

ECONOMIC DEVELOPMENT STRATEGY & COMPONENTS



ECONOMIC DEVELOPMENT OBJECTIVES AND COMPONENTS

THE APPROACH

Formation of the CEDS Strategy Committee

The CEDS strategy committee was chosen by members on the CSEDD board. Each CSEDD board member identified a community member who was not currently associated with the CSEDD. Individuals from county governments, non-profits, community organizations, and private entities were selected from each of the four counties to participate on the strategy committee in addition to three current CSEDD board members.

Community Involvement

The CSU, Chico's Center for Economic Development (CED) constructed an 18 question survey about the current and future needs of the region. The survey focused on barriers to economic development, business needs, previous economic development projects in the region, and building regional economic resilience. The survey was created in Constant Contact by the Center for Economic Development and a live link was provided to the CEDS committee and the CSEDD board. The survey link was sent out to the CSEDD contacts, a press release was sent to local radio and media outlets, and the survey was hosted on the CSEDD and CED website. A total of 17 responses were received, 14 from Tuolumne County and two from Calaveras County, and one from Alpine County. A summarized copy of the survey results can be found in the Appendix of this document.

To gain additional community feedback, representatives from the Center for Economic Development (CED) led three community town hall meetings within the CSEDD region. Flyers announcing the meetings were sent out to regional stakeholders and community members, and a press release was sent to local radio and media outlets. The results of the community survey were compiled and analyzed, and the key findings were presented to attendees at each meeting. Meetings took place in Angel's Camp, Markleeville, and Mariposa and were two hours long. The key findings were discussed on both a regional and community level. During these discussions, community members addressed further key issues that were not originally identified in the survey results.

All of the feedback received from both the community survey and meetings were compiled along with regional economic and demographic data collected by CED staff. These findings were used as an integral part of the CEDS strategy committee's SWOT analysis. The results helped committee members better understand and address the needs of the region and identify the objectives and goals incorporated ³⁴within this comprehensive economic development strategy.



CSEDD OBJECTIVES

Objective One: Enhance visitors' services within the CSEDD region

Objective Two: Build a skilled workforce within the CSEDD region

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

Objective Four: Promote coordinated marketing efforts throughout the CSEDD region

Objective Five: Promote regional infrastructure improvements

Objective Six: Expand upon existing community business retention and expansion programs

Objective Seven: Create a uniform Transient Occupancy Tax (TOT) collection plan for vacation rentals across the entire region

Objective Eight: Improve regional airport infrastructure to support faster shipping & delivery services

Objective One: Promote advanced visitors' services within the CSEDD region.

Enhancing visitor services throughout the region was identified in the SWOT analysis as a major opportunity for the region. Additionally, three of the six non-government sectors with the highest location quotients in the region are all tourism related and tourism was brought up in all three community meetings due to its level of importance. With its vast public lands, outdoor recreation opportunities, and Yosemite National Park (NP), the four-county region has been tourist dependent for decades and will continue to be in the foreseeable future. The region contains the crown jewel of the Sierra Nevada Mountain Range, Yosemite National Park, countless hiking and backpacking opportunities, numerous lakes, world class fishing, and multiple ski resorts. Additionally, in the lower elevations, agri-tourism has begun expanding as the wine industry flourishes. The CSEDD region is in a unique position to capitalize on multi-county visitors. Unlike many California counties, most visitors are not just coming to the region to go to a specific location. There are a few exceptions such as Alpine County ski and fishing opportunities that are sole destinations, but for the most part, even visitors to Yosemite stay or visit other parts of the region. Because of this multi-destination advantage, it is imperative that groups throughout the region work together to optimize visitor services and cross-promote resources throughout the region.

Due to the inherent risks associated with a tourism based economy, (natural disaster, recession, changes in government policy affecting public lands, etc.) it is imperative that the local leaders capitalize on the economic benefit of tourism during peak times. Also, by enhancing visitors' services, economic developers in the CSEDD are aiming to create a value add proposition for would be travelers even in tough economic times. By setting themselves apart from other, less traveler friendly regions, the regional economy would become more resilient. To accomplish this objective the CEDS strategy committee has identified three action items to be completed within the next five years.

Action Item: Develop a regional tourism partnership organization.

Currently, each of the four counties coordinates their own visitor services efforts which has made it so offering the best visitor experience has become inefficient. The CSEDD board and its staff will be responsible for facilitating partnerships between Mariposa County Chamber of Commerce, Tuolumne County Visitors Bureau, Gold Country Visitors Association, Alpine County, and Calaveras County. By the end of 2017, a minimum of eight independent organizations will have formed a partnership.

Action Item: Review current visitors' services and identify new locations.

Currently there are three visitor centers, outside of Yosemite Park, in the four-county region. Unfortunately, the current visitor centers are not in locations that take pressure off of Yosemite NP traffic and are not in locations where visitors can walk around local shops and restaurants. By the second quarter in 2019, the partnership formed in action item one will have reviewed the efficiency and the economic impact of each of the current visitor centers and will make recommendations to the individual counties about the optimized location of either a new or a relocated visitor center. Along with the recommendation, a preliminary business plan will be provided.

Action Item: Successfully move or open one or two visitor service centers in optimal locations.

One of the major opportunities identified in the SWOT analysis was the potential relocation or opening of a new visitor center. During the follow-up meetings, members of the CEDS planning committee came to the agreement that a new center location located in a down town business district would have two benefits. With more amenities near the center, people will stay in town longer which will increase revenue and sales tax revenue at local retail shops and restaurants. The number of travelers with disposable income being drawn to local business districts will become a significant economic driver. Additionally, by giving travelers a more attractive place to stop, they will likely stay longer which will ease traffic at peak times going into Yosemite NP. The lessened traffic will increase the attractiveness of the NP which should in turn increase visitors.

Objective Two: Build a skilled workforce within the CSEDD region.

Building a skilled workforce was identified in the community survey and in all three of the community meetings as being one of the most important issues facing the region today. This is an important issue for two distinctly different reasons. First, the community members surveyed felt that the business community does not have access to a skilled workforce to fulfill its needs. Second, the "brain drain" throughout the region is one of the worst in the state. All four counties in the region have had negative net migration for over a decade. Opportunities have to exist or young professionals will have no reason to stay in the area. Workforce development is one of several necessary tools for solving both problems. By being strategic about what workforce development opportunities are supported, a region can more efficiently train young persons in occupations that give them the option to stay in the area after completion.

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

The CTE High School Articulation program offers a unique opportunity for high school students to receive college credits. Columbia College Career Technical Education (CTE) collaborates with local and regional high school programs to develop articulation agreements. Resulting agreements include alignment of course skills and concepts, the possibility of advanced placement, and credit by examination options. The goal of this action item is to have over 200 high school students enrolled in the region with three counties (Alpine County does not have a high school but they attend high school in Calaveras County and Douglas County, Nevada) having at least two high schools with CTE agreements in place by 2019. The program is expected to have a 90 percent success rate of students either continuing their education in the technical field of their choice or landing a technical job upon program completion.

Action Item: Enhanced partnerships between CSEDD staff and board members, the Mother Lode Work Force Investment Board (WIB)

During the SWOT analysis, it was determined that Mother Lode WIB is an excellent resource for local businesses and job seekers. Unfortunately, it was also brought up in the SWOT that the WIB's services are underutilized. As a result, the CEDS planning committee has determined that it is the responsibility of each of the CSEDD participating members to increase their WIB referrals which are currently very low. The individual county members will report back to CSEDD staff their number of referrals each year and CSEDD will monitor progress. The identified goal is that by 2018 referrals from CSEDD and its partner organizations and member counties will be at least 50 per year and will increase to 150 by 2021. As a result of the increased referrals partners are expecting an increase in WIB trainings of 10%.

Action Item: Promote the Columbia College Water Resource Management program

The necessity to manage water resources effectively has created an increasing number of job opportunities. There are currently over 30 water districts in the CSEDD region and over 20 waste water treatment facilities. Many of the plant operators running these facilities and districts are nearing retirement age and Columbia College offers a program in Water Resource Management, leading to a career in water treatment, water distribution, wastewater management, and groundwater management. The program will provide an opportunity to succeed in water resource management through the development of

knowledge, skills, and experience. CSEDD board members will be promoting the program for Columbia College at the local level and expects Columbia College will see a 10 percent increase in program enrollment by fall 2020 as a result.

Action Item: Establish high school off campus tech center and innovation lab in Calaveras County

Innovation labs with tech centers offer opportunities for potential small businesses to access specialized equipment while gaining a valuable network. Additionally, these types of centers often act as training grounds for high school and college students as they prepare for high paying tech jobs. Currently there is an innovation lab and tech center in Sonora, in Tuolumne County. While most of these types of centers are found in more urbanized areas, the center in Sonora has proven the model in rural areas. While this model may not work in the sparsely populated areas of Mariposa and Alpine counties, there is an opportunity for replication in Calaveras County. Over the next two years, Calaveras County officials, Columbia College, and the high school superintendents will partner to obtain private foundation funding, while seeking EDA assistance, to obtain the proper equipment to run the innovation lab.

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

When compared to other regions, the CSEDD region has many outside threats to the health of its business climate. The region is in a constant threat of fire danger, and is currently locked in a prolonged drought. This was proven by the Rim Fire, the largest fire ever in the Sierra Nevada even though it did not start until late fall. A normal year's precipitation would have ended that fire fairly quickly, but the extended drought exacerbated the problem. While natural disaster is the most immediate threat to the health of the region, there are other threats that the region faces due to its high dependence on government controlled lands for its tourism revenue. Government furloughs and prolonged recession have in the past, and may again, take their toll on the region's important tourism industry so it is imperative that local leaders be prepared to deal with human caused threats. Objectives 1 and 6 are meant to address the human caused threats while this objective is meant to address natural disasters. Fire danger and drought were far and away the two largest issues identified at the community meetings and the two seemingly go hand in hand. Both the Butte and Rim fires in the past several years have devastated the region, displacing hundreds of residents and destroying home based businesses.

Calaveras County has been hit particularly hard. It was revealed during the Angels' Camp community meeting that several land owners have migrated out of the county all together and sold their property to marijuana farmers from out of state. This has further exasperated the out-migration issue. Additionally, the constant fire danger has made obtaining insurance extremely costly and has even forced many people to self-insure. It is the goal of the CSEDD, and its partner organizations, to reduce the short-term stress and the long-term economic effects on the business community due to the inevitable natural disasters.

Action Item: Develop a long-term permanent response recovery strategic plan to replace existing preliminary plan

The CEDS planning committee has developed a preliminary plan for business disaster response and economic resilience. However, the dedicated staff time necessary to develop a permanent, long-term disaster response plan was not available at this time. The long-term plan will include a process for monitoring and addressing business needs, assigning staff from each county communication responsibilities, developing a revolving loan fund for insurance gap funding, and connecting displaced businesses and employees with the two resiliency centers discussed below.

Action Item: Development of Calaveras County Chamber of Commerce Butte Fire Recovery Center

EDA has awarded the Calaveras County Chamber of Commerce, in partnership with CSEDD, \$250,000 to open a fire recovery center in San Andreas for those affected by the Butte Fire. One-half of the Chamber's time will be dedicated to operating the resiliency center and partner organizations will be hiring a half-time business outreach person. The outreach person ensures that the center will be maximizing its impact rather than being reactive as businesses look for help. Most business owners affected by disaster are preoccupied putting their lives back together and may not know what resources to approach for assistance. In addition to the employees working directly on the project, the Alliance Small Business Development Center (SBDC) will offer nine consultants to work with businesses coming through the Center. The facility will be operational in 2017 and is funded for two years. In that time period, the partners plan to seek funding from other public and private sources to keep the facility operational. By keeping the center open indefinitely, partners will be much more proactive rather than reactive in their response to future disasters such as inevitable fires. In the meantime, the first round of EDA funding will help save or create (from dislocated workers starting businesses) 30 businesses affected by fire.

Action Item: Development of Tuolumne County Disaster and Business Resiliency Center

Tuolumne County and the State of California partnered to obtain \$70 million in HUD funds as part of the National Disaster Resilience Competition. Of the \$70 million, \$20 million is dedicated to business development and resiliency through construction of a community resiliency center. The project will be fully operational by the end of 2017, and within two years of being operational, the Center will have assisted in the creation or saving of 30 small businesses.

Objective Four: Promote a coordinated marketing plan throughout the CSEDD region.

Currently, there are different groups in each of the four CSEDD counties working on visitor attraction. As discussed in objective one, many visitors to the area are regional visitors, not single destination visitors which means the four counties in the district need to work together to cross-promote the region. The Gold Country Visitors' Association (GCVA) in conjunction with Visit California is the primary group coordinating a regional marketing effort. Unfortunately, the GCVA does not include the high Sierra in its region. Essentially half of the CSEDD region is without an organized marketing effort, including all of Alpine County.

Action Item: Promote coordinated marketing throughout the region.

Under the leadership of the CSEDD board, it will be the responsibility of the partner organization formed in Objective One to complete a multi-county strategic marketing plan. The plan will be complete by Q1 2019. The plan will include cross-promotional items for all regional visitors' centers, connecting with Visit California, and a plan that includes outreach to national and international visitors to California. This effort will in no way compete with the GCVA effort, rather it will supplement what GCVA is currently lacking.

Action Item: Ensure all three counties within the GCVA region are voting members of the association.

Currently Tuolumne and Calaveras County Visitor Bureaus are members. It will be the responsibility of each county's CSEDD representatives to ensure their respective county stays active in the association. By Q3 2017 Mariposa County will have also joined GCVA. Membership is \$750 per year and will likely be paid for by chamber membership dues, county general funds, or TOT.

Action Item: Partner with regional leaders to cross-train employees.

The simplest, yet most important, step in organizing a coordinated marketing effort is to cross-train employees and volunteers at all visitors' centers and chambers of commerce about regional efforts. The staff at the Alpine Chamber of Commerce or the Tuolumne Visitors' Bureau need to know what activities are available in Mariposa or Calaveras County and vice versa. This is especially important as many people enter and exit Yosemite NP at different entrances. There will be information about things to do in Mariposa County even if a visitor is entering the NP through the Groveland entrance in Tuolumne County. Information will also be readily available in Mariposa about Tuolumne and Calaveras counties for people entering the NP through Mariposa County. Additionally, both Madera and Mono counties will be approached about a potential cross-promotional effort to maximize visitors coming from the east and south entrances. This effort will require limited resources, such as staff time for cross training, and will take up minimal space at chambers offices and visitor centers for the other counties to put promotional materials. It is the goal of the CEDS planning committee to have marketing materials in shared spaces and staff cross trained by Q3 2017.

Objective Five: Promote infrastructure improvements throughout the CSEDD region.

During the SWOT analysis, the weakness that was identified as being in most need of attention was infrastructure. While several types of infrastructure were identified as being an issue throughout the region, the three largest identified issues were water storage security, lacking sewer line development, and broadband infrastructure. Upon the completion of the six outlined action items, regional businesses will benefit tremendously as access to markets, water and sewer capacity, and broadband all improve.

Action Item: Seek State and Federal Funding to Provide Broadband Service to Underserved and Unserved Communities

Communities within the Central Sierra Economic Development District region are served by a handful of last-mile broadband service providers offering direct subscriber line, coaxial cable, and fixed wireless services. Direct subscriber lines are wired connections which generally meet the minimum definitions for "broadband service" as defined by the California Public Utilities Commission. Direct subscriber line service providers include AT&T throughout much of the region, along with smaller service providers with smaller focus region including Sierra Tel Internet, CALTEL Connections, and TDS Telecom. Coaxial

cable is another wired connection technology that generally enables much higher download and upload speeds. Comcast is the franchisee for cable services for the vast majority of the developed areas within the four counties of the CSEDD region. Finally, fixed wireless services offer connectivity by broadcasting signals to a fixed receiver in a consumer's home or business. This technology can offer moderately fast service to harder-to-reach locations, but price and reliability may be lower than traditional wired technologies. There are many service providers offering fixed wireless connections in much of the CSEDD region, including Volcano Wireless, Conifer Communications, Frontier Communications, and unwired Broadband, Inc.

Unfortunately, many portions of the CSEDD Region remained completely unserved by any type of broadband service. An even greater portion of the region is deemed "underserved" by the California Public Utilities Commission, meaning that broadband service of some type does exist in the area, but the speeds offered do not meet the State of California's minimum threshold of 10 megabit per second download speeds and 3 megabit per second upload speeds. According to the most current statistics from the California Public Utilities Commission dated December 31, 2015, only 33,870 of the CSEDD Region's 49,232 households were deemed 'served' by fixed broadband, with 8,666 households (17.6 percent) deemed 'underserved' and a further 6,696 households (13.6 percent) with no service at all.

State and federal funding sources exist to provide grants or subsidized loans to public and for-profit entities seeking to expand broadband connections into unserved and underserved areas. Through the encouragement of the CSEDD board, county planners and potential service providers should partner to identify opportunities to take advantage of these funding sources to extend services to unserved and underserved areas. Specific funding programs include the California Advanced Services Fund, a revolving grant and subsidized loan account administered by the California Public Utilities Commission, and Rural Development Community Connect grants, a program funded by USDA Rural Development.

Action Item: Seek funding for non-highway road construction improvements to increase access to markets

While state-funded highways form the backbone of connectivity between the CSEDD region and outside markets, many locally-maintained roadways serve as the critical feeders and regional connectors to and from the state highway system. The California Department of Transportation (Caltrans) should pursue a strategy of connecting the CSEDD counties with Highway 99 and Interstate 5 by completing capacity upgrades on important east-west routes such as Highways 120 and 108. At the same time, planners within Calaveras, Tuolumne, and Mariposa counties

should pursue capacity, safety, and reliability improvements along important routes connecting communities to these and other critical State Highways.

The Caltrans Local Assistance Division offers a variety of grant programs aimed at expanding capacity, safety, and reliability of locally-maintained roadways that feed into the State Highway system. The most prominent of these grant programs is the State Transportation Improvement Program (STIP), a flexible program that is intended specifically for projects that increase road capacity for multiple modes (passengers, freight, and transit). County planners should pursue STIP and other state grants that increase the capacity of local feeder roadways, leading to better connections to outside markets.

Action Item: Phoenix Lake dredging project for sustainable water storage

The Tuolumne County Resource District will complete engineering plans for the Phoenix Lake improvements including; dredging plans, sediment forebay design, and wetland enhancement design, complete the necessary environmental review, obtain the required regulatory permits and compliance for Phase 3, and purchase the required land for the sediment forebay. Phase 2 to be completed by the end of 2018 followed by seeking funding for Phase 3, the actual dredging.

Action Item: Seek funding for water and waste water treatment facility construction and expansion

Water and wastewater issues are substantial throughout the region. Water storage has become a major concern due to sediment in the reservoirs and long-term storage has been exposed in the recent drought. Water transportation is even a bigger issue. Wooden flumes, open air ditches, and old pipes transport the majority of the regions water and some studies have shown that between 40 and 50 percent of water is actually lost during transportation due to leaks in the aging infrastructure. Over the next five years, the joint powers authorities (JPA) for Tuolumne and Calaveras counties, alongside Alpine and Mariposa counties will be prioritizing which projects need to be addressed first. Through CSEDD board facilitation, the counties and respective JPAs will identify five distinct projects for which to apply for EDA, USDA Rural Development, State Proposition 1 and Proposition 84 funding. It is the CEDS planning committee's goal to see at least two projects funded at the federal level and one \$0.5 million waterline improvement project funded through State Proposition 1 bond funds.

Action Item: Seek funding for the Sierra Rail expansion

The Tuolumne County Transportation Council in partnership with the Sonora

industrial park, and the Tuolumne County Economic Development Authority will be seeking funding over the next five years to improve the current rail line that runs from Sonora to Oakdale where it connects to the main Union Pacific line. At present, the current rail is only capable of supporting train cars at five miles per hour. The cost for updating the rail to a 20 or 25 mile per hour rail line has been determined to be \$2 million and with TIGER or DOT funding can be completed by 2022. The updating of the rail would be a major boon to Tuolumne County. Rail would be the most efficient way to transport both lumber and cheap propane to the Sonora industrial park. Also, the improved rail system could be used for visitor services related activities, offering short-haul dinner trips to tourists.

Action Item: Encourage Pacific Gas and Electric to Extend Calaveras County Natural Gas Connection

Currently, the only portion of the CSEDD region with natural gas infrastructure is the community of San Andreas in western Calaveras County. San Andreas is provided with natural gas by Pacific Gas and Electric, via a small-diameter pipeline connected to PG&E's larger pipelines in Lodi. The remainder of the CSEDD Region, including all of Tuolumne and Mariposa counties, lack natural gas availability. Tuolumne County is the most populous county in California without any residential natural gas availability.

Tuolumne County and the CSEDD region should pursue strategies that grant incentives for Pacific Gas and Electric to extend its current natural gas pipeline south and east along Highway 49 from San Andreas to Sonora, thus providing this vital residential service to the more densely populated parts of the CSEDD region. Given PG&E's focus on upgrading and maintaining existing structure in the face of increased regulatory scrutiny in the wake of the 2010 San Bruno accident, any extension of the San Andreas pipeline will not come easily.

Objective Six: Expand upon existing business retention and expansion programs

Business retention and expansion programs (BRE) are some of the most important tools available to economic developers. While BRE is conceptual and refers to numerous programs throughout the community, these programs include but are not limited to Small Business Development Centers, Chambers of Commerce, and job training facilities. Business attraction is a negative sum game as multiple regions compete for the same businesses that are interested in relocating. Communities are forced to offer more and more economic incentives and most just end up wasting scarce resources with little or no benefit. Additionally, high-job growth

often accompanies businesses in expansion mode, especially second stage companies. Also, it is much easier to retain a business than it is to attract a new one, as the owner and employees are already routed in the community. As shown in the appendix, other than workforce development, survey respondents said that expanding business retention and expansion programs was listed as the second most important step that the region needed to take for economic development purposes. In an effort to address those concerns, the CEDS planning committee has come up with the following action items.

Action Item: Expand upon existing business retention and expansion programs

In partnership with the Alliance Small Business Development Center (SBDC), CSEDD has been awarded a \$50,000 grant from USDA Rural Development to expand current business retention and expansion efforts into underserved communities. Currently Alliance SBDC serves Tuolumne and Mariposa counties and the Delta College SBDC in Stockton is responsible for serving Alpine and Calaveras counties. Due to severe financial constraints in recent years the Delta College SBDC has been unable to adequately serve the needs of existing and emerging small businesses in these two counties. Presently no other business assistance programs are serving Alpine and Calaveras counties.

By partnering with CSEDD, the chambers, and local government, the needs of local small businesses will be assessed and met. Qualified local consultants will be used whenever possible including current SBDC consultants from San Joaquin and Stanislaus Counties. When needed regional consultants will be recruited to meet business needs where ever local consultant expertise is not available. The program will begin Q4 2016 and run through Q2 2018. CSEDD staff will identify clients and provide referrals to Alliance SBDC and will work in conjunction with Alliance SBDC to offer business trainings in the underserved high Sierra region. 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.

Action Item: AgPlus EDA Technical Assistance

In 2015, the CSEDD partnered with CSU, Fresno, CSU, Chico, and Valley Vision to submit an IMCP designation proposal for food and beverage manufacturing. The designation, known as AgPlus, was awarded in July of 2015 and lasts through at least June of 2017. In September 2016, a two-year, \$250,000, EDA Technical Assistance grant was awarded to the region with \$35,000 in federal funds staying

in the CSEDD region. The federal and subsequent non-federal matching funds will be used to coordinate and develop projects within the region that address components of the AgPlus implementation strategy. Through implementation of the pillar group strategies, businesses will be assisted as they are connected to regional projects and financing opportunities. It is estimated that five jobs will be created or saved as a result of these efforts.

Action Item: Obtain funding to further expanded the BRE program

For the reasons outlined in action item one, there are too many businesses in the four county region, especially Alpine and Calaveras counties, that are severely lacking business support services. The allocation of scarce resources in the valley has left these rural communities underserved. The USDA program is a boost to these businesses but by the end of 2018, CSEDD plans to increase BRE funding by 10 percent region wide.

Action Item: Provide ESRI Business Analyst support services

CSEDD staff used to purchase ESRI Business Analyst to assist start-ups in the region. As the cost became prohibitive CSEDD has entered into a partnership with the EDA University Center, CSU, Chico to provide local businesses with the same service at a fraction of the cost. Starting in October 2016, CSU, Chico will subsidize the business assistance by utilizing inexpensive, bulk educational licensing. CSEDD staff will make mapping and data requests on an as needed basis and will remain the single point of contact with the business. ESRI reports will be created for a minimum of 15 businesses per year.

Objective Seven: Ensure a plan for Transient Occupancy Tax (TOT) collection on vacation rentals is in place in each of the region's four counties.

Vacation rentals have skyrocketed throughout the CSEDD region. TOT is vital to many counties throughout California but is especially important to the CSEDD region as tourism is one of the region's most important sectors. All of the region's visitor services are funded through TOT as well as many other local services. TOT is an excellent source of revenue for a county because it is a way to provide the necessary services to its residents without placing a larger tax burden on them. Mariposa, Alpine and Tuolumne counties have seen dramatic increases in former long term rentals being converted to AirBnB type vacation rentals over the past five years. Rentals are popping up seemingly everywhere whether or not the property is permitted or zoned for vacation rentals. Due to their proximity to Yosemite NP, Mariposa and Tuolumne counties have already begun tracking and collecting TOT

on these types of rental properties. Unfortunately, due to staff constraints and lacking a plan, Alpine and Calaveras counties have yet to begin collecting TOT on these types of properties. As hotel and motel nights slow, and the pressure for business and visitor services increase CSEDD must assist Calaveras and Alpine counties by helping them create a plan to start collecting revenue within the next year.

Action Item: Create a simple plan for Alpine and Calaveras counties to adopt

CSEDD board members will work together to create a simple plan for Alpine and Calaveras counties to start collecting TOT on internet booked vacation rentals such as AirBnB. Partners will explore what is currently working and what is not working in Mariposa and Tuolumne counties keeping in mind that very little staff time can be dedicated to the monitoring of rentals that do not self-report. This plan will be complete by Q3 2017.

Action Item: Adopt the plan at the county level

CSEDD will work with boards of supervisors in Alpine and Calaveras counties to introduce the plan. It is expected that both counties will adopt the plan and assign staff members to monitor and collect TOT by Q2 2018. The additional TOT revenue collecting through the monitoring will make up for the cost of the added staff time.

Objective Eight: Improve regional airport infrastructure for faster shipping & delivery services within the CSEDD region.

Air transportation is a huge barrier to entry (weakness) identified in the SWOT analysis. Businesses located in the CSEDD region have little to no access to one-day or overnight shipping options. This negatively affects the service industry, retailers, and producers. Over the next five years, the CSEDD will partner with the Tuolumne County Airports Department to ensure the proper infrastructure is developed to bring small cargo planes to the region. While the Columbia Regional Airport is located in Tuolumne County, the benefits of having daily cargo planes flying in and out of the County are tremendous and felt region wide. In many small, rural communities FedEx or UPS fly in and out of the regional airport multiple times per day. This allows both a morning and afternoon pick-up and drop off for next-day shipping. With many online competitors and an impatient customer base, retailers and even some wholesalers are forced to offer expedited shipping or they simply cannot survive. The same thing works in reverse, local manufacturers and retailers would benefit from decreasing any lags in their supply chain's distribution. It is also noteworthy that because

of the CSEDD region's issue with out-migration, expedited shipping is one more amenity that may or may not help keep young professionals in the area.

Action Item: Assess the airport infrastructure and identify gaps to be filled.

With assistance from the CSEDD, the Tuolumne County Airports Department (TCAD) will create an asset inventory of current airport amenities. The inventory will also identify infrastructure gaps that may be keeping cargo planes from utilizing the facility. The asset inventory will be completed by Q4 2017.

Action Item: Foster relationships with local shipping carriers

Upon completion of the asset inventory, members of the TCAD and the CSEDD will share the report with local representatives from FedEx and UPS. CSEDD representatives will build a relationship with the local representatives from the major companies to help further define what is needed at the airport to develop a shipping contract. The development of these relationships will start immediately.

Action Item: With the help of local shipping company representatives, create a plan to address the necessary infrastructure improvements.

Partners will create a strategic plan to make the Columbia Airport attractive for FedEx or UPS to begin making cargo flights in and out at least once or twice per day. This plan will be complete by Q2 2019 and will include cost estimates for all improvements. The plan will also include a draft of what a proposed agreement with a shipping company may include.

Action Item: Seek and obtain private and grant funding for necessary improvements

Staff from Tuolumne County will be needed to dedicate time to writing proposals for infrastructure improvements and to put the strategic plan in place. At this time, it is assumed that two separate proposals will need to be submitted with the anticipation that at least one will be funded. Until the strategic plan is complete the total amount of funding necessary has not been identified but it will likely be around \$250,000. The most likely source of funds will be FAA Small Airport Grant funds, supplemented by private match. It is the goal of the CEDS planning committee to have funding in place by Q2 2021.