who is ultimately responsible for the outcomes? Are the goals and measures for years 1 through 5 the responsibility of SBDC, Valley Vision or the District. This should be clarified to transparency purposes.

Continuing with this line of questioning, recent discussions with Chico University staff revealed that term BRE (business retention and expansion), which is used repeatedly in the Strategy to describe how the goals and objectives would be achieved, turns out to be more of a conceptual term. Clarification of the meaning of BRE was requested and the following verbatim response was given to us:

“BRE is conceptual and in the context of your question refers to numerous programs throughout the community. That could all be classified as BRE programs. Most of which are discussed though out the document. The SBDC is the primary example but the chambers, TCEDA, and Motherlode Job training all participate in these types of activities to an extent.”

We might be wrong, but this explanation is somewhat vague and difficult to understand how it could effectively apply to the District’s goals. Since there are no specific BRE programs identified in the Strategy targeting specific goals and objectives, we again don’t understand how the District can achieve the stated goal of “*creating or saving 20 additional jobs through BRE programs*” over the next five years. The goals and action items (i.e., performance measures) do not provide a clear path towards accomplishing this commendable but vaguely worded objective.

Even if it were possible to accomplish the goals, it is difficult to see how such an objective could reasonably be accomplished in year one. Even if you could, the timeframe boxes for year 2, 3, 4, and 5 should be left “blank” since the goal would have already been completed in year 1. Secondly, how could one determine if any of the new jobs were in fact created or saved by the implementing agency (SBDC) rather than the current business owner or investor who actually does all of the work in the first place? The District or SBDC might have an important role to play, but it is the business owner that makes this happen. As stated in the Strategy, the \$50,000 grant awarded to SBDC is going to be used for “consultants to conduct studies” about the needs of local businesses and to offer future business training. It is hard for us to understand how business training can create jobs or save them, especially when the economy continues to undergo tumultuous shifts that sometimes seems to happen overnight.

In summary, objective number six (6) seems unrealistic and the performance measures do not clearly articulated who will be responsible for the ultimate outcomes and the methods that will be used to track and inform the Public of the successful outcomes.

Recommendation:

- 1) Since BRE was reported to be a conceptual term and one that even the University staff had trouble defining, District staff might want to provide a better description in the Strategy and how it specifically applies to each goal where the term was used. Alternately, it is recommended that the goal itself be rewritten to better reflect what can actually be accomplished when promising to create private sector businesses or jobs. For example it might be purposed:

“The District will strive to provide ongoing guidance and financial resources to our partnership organizations and/or directly to local business owners to help them create or save 20 additional jobs through an established BRE process and that will be measured by the total number of jobs created per year over the next 5-year reporting period.”

- 2) This might seem a bit nit-picky but we recommend that the word “Measure” be replaced with the word “Goals.” For example in Objective 6, it states that the “Measure” is to create or save 20 additional jobs through BRE program.” This is the goal. The performance measure is the outcome and results, which is designed to generate reliable data on the effectiveness of the program or goals. In another example the “goal” in Objective Two is to “get 200 students region-wide enrolled in the program by the end on 2019.” A performance measure would record the results each year (maybe in an Annual Report) on how many students actually became enrolled in years 1, 2, 3, 4 and 5. If problems should arise and this goal cannot be achieved, then modification can be instituted quickly and effectively. At the end of year 5, if 200 students have been successfully enrolled, the performance results would be 100%, thus achieving the stated goal. As the goal is stated now, no new students will be enrolled in the program in year 1, 2, and 3, but all 200 will have been successfully enrolled in years 4 and 5. So for first three years this goal will be “IP – In Progress.” Why would it take three years to study this goal and then have it be completed in years 4 and 5? And isn’t this already an established program in the community? If so, three years seems a bit excessive and should be modified to reflect the comments above.

A. KEY FINDING: THERE IS A SHORTAGE OF SKILLED LABOR WITHIN THE REGION

Objective number Two: Build a skilled workforce within the CSEDD region (page 44).

Action Item: Increase school dual enrollment of the Columbia College CTE High School Articulation program.

According to local sources, Columbia College already manages this community educational program. So how will the District play a role in its continued operations and success? And yes, it is true that some business owners in the region cannot find “skilled” employees for their business, but most have said they will settle for “suitable” employees, meaning employees that show up on time, learn the job quickly, are honest and have good interpersonal communication skills. This doesn’t require technical skills beyond these type of simple, but desired important

employee traits. So the term suitable seems to be a much more meaningful term than skilled in the context of building a workforce that can do the types of jobs most in demand and can do the job when called upon. When business owners are asked what they look for in an employee, they would choose suitable over skilled any day. Employers are also looking for employees that can fill out a simple resume or application. High schools in the region currently provide this type of student training. Yes, these are not technical skills like being able to write computer code or operate complex robotic machinery. However, these are not the type of entry-level jobs that are in high demand in the region. The type of jobs in demand today, here in the Motherlode, don't require a skilled workforce in the context of STEM (Science, Technology, Engineering and Math).

We know of a couple successful local business owners in the construction trades that have offered these types of entry-level jobs to local citizens looking to start the careers. But the sad truth today is that so many of them do not possess these very basic skills due to dropping out of school, having prior criminal records or limited work experience. So the goal of creating a skilled workforce is not as important as teaching young adults that they need to graduate from school, learn about responsibility and what it takes to be successful in this economy.

Rather than focus CDA grant money towards creating technical level skills for an area that has very little manufacturing or companies that create intellectual capital, the focus should be on entry level employment skills for kids coming right out of high school or community colleges, especially in service jobs such as plumbers, carpenters, housing construction, truck drivers, agriculture and so on, which are much more in demand. The goals and objectives that are ultimately selected in the Strategy should be based upon what is important to the region now and what regional assets can be leveraged in the next couple of years. We are not Silicon Valley or San Francisco. This is a challenging problem for any rural community in California, except in the high populated cities where those jobs are readily available for anyone graduating with advanced college degrees.

B. KEY FINDING: LOCAL ZONING AND PERMITTING IS HINDERING GROWTH

Local Zoning:

Local zoning (i.e., County General Plans) has been a hot button topic for the past several decades. There is a strong belief today that local zoning and governmental permits have, and will continue to, hinder economic development in the region. But it is interesting to note that no evidence, facts or historical narratives were provided in the Strategy to explain why District staff or others believe local zoning requirements hinder local economic growth. They are certainly annoying and can potentially drive up the cost of development projects, but there is no evidence that they in fact hinder economic development in the region (i.e., economic development is defined as the process by which a community improves the economic, political, and social well-being of its people). It is also interesting that this issue was included as a "Key Finding" but no new goals or objectives are being purposed to address them. In fact, only a few vague public comments about zoning were recorded in the survey's comment section. Most of the responses were more concerned about regulatory permitting requirements and the cost of government regulations being imposed on businesses and the local economy. For this reason, our Response

does not have any comments concerning local zoning, at this time. However, as community General Plan draft updates make their way through the various Board planning committees and are released for public review, will we update our Response.

Local Permitting:

Local permitting requirements are a big concern to local business owners who struggle to create or expand their operations. It is well documented that most of today's federal and state regulatory permitting requirements hinder and/or suppress economic development, especially in rural communities and towns that are already facing unique challenges of their own, such as declining populations, lack of employment opportunities, poor work skills and loss of farms and working lands.

At \$1.885 trillion, the cost of regulations now exceeds the cost of federal individual and corporate income taxes, which raised about \$1.82 trillion last year.

The California State Code of Regulations - which includes CEQA (California Environmental Quality Act) – can place unnecessary cost burdens on local citizens. However, most of the environmental regulations that affect locals are controlled by the state and federal government. Once you add up all of these regulations, it can be economically stifling to small businesses who have to navigate these numerous obstacles. If the District is really committed to promoting economic development and addressing the concerns as expressed in the community survey, then they should develop clear, achievable and measureable objectives that help businesses navigate around these regulatory obstacles. What is needed more than anything else today is for government to reassess the impact of their environmental and permitting laws created over the past 30 years. Counties should go back and look at what is not working, what laws just add cost without adding value and then repeal or replace them. Just in the last eight years over 10,000 new laws have been enacted in the United States, having an estimated 1.8 trillion dollar impact on the economy. We can't control most of these costs at the federal and state levels, except when we vote with our pocket books. But at the local level, this Strategy could seize an opportunity to better understand which regulations are having the largest impacts and then come up with strategies to lessen the regulatory burdens government has created in the first place.

Another permitting related problem that could be studied and addressed is California's strict rules on obtaining professional licenses, such as cosmetology, tattoo artist, plumbers, dental assistant, and other certified practitioners. This makes it very expensive for graduating students to find entry level jobs in the trades and is holding back growth and investment in the service sector. California is 43rd in the US ranking of states where it's easiest to start a new business. This might be an area where local policy makers can recommend reforms that remove barriers and promote competition in the service sector, especially in health and education. Every dollar reduced in start-up and operating costs is important to small businesses. Nearly 30% of jobs in the U.S. now require an occupational license, up from 5% in the 1950s. According to the Wall Street Journal, the service sector is expected to generate almost 95% of new jobs in the next decade. Nurses and personal-care and home-health aides are projected to make up 1.2 million of the 9.8 million new jobs expected by 2024.

Objective number One: Promote advance visitor’ services with the CSEDD region.

No Comment

Objective number Four: promote coordinated marketing efforts throughout the CSEDD region. No comment

Objective number Five: Promote infrastructure improvements throughout the CSEDD region. No comment

Objective number Six: Expand upon existing business retention and expansion programs.

Besides the comments already provided regarding a request for a clear definition of BRE programs, no further comments are being provided.

Objective number Seven: Create a uniform Transient Occupancy Tax (TOT) collection for vacation rentals across the entire region. No Comments provided

Objective number Eight: Improve regional airport infrastructure for faster shipping.

No comments provided

Additional Recommendation:

Objective Three: Promote and develop business resiliency within the CSEDD region.

Action Items: Expand upon existing business and expansion programs; Develop a long term permanent response recovery strategic plan to replace the existing preliminary plan; Development of business resiliency centers.

These three Action Items appear to primarily address natural disasters. But how do these action items help “create 30 small businesses?” Objective three should be rewritten to clearly define what the District is trying to achieve – which according to the description – “*develop a permanent, long-term disaster plan.*” How are these three objectives going to promote business resiliency? The term could be more appropriately changed to “*community resiliency.*”

As we have learned, the State of California, along with Tuolumne County submitted a \$55,000,000 grant request and received \$19,755,000 for “*Community Resilience Centers*” as a result of the RIM fires and other natural disasters. In addition, the description in Objective Three goes on to state that the plan is to “*monitor and address business needs and connecting displaced businesses and employees with resiliency centers.*” Again, the Action Items should be rewritten to reflect the more appropriate term – “Community Resiliency Centers” instead of “*Business Resilience Centers*” as purposed in the Strategy. Would only businesses have access to the Centers in times of emergency or would others within the community have access? In addition, the \$55,000,000 federal grant award to the State, which in the Strategy mentions that \$20,000,000 will be “*directly related to business development and resiliency.*” However, it has been reported on the Tuolumne County website that the \$20,000,000 will be allocated to building a new “bio-mass facility” not for business development and resiliency centers. How does the construction of a biomass facility “help create or save 30 small businesses?” We hope this will

be the case, however, and will look forward to tracking the progress of this project and the positive impact it might have on local small businesses over the next three (3) years.

Final Recommendation:

All of the goals and objectives are based on a five-year performance-time horizon. Shouldn’t each objective and goal be established within a specified timetable necessary to complete each of them? Some objectives may in fact take longer than five years, but most listed in the Strategy are projected to be completed within 2-3 years. Is there any justification for making every performance result five years in length? Having each goal and objective with its own timetable for completion would make it easier for the District Board to track them each year for the desired results and if not achieved, measures could be taken to identify the specific weak points and/or identify better approaches and new timetables assigned. In addition, if an objective or project was unable to be continued for whatever reasons, it should be eliminated or updated with a new completion date. The Annual Reports will be able to document whether or not the actual results were met, exceeded, or fell short of projected outcomes.

The authors and contributors for this Response want to acknowledge the exceptional work by all CSEDD Board members and staff, as well as the assistance from Chico State University project specials, to develop this five-year Comprehensive Economic Development Strategy.

Thank you for your public service.

Sincerely,

Ken Perkins

Cc: Malinda Matson, Economic Development Representative for Northern and Coastal California

Mon, 7 Nov 2016 16:23:21

My name is Susan Reichle and I live in Tuolumne County. Unfortunately, I could not open up the 5 year strategic plan (I wouldn't have read 63 pages anyway), but for what it's worth, I wanted to put in my 2 cents. I am happy we have some outside help to give a much needed different perspective.

I agree with the 7 key points identified in the newspaper, depending on which zoning and permitting laws you want to get rid of. We need to keep young people and their families in the County, with viable jobs, i.e not expansion of Walmart jobs, especially as the Walmart grocery will probably take away union jobs at Safeway and Savemart. I've often thought that appealing to small manufacturing firms that would have minimal impact on our environment and culture--a key reason tourists bring their dollars here--could be enhanced by having work ready employees trained at our local Community College. Also, our meat industry could be revived by stressing healthful, sustainably raised livestock that could be marketed as such, so when Bay Area people think "Tuolumne", they think "excellent quality meat to buy". Hopefully this would also keep our traditional ranchers and their families in business into the future. The other component of that is having our own slaughter industry, saving money and providing viable jobs. Again, the Community College could be utilized. Modern communication technology is essential for many reasons. Also, maintaining the environment that attracts tourists. It's been shown that high end tourists are an economic boon. These tourists from urban areas want outdoor opportunities that they don't get where they live, and will pay for it. Oh, and how we collect and store water in this changing climate situation will be critical to how we adapt and develop. We need forward thinkers, not outdated ways. That's all I can think of just now. I look forward to reading what you come up with.