



June 21st, 2022 | Sonoma Mendocino Economic Development District | Board of Directors Meeting

<https://sonomacounty.zoom.us/j/83043446159>

Meeting Book - June 21st, 2022 | Sonoma Mendocino Economic Development District | Board of Directors Meeting

CALL TO ORDER

Chair

CONSISTENT WITH THE PROVISIONS OF AB 361, MEMBERS OF THE BOARD OF DIRECTORS WILL PARTICIPATE IN THE MONTHLY MEETING BY TELECONFERENCE. IN PERSON PARTICIPATION BY THE PUBLIC WILL NOT BE PERMITTED AND NO PHYSICAL LOCATION FROM WHICH THE PUBLIC MAY ATTEND THE MEETING WILL BE AVAILABLE. REMOTE PUBLIC PARTICIPATION DETAILS ARE LISTED AT THE TOP OF THIS AGENDA.

Should you want to submit public comment, do so by email before the Board Meeting is called to order. Please state the agenda item number that you are commenting on and limit written comments to three hundred (300) words or less. Comments can be sent to bradley.johnson@sonoma-county.org. Written comments received prior to the meeting you wish to comment on will be read into the record.

ROLL CALL

Secretary

Jon Frech
Mary Anne Petrillo (Chair)
Paul Garza Jr.
Lisa Badenfort (Vice-Chair)
Robin Bartholow
Jeff Kelly
Mike Nicholls

CONSIDERATION OF APPROVAL OF VIDEOCONFERENCE IN COMPLIANCE WITH AB361

Chair

The Board will consider approval of findings that there remains a State proclaimed COVID-19 health emergency and local officials continue to impose or recommend measures to promote social distancing, allowing hybrid virtual meetings to be conducted for the next 30 days.

Public Comment

OPEN TIME FOR PUBLIC EXPRESSION

Chair

This is an opportunity for any member of the public to briefly address the Board on any matter that does not appear on this agenda and is restricted to matters within the Board's jurisdiction. Items that appear to warrant a more-lengthy presentation or Board consideration may be placed on the agenda for discussion at a future meeting. Please limit comments to three hundred (300) words.

AGENDA ADJUSTMENTS – DISCUSSION/ACTION

Chair

STATEMENT OF CONFLICT OF INTEREST

Chair

This is the time for the Board of Directors to indicate any statements of conflict of interest for any item listed on this agenda.

5 Minutes

CONSENT ITEMS – DISCUSSION/ACTION

Chair

Approval of Previous Board Meeting Minutes

DRAFT SMEDD BOD Meeting Minutes 5 19 2022.pdf

Open Time for Public Expression

10 Minutes

Financial Report - Discussion/Action

Fiscal Analyst

Monthly Financial Report

The district's fiscal analyst will provide a monthly financial report to the board.

Monthly Reimbursement Request

The Board will vote to reimburse the County of Sonoma for staff time

and contractual expenditures that supported SMEDD activities in the amount of \$1,088.17 during the month of May 2022

Open Time for Public Expression

60 Minutes	AD HOC COMMITTEE REPORTS - DISCUSSION/ACTION Ad Hoc Committees will report to the Board on recent progress.	Chair
	District Financials/Budget Ad Hoc The Board will discuss the current status of the Financials/Budget Ad Hoc with the District's fiscal analyst to determine ongoing needs to maintain this ad hoc or similar group for operational purposes.	Ad Hoc Chair
	Draft SMEDD Financial Policy	
	CEDS Strategy Committee Update The Board will review and discuss the final version of the 2022 CEDS and may move to have the CEDS submitted to the EDA.	Ad Hoc Chair
	CEDS Final.pdf	
15 Minutes	Board Member Recruitment Discussion/Action The SMEDD Board will discuss the recruitment of additional Board members to fill current vacancies.	Chair
10 Minutes	SMEDD Board Meeting Calendar and Location Discussion/Action The board will discuss the meeting calendar for the upcoming fiscal year and may take action on when and where the quarterly meetings will be held.	Chair
	Proposed FY 22/23 Meeting Calendar	
25 Minutes	STAFF UPDATE - DISCUSSION/ACTION Staff will provide an update on district economic development activities.	District Manager
	Planning Grant and Supplemental Grant Language From EDA	
	EDA Planning Grant Progress Report Submitted	
	Meeting Adjournment	Chair



Board of Directors Meeting Minutes

May 19, 2022

Zoom: <https://sonomacounty.zoom.us/j/83043446159>

1. **CALL TO ORDER AT 10:01 a.m.**
2. **ROLL CALL**

Board Members:

Jon Frech- Absent
Mary Anne Petrillo (Chair)- Present
Paul Garza Jr.- Present
Lisa Badenfort (Vice-Chair)- Present
Robin Bartholow- Absent
Jeff Kelly- Present
Mike Nicholls- Present

SMEDD Associates:

Bradley Johnson, Sonoma EDB
Robert Gernert, Mendo EDFC
Stacey Caico, Mendo EDFC

3. **CONSIDERATION OF APPROVAL OF VIDEOCONFERENCE IN COMPLIANCE WITH AB361**

Public expression- None

4. **OPEN TIME FOR PUBLIC EXPRESSION**

None

5. **AGENDA ADJUSTMENTS-DISCUSSION/ACTION**

None

6. **STATEMENT OF CONFLICT OF INTEREST**

None

7. **CONSENT ITEMS – DISCUSSION/ACTION**

A. Approval of Previous Board Meeting Minutes

1. **Draft SMEDD BOD Meeting Minutes April 27, 2022**

B. Open Time for Public Expression- None

Motion by: Mike Nicholls to approve the consent items.

Seconded by: Jeff Kelly

Public comment: None

Roll call: Petrillo, yes, Garza, yes, Badenfort, yes, Kelly, yes, Nicholls, yes.

Motion passed

8. FINANCIAL REPORT – DISCUSSION/ACTION

A. Monthly Financial Report

B. Monthly Reimbursement Request

The Board reviewed and discussed the financial report presented by District Manager Johnson. Funds remaining are: \$59,326.66- Planning grant and \$253,259.76- Supplemental grant. The Board voted to reimburse the County of Sonoma for staff time and contractual expenditures that supported SMEDD activities in the amount of \$5,221.30 during 03/22/22-05/02/22.

- \$3,543.66- Planning grant
- \$1,267.74- Supplemental grant

C. Open time for Public Expression- None

Motion by: Mike Nicholls motioned to accept the financials as presented.

Seconded by: Paul Garza Jr.

Public comment: None

Roll call: Petrillo, yes, Garza, yes, Badenfort, yes, Kelly, yes, Nicholls, yes.

Motion passed

9. AD HOC COMMITTEE REPORTS- DISCUSSION/ACTION

A. District Financial/Budget Ad Hoc

Jeff Kelly reported he created a draft financial policy. The Ad Hoc will review it and bring it back in June for Board review. The bank account at Umpqua bank will be opened in June. The plan is to use non-discretionary funds of interest earned, around \$200 to open the account. The Board discussed key expenses that are not allowed under the grant (insurance, audit, legal fees) and the need to develop a plan to find funding to cover these expenses. The Board discussed the possibility of getting sponsors. More research needs to be done as to the requirements.

- Chair Petrillo directed Kelly to get 3 estimates for the services mentioned to assist the Board in determining the associated costs.
- Chair Petrillo directed District Manager Johnson to contact Ethan Fogg regarding the remaining spend down of \$59,326.66 on the planning grant and ask if an extension is possible.

B. CEDS Strategy Committee Update

Committee Chair Garza reported the CEDS document is out for public review until June 7th, 2022. He encouraged all Board members to share the press releases.

C. Final PRESS RELEASE SMEDD CEDS Public Comment

District Manager Johnson reported the press releases are out requesting public comment.

NO ACTION TAKEN

10. Amendment to Marie Jones Consulting Contract Amount- DISCUSSION/ACTION

A. Marie Jones Original Estimate.docx

B. MJC Invoice Revise CEDS 4-2022 (003).pdf

The Board discussed Marie Jones work on the 2022 CEDS and the need to increase the maximum contract amount from \$12,330 to \$14,805. Total of 164.5 hours. Additional work remains after the public review period and the Board is pleased with the work Marie Jones has done, in a short period of time.

Motion by: Paul Garza Jr. to amend Marie Jones Consulting's spend amount to \$14,805 for the remaining work on the 2022 CEDS.

Seconded by: Mike Nicholls

Public comment: None

Roll call: Petrillo, yes, Garza, yes, Badenfort, yes, Kelly, yes, Nicholls, yes.

Motion passed

11. STAFF UPDATE – DISCUSSION

A. Planning Grant Application

1) EDA Application.pdf

2) SMEDD Associate Duties (1).docx

B. Other Updates

C. Open Time for Public Expression- None

The Board reviewed and discussed the planning grant application and SMEDD Associate duties. Chair Petrillo highlighted the Board's role is to support the work done regionally to help facilitate and grow the economy. Moving forward, the primary objective as an organization is to implement the CEDS. The Board discussed the need for new Board members formed an Ad Hoc to discuss this further. Badenfort and Garza will take the lead and review the bylaws. District Manager Johnson reported he attended the Cal ED Conference last week and met Malinda from EDA. Malinda shared with him that cities within the SMEDD District have contacted EDA directly (which is not the process) so she invited him to a meeting, to discuss this further. The outcome will be reported at the June meeting. Beginning in July the SMEDD meetings will be quarterly. The dates, and locations have not yet been determined.

12. SUGGESTED ITEMS FOR THE NEXT SMEDD BOARD MEETING

It was decided that the following items need to be included in the June 16th agenda:

- 1) Board Recruitment

2) SMEDD Board of Directors meeting calendar and location

** (July -on, provided in-person meetings resume)

13. MEETING ADJOURNMENT - ACTION

Motion by: Paul Garza Jr. to adjourn the meeting at 11:28 a.m.

Seconded by: Mike Nicholls

Public comment: None

Roll call: Petrillo, yes, Garza, yes, Badenfort, yes, Kelly, yes, Nicholls, yes.

Motion passed

SMEDD Meeting Minutes Submitted by: Stacey Caico

SMEDD Board Approved: TBD

DRAFT

Sonoma Mendocino Economic Development District
Budget v. Actual
May 2022

Fund	Department	Account	Account Description	Year-To-Date			Year-To-Date Encumbrances	Remaining Balance
				Adjusted Budget	Month-To-Date Actual	Year-To-Date Actual		
Account Type: 00004 – All Revenues								
Account Character: 42000 – Intergovernmental Revenues								
72851	66140100	42461	Federal Other Funding	(370,000.00)		(205,000.00)		(165,000.00)
Total 42000 – Intergovernmental Revenues				(370,000.00)	0	(205,000.00)	0	(165,000.00)
Account Character: 44000 – Revenue - Use of Money & Prop								
72851	66140100	44002	Interest on Pooled Cash	-		(506.36)		506.36
Total 44000 – Revenue - Use of Money & Prop				-	0	(506.36)	0	506.36
Total 00004 – All Revenues				(370,000.00)	0	(205,506.36)	0	(164,493.64)
Account Type: 00005 – All Expense/Expenditure Accts								
Account Character: 50000 – Salaries and Employee Benefits								
72851	66140100	50701	Perm Position - Local Bds	311,165.00		64,729.18		246,435.82
Total 50000 – Salaries and Employee Benefits				311,165.00	0	64,729.18	0	246,435.82
Account Character: 51000 – Services and Supplies								
72851	66140100	51226	Consulting Services	30,000.00		15,000.00		15,000.00
72851	66140100	51230	Security Services	83,500.00		-		83,500.00
72851	66140100	51249	Other Professional Services	-		64,087.50		(64,087.50)
72851	66140100	51934	ERP System Charges	-		125.33		(125.33)
72851	66140100	51935	Unclaimable ERP System Charges	-		3.30		(3.30)
Total 51000 – Services and Supplies				113,500.00	0	79,216.13	0	34,283.87
Total 00005 – All Expense/Expenditure Accts				424,665.00	0	143,945.31	0	280,719.69
				54,665.00	0	(61,561.05)	0	116,226.05

As Of = @prior-fiscal-month-end; Years = 1; Chart Fields = Fund, Department, Account
 Department [66140100]
 Run: 2022-06-16 12:23 PM

**SMEDD-County of Sonoma MOU
May-22**

Expenditure Category	MOU Budget	County Expenses to be Reimbursed	Previous Month Expenses to Date	Total Expenses to Date	Percent Expended	Available MOU Balance
Supplemental						
EPS	70,000.00	-	69,993.75	69,993.75	100.0%	6.25
Project Manager	32,750.00	-	16,893.75	16,893.75	51.6%	15,856.25
District Administrator	10,380.00	-	15,908.59	15,908.59	153.3%	(5,528.59)
Fiscal Agent	9,959.00	33.82	4,048.03	4,081.85	41.0%	5,877.15
Administrative Aide	93,597.00	451.32	39,896.13	40,347.45	43.1%	53,249.55
Planning						
EDFC	60,000.00	-	52,500.00	52,500.00	87.5%	7,500.00
District Administrator	73,334.00	506.12	60,271.87	60,777.99	82.9%	12,556.01
Fiscal Agent	6,666.00	16.91	2,530.97	2,547.88	38.2%	4,118.13
TOTAL EXPENDITURES	\$ 356,686.00	\$ 1,008.17	\$ 262,043.09	\$ 263,051.26		\$ 93,634.75

Budget Category	Employee	Time Period	# Hours	Planning * Grant Amount	Supplemental Grant Amount	Total
District Administrator	Bradley Johnson	05/03/22 - 05/30/22	15	1,012.24	-	1,012.24
Fiscal Agent	Rebekah Heinze	05/03/22 - 05/30/22	0.8	33.82	33.82	67.64
Administrative Aide	Bradley Johnson	05/03/22 - 05/30/22	6.7	-	451.32	451.32
Subtotal				1,046.06	485.14	1,531.20
% charged to SMEDD				50.0%	100.0%	N/A
Total				523.03	485.14	1,008.17

* 1:1 salary match provided by County of Sonoma

SONOMA MENDOCINO ECONOMIC
DEVELOPMENT DISTRICT

**FINANCIAL POLICIES &
PROCEDURES MANUAL**

July 2022

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I. Introduction

The purpose of this manual is to describe all accounting policies and procedures currently in use at Sonoma Mendocino Economic Development District (the “District”) and to ensure that the financial statements conform to generally accepted accounting principles; assets are safeguarded; guidelines of grantors and donors are complied with; and finances are managed with accuracy, efficiency, and transparency.

All SMEDD officers and staff with a role in the management of fiscal and accounting operations are expected to comply with the policies and procedures in this manual.

These policies will be reviewed annually, revised as needed, and approved by the Fiscal Agent(s) (or “District Treasurer/Auditor”) and Board of Directors.

II. Division of Responsibilities

The following is a list of personnel who have fiscal and accounting responsibilities:

Board of Directors

1. Reviews and approves the annual budget and staffing plans
2. Reviews annual and periodic financial statements and information (at a minimum, quarterly)
3. Reviews District Manager & Associate's performance annually and establishes compensation
4. Appoint one or more member(s) of the board to be authorized signer(s) on the bank accounts and serve as District's Treasurer and Auditor (or "Fiscal Agent(s)") per JPA Code, Sections 6505.5 & 6505.6
5. Reviews and approves all contracts over (\$10,000)
6. Helps select annual auditor and reviews and co-signs auditor contract.

District Treasurer & District Auditor ("Fiscal Agent(s)")

1. Ensures District's compliance with JPA Code Section 6505.5
2. Advises staff on internal controls and accounting policies and procedures
3. Reviews and signs all issued checks and/or approves check signing procedures.
4. Reviews and approves all financial reports including cash flow projections
5. Sees that an appropriate budget is developed annually
6. Reviews all incoming and outgoing invoices
7. Reviews, revises, and maintains internal accounting controls and procedures
8. Reviews and approves (with Board Chair) all budgeted contracts under (\$10,000)
9. Reviews and approves all grant submissions and reporting
10. Reviews and approves all non-budgeted expenditures over (\$1,000)
11. Reviews all bank statements for any irregularities, and reviews completed monthly bank reconciliations
12. Oversees the adherence to all internal controls

District Manager (Or "Designated Associate")

1. Is on-site signatory for all District accounts
2. Makes bank deposits and processes invoices and/or prepares checks for signature
3. Reviews and/or processes all payrolls and is responsible for all personnel files
4. Reviews and approves all reimbursements and fund requests
5. Approves inter-account bank transfers
6. Manages Accounts Receivable
7. Mails vendor checks
8. Reconciles all bank accounts
9. Maintains general ledger
10. Prepares monthly and year-end financial reports
11. Overall responsibility for data entry into accounting system and integrity of accounting system data

III. Chart of Accounts and General Ledger

The District has designated a Chart of Accounts specific to its operational needs and the needs of its financial statements. The Chart of Accounts is structured so that financial statements can be shown by natural classification (expense type) as well as by functional classification (program vs. fundraising vs. administration). The District Manager is responsible for maintaining the Chart of Accounts and revising as necessary. The Chart of Accounts is attached to this manual as an addendum.

The general ledger is automated and maintained using our accounting software. All input and balancing is the responsibility of the District Manager and/or designated Associate.

The District Manager should review the general ledger on a periodic basis for any unusual transactions.

IV. Cash Receipts

Cash Receipts will mainly arise from electronic ACH Credits directly into the Bank Account. However, cash receipts may also occur in the form of a check or other monetary instrument arising from:

1. Grants or Contracts
2. Direct donor contributions
3. Fundraising activities

The principal steps in the cash receipts processes are:

The District Manager and/or Associates receives incoming mail and enters all checks into a log and/or accounting software, stamps all checks “for deposit only,” and makes copies of each check. The checks are kept in a locked cabinet until handed to the bank for processing and deposit.

Bi-Weekly (or as often as necessary), the District Manager and/or Associate submits the following to the Bookkeeper for processing: the endorsed checks, the deposit log book, and the correct account allocation for each deposit. The bookkeeper processes the deposit and takes it to the bank for deposit. A copy of the deposit slip is attached to the deposit. The deposits are put in a file to attach to the bank statement. The deposit log book is returned to the District Manager.

All cash received will be counted, verified, and signed off by the District Manager and another available staff member. The cash will immediately be posted using the appropriate allocation. A receipt will be given to the paying party and a copy kept for internal purposes. The cash will be kept in a locked, secure location and deposited within 24 business hours.

V. Inter-Account Bank Transfers

The District Manager monitors the balances in the bank accounts to determine when a transfer should be made to maximize the potential for earning interest. The bookkeeper is directed when to make a transfer and in what amount. A copy of the transfer is given to the District Manager.

VI. Disbursements & Expense Allocations

Cash disbursements are generally made for:

1. Payments to vendors for goods and services
2. Regulatory compliance & audit expenses
3. Staff training and development
4. Memberships and subscriptions
5. Travel & meeting expenses
6. Employee reimbursements
7. Marketing/promotional materials

Checks are processed monthly through bill pay. Checks can be prepared manually, but this should be limited to emergency situations.

Requests for cash disbursements are submitted to Accounting in three ways:

1. Original invoice
2. Purchase request (submitted on approved form)
3. Employee expense report or reimbursement request (with receipt)

All invoices must be approved by the District Manager and/or Designated Associate prior to being submitted to accounting.

Every employee reimbursement or purchase request must be documented on the approved form with travel authorization, receipts, nature of business, program allocation, and funding source (if applicable) before approving for reimbursement as follows:

Lodging - an itemized receipt from the hotel detailing all charges, the person(s) for whom the lodging was provided, and the specific business purpose.

Meals and Entertainment - a receipt must be provided showing the cost of food, beverage, and gratuities, including the names of every person for whom food or beverage was provided, and the specific business purpose.

Other Expenditures - a receipt from the vendor detailing all goods or services purchased (including the class of service for transportation) and the specific business purpose.

The District's Fiscal Agent(s) reviews all monthly requests for payment and:

1. Verifies expenditure and amount
2. Approves for payment if in accordance with budget
3. Provides or verifies appropriate allocation information
4. Provides date of payment taking into account cash flow projections

5. Submits for processing

The District Manager and/or Associates processes all payments and:

1. Immediately enters them into the Accounts Payable module
2. Prepares checks according to allocation and payment date provided by the District Manager
3. Submits checks, with attached backup documentation, to District Manager for approval and signature. All checks in excess of \$2,500 require a second signature from an authorized board or staff member; checks in excess of \$10,000 must be authorized by the Board of Directors
4. Stamps (or signs) invoice "paid"
5. Issues checks and appropriate backup documentation
6. Files all backup documentation in the appropriate file
7. Runs an accounts payable aging at the middle and end of each month and submits to the District Manager to assure timely payment of all invoices

Expense Allocations

Most non-salary expenses that benefit more than one cost center (administration, fundraising, and program) are spread across centers using a shared cost method. Under this method, the number of full-time equivalents (FTEs) within a department are divided by the total number of FTEs at the organization to determine the percentage of shared costs they should bear. The District Manager does this on a monthly basis. Occupancy expenses may be split between departments based on the percentage of square footage that is used by each department.

VII. Credit Card Policy and Charges

All staff members who are authorized to carry an organization credit card will be held personally responsible in the event that any charge is deemed personal or unauthorized. Unauthorized use of the credit card includes: personal expenditures of any kind; expenditures which have not been properly authorized; meals, entertainment, gifts, or other expenditures which are prohibited by budgets, laws, and regulations, and the entities from which District receives funds.

The receipts for all credit card charges will be given to the District Manager and/or designated Associate within two (2) weeks of the purchase along with proper documentation. The District Manager will verify all credit card charges with the monthly statements. A record of all charges will be given to the bookkeeper with applicable allocation information for posting. A copy of all charges will be attached to the monthly credit card statement when submitted to the District Manager for approval and signing.

The District Managers credit card usage will be provided to the Board Chair and Fiscal Agent(s).

VIII. Accruals

To ensure a timely close of the General Ledger, the District Manager and/or Associates may book accrual entries. Some accruals will be made as recurring entries.

Accruals to consider:

1. Monthly interest earned on money market accounts, certificates of deposits, etc.
2. Recurring expenses, including employee vacation accrual, prepaid corporate insurance, depreciation, etc.

IX. Bank Account Reconciliations

1. All bank statements are given unopened to the District Manager. The District Manager reviews the statements for unusual balances and/or transactions and sends a copy to the Fiscal Agent(s).
2. The District Manager gives the statements to the bookkeeper for timely reconciliation as follows: a comparison of dates and amounts of deposits as shown in the accounting system and on the statement, a comparison of inter-account transfers, an investigation of any rejected items, a comparison of cleared checks with the accounting record including amount, payee, and sequential check numbers.
3. The District Manager and/or Associate will verify that voided checks, if returned, are appropriately defaced and filed.
4. The District Manager and/or Associate will investigate any checks that are outstanding over six months.
5. The District Manager and/or Associate will attach the completed bank reconciliation to the applicable bank statement, along with all documentation.
6. The reconciliation report will be reviewed, approved, dated, and initialed by the District Manager, then sent to the Fiscal Agent(s) for review.

X. Petty Cash Fund

Petty cash funds are NOT maintained by the organization and all funds should be deposited in a financial institution as soon as possible.

XI. Property and Equipment

Property and equipment includes items such as:

1. Office furniture and equipment
2. Agricultural and livestock equipment and machinery
3. Computer hardware and software
4. Leasehold improvements

It is the organization's policy to capitalize all items which have a unit cost greater than one thousand dollars (\$1,000). Items purchased with a value or cost less than one thousand dollars (\$1,000) will be expensed in the period purchased.

The depreciation period for capitalized assets is as follows:

Office Equipment	60 months
Office Furniture	60 months
Ag Equipment	60 months
Ag Machinery	60 months
Computer Software	36 months
Computer Hardware	36 months
Leasehold improvements	Length of lease

1. A Fixed Asset Log is maintained by the bookkeeper including date of purchase, asset description, purchase/donation information, cost/fair market value, donor/funding source, identification number, life of asset.
2. The Log will be reviewed by the District Manager.
3. Annually, a physical inspection and inventory will be taken of all fixed assets and reconciled to the general ledger balances.
4. The District Manager shall be informed in writing of any change in status or condition of any property or equipment.
5. Depreciation is recorded at least annually. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Any impaired assets discovered during the inventory will be written down to their actual value.

XII. Personnel Records

1. Personnel are defined as full and part time employees, and hourly or fee for service contractors.
2. All personnel files contain the following documents: an application and/or resume, date of employment, position and pay rate, authorization of payroll deductions, W-4 withholding authorization, termination data where applicable, a signed confidentiality agreement, a signed acknowledgement of receipt of Employee Handbook, an emergency contact form, and other forms as deemed appropriate by the District Manager.
3. All employees will fill out an I-9 form and submit the allowable forms of identification to the District Manager.
4. The completed I-9 forms will be kept in a secure location separate from the personnel files.
5. All personnel files are to be kept in a secure, locked file cabinet and accessed only by authorized personnel.

XIII. Payroll Processing

1. Timesheets for hourly, non-exempt and fee for service contractors are to be prepared by all staff and contractors on the approved form and submitted no more than monthly on the 15th of the following month. The paychecks will be distributed on a monthly basis, within 30 days of receipt.
2. Timesheets are to be kept on a daily basis and completed in ink – unless prepared electronically.
3. Any corrections to timesheets are to be made by making a single line through the error and writing in the correction. Correction fluid and/or tape are not allowable.
4. Timesheets are to be signed and dated by the employee and the employee's supervisor for submission to the District Manager.
5. Any changes to the standing information of the payroll register from the prior period including addition of new employees, deletion of employees, or changes in base pay rate must be accompanied by an Employment Information Form and signed by the District Manager before the change can be made.
6. The Bookkeeper will process payroll in a timely manner and record vacation time, holiday hours, sick time, and any other information deemed necessary to properly reflect time worked.
7. Paychecks will be distributed by the District Manager month.
8. If the employee requests that his/her check be turned over to a third party, the request must be made in writing prior to distribution.
9. Employees may choose direct deposit to a designated bank account. Their paycheck is deposited directly into the designated account on the payroll date. The employee will receive a verification stub.
10. The District Manager will review payroll expenditures and allocations monthly.
11. All quarterly federal and state payroll reports will be prepared and filed appropriately.
12. All W-2 statements are issued to employees prior to January 31st of the following year for the prior calendar year.

XIV. End of Month and Fiscal Year-End Close

1. The District Manager and Fiscal Agent(s) will review and sign off on all month- and year-end journal entries. They will be printed and filed for audit trail purposes.
2. At the end of each month and fiscal year end, District Manager and Fiscal Agent(s) will review all balance sheet accounts including verification of the following balances: cash accounts match the bank reconciliations, fixed assets accounts reflect all purchases, write-downs and retirements, accounts receivable and payable accounts match outstanding amounts due and owed.
3. The income and expense accounts review will include reconciliation to amounts received and expended and verification that payroll expenses match the payroll reports including federal and state payroll tax filings.
4. Once the final monthly and fiscal year-end financial statements are run, reviewed, and approved by the District Manager and Fiscal Agent(s), no more entries or adjustments will be made into that month or year's ledgers.
5. At the end of the fiscal year, the District Manager and/or outside CPA will prepare a financial audit or review. The financial audit or review will be presented to the Fiscal Agent(s) and the Board of Directors for their review and approval.
6. All other appropriate government filings including those required by the State or Federal Government will be completed and filed with the appropriate agency.

XV. Financial Reports

The District Manager and/or designated Associate will prepare the quarterly and annual financial reports for distribution to the Fiscal Agent(s). The reports will include: balance sheet, statement of income and expenses, budget versus actual report for each program which has an established budget, a budget versus actual report for the organization, accounts receivable aging, accounts payable register and aging, cash flow projection, and any other requested reports.

Periodic and annual financial reports (including EDA progress reports) will be submitted to the Finance Ad-Hoc Committee and Board of Directors for review and approval.

XVI. Fiscal Policy Statements

1. All cash accounts owned by the District will be held in financial institutions.
2. All capital expenditures which exceed one thousand dollars (\$1,000) will be capitalized.
3. Employee or public personal checks will not be cashed through the petty cash fund.
4. No salary advances will be made under any circumstances.
5. No travel cash advances will be made except under special conditions and pre-approved by the Board Chair.
6. Reimbursements will be paid upon complete expense reporting and approval using the official the District form. Reimbursements to the District Manager will be authorized by the Board Chair.
7. Any donated item with a value exceeding (\$25) will be recorded and a letter acknowledging the donation will be sent to the donor within four weeks of the receipt of the donation.
8. All volunteer time shall be recorded as in-kind donations.
9. The Fiscal Agent(s) and the District Manager are the primary signatories on the District's bank accounts. Expenses up to \$10,000 may be authorized by the Board Chair in consultation with the Fiscal Agent(s), and expenses in excess of \$10,000 must be authorized by the Board of Directors.
10. Bank statements will be reconciled monthly. All bank statements will be given unopened to the District Manager for review and forwarding to the Fiscal Agent(s).
11. Correction fluid and/or tape will never be used in preparing timesheets or any accounting documents.
12. Accounting and personnel records will be kept in locked file cabinets in the District's office and only parties with financial and/or HR responsibility will have access to the keys.

XVI. Donor & Volunteer CRM, Tracking & Database

1. The District will maintain a database in the form of excel or a CRM database software.
2. District Manager duty is to enter all grantors, donors, and volunteers into the database on a monthly basis as contacts are made. All contact info and history with the donor or volunteer is entered.
3. District Manager produces monthly report of the donors, the donations (cash, investment security and inkind) for the Board, one week before the Board meeting.



SoMo Strong 2025

Comprehensive Economic Development Strategy

April 2022

Submitted by:

The Sonoma Mendocino
Economic Development
District Board

Prepared by:

Marie Jones Consulting



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1. Executive Summary

PURPOSE

This is our region's economic roadmap to help bring about a vibrant, resilient, inclusive, equitable and diverse economy. This strategy brings together public, private, and civic stakeholders to establish a vision, regional goals, objectives, and a plan of action that is the basis for our partnership with the Economic Development Administration (EDA) for funding assistance in strategy and action plan implementation.

This Comprehensive Economic Development Strategy (CEDS) is a roadmap for our regional economic development: it links, leverages, and aligns people and resources to achieve economic goals.

Sonoma Mendocino Economic Development District (SMEDD) is responsible for developing the CEDS with the guidance of our Strategy Committee and the input of many jurisdictions, tribes, business owners, non-profits, and community members. To develop this document, we analyzed regional economic conditions and identified opportunities to formulate this region-specific strategy-driven plan for economic development. SMEDD was started in 2016, and this is the region's second CEDS. Inclusion in a CEDS qualifies a project to **apply** for a variety of federal funding programs such as EDA.

VISION & VALUES

The CEDS Strategy Committee prioritized the SWOT analysis, reviewed the economic research and worked together to form the vision, goals and objectives for this CEDS. The Strategy Committee also prioritized the strategies and projects in this CEDS. The Strategy Committee members include people from trade organizations, the business community, tribes, local government, and non-profits.

VISION STATEMENT

In 2030, Sonoma-Mendocino is home to a vibrant, resilient, inclusive, and diverse economy.

VALUE STATEMENTS

The values driving this Comprehensive Economic Development Strategy are to increase prosperity for all by working to ensure that:

Our Economy will be more vibrant, prosperous, innovative, thriving, entrepreneurial, diverse, and resilient.

All Communities are more equitable, collaborative, inclusive, community-oriented, open and welcoming.

Our Environment is more resilient, green, sustainable, and fire safe.

GOALS & OBJECTIVES

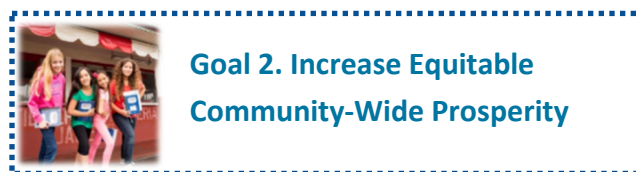
Our vision will be implemented via the following goals and objectives:



Goal 1. Develop Innovative Value-Added Economic Sectors

Objectives

- 1.1 **Grow the Blue Economy** through partnerships to add Jobs, strengthen business sectors and build infrastructure related to the ocean.
- 1.2 **Grow the Green Economy** through innovative partnerships to strengthen key value-added sectors: specialty food products, beer & wine, furniture and other finished products.
- 1.3 **Build Synergisms Between Tourism & Creative Clusters.**



Goal 2. Increase Equitable Community-Wide Prosperity

Objectives

- 2.1. **Strengthen communities:** 1) bring connectivity to rural communities; 2) establish community hubs; 3) increase access to basic services.
- 2.1. **Increase housing development for all:** improve permitting and increase housing production and zoning flexibility.

SWOT & ECONOMIC CONTEXT

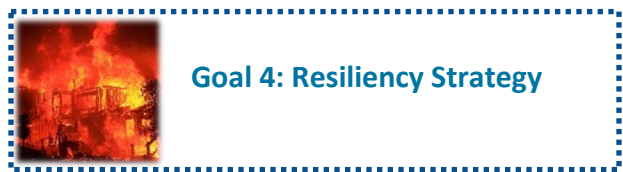
The economic assessment explores economic trends, impacts and implications of recent economic shocks (such as fires and drought), demographics, gross domestic product, economic shift/share, key economic clusters, employment, income & poverty, housing, and the climate. In short, the region has suffered from multiple economic challenges in the past five years including: massive fires which resulted in significant loss of housing stock and businesses, a prolonged drought which has inflicted pain on our agricultural and tourism economies and the pandemic. These challenges have impacted the region's Gross Regional Product, resulted in job losses and increased housing costs. However, Sonoma County's larger economy has fared much better than the much smaller Mendocino economy which suffers from lower incomes, higher poverty, and a number of economic sectors which are doing more poorly than the nation as a whole.



Goal 3. Support People

Objectives

- 3.1 **Increase equity and access to childcare**
- 3.2 **Upskill workforce** in technology, soft, trade business and vocational skills for livable wages and career growth opportunities.
- 3.3 **Leverage workers and entrepreneurs** from all backgrounds to foster equitable wealth creation and employment.



Goal 4: Resiliency Strategy

Objectives

- 4.1 Plan for Resiliency
- 4.2 Develop Water Infrastructure
- 4.3 Develop Green Energy Solutions
- 4.4 Build Emergency Transportation Routes
- 4.5 Increase Community Fire Safety
- 4.6 Mitigate/adapt to the Climate Crisis

ACTION PLAN

In response to these economic realities, the action plan brings together regional and local government, non-profits, tribes and businesses to start tackling our challenges, with an overall **strategy of building upon and diversifying from our strengths**. The Action Plan includes a robust set of strategies, initiatives and priority projects to deliver on our goals. The projects and initiatives are paired with evaluation metrics that will guide and measure progress.



COMMUNITY & BUSINESS LEADERSHIP

The community helped to identify top concerns, opportunities, potential strategies and projects. Community outreach included five focus groups, a communitywide digital survey with over 300 responses, one-on-one interviews with over 30 business and community leaders, interviews with staff of 30+ local jurisdictions and non-profit organizations, and two virtual community meetings with live Spanish translation. This outreach process helped to identify major economic issues and prioritize initiatives, projects and best practices to address those issues (See Appendix C).

DOCUMENT LAYOUT

The CEDS includes the following topics:

- Chapter 2 SWOT Analysis
- Chapter 3 Economic Context
- Chapter 4 Community Engagement
- Chapter 5 Vision, Goals & Objectives
- Chapter 6 Strategies
- Chapter 7 Priority Project Action Plan
- Chapter 8 Resiliency Plan
- Chapter 9 Evaluation

2. SWOT Analysis

This strengths, weaknesses, opportunities, and threats (SWOT) analysis was informed by prior economic development work, published reports, the economic analysis, and input from the community meetings, focus groups and key informant interviews. Finally, it was discussed, prioritized and finalized by the CEDs Strategy Committee.

STRENGTHS

Strengths are our region's relative competitive advantages, and are internal in nature.

Location & Climate

1. World class scenic beauty and an attractive climate.
2. Strategic location near San Francisco Bay Area.
3. Bucolic rural areas.

Quality of Life and Amenities

4. Many great attractions/activities: wineries, coastal and mountain recreation, parks, arts, and events.
5. High community cohesion and interaction in our "small town" and rural communities, where residents take pride, enjoy an ethos of self-reliance, and actively engage in communities of interest (arts, environmental, retirees, outdoors enthusiasts, etc.).
6. Access to quality education: K-12 system, Mendocino College, Santa Rosa Junior College, Sonoma State University, Empire College, trade-sponsored educational programs, etc.

Economy, Business & Community

7. Strong agriculture, tourism, tech, analytical instruments, medical, construction, retail trade and education economic sectors.
8. High demand for healthy lifestyle-related businesses.
9. Niche, tech/manufacturing and support programs in Sonoma and Mendocino counties.
10. Local chambers of commerce, West Business Development Center, Sonoma and Mendocino County Tourism Bureaus, and local tourism organizations have tremendous networks, connecting local businesses, providing supportive resources, and marketing the counties.
11. Large employers and many certified B Corporations.



WEAKNESSES

Weaknesses are our region's relative competitive disadvantages, and are internal in nature

Location & Climate

1. Increased incidence of wildland fires/ smoke damage led to insecurity, life-safety concerns, business and life disruptions, health impacts, increased insurance, and overall community undesirability.
2. Long term and widespread drought, water shortages, lack of water resources and other infrastructure.
3. High transportation costs to remote & coastal areas.
4. Rural areas are underdeveloped: they lack access to basic retail, services, broadband, transportation, jobs and business services.

Quality of Life & Amenities

5. High housing costs and low availability.
6. Low wages relative to cost of living.
7. Inconsistent access to quality, affordable childcare.
8. Unhoused people and associated impacts on residential and business sectors.

Economy, Business & Community

9. Economy is not sufficiently diversified.
10. Workforce issues (availability, work readiness and skill level) in meeting the needs of business.
11. The share of students in K-12 schools is relatively low, and, due to demographic changes, the total number of students is declining fast.
12. Not all schools are performing at the national average.
13. Insufficient K-12 Career Technical Education (CTE).
14. Young people not exposed to STEM early enough.
15. Equity issues need to be addressed throughout the district.
16. Permitting & regulatory processes are burdensome, time consuming, and costly.
17. Shallow entrepreneurial ecosystem: many of the qualities that create an entrepreneurial powerhouse (Silicon Valley) are missing. Some entrepreneurs are unsophisticated in their business, market and technology use.

OPPORTUNITIES

Opportunities are chances or occasions for regional improvement or progress, and are external in nature.

Location & Climate

1. Anticipate and proactively plan to mitigate threats, prevent future disasters, and protect the environment.
2. Watershed restoration/protection, water source & storage development, water conservation.

Quality of Life & Amenities

3. Expand housing opportunities for diverse housing types (tiny homes, ADUs, cluster, affordable, market rate, etc.), higher-density housing and “re-imagine” downtowns as higher density communities.
4. Develop and invest in childcare.
5. Leverage the arts for economic growth and to improve communities: public art, multi-purpose artist workspace, arts retail, artist residency programs, venues for music, theater, fine and industrial arts.
6. Continue to expand all transportation options to connect residents to education, jobs, healthcare.

Economy, Business & Community

7. Work for sensible permitting and development.
8. Focus on environmentally sustainable growth, economic diversity and investment to elevate the regional brand.
9. Increase integration between UC, Sonoma State, community colleges & local employers through proactive workforce partnerships.
10. Leverage & emulate Sonoma County CTE (Career and Technical Education) Foundation.
11. Connect youth to training, the trades, leadership and the world of work generally with work plans, training, screening, transportation, mentoring, compensation, internship and leadership programs.
12. Connect our large agricultural communities to local and regional consumers.
13. Leverage local, state and federal funds & programs for economic growth, renewable energy, sustainable manufacturing, economic diversification and economic justice.
14. Focus on economic inclusion to raise up residents’ education, housing, employment, and income levels.
15. Be visionary about ag & forestry: e.g. fire threat reduction, biomass projects & contract grazing.
16. Create collaborations & cooperatives for businesses to band together to market/sell outside of our area.

THREATS

Threats are chances or occasions for negative impacts on the region or regional decline and are external in nature.

Location & Climate

1. Environmental threats due to climate change, including impacts on:
 - a. Forests and agriculture due to early freezes, drought, fires, etc.
 - b. Coastal development, harbors and infrastructure due to sea level rise.
 - c. Fisheries due to warming waters and shifting currents.
 - d. Water shortages due to drought and sea level rise (impacts water diversion in rivers on the coast).
 - e. Environment, public health and safety due to destructive wildfires, which are more frequent, fiercer and larger.
2. It takes years for communities to fully recover from disasters such as fire, drought, covid, etc.

Quality of Life & Amenities

3. Retirees are driving up the cost of housing/land.
4. Lack of housing is slowing economic growth as residents relocate due to housing costs and create labor shortages in the critical sectors of healthcare, education, public safety, etc.
5. Persistent permitting and regulatory concerns continue to increase the cost and unpredictability of development, preventing reinvestment in local communities and driving away families and businesses.

Economy, Business & Community

6. E-commerce has hollowed out downtowns.
7. Significant job loss from the automation of low-wage, low-skill jobs.
8. Significant economic challenges for small rural hospitals with emergency rooms.
9. Suburbanization threatens agricultural and natural areas, which are core to our agriculture and tourism sectors.
10. Insurance non-renewals based on heightened fire risk assessments are impacting business and housing.
11. A lack of connectivity/broadband impacts the ability of businesses to exist and grow and the ability of residents to participate in the internet economy.
12. Loss of historical fruit production, due to lower cost produce from out of the US, water availability, labor, and the loss of our ag workforce.

3. Economic Context

Purpose & Methodology

MJC prepared the following focused, relatively short, but detailed economic context for this economic strategy to ground all partners in a solid understanding of the key economic trends of our regional economy. The analysis was developed by analyzing, summarizing and organizing information, data and conclusions from the following sources:

- Regional Economic Analysis Project website <https://california.reaproject.org/>
- Industry Clusters and Employment Multipliers Key Findings Mendocino County, California; Dr. Wallace Walrod; TCCG Tech Coast Consulting Group LLC, July 2020
- Mendocino County Economic Status Report, EDFC, 2021

This analysis concludes that while Mendocino and Sonoma County are adjacent to each other, have similar landscapes and are both coastal, the counties have dissimilar demographics and economies. Mendocino's economy is much smaller, less diversified and more vulnerable to economic disruptions, it also has fewer institutional resources to utilize in economic development efforts. Sonoma County on the other hand has a larger, more robust and diversified economy that provides more job opportunities and a higher quality of living. They therefore require a different emphasis and approach to economic development. The economies differ from each other to a large degree because Sonoma is closer and more connected to the Bay Area economy. Mendocino on the other hand is more remote and more rural. Moreover, Mendocino has not as effectively diversified from the jobs lost to the decline in fishing and forestry sectors.

Environment Disasters

Climate change has already had severe and catastrophic economic and social impacts on the region, including the following:

- ✓ **Fires.** In recent years, wildfires in Sonoma and Mendocino counties have resulted in mass evacuations, lost lives, and property damage. Several large fires have burned through urban areas of the region. These fires threaten and impact business and lives and the resulting smoke has significant impacts on the quality of life and people's health in the entire region.
 - The August Complex (2017) burned a total of 1,032,648 acres or 1% of California's 100 million acres of land.
 - The Tubbs Fire (2017) took 22 lives, destroyed 4,658 homes, and 1,000 commercial structures. The Tubbs Fire burned over 36,800 acres.
 - The Redwood Fire (2017) burned 36,523 acres, destroyed 543 structures and killed nine people.
 - The Mendocino Complex Fire (2018) burned a total of 459,123 acres, destroyed 280 structures, caused over \$257 million in damages.
 - The Nuns Fire (2019) burned 56,556 acres, killed three people, destroyed 1,355 buildings, including 639 homes.
 - The Pocket Fire (2020) destroyed three homes and burned 17,357 acres and the Glass Fire (2020) destroyed 334 homes, while the Walbridge and Meyers Fires destroyed 298 structures, including 150 residences.
- In total, these fires killed 34 people, destroyed over 8,000+ structures, and burned over 1,700,000 acres.
- ✓ **Drought** has severely impacted the region's agricultural and tourism economies, with towns like Mendocino completely running dry and others on severe water restrictions under declared water emergencies.



- ✓ **Sea level rise** is contributing to more flooding in low lying areas, issues in the area’s harbors and major infrastructure issues.

Implications: Fires and droughts are a critical ongoing threat to the region’s economy, housing and livability.

Investment in sustainable infrastructure and resiliency is necessary for our economic survival and growth. We also need to build more fire resiliency into our wildlands/urban interface areas.

Demographic Trends

Demographics Trends drive local market demand for retail, health care, government services and housing. They also drive workforce availability and preparedness.

- Overall, Sonoma (489,819 residents) has grown at a much faster pace than Mendocino (86,061 residents) as illustrated in Figure 1 below. Sonoma County’s population growth is bolstered by its proximity and easy access to the larger Bay Area region. By contrast, Mendocino’s population growth is constrained by its relatively more remote location and relatively low housing production and job growth. Further while both communities are experiencing an increase in the retired population, Mendocino County is also experiencing a decline in the number of families.

Figure 1: Population 1969-2020

- Recent wildfires have resulted in noticeable population declines in both counties, due primarily to the loss of housing units and people leaving the area for health and safety concerns.
- Both counties are slowly becoming more diverse.
- Sonoma is wealthier (with 50% higher incomes) than Mendocino County, and Mendocino has double the poverty rate of Sonoma County. Issues of economic equity are more pronounced in Mendocino County.
- Both regions have large, relatively low-density, unincorporated areas which create challenges to establishing an effective market for goods, services and infrastructure development.

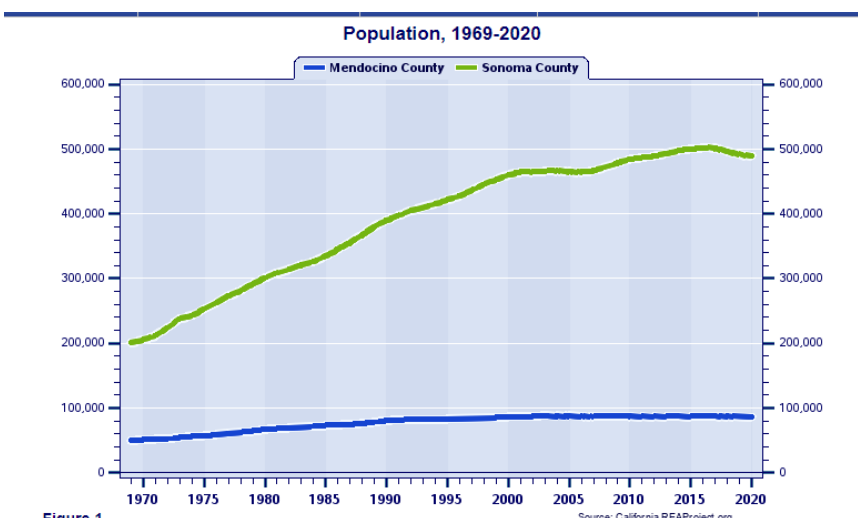


Figure 1. Source: California REAP Project.org Data: Regional Income Division, BEA (11-16-2021)

Implications. Focused economic development and job growth are needed to address equity and improve prosperity in the rural areas of Mendocino and Sonoma County.

Economy Overview

Gross Regional Product for the region was over \$35 billion, with Sonoma contributing 87% and Mendocino contributing just 12 percent. Overall Sonoma County’s Gross Domestic Product (GDP) ranks 17th from the top of California’s 58 counties, while Mendocino GDP ranks 38th. Since 2010, Gross Domestic Product has grown at an average annual rate of 2.59% in Sonoma (ranked 17) and only 0.78% in Mendocino (ranked 38 out of 58 counties). See Figure 2 below.

- ✓ In 2020, Sonoma real GDP fell 3.8 percent; the 2019-2020 state change was -2.8 percent. The 2010-2020 compound annual growth rate for Sonoma real GDP was 1.9 percent.

- ✓ In 2020, Mendocino real GDP fell 3.3 percent. The 2010-2020 compound annual growth rate for Mendocino real GDP was -0.1 percent.
- ✓ The compound annual growth rate for the state was 2.7 percent.

Figure 2 Gross Domestic Product: Sonoma and Mendocino Counties 2000-2020

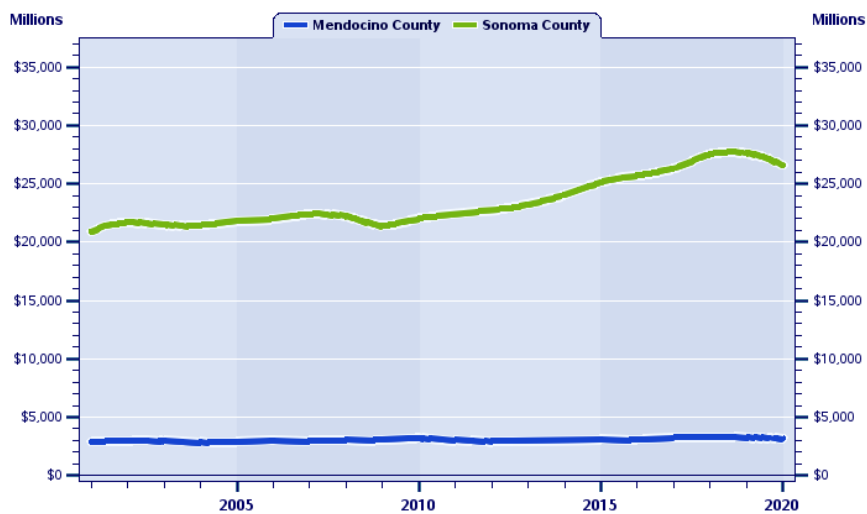


Figure 2. Source: California REAP Project.org Data: Regional Product Division, BEA (11-16-2021)

Local Government, Education and Hospitals are the biggest economic sectors of the region in terms of GDP, which is not atypical, as these sectors serve the needs of existing communities. Other large regional economic sectors include: Wineries, Crop Production, Instrument Manufacturing, Breweries, Tourism, Insurance, and Electric Power Distribution, while the state as a whole specializes in the tech sector, commercial banking, agriculture and tourism.

Implications: Sonoma County has a much larger and faster growing economy than Mendocino County, which is likely to lead to further divergence of the two counties in the future, as Sonoma’s economy will continue to grow at a faster rate on a larger base than Mendocino’s economy.

Jobs Analysis

This section analyzes jobs by place of work (within the region) rather than employment which is by place of residence. The jobs analysis offers a more realistic analysis of the economy.

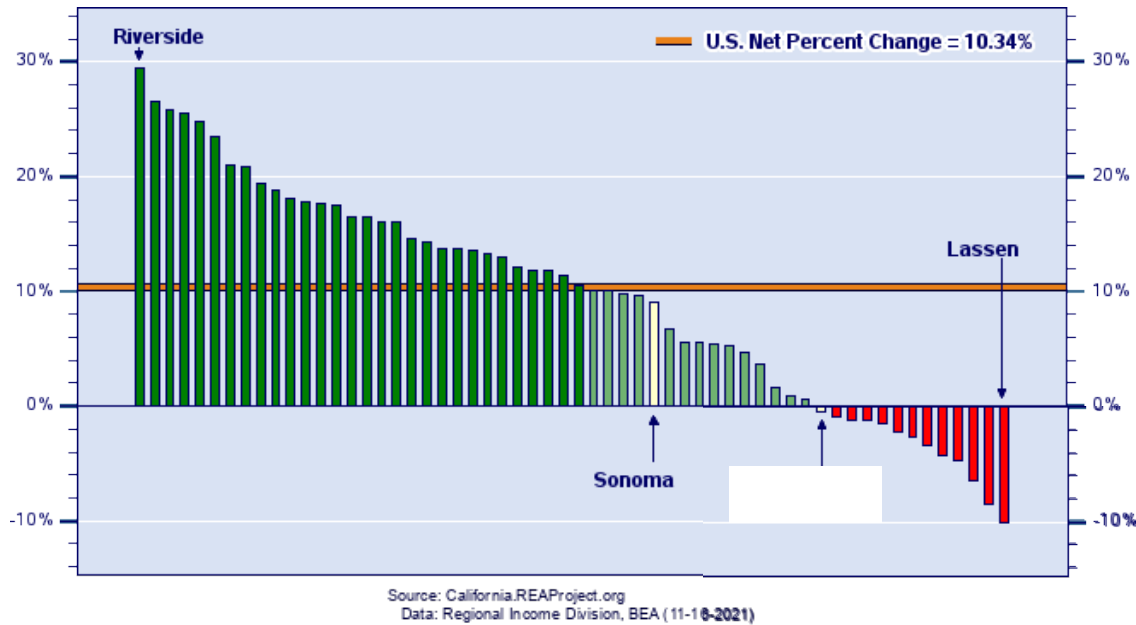
Shift Share Analysis for Sonoma and Mendocino County

Shift-share analysis provides a framework for describing the growth of local jobs relative to the nation at large, which allows us to understand if the number of jobs are increasing or decreasing as a result of under or over performance generally (share) or due specifically to changes in the industrial mix (shift). The objective is to answer two different but interrelated questions.

1. First, did the difference in job growth arise because of initial dissimilarities in the industry composition of employment? Or....
2. Second, did the difference arise because of disparities in the performance of local industries in contrast with their national counterparts?

This analysis was completed for the 2010 -2020 timeframe and thus captures the significant negative economic impact of the Great Recession of 2008-2011 and the Covid 19 pandemic at either end. The regional economy may well recover from many of these impacts eventually, however recovery is likely to be uneven. For example the tourism sector has largely recovered, while manufacturing is still impacted by supply chain disruptions and energy price fluctuations.

Figure 3: Employment Growth by County, 2010 vs 2020, Net Percent Change



This section explores both counties’ job growth in a relative context. The bar chart above portrays all 57 California Counties’ job growth over the interval 2010-2020. Some of the most salient highlights include:

- Over 2010-2020 the number of jobs expanded in forty-five counties and contracted in thirteen.
- Job growth in 30 counties exceeded the nationwide average (10.34%), while growth in 28 counties trailed.
- Sonoma and Mendocino were joined by twenty-seven other counties whose employment growth over 2010-2020 trailed the average nationwide (10.34%).
 - Ranked #35, Sonoma's employment growth (9.00%) surpassed that of 23 counties, and trailed 34.
 - Ranked #46, Mendocino's employment growth (-0.35%) surpassed that of 12 counties, and trailed 45.

Sonoma County's net job growth (9.00%, #35) over 2010-2020 registered just above Imperial County (6.67%, #36) and below that of Napa County (9.58%, #34). Mendocino County's net employment growth (-0.35%, #46) was just above Del Norte County (-0.91%, #47) and just below Colusa County (0.60%, #45).

Sonoma County's job growth from 2010-2020 of 9.00% trailed the 10.34% growth of jobs nationally by **-1.34%**. Accounting for this difference was an industry mix inclined toward industries that experienced slower growth (-0.2%, -520 jobs), coupled with the fact that a small share of local industries (-1.14% or -2,945 jobs) underperformed their counterparts nationally.

Actual Growth - National Growth	Industry Mix	Regional Shift
-1.34%*	= -0.20%	+ -1.14%
(-3,474)	(-520)	(-2,954)

*Percent growth figures may not add due to rounding by a factor of ± 0.01%.

The shift-share analysis evaluates employment change in the Sonoma County economy over 2010-2020. They pinpoint important differences between the industry compositions of employment growth locally versus growth in the nation at large. Overall the following sectors experienced more job growth as a proportion of the economy in Sonoma County than they did in the U.S. as a whole: **(in blue)** Forestry & Fishing, Construction, Health care and Social Services. By

contrast the following sectors experienced larger declines in jobs than expected as compared with the nation (in red): Information, Professional Scientific and Technical, Administration, and State Government.

Table 1: Sonoma County Employment Growth, 2010-2020

Major Industry	Employment 2010		Employment 2020		Actual Growth		Standardized Growth ²		Employment ³ 2020
	Level	Share ¹	Level	Share ¹	Percent	Net	Percent	Net	
Farm Employment	6,258	2.4	5,968	2.1	-4.63	-290	-1.71	-107	6,151
Forestry, Fishing, and Related Activities	2,497	1.0	3,412	1.2	36.64	915	8.46	211	2,708
Mining	718	0.3	414	0.1	-42.34	-304	-25.76	-185	533
Utilities	724	0.3	823	0.3	13.67	99	0.67	5	729
Construction	15,849	6.1	22,499	7.9	41.96	6,650	23.71	3,758	19,607
Manufacturing	22,341	8.6	24,808	8.7	11.04	2,467	5.91	1,320	23,661
Wholesale Trade	8,541	3.3	9,087	3.2	6.39	546	2.81	240	8,781
Retail Trade	27,194	10.5	27,606	9.7	1.52	412	2.15	584	27,778
Transportation and Warehousing	4,602	1.8	7,295	2.6	58.52	2,693	65.85	3,031	7,633
Information	3,733	1.4	3,213	1.1	-13.93	-520	0.68	25	3,758
Finance and Insurance	10,492	4.0	10,208	3.6	-2.71	-284	14.39	1,509	12,001
Real Estate and Rental and Leasing	13,575	5.2	13,456	4.7	-0.88	-119	16.01	2,174	15,749
Professional, Scientific, and Technical Services	25,135	9.7	22,308	7.9	-11.25	-2,827	21.89	5,501	30,636
Management of Companies and Enterprises	1,954	0.8	2,365	0.8	21.03	411	31.99	625	2,579
Administrative and Waste Services	13,757	5.3	18,187	6.4	32.20	4,430	12.89	1,773	15,530
Educational Services	4,417	1.7	4,915	1.7	11.27	498	12.45	550	4,967
Health Care and Social Assistance	27,683	10.6	37,649	13.3	36.00	9,966	17.68	4,894	32,577
Arts, Entertainment, and Recreation	7,950	3.1	6,926	2.4	-12.88	-1,024	-5.39	-428	7,522
Accommodation and Food Services	19,274	7.4	18,548	6.5	-3.77	-726	1.62	312	19,586
Other Services (except Public Administration)	15,208	5.8	16,364	5.8	7.60	1,156	7.85	1,194	16,402
Federal Civilian	1,796	0.7	1,534	0.5	-14.59	-262	-1.75	-31	1,765
Military	1,445	0.6	1,479	0.5	2.35	34	-9.00	-130	1,315
State Government	4,585	1.8	3,314	1.2	-27.72	-1,271	0.56	26	4,611
Local Government	20,420	7.8	21,191	7.5	3.78	771	-2.33	-476	19,944
Total Employment	260,148	100.0	283,569	100.0	9.00	23,421	10.14	26,375	286,523

1Share: The percentage share of total employment by industry.

2Standardized Growth: at the same rate as its counterpart at the national level had each industry grown.

3Standardized Employment, 2020: The 2020 level of employment in each industry had it grown at the same rate as its counterparts at the national level since 2010.

Note: Percent growth figures may not add due to rounding by a factor of ± 0.01%

Mendocino County's employment change over 2010-2020 of **-0.35%** trailed the **10.34%** growth of employment nationally by **-10.68%**. Accounting for this difference was an industry mix that included more industries that experienced slower growth (-1.8% or -814 jobs) nationwide, coupled with the a large share (-8.89% or -4,026 jobs) of local industries that underperformed their counterparts nationally.

Actual Growth		National Growth		Industry Mix		Regional Shift
-0.35%*	=	10.34%	+	-1.80%	+	-8.89%
(-157)		(4,683)		(-814)		(-4,026)

*Percent growth figures may not add due to rounding by a factor of ± 0.01%.

Table 2 below, contains the details of the shift-share results for Mendocino County. It illustrates that Mendocino County businesses and jobs underperformed the nation in almost all economic sectors, except for Forestry and Fishing, Utilities, Health Care and Social Assistance, and state government (blue). Declines in Mendo County employment compared with the standardized employment gains were particularly stark in construction, Finance and Insurance, Professional Scientific and Technical services, accommodations and local government (red). These data illustrate that Mendocino's economy is overall in a period of slow growth and decline, as these sectors were relatively protected from the impacts of covid.

Table 2: Mendocino County Employment Growth, 2010-2020

Major Industry	Employment				Actual Growth		Standardized		Employment ³ 2020
	2010 Level	Share ¹	2020 Level	Share ¹	Percent	Net	Growth ² Percent	Net	
Farm Employment	1,967	4.3	1,581	3.5	-19.62	-386	-1.71	-34	1,933
Forestry, Fishing, and Related Activities	1,375	3.0	1,545	3.4	12.36	170	8.46	116	1,491
Mining	121	0.3	71	0.2	-41.32	-50	-25.76	-31	90
Utilities	161	0.4	189	0.4	17.39	28	0.67	1	162
Construction	2,948	6.5	2,894	6.4	-1.83	-54	23.71	699	3,647
Manufacturing	2,736	6.0	2,787	6.2	1.86	51	5.91	162	2,898
Wholesale Trade	906	2.0	910	2.0	0.44	4	2.81	25	931
Retail Trade	5,641	12.5	5,429	12.0	-3.76	-212	2.15	121	5,762
Transportation and Warehousing	690	1.5	1,025	2.3	48.55	335	65.85	454	1,144
Information	488	1.1	280	0.6	-42.62	-208	0.68	3	491
Finance and Insurance	1,369	3.0	989	2.2	-27.76	-380	14.39	197	1,566
Real Estate and Rental and Leasing	1,872	4.1	1,842	4.1	-1.60	-30	16.01	300	2,172
Professional, Scientific, and Technical Services	2,711	6.0	2,263	5.0	-16.53	-448	21.89	593	3,304
Management of Companies and Enterprises	224	0.5	242	0.5	8.04	18	31.99	72	296
Administrative and Waste Services	1,987	4.4	2,408	5.3	21.19	421	12.89	256	2,243
Educational Services	490	1.1	447	1.0	-8.78	-43	12.45	61	551
Health Care and Social Assistance	4,629	10.2	6,298	14.0	36.06	1,669	17.68	818	5,447
Arts, Entertainment, and Recreation	1,108	2.4	967	2.1	-12.73	-141	-5.39	-60	1,048
Accommodation and Food Services	4,009	8.9	3,665	8.1	-8.58	-344	1.62	65	4,074
Other Services (except Public Administration)	2,714	6.0	2,769	6.1	2.03	55	7.85	213	2,927
Federal Civilian	333	0.7	290	0.6	-12.91	-43	-1.75	-6	327
Military	173	0.4	156	0.3	-9.83	-17	-9.00	-16	157
State Government	406	0.9	480	1.1	18.23	74	0.56	2	408
Local Government	6,235	13.8	5,609	12.4	-10.04	-626	-2.33	-145	6,090
Total Employment	45,293	100.0	45,136	100.0	-0.35	-157	8.54	3,869	49,162

1Share: The percentage share of total employment by industry.

2Standardized Growth: at the same rate as its counterpart at the national level had each industry grown.

3Standardized Employment, 2020: The 2020 level of employment in each industry had it grown at the same rate as its counterparts at the national level since 2010. Note: Percent growth figures may not add due to rounding by a factor of ± 0.01%

Jobs in both counties also show some seasonal fluctuation due to relatively high job concentration in seasonal sectors tourism, agriculture and construction which have higher employment between April and November.

Implications: The Mendocino and Sonoma County region was hit hard by fires, drought and the coronavirus pandemic, which all conspired to reduce growth and economic prosperity in the region. Overall Mendocino’s economy is faring much worse than the Sonoma economy, as it was less diversified and resilient to begin with. Over the long term, the region must work hard to increase economic resiliency as fires and drought are likely to continue to plague the region for the foreseeable future.



Economic Sector Analysis

Regional specializations or “industry clusters” are geographical industry ecosystems of interrelated firms with high concentrations of competitive, complementary and supplementary businesses. Industry clusters allow for increased levels of collaboration and competition between businesses which fuel economic activity, growth and innovation. Clusters can also attract workers, new businesses and entrepreneurs to the region, leading to high job growth and high wages. Examples of industry clusters include the entertainment industry in Hollywood, agriculture in the Central Valley, biotechnology in San Diego, medical devices in Orange County and information technology in Silicon Valley. This section identifies and characterizes our regional industry clusters.

Economic Clusters

Sonoma County’s Primary export clusters include:

- ✓ Manufacturing,
- ✓ Farming, fishing, forestry, and
- ✓ Tourism.

Mendocino County’s primary export clusters include:

- ✓ Tourism,
- ✓ Farming, fishing and forestry.

Sonoma County. In 2019, Sonoma County had had 305,407 jobs, and the largest employment sectors were Health Care and Social Assistance (39,024 jobs, 12.79%) followed by Government (29,605 jobs, 9.7%) and Retail Trade (29,411 jobs, 9.64%). These are typically the highest employment clusters in most communities because they provide services to the local population. Employment growth/decline in these sectors will follow population growth/decline. By contrast, export industry clusters are not dependent on local demographics, Sonoma County’s primary export clusters are highlighted in green in the chart to the right and include manufacturing (25,880 jobs with a location quotient of 1.26) tourism with accommodations, restaurants, specialty retail and arts and entertainment (33,671 jobs and location quotient of 1.12) and farming, fishing, and forestry (9,804 jobs and location quotient of 1.9). See Table. Some of these large employment sectors experienced a decline in employment share (yellow highlight), which illustrates a relative weakening of these economic sectors.

Major Industry	2019 Structure			2001-2019 Averages		2001-2019
	Jobs	Percent of Total	¹ Location Quotient	Percent of Total	¹ Location Quotient	² Share Shift
Farm Employment	6,287	2.06	1.6	2.37	1.6	-1.52
Forestry, Fishing, and Related Activities	3,517	1.15	2.45	0.92	1.91	0.47
Mining	431	0.14	0.26	0.23	0.35	-0.04
Construction	23,214	7.61	1.37	6.98	1.25	0.12
Manufacturing	25,880	8.48	1.26	8.93	1.19	-2.18
Wholesale Trade	9,348	3.06	0.96	3.26	0.93	0.31
Retail Trade	29,411	9.64	1.03	10.67	1.04	-1.56
Information	3,578	1.17	0.7	1.51	0.79	-0.76
Finance and Insurance	10,414	3.41	0.66	3.91	0.77	-0.75
Real Estate and Rental and Leasing	14,562	4.77	1.05	4.85	1.13	0.86
Professional, Scientific, and Technical Services	22,653	7.43	1.04	8.12	1.21	0.46
Management of Companies and Enterprises	2,442	0.8	0.59	0.75	0.63	-0.25
Administrative and Waste Services	18,813	6.17	0.99	5.61	0.92	0.86
Educational Services	5,450	1.79	0.73	1.63	0.73	0.2
Health Care and Social Assistance	39,024	12.79	1.12	11.01	1.03	3.04
Arts, Entertainment, and Recreation	9,235	3.03	1.31	2.97	1.37	0.35
Accommodation and Food Services	24,436	8.01	1.06	7.53	1.07	1.11
Other Services (except Public Administration)	18,445	6.05	1.05	6.04	1.05	0.11
Federal Civilian	1,363	0.45	0.31	0.57	0.36	-0.23
Military	1,503	0.49	0.52	0.53	0.47	-0.05
State Government	3,672	1.2	0.44	1.76	0.6	-1.09
Local Government	23,067	7.56	1.05	7.71	0.99	-0.19
Other/Suppressed Industries*	8,302	2.72	0.56	2.15	0.57	0.74
Total Employment	305,047	100	1	100	1	0

¹Ratio of the share of local employment in a given industry locally to the corresponding industry share nationwide.
²Difference between each industry share of total employment between 2001 and 2019.
 *The “Other/Suppressed Industries” category portrayed in this table represents a combined total of those industries for which data were unavailable due to confidentiality restrictions. Those industries that are combined include: Utilities; Transportation and Warehousing
 Note: Percent growth figures may not add due to rounding by a factor of ± 0.1%
 by the California Regional Economic Analysis Project (CA-REAP)
 the U.S. Department of Commerce, Bureau of Economic Analysis

Mendocino County. In 2019, Mendocino County had 38,624 jobs, and the largest employment sectors were Government (accounted for 17.9 percent of total employment) followed by Health Care and Social Assistance (15.7 percent) and Retail Trade (13.2 percent). These are typically the highest employment clusters in most communities. Mendocino County’s primary export clusters include tourism (accommodations, restaurants, specialty retail and arts and entertainment) and extraction activities (fishing, agriculture and forest products). Both of these clusters take advantage of our abundant natural resources.

Implications: Businesses within a cluster have synergisms and often share a talent pool, so growth in one business category within a cluster will help the entire cluster grow. In other words, a new hotel will bring new visitors which will result in more spending for food and the arts. Clusters can become more diversified and vertically integrated with coordinated economic development activities. For example a brewery or a distillery is a vertically integrated business within the agriculture industry, likewise a focus on the entire blue economy vertically integrates the fishing industry.

Major Industry	2019 Structure			2001-2019 Averages		2001-2019
	Jobs	Percent of Total	¹ Location Quotient	Percent of Total	¹ Location Quotient	² Share Shift
Farm, Forestry & Fishing Employment	3,296	3.41	2.64	4.27	2.87	-2.6
Construction	2,991	6.18	1.12	6.61	1.18	-0.6
Manufacturing	2,821	5.83	0.87	6.78	0.9	-2.91
Wholesale Trade	968	2	0.62	2.06	0.59	0.23
Retail Trade	5,782	11.95	1.27	12.21	1.19	-0.21
Finance and Insurance	1,028	2.13	0.41	2.47	0.48	0.02
Real Estate and Rental and Leasing	1,894	3.92	0.86	3.98	0.93	0.52
Professional, Scientific, and Technical Services	2,236	4.62	0.64	5.16	0.77	-0.23
Management of Companies and Enterprises	260	0.54	0.39	0.48	0.4	0.06
Administrative and Waste Services	2,501	5.17	0.83	4.36	0.71	1.42
Educational Services	525	1.09	0.44	1.11	0.49	0.26
Health Care and Social Assistance	6,581	13.6	1.19	11.16	1.04	4.6
Arts, Entertainment, and Recreation	1,308	2.7	1.17	2.56	1.19	0.37
Accommodation and Food Services	4,655	9.62	1.27	9.22	1.31	0.8
Federal Civilian	275	0.57	0.4	0.59	0.37	-0.04
Military	162	0.33	0.35	0.36	0.32	-0.04
State Government	441	0.91	0.34	0.9	0.31	0.09
Local Government	6,220	12.86	1.79	13.16	1.69	-1.43
Other/Suppressed Industries*	6,078	12.56	0.94	12.56	1	-0.3
Total Employment	50,022	100	1	100	1	0

¹Ratio of the share of local employment in a given industry locally to the corresponding industry share nationwide.
²Difference between each industry share of total employment between 2001 and 2019.
 *The "Other/Suppressed Industries" category portrayed in this table represents a combined total of those industries for which data were unavailable due to confidentiality restrictions. Those industries that are combined include: Forestry, Fishing, and Related Activities; Mining; Utilities; Transportation and Warehousing; Information; Other Services (except Public Administration)
 Note: Percent growth figures may not add due to rounding by a factor of ± 0.1%

Craft Beverages

As of July 2019, there are 30 craft breweries, 15 craft distilleries, and 8 craft cideries in Sonoma County. Total economic impact for craft breweries was estimated to be \$7.3 billion in 2018. There are 13 craft breweries in Mendocino County.

Cluster Job Multipliers

Employment multipliers measure how important one industry sector is to other industries in the region. An employment multiplier measures the number of new jobs created outside of a business for each job that is added inside the business. For example, a multiplier of 3, would mean that for every job created in an industry, 3 other jobs would be created in other industries (for a total of 4 jobs). High multipliers are common in industries that provide value added to a supply chain, as they may purchase raw materials or parts produced in the region and then make a product that is sold in the region, thus adding jobs on either side of the supply chain. Additionally, jobs that are in high-paying industries have a larger multiplier effect because workers have more money to spend on services and goods within the economy. The chart shows the economic multipliers for key industries in the four-county region of Sonoma, Mendocino, Humboldt and Trinity. It shows Employment, Earnings and Sales. Of these, Employment Multipliers are the most significant.

Implications: This strategy is focused on the correct job generating economic clusters (1. Blue economy; 2. Green Economy; and 3. Tourism, Arts and Creatives) as they have many business sectors with relatively high employment multipliers. By focusing on these economic clusters, we are more likely to leverage our strengths into innovative and more diversified pathways.

Industry Multipliers for Top 20 Industry Clusters in Four-County Aggregate Region, 2019			
	Employment Multiplier	Earnings Multiplier	Sales Multiplier
Green Economy			
Cyclic Crude & Wood Chemical Manufacturing	8.24	4.25	1.47
Coffee and Tea Manufacturing	4.25	2.73	1.65
Sawmills	2.80	2.30	1.72
Wine and Distilled Alcoholic Beverage Merchant Wholesalers	2.63	1.95	1.71
Wineries	2.08	1.75	1.54
Tortilla Manufacturing	2.00	1.82	1.46
Logging	1.93	1.69	1.59
Support Activities for Forestry	1.29	1.25	1.55
Soil Preparation, Planting, and Cultivating	1.27	1.26	1.57
Farm Management Services	1.26	1.26	1.59
Blue Economy			
Frozen Specialty Food Manufacturing	2.67	2.16	1.74
Shellfish Fishing	1.37	1.31	1.39
Finfish Fishing	1.32	1.41	1.50
Tourism Arts and Creatives			
Bed-and-Breakfast Inns	1.42	1.73	1.65
RV Parks and Campgrounds	1.37	1.54	1.49
Instruments & Medical			
HMO Medical Centers	2.88	1.59	1.74
Instrument Manufacturing for Measuring and Testing Electricity and Electrical Signals	2.83	1.49	1.59
Analytical Laboratory Instrument Manufacturing	2.72	1.59	1.60
Optical Instrument and Lens Manufacturing	2.03	1.38	1.47
Other			
Other Crushed Stone Mining and Quarrying	2.33	1.77	1.58
Mixed Mode Transit Systems	1.53	1.41	1.67
All Other Consumer Goods Rental	1.70	1.58	1.65

Employment, Income & Poverty

Income and poverty are tied to employment, rather than jobs as they measure the economic performance of residents. Employment growth in Sonoma County averaged 1.52% per year between 2010 and 2020, ranking 28th in California, while employment growth in Mendocino was just 0.51% per year earning Mendocino County a rank of 47th among counties in California. Mendocino County also consistently has higher unemployment rates (6.3% in 2022) than Sonoma (3.5%).

- Mendocino County per capita income has ranged between 85 and 100% of the US average per capita income from 1970 -2020, illustrating that the area has struggled economically for decades. By comparison Sonoma per capita income is consistently 110 to 120% of the US average per capita income. See the chart.
- Median Household Income for Mendocino (\$46, 528) ranks 13th from the bottom among California counties, while Sonoma Household Income (\$71,386) ranks 13th from the top, again illustrating the divergent nature of these two economies.
- In 2020, the Mendocino County poverty rate was 19.1% (or 1 of every 5 households), while Sonoma’s poverty rate was 7.8%.
- The proportion of people of color and women who are self-employed has been rising steadily, however it is still a relatively small portion of self-employment in both counties.

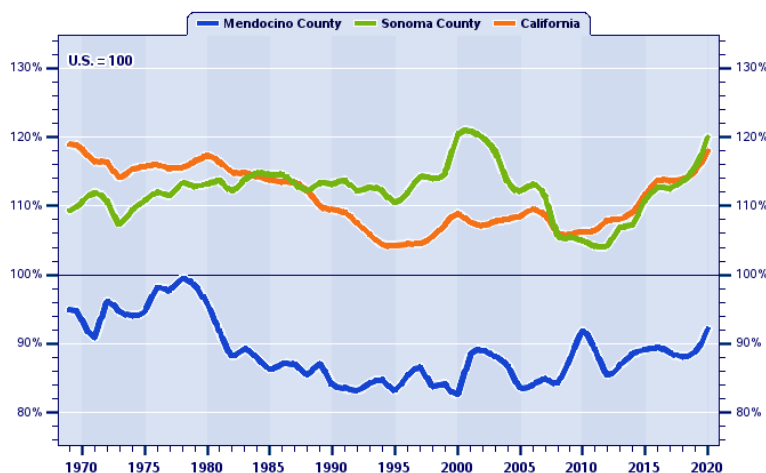
Implications: the Mendocino economy underperforms Sonoma’s economy on every income and poverty metric. Low incomes, high unemployment and high poverty are all direct consequences of Mendocino County’s under-developed economy.

Housing

Housing availability and pricing impacts livability and workforce availability and retention. Both counties have significant housing availability and affordability issues, although Mendocino County is slightly more affordable than Sonoma. More than 50% of renters and majority of new homeowners in the region are cost-burdened, e.g. they pay more than 30% of their income for housing. In 2021, Median rent for a 2 bedroom was \$1,325 in Mendocino and \$2,179 in Sonoma County. The median home value was \$389,000 in Mendocino and \$622,000 in Sonoma in 2021 (see Table).

Overall housing production has not kept pace with demand. As illustrated in the table, Mendocino housing production accounted for an average increase of 148 units/year or just 0.36% annual growth rate. Sonoma County produces many more units, 1,702 units per year, which translates into just 0.83% annual growth. In

Per Capita Personal Income as a Percent of the U.S. Average: 1969-2020



Housing Costs, Sonoma and Mendocino County, 2020

Item	Mendocino County	Sonoma County
Housing Tenure		
Owner Occupied	53%	56%
Renter Occupied	33%	34%
Vacant	14%	9%
Housing Costs		
Median Home Value	\$389,943	\$622,802
Average Home Value	\$476,629	\$717,396
Housing Affordability Index	79	77
Median Rent		
Studio	\$971	\$1,462
1 Bedroom	\$1,005	\$1,658
2 Bedroom	\$1,325	\$2,179
3 Bedroom	\$1,859	\$3,084
4 Bedroom	\$2,247	\$3,553

Source: ESRI Business Analyst 2020 data, California Department of Housing and Urban Development (HUD) 2021 data.

Mendocino new housing unit production is well distributed across income levels, however in Sonoma, above moderate-income housing development is a larger share of permits.

Implications: Housing production must be a priority for economic growth and equity. Housing production across all unit types and income levels is needed. **The lack of affordable and workforce housing has significant impacts on the ability to attract and retain skilled employees.**

Housing Permits & Housing Growth by County & Income		
	Mendocino County	Sonoma County
Timeframe	6/30/2014 - 6/30/2019	1/31/2015 - 1/31/2023
	Permits	Permits
Very Low Income	123	476
Low Income	49	628
Moderate Income	192	765
Above Moderate Income	377	4941
Total Building Permits	741	6810
Building Permits /year	148.2	1702.5
Total Housing Units	41,055	206,362
% growth Units/year	0.36%	0.83%

Source: California Housing and Community Development (HCD).

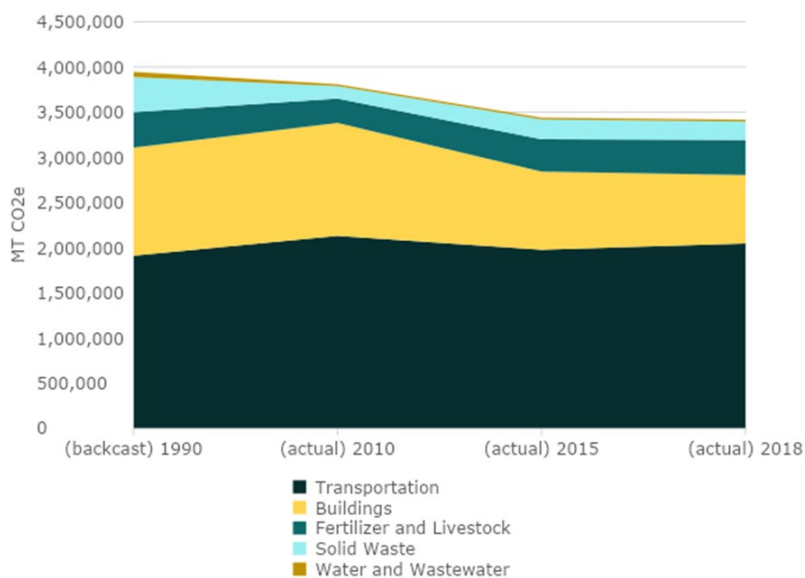
Climate Change

To address immediate and long-term impacts of climate change, several jurisdictions in the region have adopted climate action plans including Sonoma County, Santa Rosa, Healdsburg, Fort Bragg and Ukiah. Sonoma County’s greenhouse gas emissions inventory shows that 60 percent of the county’s emissions comes from the transportation sector. Building energy use (mainly space heating and cooling) additionally accounts for 22 percent of emissions. Overall emissions in Sonoma County have been on a decline since 2010, with nearly every contributor decreasing emissions except transportation. Emissions from buildings saw the largest drop, likely due to Sonoma Clean Power coming online in 2014. Data was not available for Mendocino County as it has not completed a GHG inventory.

Renewable Energy. Sonoma County is a relatively large contributor of renewable energy among California counties, generating 4,804 GWh, or 7.5 percent of the state’s total renewable production, primarily from geothermal sources. Mendocino is a much smaller contributor, generating only 45 GWh, mainly from small hydropower systems, and solar photovoltaic.

Vulnerabilities. Low-income households face economic vulnerabilities and reduced capacity to adapt to climate change. The Center of Disease Control’s Social Vulnerability Index assigns Mendocino County a high vulnerability index of 0.88 (out of 1), a metric driven primarily by the above-average number of over-65 and single-parent households in the county.

Sonoma County GHG Sources by Energy type



4. Community Partner & Public Engagement

The project team reached out to community partners to understand concerns and priorities, refine goals and objectives, and develop initial project/initiative ideas.

Summary of Community Outreach Methods and Participation

Outreach Method	Participation	Details
Expert Interviews	40+ interviews	Conducted by Consultants and Staff
Expert Focus Groups	34 participants total	4 sessions, each about a different theme
Jurisdiction and Agency Interviews	Mendocino: four cities, two tribes, four districts, County staff & supervisors, numerous non-profits. Sonoma: seven cities, one town, three tribes, County staff, numerous nonprofits.	Outreach resulted in the identification and development of numerous high priority projects for potential, state, EDA and other federal funding.
Community Meetings	Approx. 100 people	2 meetings
Survey	330 respondents	Survey had English and Spanish options

The Community offered many ideas on the topics below, check Appendix C for the details.



5. Vision & Values

VISION STATEMENT

In 2030, Sonoma-Mendocino is home to a vibrant, resilient, inclusive, and diverse economy.

VALUE STATEMENTS

The values driving this Comprehensive Economic Development Strategy are to increase prosperity for all by working to ensure that:

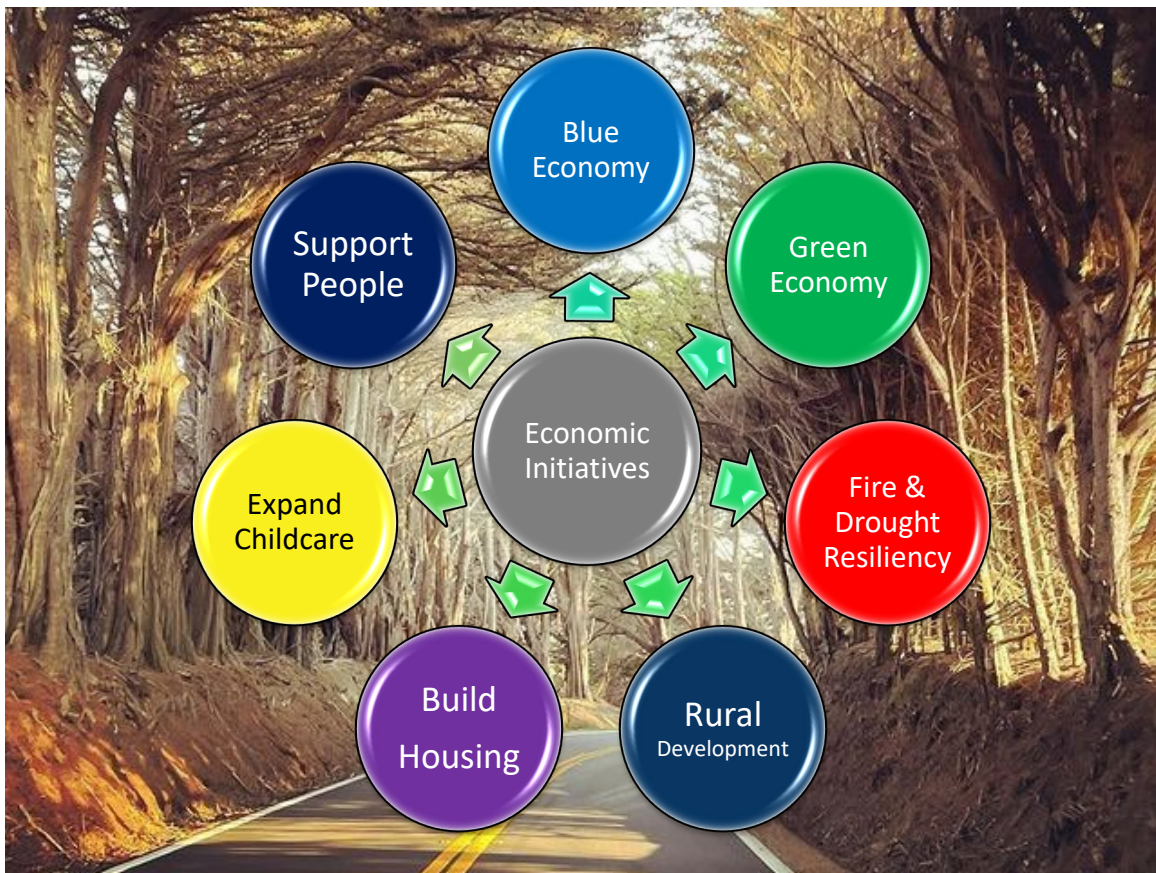
Our Economy will be more vibrant, prosperous, innovative, thriving, entrepreneurial, diverse, and resilient.

Our Communities are more equitable, collaborative, inclusive community-oriented, open and welcoming.



Our Environment is more resilient, green, sustainable, and fire safe.


GOALS & OBJECTIVES


The vision will be implemented via the strategies and projects that are organized by our four key goals and objectives. Key strategies are outlined in this chapter and priority projects are detailed in the following chapter.



6. Goals, Objectives & Strategies

Objective	Strategies
Goal 1: Develop Innovative and Value-Added Economic Sectors	
<p>1.1 Grow the Blue Economy</p>  <p>Blue Economy Projects: see Page 27</p>	<p>1.1.1 Strengthen and develop efforts and partnerships between business, government, tribes and the non-profit sectors to embrace business growth, job creation, job training and education, research and innovation and community education around the blue economy initiative.</p> <p>1.1.2 Encourage public-private partnerships between Community colleges, non-profits and private companies to support the Blue Economy</p> <p>1.1.3 Investigate grant opportunities and facilitate grant applications to support the development of the Blue Economy</p> <p>1.1.4 Invest in Harbor facilities and infrastructure throughout the coastal region and ensure that they are ready to adapt to sea level rise.</p> <p>1.1.5 Invest in ocean education, research and innovation stations such as Bodega Marine Labs, the Noyo Center, and Kashia Permaculture farm.</p>
<p>1.2 Grow the Green Economy</p>  <p>Green Economy Projects: see Page 29</p>	<p>1.2.1 Develop value-added business startups and growth to strengthen resiliency in the agriculture sector, especially value-added specialty foods, food processing, wine and beer manufacturing, cannabis processing to leverage the region’s strengths in organic foods and related natural products that support healthy living.</p> <p>1.2.2 Encourage research partnerships throughout the region among firms in the agriculture and forest industries and ag extension and non-profit research centers. Including biomass utilization and product development.</p> <p>1.2.3 Develop training and encourage public-private partnerships between Community Colleges and private companies to support the green economy.</p> <p>1.2.4 Support, investigate and pursue funding for potential water resource retention, development, storage and innovative projects throughout the region.</p> <p>1.2.5 Support innovative ag/fire risk reduction practices such grazing and controlled burns.</p> <p>1.2.6 Support the development and expansion of the electric tractor manufacturing facility in Sonoma County.</p>

Objective	Strategies
<p>1.3 Build Synergisms Between Tourism & Creative Clusters</p>  <p>Tourism Projects: see Page 30</p>	<p>1.3.1 Support efforts to evaluate and develop Tourism based on access to nature the ocean, arts and entertainment, dining scene, craft wine & beer, and history.</p> <p>1.3.2 Support the development of arts and cultural facilities and programs that improve the local quality of life, while also serving visitors and making the region more attractive to the creatives, software developers, and other tech workers.</p> <p>1.3.3 Support the development of a creative or “makers” incubator to expand creative business and the creative economy employee base.</p> <p>1.3.4 Develop a Creative Apprenticeship Program with key local businesses, maker spaces, and MC/SSU targeting young high school and/or college graduates, with a particular focus on at-risk minority communities.</p> <p>1.3.5 Support and strengthen Creative Sonoma, Ukiah Art Center’s SPACE project and other arts education, studio, and public arts projects to strengthen the economic development and quality of life impacts of creatives.</p> <p>1.3.6 Support the development of tourism serving infrastructure and accommodations in tribal communities that connect tourism to tribal practices and help develop underdeveloped tribal areas.</p> <p>1.3.7 Prioritize STEAM education, grow the maker movement, increase the number of maker certified educators.</p>

Objectives	Strategies
<p>Goal 2: Increase Equitable Community-Wide Prosperity</p>	
<p>2.1. Strengthen smaller rural and tribal communities</p>  <p>Community Projects: Page 32</p>	<p>2.1.1. Bring connectivity/broadband/GMRS networks to rural communities. Increase access to broadband in underserved and economically distressed areas.</p> <p>2.1.2. Establish community hubs (by forming anchor institutions, Community Based Organizations, non-profits and in partnership with Municipal Advisory Councils) in rural areas for collaborative work, business training, disaster preparedness, internet connectivity and community health.</p> <p>2.1.3 Help communities with a need for land use planning, community design, or redevelopment activities with planning grants in order to facilitate potential economic growth and remove barriers to new services, jobs and business.</p> <p>2.1.4. Increase access to basic services such as water, wastewater & transit by supporting the development of a wide array of needed infrastructure to address fundamental challenges to rural economic development.</p> <p>2.1.5 Maintain and update a list of local community infrastructure / public improvement needs and, as feasible, update the CEDS to accommodate new priority projects.</p>



Assist communities with grant information for public infrastructure projects.

2.1.6 Work with transit providers to serve the transit needs of persons with special needs and the lower income workforce.

2.1.7 Collaborate with regional partners to identify and advocate for multimodal transportation projects which have economic development effects.

2.1.8 Pursue grant funding for community/economic development strategic plans

2.1.9 Convert buses to electric power. Support electric charging stations, e-bikes, alternative transit, blue zones, and pedestrian/bicycle friendly development.

2.2 Increase housing development for all income levels



Housing Projects, see [Page 36](#)

2.2.1 Work with jurisdictions to improve permitting predictability and process at the County and City levels. Continue to revise and improve county and city zoning ordinances to facilitate all types of housing construction.

2.2.2 Support housing projects that increase the number of accessory, workforce and affordable units by assisting with funding of infrastructure development and by helping to facilitate the permitting process.

2.2.3 Work with communities to increase zoning flexibility for mixed use and multifamily units in already developed areas. Work with rural communities to establish water and sewer community services to increase housing density. Overcome other constraints to housing, including encouraging training for the trades.

2.2.4 Develop an interactive map to create awareness of housing opportunity sites.

2.2.5 Support net zero, energy conservation and retrofits for homes and businesses.

Objectives	Strategies
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Goal 3: Support People

3.1. Increase equity and access to childcare for underserved populations (rural, BIPOC, low income, and struggling communities).

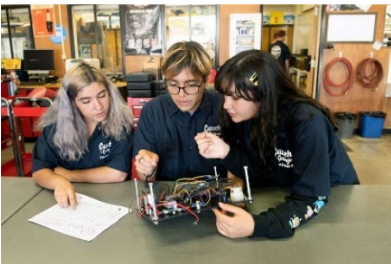
Equity Projects: see [Page 38](#)

- 3.1.1. Advocate for, collaborate, and facilitate regional approaches to expanding access to quality, affordable childcare in the region. Develop a work plan focused on advocating, incubating, and supporting innovative regional approaches to expanding childcare opportunities in the region, including:
- Funding for training and licensing for home based childcare providers.
 - Funding to augment childcare provider pay.
 - Increasing access to capital for start-up childcare projects.
 - Ease the permitting and zoning process for childcare facilities in urbanized areas.
 - Implement an emergency program to save existing sites from closure.
 - Help childcare providers address mandated facility maintenance requirements.



- 2.1.2. Engage with regional jurisdictional and nonprofit childcare initiatives to understand current initiatives (e.g., Sonoma County Child Care Planning Council or North Coast Opportunities Rural Communities Child Care)
- 2.1.3 Evaluate the potential to establish or support a Childcare Partnership Council, which would take a regional approach to advancing childcare (e.g., develop policies and strategies, conduct needs assessments, track and study legislation and regulation).
- 2.1.4 Work with business support partners (SBDCs, EDFC, etc.) to expand capacity within existing childcare providers.
- 2.1.5 Support the creation of new childcare centers and/or facilities in established communities; identify properties, discuss solutions with developers and landowners, consider partnerships with major employers or educational institutions.
- 2.1.6 Explore regulatory barriers to expanding childcare spaces (e.g., zoning, licensing, building inspection, fees, COVID-compliance) and, in coordination with the state and jurisdictions, serve as a clearinghouse for best practices to addressing regulatory barriers.
- 2.1.7 Support childcare training and apprenticeship projects and initiatives.
- 2.1.8 Support Sonoma County Airport Business Center’s Childcare Facility Project

3.2 Upskill workforce in technology, soft, trade business and vocational skills for livable wages and career growth opportunities.



Workforce Projects: see [page 39](#)

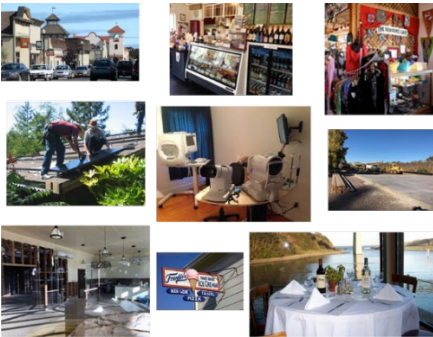
- 3.2.1 Pursue funding, develop training and encourage public-private partnerships between Community colleges and private companies to support the economic clusters of the Blue Green and Creative economies.
- 3.2.2 Seek funding for specialized training in partnership with industry groups and non-profits and which provide a skilled workforce for new, expanding and target industries such as:
 - Santa Rose Junior College Ag Extension Trade Program – viticulture, cannabis, brewing, etc.
 - Sonoma County Grape Growers Foundation – training program for management skills for Farm Worker Community.
 - North Bay Construction Corp - Trade school with High schools and North Coast Builders Association.
 - SWITCH program – student training in Electric Vehicles manufacture.
 - WEST BDC – Start Up Mendocino program.
 - North Bay Construction Corps – Expansion of the Corps to Mendocino County.
- 3.2.3 Implement the Good Jobs Challenge project Sonoma Mendocino Alliance for Workforce Development Initiative - apprenticeship programs for green jobs, childcare and healthcare.
- 3.2.4 Support and Strengthen the Region-wide Talent Pipeline Initiative.

- 3.2.5 Continue support for Career Technical Education programs and scale successful models to reach more students of all genders and backgrounds in both counties, while at the same time increasing graduation rates from high-schools and CTE programs.
- 3.2.6 Develop partnerships with local educational institutions, cities, trade groups, small business development centers, SCORE, Chambers of Commerce, and minority serving organizations that encourage and support economic inclusion through coordinated job training, skills certification, and business development efforts.
- 3.2.7 Increase awareness and utilization of customized training and on-the- job training available through Workforce Investment Boards and the California Employment and Training Panel.

3.3 Increase training around cooperative development and operations.

- 3.3.1 Develop and implement training programs for cooperative development, cooperative businesses, ESOPs and succession planning, especially for businesses in the trades such as plumbing, construction, electrical.
- 3.3.2 Build deliberate bridges between women and minority owned businesses and the purchasing needs of anchor institutions and larger employers.

3.4 Support Entrepreneurs and Small Business Development



- 3.4.1 Promote entrepreneurship development by assisting startups with navigating the regulatory and permit process, offering small business assistance workshops, and market intelligence to provide a toolbox of resources to give our businesses that competitive edge.
- 3.4.2 Continue to expand access to capital to support local entrepreneurs with the funding needed to purchase equipment, inventory and personnel to launch and grow business ventures.
- 3.4.3 Support business diversity by working with the minority business community and other underserved markets to provide a toolbox of resources to start, grow, and expand their businesses.
- 3.4.4 Support ongoing business retention & expansion to encourage sustainable business growth and job creation.
- 3.4.5 Develop and utilize business incubators at key locations and economic sector across the region to improve access and support economic diversification
- 3.4.6 Support Sonoma Metro Chamber SBDC Program and West SBCC program. Research and develop strategies to better serve the Entrepreneurial ecosystem.
- 3.4.7 Research, support and develop businesses cooperatives, particularly in agriculture, to help businesses control their markets and their supply chains.

Entrepreneur Projects: see [Page 40](#)

Objectives	Strategies
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Goal 4: Plan for & Implement Resilience

<p>4.1 Plan for Resiliency</p>  <p>Resiliency Projects: see page 41</p>	<p>4.1.1 Implement the Safe Communities Planning Initiative</p> <p>4.1.2 Continue to implement the Safe Site Development Planning initiative</p> <p>4.1.3 Develop a Business Rapid Assist Program</p> <p>4.1.4 Continue to use GIS for Emergency Response</p> <p>4.1.5 Continue to Implement the MOVE 2030 Strategy</p>
<p>4.2 Develop Water Infrastructure</p>  <p>Water Projects: see page 42</p>	<p>4.2.1 Implement the Mendocino County Enhance Water Storage Initiative</p> <p>4.2.2 Implement major water projects to serve rural and agricultural communities</p> <p>4.2.3 Implement and expand recycled water projects and infrastructure</p> <p>4.2.4 Implement innovative water supply and storage projects</p> <p>4.2.5 Support continuation of water supply for the Potter Valley Project</p> <p>4.2.6 Leverage local and state funding to obtain federal funds for water infrastructure.</p>
<p>4.3 Build Emergency Routes</p>  <p>Emergency Route Projects: page 43</p>	<p>4.3.1 Implement Sonoma County Strategic Plan: Enhance Community Fire Resilience</p> <p>4.3.2 Implement the Mendocino County Innovative Transportation initiative</p> <p>4.3.3 Seek funding and construct secondary emergency escape egresses from a variety of small one road communities, tribes and rural areas.</p>
<p>4.4 Increase Community Fire Safety</p>  <p>Fire Infrastructure Projects: page 44</p>	<p>4.4.1 Invest in fire resiliency infrastructure including firehouses, equipment, training, etc.</p> <p>4.4.2 Continue to use and support Fire Safe Councils to continue to build community resiliency, identify key projects for investments, and assist in fire safe planning</p> <p>4.4.3 Develop innovative methods for fire fuels reduction, targeted grazing, biomass and vocational training for fuels reduction.</p>
<p>4.5 Develop Green Energy Solutions</p> <p>Green Projects: page 45</p>	<p>4.5.1 Support the Geothermal Opportunity Zone to develop geothermal resources</p> <p>4.5.2 Implement the Sonoma County Strategic Plan – Climate Resiliency initiative</p> <p>4.5.3 Implement the Mendocino County Energy Resiliency Initiative</p> <p>4.5.4 Identify and help fund local community alternative energy initiatives</p>
<p>4.6 Mitigate the Impacts of the Climate Crisis</p>	<p>4.6.1 Identify, support and fund fire recovery projects, creek restoration projects, wetland mitigation projects to reduce the impacts of natural disasters.</p>
<p>4.7 Support and Develop Climate Adaptation Research Center</p>	<p>4.7.1 Support the Climate Adaptation Research Center to bring together scientists, inventors, entrepreneurs, environmentalists, investors to create a laboratory, where synergy, innovation and focus are directed at this most important challenge of our lifetime. Develop a green building academy.</p>

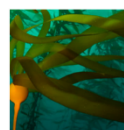
7. Action Plan, Initiatives & Projects

The action plan includes a variety of strategies, initiatives and projects to implement our Vision, Goals and Objectives. Our effort will rely upon and make connections between local and regional projects that already have champions and project partners. We have selected projects and initiatives that have a high likelihood of success, because each project is feasible, fundable and aligns with our strategic goals and objectives. Additionally, many of the projects align with equity goals and enhance climate resiliency.

Goal 1: Develop Innovative and Value-Added Economic Sectors

Objectives

- 3.1 **Grow the Blue Economy through partnerships to add Jobs,** strengthen business sectors and build infrastructure related to the ocean.
- 3.2 **Grow the Green Economy** through innovative partnerships to strengthen key value-added sectors: specialty food products, beer & wine, furniture and other finish products.
- 3.3 **Build Synergisms Between Tourism & Creative Clusters:** Strengthen the synergisms between the Tourism Cluster, Arts and Entertainment & the Creative Class



Objective 1.1 Grow the Blue Economy

Both Sonoma and Mendocino counties are coastal communities with a long tradition of ocean related economic activities. Today the Blue Economy continues to be a key economic cluster for the region and is evolving into the sustainable development of coastal resources in a wide range of economic sectors, including fisheries; aquaculture; maritime transport; coastal, marine and maritime tourism; coastal renewable energy; marine ecosystem services (i.e., blue carbon); seabed mining; and bioprospecting.

Blue Economy development will include harbor infrastructure upgrades, building resilience against sea level rise, and science-based resource utilization. This innovative initiative has many partners focused on success and extends across the region from Fort Bragg in the North to Bodega Bay in the south. The initiative brings together the efforts of local governments, non-profits, tribes, and local universities to strengthen our economy around our region’s unparalleled access to the ocean.

Evaluation Metrics

- ✓ At least 5 new business formations in the Blue Economy
- ✓ At least 100 new jobs in Blue Economy sector
- ✓ Implementation of at least two of the projects described below.

The initiative includes the following key projects:

Project 1. Mendocino Coast Blue Economy

This initiative will diversify Fort Bragg’s traditional maritime activities to include activities geared towards climate resiliency and adaptation such as research, education and implementation projects for fishery recovery and restoration. This effort will help to keep our working waterfront viable by improving livelihood using the fishing industry to foster a healthy marine ecosystem.

Partners: City of Fort Bragg, Noyo Harbor District, Noyo Center for Marine Science

Project 2. Establish the Kashia Center

The primary goal of this non-profit research, education and advocacy Center is to address the effects of the recent “Perfect Storm” of environmental conditions that have decimated Sonoma and Mendocino County kelp beds resulting in “urchin barrens” and the near extinction of abalone. The center will be supported partly by a for-profit abalone aquaculture farm. The project will produce jobs for local workers and contribute to the scientific literature on kelp bed ecosystems, global warming and ocean acidification. It will restore a traditional food source to the Kashia and contribute to local food sovereignty.

Partners: UC Davis Bodega Bay Marine Laboratory, The Cultured Abalone, California Aquaculture Association, Wishtoyo Chumash Foundation, Sonoma County Agricultural Preservation and Open Space District, Get Inspired, Lift Economy, UC San Diego California Sea Grant Extension Program, California State Aquaculture Coordinator - California Department of Fish and Wildlife, Ventura Port District Board of Port Commissioners, Cal-Wave Power Technologies.

Project 3. Noyo Center Ocean Science Center

The Noyo Center for Marine Science is a non-profit organization supporting the Mendocino Coast's

transition from an extractive to a restorative "blue economy." The Noyo Center's Ocean Science Center will be a world-class marine science and education facility on a 12- acre site on the coast of Fort Bragg. The Ocean Science Center will include research laboratories, public educational and interpretive exhibits including a 73-ft blue whale skeleton, green energy education and research, a lecture hall, marine mammal triage center, land-based aquaculture demonstration project, and supporting facilities. The Ocean Science Center will create new jobs, help restore the offshore marine environment, educate students and visitors about ocean conservation, and serve as a model for redevelopment of a former mill site.

Partners: Noyo Center for Marine Science, CA Department of Fish and Wildlife, City of Fort Bragg, Mendocino College, CA Academy of Sciences, The Marine Mammal Center

Project 4. Seawater Intake Project

A seawater intake will be developed in the vicinity of the City of Fort Bragg's wastewater treatment facility to support "blue economy" development projects, including land-based aquaculture projects, and wet labs and aquaria at the Noyo Center for Marine Science. The intake may also support future development of a regional desalination plant to enhance resilience in regional water supplies. The project will support job growth and retention.

Partners: City of Fort Bragg, Noyo Center for Marine Science, Noyo Harbor District, County of Mendocino

Other Projects (for details see Appendix A):

- Noyo Harbor Marina Redevelopment
- Noyo Harbor Community Sustainability Plan
- Noyo Harbor Multimodal Project

Objective 1.2 Grow the Green Economy

There are several proposed green economy development projects across the region, including initiatives focused on startups and food entrepreneurs, agricultural extension facilities, and the unique products of the region. Implementing the actions below will strengthen various specialties of the region, increase value added in the green sector, serve expanded local markets, and support the economic development of both local communities and the region.

Evaluation Metrics

- ✓ At least 5 new business formations in the Green Economy
- ✓ At least 50 new jobs in Green Economy sector
- ✓ Implementation of at least two of the projects described below



Project 5. Hopland Research Center Facilities & Infrastructure Project

The project would consist of constructing/improving researcher housing and dorms, labs, crop seed facility, state of art sheep barn and shearing facility and basic infrastructure such as trails, roads and water with sustainable components. The project would also expand technology capacity and expertise by installing improved technology resources and systems that support an increase in facility utilization (e.g. reliable internet, webinar ready conference, etc.).

Partners: Hopland Research and Extension Center, US Agricultural Extension

Project 6. Pepperwood Facilities Project

For this initiative, Pepperwood will replace three structures lost in the fires of 2017 with new green and resilient facilities including: a new telecommunications facility for data integration and dissemination; a new renewable energy plant; and build a new outdoor nature observatory for those with physical limitations. Pepperwood connects tens of thousands of California residents annually to nature and nature-based climate solutions via programming conducted on their 3,200-acre reserve.

Partners: Pepperwood

Project 7. Kashia Biofuel Production Facility

Kashia plans to partner with Resynergi, an energy recovery system developer, to convert woody biomass from forest management activity and sawmill waste to biochar (a granular carbon substance produced by pyrolysis of organic matter which serves many purposes in regenerative agriculture including improving soil quality), electricity, fuel, water and heat, all with significantly reduced Green House Gas Emissions. The electricity will be used to power the sawmill and the heat will be used to kiln dry the lumber.

Partners: Resynergi; Recology; California Air Resources Board; Northern Sonoma County Air Pollution Control District; Bay Area Air Quality Management District; Mendocino Air Quality Management District; University of California, Riverside

Other Projects (for details see Appendix A):

- Kashia Hemp Processing Plant
- Kashia Permaculture Farm
- Kashia - Berry's Sawmill & Hardware Store Acquisition
- Fort Bragg Food Products Incubator
- Fort Bragg Farmer's Market Building
- Redwood Valley Grange Community Project

1.3 Build Synergisms Between Tourism & Creative Clusters

Sonoma & Mendocino County are home to a strong and vital tourism sector which strengthens our arts, entertainment and dining scene. These are the very features that the tech creative class appreciates, which combined with our unparalleled access to amazing nature experiences, proximity to the Bay Area and Silicon Valley, and the new remote working culture, our region could become the next natural location for the expansion of tech jobs. Additionally, augmenting the arts and creative sectors will also increase the quality of life for all residents and expand visitor experiences. The projects under this objective, when taken together begin to honor our arts and creative communities and the natural synergisms between tourism, the creative class and our own unique and artful, nature filled quality of life.



Evaluation Metrics

- ✓ At least 5 new business or non-profit formations in the creative and or tourism sectors.
- ✓ At least 75 new jobs in tourism, arts, entertainment and creative sector.
- ✓ Implementation of at least two of the projects described below

Project 8. Cotati “Maker” Incubator

This project would provide flex-space for aspiring/existing small business owners to start or “level-up” their businesses to expand and grow. The project will capture and support the “maker” ethos that thrives in Sonoma County. The new building will provide professional level workspace that serves a variety of business types at below-market rates. Specifically, the building will include: Commercial Kitchen(s), Bulk/Dry Good Storage, Refrigerated/Freezer Storage, Professional Shared Work and Meeting Spaces, Studio Spaces, Computer Lab, Fermentation Equipment and Support Spaces, Workshops (Metal, Wood, Etc.), Industrial Manufacturing Spaces (3-D Printing, CNC Machines), Loading Dock. The space would be managed coordinated by SSU and/or SRJC students, staff and recent alumni, providing hands-on business management experience to these individuals.

Partners: City of Cotati, Sonoma County Economic Development Board, Sonoma State University, Cotati Chamber of Commerce,

Small Business Development Center, Santa Rosa Metro Chamber of Commerce, Santa Rosa Junior College

Project 9. Creative Sonoma

Arts District. Support the Arts District in Santa Rosa, CA which is comprised of art studios, galleries, theater, and businesses in the neighborhood bordered by South A St, Julliard Park, Sebastopol Rd. and Sonoma Ave. This project would support activities and facility expansions for the district.

Special Projects. These projects leverage funding and opportunities to partner throughout Sonoma County to integrate the arts and help creatives to work to impact and uplift our entire community.

Partners: Creative Sonoma Arts District, Sonoma County

Project 10. Mendocino Coast Tribal Center

Coast Tribal Cultural Center would increase education and cultural awareness of regional indigenous peoples for the community and visitors.

Partners: City of Fort Bragg, Sherwood Valley Band of Pomo, Coyote Valley Band of Pomo

Project 11. Great Redwood Trail

The Great Redwood Trail is a 320-mile, world-class, multi-use rail-to-trail project connecting California’s San Francisco and Humboldt Bays. The legacy trail will travel through some of the wildest and most scenic landscapes in the United States, traversing old growth redwood forests, running alongside oak woodlands and vineyards, and winding through the magnificent Eel River Canyon.

Partners. CalTrans, State Parks, the Natural Resources Agency, Department of Finance, and Department of General Services

Other Projects (for details see Appendix A):

- Fort Bragg Performing Arts Center
- Fort Bragg Industrial Arts Center
- Fort Bragg Recreational Playing Fields
- Ukiah Soccer Fields
- Point Arena Visitor Center
- Point Arena Campground
- The Kashia Family Entertainment Center and Hotel
- Dry Creek Rancheria Dutcher Creek Hotel
- Guerneville Plaza Renovation Project
- Coyote Valley Infrastructure for and Hotel Development



Figure 1. Current Ownership Map of the Historic Northwestern Pacific Rail Line

Goal 2: Increase Equitable Community-Wide Prosperity

Objectives

2.2. Strengthen rural and tribal communities

- 2.1.1 Bring connectivity/broadband/GMRS networks to rural communities.
- 2.1.2 Establish community hubs in rural areas for collaborative work, business training, disaster preparedness, internet connectivity and community health.
- 2.1.3 Increase access to basic services such as water, wastewater & transit

2.2. **Increase housing development for all incomes:** improve permitting predictability and process; increase the number of workforce and affordable units; and increase zoning flexibility.



The goal of equitable community-wide prosperity will be challenging to achieve; it will require innovation and active partnerships between non-profits, government and business. Working towards this goal, the CEDS includes a multi-faceted approach to addressing under-development especially in the remote areas of the region. Serving these communities is especially challenging as distance, lack of density, and lack of economic opportunity are significant issues. The proposed activity includes a good array of basic infrastructure projects, housing development projects and rural economic development efforts.

Objective 2.1.1 Strengthen rural and tribal communities with Connectivity

Evaluation Metrics:

- ✓ Bring internet connectivity to at least three remote rural communities

Project 12. Ensure Communications Redundancy

This project will help improve resiliency by building in and ensuring redundancy in communication networks to protect commerce and public safety in the event of natural or manmade disasters.

Partners: see below

Project 13. North Bay-North Coast Broadband Consortium

This project is focused on collaborating and facilitating for fast, reliable, and affordable internet

access services throughout the region, particularly in disadvantaged and unserved rural communities. This Project works with stakeholders to combine resources and share best practices to support “dig once, dig smart” policies and identify opportunities that advance regional internet access infrastructure projects.

Partners: Access Sonoma Broadband (ASB); Broadband Alliance of Mendocino County (BAMC); California Public Utilities Commission (CPUC); California Emerging Technology Fund (CETF); City Smart Technologies; Corporation for Education

Network Initiatives in California (CENIC); County Administrators and Boards of Supervisors; Fire Safe Sonoma; Local farm bureaus; Mendocino County Fire Safe Council; North Bay North Coast Broadband Consortium (NBNCBC); Offices of education and school districts; Public safety departments and agencies; Rural County Representatives of California (RCRC); Sonoma County Department of Emergency Management and Mendocino County Office of Emergency Services; Tourism agencies; West Business Development Center; Watz Labs; WiConduit; Wireline and wireless internet service providers

Project 14. Santa Rosa Downtown Communications Enhancements

The essence of this project is to upgrade the communication media, from twisted pair copper interconnect cable to fiber optics using the existing underground 2" conduit chases in the downtown and Railroad Square area. The fiber optic backbone will

allow enhancement to the communication system and provide increased data speed and capabilities for our traffic system to allow for technologies such as connected vehicles and traffic signal surveillance. This improvement allows for more efficient movement of goods and services in the downtown core which affects all modes of mobility including bicycle, pedestrian, vehicle and transit operations. It also prepares the City for the potential of pursuing Smart City strategies that require more data collection and efficient data transfer.

Project 15. Fort Bragg Municipal Broadband Utility

A City owned, municipal broadband network providing affordable, reliable, high-speed connectivity to Fort Bragg's businesses and residences.

Partners: City of Fort Bragg, Mendocino Community Network (MCN)

Objective 2.1.2 Strengthen rural and tribal communities: Establish Community Hubs

Evaluation Metrics

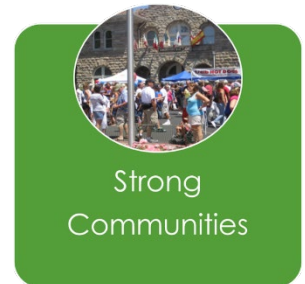
- ✓ Establish at least two community hubs

Project 16. Kashia: Multi-Use Campus

Kashia envisions a multiple-use campus including Junior / Tribal College facilities, a "Trade School" leading to a California contractor's license, and Culinary Schools (incorporating Native American "traditional" foods), business start-up/incubator, an "artist/musician in residence" center, senior, low and moderate income and veteran housing with vacancies available for emergency housing during fires etc., open space preserve and a community/out-patient medical center.
Partners: Santa Rosa Junior College, American Indian College Fund, Others as identified by project coordinator

Project 17. Fort Bragg City Hall East Community Facility Restoration

City Hall East consists of the "old gym" and the former pool building. Both structures date back to the 1920's. Since 2010, the City has had plans to renovate the two buildings. The old pool building is currently a major hazard as it is no longer structurally sound but is in a key location that could help revitalize the downtown area. The proposed project will preserve the historic character of the building while creating a multi-use facility that will span the former pool building and existing gym to create a space that can be used for the off-season Fort Bragg Farmers Market, craft fairs, and special events as well as Mendocino Coast Parks and Recreation District recreational activities. It will include a single level floor with roll up doors that can be used



to create smaller spaces or opened to create one large area.

Partners: City of Fort Bragg, Mendocino Coast Recreation District

Project 18. Guerneville Plaza Renovation Project

The Guerneville Plaza is a meeting and recreational plaza at the intersection of Armstrong Woods Rd and Hwy 116 and is used for community events, rallies, summer concerts and other civic events. This project will remove the brick wall encased grass area and relocate its fountain allowing for the permanent installation of an ADA acoustical gazebo or stage, complete with electrical service and sound wiring allowing for community events and eliminating the current use of a temporary stage which is currently required to be erected and removed for each event. This project will ensure greater flexibility for events,

lower overall energy usage, can be a communications hub and is critical to ensure sustainable plaza operation for long-term.

Partners: Russian River Rotary Foundation, Sonoma County Transportation and Public Works, Russian River Chamber of Commerce

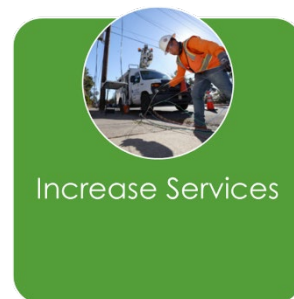
Other Projects (for details see Appendix A):

- City of Willits Community Center Rehabilitation
- Coyote Valley Government/ Administration Building
- Santa Rosa - Roseland Community Benefit District

Objective 2.1.3 Increase access to basic services

Evaluation Metrics

- ✓ Complete at least two sewer treatment plant rehabilitation/replacement projects
- ✓ Implement at least three alternative transportation projects
- ✓ Implement two new arts projects



Project 19. Extension of SMART to Healdsburg and beyond

Healdsburg actively and enthusiastically supports the efforts of the Sonoma-Marin Area Rail Transit (SMART) District to extend the system north to Healdsburg, and eventually to Cloverdale. Doing so would provide commuting options for our residents and workers in order to reduce the use of single-occupancy vehicles, provide a sustainable access option for visiting tourists, and help Healdsburg meet its regional housing allocation needs by effectively linking housing to employment centers

Partners: SMART, SCTA

Project 20. Mendocino County Mobility Solutions in Rural Communities Project

This project would implement Mobility Solutions for Rural Communities in Mendocino County, a geographically large, mountainous, rural area, with several outlying communities (all of which are disadvantaged) unable to be served by traditional transit due to their remoteness and low population density. This feasibility study will investigate and analyze a wide range of mobility options/transit alternatives for their practicality in this region and will recommend new and innovative clean transportation solutions specifically geared to meeting the challenges in these remote communities. This project will solve the transportation need of transit-dependent individuals in

remote disadvantaged communities who have no transit options, by providing mobility solutions in remote areas of the county where traditional transit service is not available or feasible.

Partners: MCOG, Caltrans, Mendocino County

Project 21. Ukiah Transit Center

Mendocino Transit Authority (MTA) proposes to design and construct a new transit center within the greater Ukiah area. As part of the project, bicycle and pedestrian facilities in the surrounding area will be constructed; thus, removing barriers and improving multi-modal access users of all modes. The new transit center will include solar panels, electric vehicle chargers, hydrogen fueling infrastructure, bike lockers, and parking for ridesharing. Three potential locations have been identified, all of which benefit low-income, transit-dependent residents. Despite being the largest population center along a 200-mile stretch of Highway 101, Ukiah lacks a centralized transit hub. This makes it very difficult for users to travel between the regional transit systems that come through the city. The new transit center will be able to accommodate buses from MTA, Humboldt Transit Authority (HTA), Lake Transit Authority (LTA), Greyhound, and Amtrak, providing seamless travel for users and improving the interregional connectivity of northern California's public transit systems. The multi-modal improvements will increase access to public transit and improve the City's active transportation network.

Partners: MCOG, Mendocino Transit Authority, City of Ukiah

Project 22. Cazadero Park Improvement Project

The Cazadero Community Services District supports a community park, including a multi-purpose sport court (basketball, tennis, handball), children's playground, picnic area, restroom facilities with room for expansion for local civic events. This project will replace the outdated 50-year-old playground equipment with 21st century age appropriate structures and cushioned underlayment.

Partners: Cazadero Community Services District, County Regional Parks, CAPRI

Other Projects (for details see Appendix A):

- Mendocino City Waste-Water Treatment System Improvements
- City of Willits Recycle Wastewater Feasibility Study
- Santa Rosa Water: Llano Sewer Trunk Rehabilitation #1 Project
- Santa Rosa Water: Laguna Wastewater Treatment Plant Disinfection Improvements Project
- Mendocino County New Transfer Station

Objective 2.2 Increase housing development for all income levels:

a) Improve permitting predictability/ process; b) Increase zoning flexibility and production of workforce/affordable housing and mixed-use development.

This objective will be achieved through a variety of local initiatives and projects that increase the supply of housing in the region, particularly workforce housing. Increasing the supply of workforce housing will require pursuing a broad range of regulatory and housing solutions across the full spectrum of residential product types to attract and retain workers and their families.

Evaluation Metrics

- ✓ Construct at least 750 Units of workforce housing and 500 units of affordable housing per year.
- ✓ Five percent increase in annual construction of new units at all income levels (refer to Housing Elements, Housing Action Plans, 6th Cycle RHNA Progress Reports, etc.)
- ✓ Rezone 150 acres for infill and/or higher density housing and mixed-use development in the five-year period.
- ✓ Create innovative models for affordable and workforce housing development.

The following projects and initiatives will help implement this objective.

Project 23. Permitting Predictability & Process

This effort requires a collaborative focus by all cities and the two counties in the region. This effort includes:

- A. Institute an online customer satisfaction survey at all building and planning departments across the region (City and County) to identify issues with zoning requirements, staff competence, timeliness of review, and special conditions or approval. The effort will be focused on identifying issues that can be addressed to improve the permitting process for new housing.
- B. Work with City and County representatives and staff to address the identified issues.
- C. Complete an annual score card of each planning and building department and share it with the elected officials.

Partners: SMEDD, North Coast Builders Exchange, counties and cities

Project 24. Fort Bragg Mill Site Rezoning Project

Rezoning and Local Coastal Program Amendment and EIR to rezone the 400+ acre site for redevelopment of

residential, commercial, light coastal industrial uses and recreational playing fields and trails.

Partners: City of Fort Bragg, Mendocino Railway, Noyo Center for Marine Science, Sherwood Valley Band of Pomo

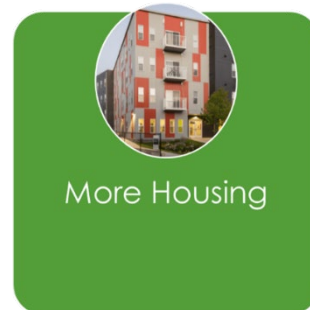
Project 25. Santa Rosa Burbank Housing Project

This 532-unit apartment project consists of market-rate and affordable senior apartments to replace Santa Rosa's Journey's End Mobile Home Park, which was destroyed in the 2017 Tubbs Fire. The 13.3-acre site will also include a centrally located park, community building, and other amenities.

Partners: City of Santa Rosa, Burbank Housing

Project 26. Santero Way Specific Plan Rezoning for Housing

Project to update the existing Santero Way Specific Plan and EIR to increase the number of housing units within the plan. This Specific Plan governs 22.45 acres and plans for a mixed-use neighborhood located adjacent to the Cotati SMART Rail Depot and within the Downtown Cotati. The proposed project would increase density above the existing levels of Cotati;



mandate inclusionary housing; and incentivize development on a City-owned portion of the Plan area.

Partners: City of Cotati, SMART, Sonoma County EDB

Project 27. Fort Bragg Home & Community Land Trust

The City of Fort Bragg has established a Community Land Trust to provide home-ownership opportunities for very low to moderate income households that stay affordable in perpetuity. Funding is needed for land acquisition, infrastructure development and construction.

Partners: Mendocino-Lake Community College, Fort Bragg Unified School District, Mendocino County, Adventist Health and City of Fort Bragg

Project 28. Santa Rosa - Red Housing Fund

The Renewal Enterprise District (RED) is a Joint Powers Authority (JPA) formed by County of Sonoma (County) and City of Santa Rosa (City) in 2018 to implement a shared vision and agenda for regional housing development. The RED Housing Fund pools financial resources to address funding gaps in infill housing.

Specifically, projects in Santa Rosa, especially those located downtown, have been challenging to finance with traditional debt and equity sources. With capital supplied by the Fund, these projects will catalyze and prove there is a market for a more complete urban core comprised of dense infill housing that is climate resilient and transit oriented.

Partners: Renewal Enterprise District, County of Sonoma, Forsyth Street Advisors, RED Housing Fund Board

Other Projects (for details see Appendix A):

- Santa Rosa Downtown Infill Development
- Dry Creek Rancheria Affordable Housing
- Ukiah: Orchard Avenue Extension for Affordable Housing
- Coyote Valley Community Park & Housing Development

Goal 3: Support People

Objectives

- 3.1 Increase equity and access to childcare for underserved populations (rural, BIPOC, low income, and struggling communities).
- 3.2 Upskill workforce in technology, soft, trade business and vocational skills for livable wages and career growth opportunities.
- 3.3 Leverage workers and entrepreneurs from all backgrounds to foster equitable wealth creation and employment. Increase training around cooperative development and operations.



Increase Equity



Upskill Workforce



Leverage Entrepreneurs



Increase Equity

3.1 Increase equity and access to childcare for underserved populations (rural, BIPOC, low income, and struggling communities).

Evaluation Metrics

- ✓ Three successful new initiatives focused on increasing access to, and supply of, childcare facilities and childcare workers within the next five years.

Project 29. Regionwide Childcare Initiative

Advocate for, collaborate, and facilitate regional approaches to expanding access to quality, affordable childcare in the region. Develop a work plan focused on advocating, incubating, and supporting regional approaches to expanding childcare opportunities in the region. Potential work plan actions will depend on SMEDD capacity and staff resources and could include:

- Engage with regional jurisdictional and nonprofit childcare initiatives to understand current initiatives (e.g., Sonoma County Child Care Planning Council or North Coast Opportunities Rural Communities Child Care).
- Evaluate the potential to establish or support Childcare Partnership Council, which takes a regional approach to advancing childcare (e.g., develops policies and strategies, conducts needs-assessments, tracks and studies legislation and regulation).
- Work with business support partners (SBDCs, EDFC, etc.) to expand capacity within existing providers.

- Support the creation of new childcare centers and/or facilities; identify properties, discuss solutions with developers and landowners, consider partnerships with major employers or educational institutions.
- Explore regulatory barriers to expanding childcare spaces (e.g., zoning, licensing, building inspection, fees, COVID-compliance) and, in coordination with the state and jurisdictions, serve as a clearinghouse for best practices to addressing regulatory barriers.

Partners: SMEDD, First 5 Sonoma County, 4Cs, Santa Rosa Metro Chamber, and more.

Project 30. Santa Rosa - Childcare Support Program

This project would consist of establishing the following:

- Facility Fund (under development): Tenant improvements for shell buildout in new development projects Tenant improvements for facility preservation and Potential down-payment assistance
- Resiliency Fund: Direct grants to childcare providers related to resiliency needs. Fund to support/expand teacher training programs to build the supply of ECE providers

- Employer Supported Childcare: Policies, programs and other incentives to encourage the development of on-site childcare. Employers either develop and run the site or provide site for contracted services.

Partners: First 5 Sonoma County, 4Cs, Santa Rosa Metro Chamber

Project 31. Childcare Apprenticeship Program

Develop a structured training program via an apprenticeship so people interested in working in the childcare/early education industry can work and earn an income while they are working towards completing their required qualifications. The proposed program will help the participants gain the skills and knowledge

they need to succeed in the industry whether they choose to work for an employer or start their own home childcare business. This program would not only benefit the individual completing the apprenticeship but would also help address the substantial shortage of childcare providers in Sonoma and Mendocino counties by increasing the number of qualified early childhood teachers that can be employed at local childcare facilities as well as increasing the number of home-based child-care providers.

Partners: Santa Rosa Junior College, Sonoma County Workforce Investment Board, Sonoma County Economic Development Board, Small Business Development Center, Santa Rosa Metro Chamber



Upskill Workforce

3.2 Upskill workforce in technology skills, soft skills, trade skills, and vocational jobs with livable wages and career growth opportunities.

Success in this objective is critical to the success of all economic development objectives.

Evaluation Metrics

- ✓ Number of new training and internship initiatives that are focused on augmenting and increasing tech, soft skills, trade and/or vocational skills.
- ✓ Employer survey responses indicating improvement in workforce readiness.

Project 32. NBEC- North Bay Employment Connection

NBEC is a collaborative of the Solano & Sonoma County Workforce Development Boards (WDBs), and newly formed joint powers authority Workforce Alliance of the North Bay (Napa-Lake, Marin & Mendocino WDBs). As a collaborative, NBEC and its core partners are dedicated to supporting businesses in key North Bay industry sectors and make smart investments for the region's workforce systems. Over \$12 million has been secured in competitive state and federal grants to enhance NBEC's capacity to serve the employer and jobseeker communities.

Partners: Workforce Investment Boards of Sonoma, Mendocino, Lake, Napa and Marin Counties.

Project 33. Environmental Resiliency Upskilling for Green Building

These sectors meet the immediate and long-term workforce goals of both counties, and capitalize on the existing relationships, and shared resources that can be leveraged in collaborative work. The project will solve the chronic problem of uncoordinated local systems, by developing the relationships and structure for ongoing meaningful partnership, so that resources can be utilized more effectively, and the opportunities for growth can be expanded into the long-term. Developed as a collaborative effort by the counties' economic and workforce development entities; the focus is on

increasing the overall number of quality jobs, creating a more resilient economy, and improving the quality of life for residents living in or near poverty.

Partners: Sonoma County Workforce Investment Board (WIB), Mendocino Economic Development & Financing Corporation (MEDFC) and the West Business Development Center (WBDC)

Project 34. Regional-wide Talent Pipeline Initiative

Advocate for, collaborate, and facilitate regional approaches to growing the talent pipeline and workforce and career pathway development across a range of industries, particularly in the housing, green energy, and environmental resiliency sectors. Potential specific work plan actions will depend on SMEDD capacity and staff and stakeholder resources and could include:

- Convene education and industry leaders to discuss growing the talent pipeline to align the skills that are needed today and in the short term so that curriculum and internships support economic growth opportunities.
- Identify obstacles facing residents and employers to train in existing, centralized locations and evaluate potential opportunities for decentralized training programs (e.g., digital literacy, ESL classes, etc.).
- Research and track funding sources to grow the talent pipeline and advance workforce training across a broad range of industries in the region, but particularly in the growing housing, green energy, and environmental **resiliency** sectors.
- Support stakeholders/partners with application/grant support for EDA or other federal and state funding.
- Working with partners and stakeholders, explore the potential to establish construction training programs in the region, focused on both conventional and alternative construction technologies.

Partners: Career Technical Education programs, Green Building, Professional Certification, Chambers of Commerce, Community Colleges (Mendocino, Santa Rosa, College of the Redwoods), Mendocino County Office of Education, Mendocino Economic Development and Financing Corporation, North Coast Builders' Exchange, North Bay Leadership Council, Schatz Energy Research Center, Sonoma Clean Power, Sonoma County Agricultural Preservation & Open Space District, Sonoma County Build Well program, Sonoma State and junior college programs

Leverage Entrepreneurs



Leverage Entrepreneurs

Project 35. Dry Creek Rancheria Small Business Park (Dutcher Creek)

This new Business Park, located on 10 acres of light industrial land in south Cloverdale, would include 250,000 square feet of mixed-use space, featuring smaller industrial condominium type units and smaller and larger flex space industrial units in a business park setting. The Cloverdale City Council has expressed an interest in a development that would provide space for new businesses. Preliminary environmental analyses have been completed. Funding is needed for design, permitting, and construction.

Partners: Dry Creek Rancheria

Project 36. Fort Bragg Food Products Incubator

A local group of people are interested in a community cannery and/or shared commercial kitchen, including a retail component, providing locals and tourists a local, sustainable food supply.

Partners: City of Fort Bragg, Community Cannery Collective

8. Regional Economic Resilience Strategy

Goal 4. Plan for & Implement Resilience

Objective:

- I. **Plan for Resiliency**
- II. **Develop water infrastructure** to protect against drought and build capacity
- III. **Build emergency transportation routes.**
- IV. **Increase Community fire safety** by building Community and fire-fighting facilities and reducing vulnerability.
- V. **Develop green energy solutions.**
- VI. **Mitigate the impacts of the climate crisis.**



Water



Emergency Egress



Fire Safety



Energy Solutions

The impacts of Climate Change are the most significant factors affecting the economic resiliency of the regional economy. climate change events (fire, drought, changing temperatures) are significantly impacting the region’s collective social, economic and environmental well-being. Recently the entire region has experienced severe droughts, devastating fires, continued floods and hotter temperatures year over year. Unfortunately, these trends are expected to continue to accelerate. By working to prevent and mitigate the impacts of climate change, the region can work together to avert the worst impacts of the climate emergency on the economy. Guided by science, and in concert with the state, national and international communities, the region can work towards mitigating and preventing climate change and engage in climate preparedness, adaptation and resiliency.

Objective I. Plan for Resiliency

Evaluation Metrics

- ✓ Complete at least two community resiliency planning initiatives.

Initiative 1. Safe Communities Planning Initiative

Continue to engage in comprehensive planning efforts that include extensive community involvement to define and implement a collective vision for resilience regarding sea level rise, fire safety and response to drought. This effort includes the integration and alignment of all risk planning efforts (e.g., hazard mitigation plans) and funding sources with Community needs and assessments.

Partners: Community Fire Safe Councils, County Emergency Planning teams.

Initiative 2. Develop Business Rapid Assist Program

Establishing a system to rapidly communicate business needs and coordinate impact assessment efforts by contacting key local, regional, state, and federal officials and emergency response partners.

Partners: SMEDD, Sonoma and Mendocino Counties.

Initiative 3. Safe Site Development Planning

Continue to employ development practices that minimize fire and flood risk to structures and communities. These include locating structures and communities away from the

wildlands interface and preserving natural lands that act as buffers between development and wildlands.

Partners: County and City Planning Departments, Community Advisory Committees, builders and developers.

Initiative 4. Continue to use GIS for Emergency Response

Continue to use geographic information systems (GIS) to track local and regional available development sites and integrate with hazard information to make rapid post-incident impact assessments.

Partners: Sonoma and Mendocino Counties.

Objective II Develop water infrastructure



Water

Climate change is making droughts more common and more severe and will continue to impact regional industry clusters, such as tourism and agriculture, affect the livability of the region, and create long and short-term impacts on our economic, environmental, and community resilience. Both counties have many economically isolated rural areas and water projects are critically needed in these areas to secure existing businesses and allow for modest growth. This objective will be fulfilled by a variety of different projects, including but not limited to the priority water source development and water infrastructure projects listed below. Some of these projects serve multiple strategy priorities including climate resiliency, economic development, housing development and economic equity goals.

Evaluation Metrics

- ✓ Increase investments in new water infrastructure by local and regional agencies by 15%.
- ✓ Implement five new water projects at the local or regional levels per year.
- ✓ Reduce the days of declared water emergencies at the County and local level by 10%.

Project 37. Potter Valley Project

This project consists of development projects necessary to retain, improve and maintain the Lake Pillsbury diversion which fills Lake Mendocino and provides instream wet and dry level flows for agricultural and small communities along the Highway 1 corridor between Ukiah and Healdsburg. This project may include transfer of water rights, improvements to a PG&E substation, and other actions to secure water for Lake Mendocino.

Partners: Mendocino County Russian River Flood Control & Water Conservation Improvement District

Project 38. Mendocino Enhanced Water Storage

This project will include water storage systems to address drought conditions and improve water resiliency with the following types of projects:

- Establish new water storage systems (tanks/ponds/reservoirs).

- Develop rainwater catchment.
- Expand the capacity of community sewer and water districts (Covelo Sewer District, Round Valley Water District, Mendocino Sewer District) to provide water storage and water connections.
- Explore opportunities to develop well capacity to meet community needs.

Project Partners: Mendocino County, regional water and sewer districts.

Project 39. Mendocino County Russian River Flood Control & Water Conservation Improvement District Reservoir Project

Develop an approximately 5,000 – 12,000-acre foot reservoir within the larger of two forks of Hensley Creek, a tributary of the Upper Russian River. The project will create a strategic reserve during wet periods to release during dry periods. Initial focus will be on water availability, funding, water rights, and property acquisition.

Partners: Mendocino County Russian River Flood Control & Water Conservation Improvement District

Project 40. On-Farm Groundwater Recharge Multi-Benefit Demonstration Project

This project will demonstrate the potential benefits of diverting wet- season surplus flows from the Russian River in the Ukiah Valley for on-farm groundwater recharge to improve dry-season flows and limit the

need for releases from Lake Mendocino to maintain instream flows, thereby maintaining a greater volume of water in Lake Mendocino for use by domestic, agricultural, commercial, and industrial customers.

Partners: Mendocino County Russian River Flood Control & Water Conservation Improvement District

Objective III Build Emergency Transportation Routes



Emergency Egress

Recent and widespread deadly fires have clarified the need for emergency egress routes for community safety and economic development. The following are just some of the projects that were identified through our extensive community outreach efforts to address emergency routes.

Evaluation Metrics

- ✓ Increase investments in new emergency egress infrastructure by local and regional agencies by 15%.
- ✓ Implement three new egress projects at the local or regional levels per year.

Project 41. Sonoma County Strategic Plan: Enhance Community Resilience to Fire.

Some of the region's existing roads, bridges, communications networks, and public buildings were not designed to modern standards capable of withstanding the impacts of fires, floods, seismic and power events. Our aging infrastructure requires rehabilitation, replacement, and ongoing investments to enhance services to the community. Creating resilient infrastructure is an investment in the future of the region and critical to ensuring a healthy economic foundation for the community.

- Establish resilient neighborhood/regional and satellite service centers with access to transportation systems in vulnerable communities including: the entire coast, Cloverdale, and Sonoma Valley to improve equitable public access to services.
- Invest in electric power resiliency projects throughout the region, including evacuation sites, warming/cooling centers, or as alternate work facilities for delivery of critical services.
- Continue to invest in critical roads, especially where emergency escape routes are lacking.

- Invest in new pedestrian and bicycle facilities.
- Identify and work with Caltrans to retrofit bridges in the region that are at high risk for damage during earthquakes.

Project 42. Mendocino County Innovative Transportation initiative

The Innovative Transportation initiative would focus on two key transportation issues that have resulted from Climate Change, namely: the need for more effective emergency egress in several small rural communities and the need to transition to a non-carbon dependent transportation future. This project would consist of, but not be limited to the following:

- Widen fire route escapes and or provide alternative fire escape routes in the following communities: Potter Valley, Booktrails, Redwood Valley, Albion Ridge Road, Pudding Creek Road, Simpson Lain, Gibney Lain, etc.
- Install more bicycle routes throughout the County.
- Invest in e-bike rentals in the larger towns.
- Invest in electrical charging stations for vehicles throughout the County.

- Upgrade the Mendocino Transit Authority.

Project Partners: Mendocino County, Mendocino Council of Governments, Various Cities

Other Projects (for details see Appendix A):

- City of Healdsburg Groundwater Well for Water Supply Resilience
- Kashia Portable Water Desalination Plant

- Fort Bragg Water Infrastructure
- Redwood Valley Water District Infrastructure & Storage Project
- Redwood Valley Water Supply Pipeline from the Ukiah Aquifer
- City of Willits Water Storage Tank Replacement

Objective IV Increase Community fire safety



Fire Safety

Firefighting equipment and facilities are critical to economic and environmental resiliency. The projects below are needed in our rural communities to adequately address fire risk.

Project 43. Improve Redwood Valley Calpella Fire

District facilities.

Since the 2017 wildfire that killed 9 residents and destroyed over 450 homes in Redwood Valley, the greater Redwood Valley community requires a new fire station, updated vehicles (engine, truck, water tenders, etc.), two fully outfitted Duty Patrol vehicles, radio and emergency warning equipment, updated emergency plans, fuel abatement, training, and public education. The new station would provide adequate space for vehicle storage, equipment storage, sleeping quarters, office and meeting space. The district also needs more outside parking, warehousing, and training grounds.

Partners: Redwood Valley Municipal Advisory Council, Mendocino County Assessor, Department of Transportation, Local Fire Departments and Cal-Fire

Project 44. Cazadero Replacement of Non-Reinforced Masonry Firehouse

This project will replace the existing non-reinforced masonry firehouse with an ADA compliant station consisting of a community/staff meeting room, firefighter sleeping quarters, 5 apparatus bays, kitchen and dining area, energy efficient HVAC, solar bays, battery backup. This project will ensure greater

flexibility for operations and regulatory compliance, lower overall energy usage, and is critical to ensure fire protective services.

Partners: County of Sonoma

Project 45. Replace the Fort Bragg Fire Station

The Fort Bragg Fire Station is not constructed to earthquake standards and is in a potential tsunami inundation area. This project consists of designing and constructing a new Fire Station.

Partners: Fort Bragg Fire Protection District, City of Fort Bragg

Project 46. Redwood Valley Fire Mitigation

Thousands of acres of private and public lands in and around Redwood Valley were severely burned in the 2017 fire storm. Many property owners lack funds to adequately deal with the burned acreage. Strategies will include on-site treatment, biochar projects, chipping, as well as removal and other forms of remediation. A selection of test methods would be implemented to test efficacy in the local environment, with priority projects identified by set criteria such as access, safety, and financial need.

Partners Cal-Fire, CAI-EPA, local fire departments, Mendocino County Resource Conservation District, Redwood Valley Municipal Advisory Council, Redwood Valley Band of Pomo Indians, Ca. Dept. of Fish and Wildlife, Local land owners

Objective V: Develop green energy solutions



Energy Solutions

This objective is focused on mitigating and reducing the severity of climate change through a variety of regional and local action and projects.

Evaluation Metrics:

- ✓ Carbon neutrality by 2030 for government operations of both Sonoma and Mendocino County.
- ✓ Carbon Neutrality by 2050 for the region as a whole (residential, commercial and non-profit sectors).
- ✓ Communities are more prepared and can escape from and recover from wildfires more quickly
- ✓ New evacuation routes constructed in at least 5 communities with only one way out.

Creative innovative and a variety of new initiatives and projects will be needed to achieve these goals. The Action Plan for this objective includes implementing the key projects and initiatives below:

Project 47. Sonoma County Strategic Plan – Climate

Resiliency

- Support microgrid technology, energy grid resilience for critical infrastructure and vulnerable populations.
- Partner with educational institutions, trade associations, businesses and non-profits to establish workforce development programs that focus on carbon neutral and resilient building technologies.
- Make all facilities carbon free, zero waste and resilient
 - Design/Retrofit County and City facilities to be carbon neutral, zero waste and incorporate resilient construction techniques and materials.
 - Promote and maximize telework to decrease greenhouse gas emissions generated by employee commutes.
 - Invest in County, City and private sector facilities, establishing microgrid technology and improving energy grid resilience.
- Maximize sustainability and emissions reductions in all Fleet vehicles
 - Phase out County and City (owned or leased) gasoline powered light-duty cars, vans, and pickups to achieve a 30% zero-emission vehicle light-duty fleet by 2026.
 - Expand the Clean Commute program to promote use of alternate modes of transportation, including bike and carpool incentives, and last mile solutions to worksites.
 - Upgrade and install the Electric Vehicle charging station infrastructure throughout the region.
- Maximize opportunities for mitigation of climate change and adaptation through land conservation and land use policies
 - Update General Plans to incorporate policy

- language to maximize carbon sequestration, provide opportunities for adaptation, including landscape and species resiliency, fire and flood risk reduction, sea level rise and biodiversity.
- Maximize carbon sequestration and minimize loss of natural carbon sinks in old growth forests, Laguna de Santa Rosa, and rangelands.
- Encourage agricultural and open space land management to maximize sequestration. Develop a framework and policies to incentivize collaboration with private & public landowners.
- Implement countywide technological solutions to promote resiliency and expand community access.
 - Leverage funding and seek grants to expand communications infrastructure within the community to improve equitable access to broadband, wireless, and cell phone services.
 - Leverage existing fiber optic infrastructure and grant opportunities to expand wireless and broadband access across region.
- Initiate Support, fund & expand flood protection.
 - Develop partnerships with cities, tribal governments, and organizations regarding flood protection and sustainability to identify gaps and address climate change impacts.
 - Implement land use planning and assessments to address flood protection, including river setbacks and riparian corridors, and make resources available for residents.

Project 48. Mendocino County Energy Resiliency

The Mendocino County Energy Resiliency Initiative will focus on increasing energy self-reliance and resiliency through the implementation of a variety of projects:

- Install Photovoltaic systems to offset energy use in all County buildings to achieve net zero energy use.
- Implement the County energy audit.
- Invest in local community level energy generation and storage systems for remote rural communities throughout Mendocino County, for example the Fort Bragg and Redwood Valley Microgrid projects.
- Install a Landfill Gas energy project at the County Landfill to eliminate methane release into the environment and result in an alternative energy source for County operations.

Project Partners: Sonoma Clean Power, County of Mendocino, Regional MACs, Mendocino County Climate Action Committee

Project 49. Geothermal Opportunity Zone

This public-private partnership project will accelerate development of incremental geothermal resources in a

Geothermal Opportunity Zone (GeoZone) spanning Sonoma and Mendocino counties. Sonoma County Power ultimately seeks to enable 500 MW of incremental local geothermal development. The objective for the GeoZone is to adequately address the environmental, transmission, permitting, water and public education needed to enable 500 MW of incremental geothermal development in the region.

Partners: Sonoma Clean Power, Sonoma and Mendocino County.

Other Projects (for details see Appendix A):

- City of Willits Photovoltaic System for Wastewater Treatment Plant
- North Coast Biochar Project

Objective VI. Mitigate the impacts of the climate crisis

The climate crisis has caused and exacerbated environmental decline and destruction; these initiatives are focused on restoration activities to mitigate the impacts of climate change.

Evaluation Metrics:

- ✓ Complete the Safe Communities Planning Initiative.
- ✓ Implement two or three model Climate Crisis mitigation projects over the five-year period.



Project 50. Santa Rosa Colgan Creek Restoration

The City of Santa Rosa has developed the Lower Colgan Creek Restoration Project which aims to restore 1.3 miles of creek in three connecting phases. The project’s restoration enhancements will increase groundwater filtration and reduce flooding as flood waters slow through the enlarged topographic floodplain. Flood protection will be increased from 25 to 100-year flood capacity to add resiliency and protect area homes and businesses, while improving the ecological habitat.

Partners: The Laguna Foundation, Sonoma County Agricultural Preservation and Open Space District, Sonoma Water, Natural Resource Conservation Service

Project 51. Dry Creek Rancheria Wetland Mitigation

This project would create a wetland mitigation bank through restoration and enhancement of approximately 160 acres of wetlands along the Petaluma River on tribal fee land located in south Petaluma. The project will help restore the traditional ecosystem of the area, including highly valuable salt marsh. This will create high-quality habitat for many species of wildlife and fish. Environmental studies and some preliminary design work have been completed.

Partners: Dry Creek Rancheria

Project 52. Coyote Valley Riverbank Restoration/Stabilization

The project would restore the west bank of the West Fork Russian River directly beneath the Tribal Housing.

It is eroding a nearly vertical cliff, 40-50 feet high, with numerous scarps and large areas of notable wear caused by high flows in the river. Housing is becoming incrementally closer to the edge as bank collapses continue. This erosion is contributing a significant amount of sedimentation to the Russian River system.

Partners: Possibly Mendocino County, Coyote Valley Pomo

Project 53. Fort Bragg Mill Site Creek Daylighting

Daylight Maple and Alder creeks and restore wetlands and estuary.

Partners: Skunk Train, City of Fort Bragg

Project 54. Fort Bragg Pudding Creek Dam Removal Project

Removal of dam and restoration of estuary; establish public access and public amenities to watershed for recreation.

Partners: Skunk Train, City of Fort Bragg, Nature Conservancy, Trout Unlimited California State Park

9. Evaluation, Monitoring & Adjustment

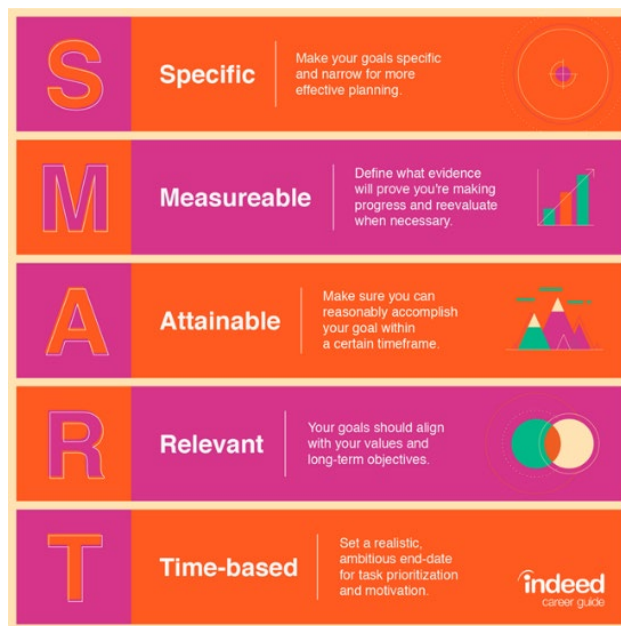
Implementation of this CEDS will require dedicated, strategic collaboration and investment from institutions, jurisdictions and the public and civic sectors. It will take all partners working together to make progress towards our regional goals. We will monitor, evaluate and adjust our actions as needed to achieve progress towards milestones and measured outcomes. We will update the Strategy in each successive year.

The body of this report contains specific metrics to gauge outcomes for each objective. These metrics are SMART – specific, measurable, attainable, relevant and time-based.

Additionally, to identify new trends and issues as we work together, we will review the following key indicators annually.

Metrics

- ✓ County Performance on Gross Regional Product and Jobs (Data Source: Regional Economic Analysis Project)
- ✓ Median Annual Household Income by County/Zip Code (Data Source: U.S. Business Census)
- ✓ Cost of Living Index (Data Source: Council for Community and Economic Research)
- ✓ Relative Poverty Rate (U.S. Business Census)
- ✓ Households Struggling to Make Ends Meet (California Budget and Policy Center)
- ✓ Labor Market Equity by Census Tract, Gender and Race (U.S. Bureau of Labor Statistics & U.S. Business Census)
- ✓ Projected Skills Gap and Labor Shortages (U.S. Bureau of Labor Statistics & U.S. Business Census)
- ✓ Number of New Homes, Starts & Permit Approvals by type and location (HCD)
- ✓ Average Home Prices, Rent per Unit (ESRI)
- ✓ Federal and State Funding Investment in Infrastructure Projects (MCOG, SCOG, Partners)
- ✓ Households Served by Internet (California Public Utilities Commission)



Appendix A: Additional Projects - Descriptions

Additional Priority Projects

Project 1. Noyo Harbor Multimodal Project

Noyo Harbor is an active mix of fishing industry, commercial, visitor serving, dining and recreation at the south end of Fort Bragg. This multi-modal project will provide non-motorized access into and through Noyo Harbor where none currently exists, transition vehicle traffic to one-way, connect North Harbor Drive to Noyo Point Road at the west end of the Harbor, construct a roundabout at the intersection of SR 1 (Main Street), Noyo Point/North Harbor, and implement transit service into the harbor to provide better access for employees and visitors.

Partners: MCOG, Caltrans, City of Fort Bragg

Project 2. Noyo Harbor Community Sustainability Plan

Implement the Noyo Harbor Community Sustainability Plan which includes the following key facility improvements and recommendations: 1) full rehabilitation or new construction of ice making facility and cold storage; 2) construction of a new Fuel Dock, Gear switching, repair and dry storage space, fish cleaning station and circulation improvements; 3) preparation of a comprehensive Noyo Harbor District Facilities Master Plan for capital improvements to support commercial and recreational fishing; complete a Local Coastal Program amendment to provide for more flexible zoning and development.

Project Partners: Noyo Harbor District, County of Mendocino, City of Fort Bragg

Project 3. Noyo Harbor Marina Redevelopment

The Noyo Harbor redevelopment project will include the replacement of existing docks, harbor basin dredging, repairs to existing harbor wave wall, installation of new marina restrooms and laundry facilities, installation of new vessel pump-out dock, and

hazmat disposal facilities. The New Marina Design Slip Count will be 242 boat slips.

Project Partners: Noyo Harbor District, County of Mendocino, City of Fort Bragg

Project 4. Kashia Hemp Processing Plant

Develop an industrial hemp processing plant (drying, oil extraction, CBD extraction and production of fiber for industrial uses and food additives). Both the state of California and the County of Sonoma have cleared the path to produce commercial hemp. The lack of processing facilities is the leading roadblock to hemp production. This project will allow regional farmers to diversify their crops, have multiple harvests in a growing season, and stabilize their revenue.

Partners: Santa Rosa Junior College, Sonoma County Agricultural Preservation and Open Space District, UC Berkeley College of Environmental Sciences, Sonoma County Department of Agriculture, Weights and Measures, Sonoma County Farm Bureau, California Department of Food and Agriculture and local farmers

Project 5. Kashia Permaculture Farm

The Kashia reacquired 678 acres of ancestral homeland along the Northern Sonoma coast in 2015. The Tribe will manage the property as a “demonstration forest and organic / permaculture site,” to provide organic and traditional foods to Tribal Members/local markets and to reconnect Tribal Members and the general public with ancestral land through native stewardship. “Permaculture” is a system of agricultural and social design centered on simulating and utilizing the patterns and features observed in natural ecosystems. Project benefits include bolstering resilience to economic downturns; growing the region’s green economy and becoming a national leader in sustainability; creating jobs for under and unemployed Tribal Members; and closing the gap in earnings by race/ethnicity.

Partners: UC Davis, Others as identified by project coordinator

Project 6. Kashia - Berry's Sawmill and Hardware Store Acquisition

This project includes acquiring a multigenerational-owned sawmill and hardware store to preserve the existing jobs and create new jobs by developing a state-of-the-art capacity, adding an on-site microgrid and bio-energy using sawmill waste product. The project includes a comprehensive forest management program to reduce fuel load and provide eco-friendly solutions for biomass debris that would otherwise either be burned onsite or sent to a landfill. Our bioenergy systems meet or exceed California stringent emissions standards while producing fuel and potable drinking water. The State of California has committed to funding the \$30M bio-energy complement.

Partners: Opus (partner); Resynergi (biomass energy recovery system); California State Parks and Cal Fire (biomass supply and forest management); Santa Rosa Junior College (workforce development and forest management).

Project 7. Fort Bragg Farmers Market Building

The Mendocino County Farmers Market Association hosts a popular weekly market that occurs year-round. Local farmers and shoppers would benefit from a shelter space. This space would also provide opportunities for other public gatherings, including concerts, arts/crafts, educational/outreach events, and other public celebrations.

Project 8. Redwood Valley Grange Community Project

The Redwood Valley Grange functions as a community center for the town of Redwood Valley and surrounding communities. In order to continue serving the community during disasters, the Redwood Valley Grange's 100-year-old hall needs upgrades and repairs, including a commercial kitchen, solar power with battery storage, ADA upgrades, energy-efficient heat pump, septic system, well development and more.

Partners: Redwood Valley Municipal Advisory Council, County of Mendocino Dept of Environmental Health, County of Mendocino Office of Emergency Services, Mendocino County Farmers Markets, Mendocino County Food Hub

Project 9. Fort Bragg Performing Arts Center.

Smaller indoor theatre to accommodate concerts, plays, ceremonies, celebrations, etc.

Partners: City of Fort Bragg

Project 10. Fort Bragg Industrial Arts Center

This project would include development of an industrial arts center serving local potters, wood workers, and welders with shop space and an opportunity to work and sell collaboratively. This would be similar to the Torpedo Factory in Alexandria Virginia and the Crucible in Oakland CA.

Partners: City of Fort Bragg, Skunk Train

Project 11. Fort Bragg Recreational Playing Fields

Indoor and outdoor recreation facilities, such as soccer, basketball, baseball and softball.

Partners: City of Fort Bragg, Fort Bragg School District

Project 12. Point Arena Visitor Center

This project would include purchase of the old Coast Guard building at Arena Cove and conversion into a visitor center/museum. Arena Cove and Point Arena Pier are prime visitor destinations without a visitor center. The project would facilitate tourism, which is the City's prime economic generator.

Partners: City of Point Arena

Project 13. Point Arena Campground

Development of a seasonal day-use and limited overnight campground at Arena Cove. Camping facilities for travelers are minimal in our area. The City owns property that would be prime for a campground. Project would include rehabilitation of bathroom/shower facilities and connection to city sewer.

Partners: City of Point Arena

Project 14. The Kashia Family Entertainment Center and Hotel

This non-gaming, Family Entertainment Center / Waterpark (FEC) and associated hotel is a Native American culturally themed, for-profit project. The Center will be connected to the abalone and north coast restoration project through theme-based

attractions and rides. The hotel will include a restaurant that showcases sustainably harvested farm to table local seafood, meat, dairy, poultry, vegetables and wine. Benefits include non-casino (diversified) revenue, jobs and tourism in the region. The Waterpark would be an emergency water source.

Partners: The Kashia Research Center and Abalone Farm, Sonoma and Mendocino County fishermen, farmers, ranchers and wineries, Marriott Hotels.

Project 15. Dry Creek Rancheria Dutcher Creek Hotel

This 125-room 3.5- star branded limited-service hotel is proposed for land the Tribe owns in south Cloverdale at 28721 Dutcher Creek Rd. Preliminary environmental analyses have been completed. Funding is needed for design, permitting, and construction.

Partners: Dry Creek Rancheria

Project 16. Guerneville Plaza Renovation Project

The Guerneville Plaza is a meeting and recreational plaza at the intersection of Armstrong Woods Rd and Hwy 116 and is used for community events, rallies, summer concerts and other civic events. This project will install an ADA acoustical gazebo or stage for community events.

Partners: Russian River Rotary Foundation, Sonoma County Transportation and Public Works, Russian River Chamber of Commerce

Project 17. Coyote Valley Infrastructure for Hotel

Development

The proposed project would include infrastructure development for a luxury resort hotel with a large fitness center, salon, spa, in-house dining, meeting halls and ballrooms.

Partners: Coyote Valley Band of Pomo, Private Sector Partners

Project 18. City of Willits Community Center

Rehabilitation

Installation of new flooring, new roof, upgrade air filtration system, energy efficiency upgrades and other minor repairs. The City Community Center is used as a heating and cooling station for residents of Willits and has also served as temporary shelter for City and County of Mendocino residents during past wildfire events.

Partners: County of Mendocino, MCSO, CHP, Red Cross, FEMA, CalFire, Willits Senior Center, Little Lake Fire Department

Project 19. Coyote Valley

Government/Administration Building

This planned multi-story facility would provide office space for the Tribal Council, as well as all Tribal Administration Departments. This modern facility would replace outdated buildings and office modulars, and would be in a central location, closer to the Housing Area of the Reservation. The proposed building would also function as the Tribal police department and Tribal court facility.

Partners: Coyote Valley Band of Pomo

Project 20. Santa Rosa - Roseland Community

Benefit District

A property-based assessment district that includes any parcel of real property, regardless of zoning, within a given boundary, the funds for which are used for area services and improvements funded by the district.

Partners: Roseland area property and business owners

Project 21. Mendocino City Waste-Water Treatment

System Improvements

Mendocino City Community Services District provides sanitary sewer collections and treatment to 1,000 local residents, 2,000 daily visitors, 165 businesses, 25+ lodging accommodations, two state parks, and a School District. They all depend on the proper and reliable operation of this collection system. The District requires funding for planning, design, permitting, engineering, and construction of a number of outdated WWTF facilities, including: Recycled Water System upgrade, Ocean Outfall Replacement, Rehabilitation of Wastewater Treatment Unit, Lift Station Replacement and Collection and Distribution System Repair.

Partners: California State Parks, Mendocino City Waste-Water Treatment District, Mendocino Fire Protection District, Mendocino Unified School District, County of Mendocino

Project 22. City of Willits Recycle Wastewater Feasibility Study

This plan will review the potential opportunities and constraints pertaining to the development of a beneficial wastewater reuse program. Factors to consider could include demand, cost effectiveness, funding options, water supply, water quality and applicable regulations.

Partners: EPA, DWR

Project 23. Santa Rosa Water: Llano Sewer Trunk Rehabilitation #1 Project

This project will perform structural rehabilitation of the most critical section of the Llano Trunk a 7-mile-long system of large-diameter sewer collection pipes that conveys a large fraction of the City's wastewater to the Laguna Treatment Plant. This project is critical to ensure sustainable operation of the wastewater collection and treatment systems, especially in the winter months as climate change brings more intense wet weather events.

Partners: Santa Rosa Water Local Operations, Santa Rosa Water Regional Operations (Laguna Treatment Plant)

Project 24. Santa Rosa Water: Laguna Waste Water Treatment Plant Disinfection Improvements Project

The Laguna Wastewater Treatment Plant (LTP) is a tertiary-level wastewater treatment and recycling facility that has a 17.5-million-gallon average daily flow and serves homes, businesses, and industries in the cities of Santa Rosa, Rohnert Park, Sebastopol, and Cotati. Ultraviolet light (UV) is the primary disinfection process for the LTP. In 2012, the State Water Resources Control Board Division of Drinking Water (DDW) re-evaluated and subsequently de-rated the disinfection system capacity from 67 million gallons per day (MGD) to 48.5 MGD, creating a disinfection deficiency under some wet weather conditions. This project will replace the existing UV system with a new UV system.

Partners: Santa Rosa Water Local Operations, Santa Rosa Water Regional Operations (Laguna Treatment Plant) and Project

Partners: Santa Rosa Water, Rohnert Park, Sebastopol and Cotati.

Project 25. Mendocino County New Transfer Station

The Mendocino Coast Transfer Station is not well located and does not use the latest transfer station technologies. This project would establish a new solid waste transfer station for the Mendocino Coast.

Project Partners: Mendocino County, City of Fort Bragg

Project 26. Santa Rosa Downtown Infill Development

To address regional housing needs and intensify the vibrant and thriving economic downtown core, the City of Santa Rosa has addressed policies, fees, practices, and stakeholder alignments across all aspects of development to encourage higher density transit-oriented downtown housing of all affordability levels. Next steps in this effort include:

- Pursue creation of an Enhanced Infrastructure Finance District. boundary set by the overlapping districts of the Downtown Qualified Opportunity Zone and Downtown Station Area Specific Plan.
- Surplus Land Act / Disposition & Development Agreements. Increase downtown land availability for housing and mixed-use development through use of City owned land (parking lots, parking garages, the consolidation of government services into denser, more potent land use).

Partners: Developers, Renewal Enterprise District, County of Sonoma (EIFD)

Project 27. Dry Creek Rancheria Affordable Housing

An affordable housing development on 25 acres of fee land in south Cloverdale, located at 235 Kelly Rd. The development will include 25 two- bedroom homes and a 3,000 square foot community center, and it will be available to low-income elder and disabled members of the Tribe. CEQA and other environmental analyses are complete; construction documents are complete. \$6.5 million in HUD funding has been secured to develop the first phase: 9 homes and the community center. \$550K in DOE funding has been secured to install a photovoltaic system on all the rooftops.

Partners: Dry Creek Rancheria, City of Cloverdale

Project 28. Ukiah - Orchard Avenue Extension for Affordable Housing

This roadway extension will include “complete streets” for a safe, multi-modal connection to North State Street. This roadway extension will provide access to some of the last remaining land developable for housing in the Ukiah area. It will improve access to housing, Mendocino College, non-motorized and motorized transportation and circulation, reduce VMT and GHG, and greatly improve quality of life in the region.

Partners: MCOG, Caltrans, City of Ukiah, Mendocino College Affordable housing developers

Project 29. Coyote Valley Community Park & Housing Development

The proposed Housing Development will give tribal members the opportunity to build homes on their own lots and provide more affordable rental units. The proposed community park would provide a larger playground, and outdoor recreational sports facilities such as basketball courts, a soccer field, and baseball field, for our growing Reservation community.

Partners: State of California Office of Grants and Local Assistance, Coyote Valley Band of Pomo

Project 30. Becoming Independent: Funding the Future of Services

Becoming Independent will break ground on a new 24,000 sf frontline workforce development training center that simultaneously serves as a highly effective safety net for some of the community’s most vulnerable citizens.

Doc Shop. Seven-week documentary filmmaking program for students grades 6-12.

Integrated Media Arts intensive. Year-long intensive integrated filmmaking training for 12th-grade honors English Class.

Partners: Alexander Valley Film Society, Windsor High School media lab, Cloverdale High School, Cloverdale CARE Foundation, Sonoma County Library

Project 31. City of Healdsburg Recycled Water Extension Project

The City of Healdsburg has designed a project that will reduce surface water demands by roughly 123 acre-feet annually by providing irrigation water to the Healdsburg Unified School District, City parks, the City golf course and the City’s cemetery. The City already produces high-quality recycled water but lacks funding to install a pipeline to deliver the water to these facilities. Implementation of this project would take pressure off of the City’s limited water supply, thereby facilitating future housing development and economic development.

Project 32. City of Healdsburg Groundwater Well for Water Supply Resilience

The City currently utilizes well fields in the upper alluvium, which communicates with surface water of the Russian River and Dry Creek. The City is interested in augmenting domestic supply from deeper formations that are less influenced by drought years. A program of exploration, assessment, and development of a well or wells is anticipated. Recharge of the wells from City municipal supplies could be used to bank water in the aquifer for use in drier years. Implementation of this project would take pressure off of the City’s limited water supply, thereby facilitating future housing development and economic development.

Project 33. Kashia Water Desalination Plant

Kashia envisions a public-private collaboration with the Manchester Band of Pomo Indians, and several governmental agencies. The Tribe is working with two portable water desalination plant manufacturers who can supply much of the water needs during times of drought and otherwise. Benefits include water insurance, production of salt-based products (such as animal licks etc.), jobs and economic development.

Partners: Manchester Band of Pomo Indians of the Manchester Rancheria, Mendocino City Community Services District, Mendocino County Water Agency, Sonoma County Water

Agency, Trevi Systems, Spectra Watermakers- Katadyn Desalination, Inc.

Project 34. Fort Bragg Water Infrastructure

The community-based water resiliency strategy includes:

- Raw water line replacement, Water Treatment Plant overhaul, Desalination projects
- Additional water storage facilities, additional water source options
- Distribution and Collection System replacement/rehabilitation
- Wastewater Reclamation
- Ranney Collector Well, Saltwater intrusion barrier
- 2 Mega Watt Solar array

Partners: City of Fort Bragg, Fort Bragg Municipal Improvement District

Project 35. Redwood Valley Water District Infrastructure & Storage Project

This project would include new water infrastructure and expand water storage for agricultural water and emergency fire response from 1 million gallons to 3 million gallons for about 5,500 agricultural and domestic users. A recent 30% increase in water rates is being directed to planned expansion and to address extensive damage from the disastrous 2017 wildfire.

Partners: Redwood Valley Municipal Advisory Council (RVMAC), Fire Departments and Cal-Fire, Local water agencies (RVCWD, RRFWCWD, Mendocino County Water Agency, etc.), Local Tribes of Pomo Indians, County of Mendocino Dept. of Transportation, Mendocino County Office of Emergency Services

Project 36. Redwood Valley Water Supply Pipeline from the Ukiah Aquifer

This project would help Redwood Valley secure a water supply from the Ukiah aquifer. The project would align water pipes along the Redwood Rail Trail to convey water from the northern end of the Ukiah Aquifer to the Redwood Valley area. The project would study the best locations for wells (existing or enhanced), pipe placement, pumping and storage facilities, as well as delivery mechanisms for Redwood Valley, local bands of Indians (Coyote Valley and/or Redwood Valley Band

of Pomo Indians), and possible treatment plant operations.

Partners: City of Ukiah, Ca., State of California, Water Resources Control Board, affiliated agencies, County of Mendocino, Pomo Bands of Indians, Local Fire Departments and Cal-Fire, Local Water Agencies (eg, Redwood Valley County Water District; Russian River Flood Control and Water Conservation District, etc.), Redwood Valley Municipal Advisory Council (RVMAC)

Project 37. City of Willits Water Storage Tank Replacement

The City's storage tanks will need to be upgraded to increase water storage capacity as necessary to support additional housing opportunities as well as increase City resiliency to prolonged drought conditions.

Project 38. Coyote Valley Emergency Fire Egress (Road) & Emergency Preparedness

Through this project, Coyote Valley will acquire land/easements and construct a fire egress road. The Coyote Valley Reservation currently only has one entrance/exit road: there is no alternative exit in the event of an emergency. During times of wildfire the tribe has experienced bottle necks/congestion at the only entrance/exit.

Possible partners: local fire department, legal, neighboring landowners, Coyote Valley Band of Pomo

Project 39. Redwood Valley Emergency Evacuation Route Improvements - Construct 8 ford crossings of Cave Creek to connect Redwood Valley to Little Lake Valley

The 2.5-mile section of Tomki Road requires low water crossings to provide for adequate emergency egress for the community that was impacted by nine deaths in the October, 2017 wildfire that swept through Potter and Redwood Valleys.

Partners: Redwood Valley Municipal Advisory Council, Mendocino County Dept of Transportation, Mendocino County Office of Emergency Services, Mendocino County Sheriff, North Coast RWQCB, California Department of Fish and Game, Local Fire Departments and Cal-Fire

Project 40. Brooktrails Second Access

Brooktrails is a mountainous, wooded community of 6,000 residents located northwest of Willits on the Sherwood corridor. The layout of Brooktrails is much like that of Paradise, with Sherwood Rd providing the only ingress/egress route for the community and its network of feeder roads, as well as the more rural communities beyond Brooktrails. The Fire Vulnerability Assessment for Mendocino County identified the need for a “full service” second access road in its Action Plan.

Partners: MCOG, Brooktrails, Mendocino County

Project 41. Old Cazadero Road Emergency Egress project

This project is for a permanent secondary ingress/egress for emergency services, first responders, mountain top residents, and Wildwood Conservation Foundation employees and volunteers and would provide an alternate safe ingress/egress route. The current East Austin Creek crossing on Old Cazadero Road is a low-water unimproved segment of road not passable during precipitation events. Without this vital temporary crossing, the only access route for residents of the ridge east of Cazadero during a disaster, is to travel south easterly, down Old Cazadero Rd through Guerneville Park, a distance of approximately 5 miles to the intersection of Hwy 116.

Project 42. Rail Trail to Mendocino College

This project will extend the Class I Great Redwood Trail (rail trail) from its current terminus at Brush Street in Ukiah (at the northern city limits), north to Mendocino College. Due to the length of the rail trail with the completion of this fifth segment (approximately 3.5

miles), mode shift would likely occur, especially for college students traveling from southern locations to the college and other northern destinations, as well as for travelers accessing employment and other essential services and destinations. Several low-income and farm worker housing developments are located near the project and would directly benefit from this trail extension.

Partners: MCOG, Caltrans ATP program, City of Ukiah, Mendocino College

Project 43. Monte Rio Bridge Project

The County of Sonoma, in partnership with the State of California, has identified deficiencies in the Bohemian Highway Bridge over the Russian River in Monte Rio. Key concerns include potential seismic vulnerability, degrading foundations, and inadequate bicycle and pedestrian access.

Project 44. City of Willits Photovoltaic System for Wastewater Treatment Plant

Installation of a photovoltaic system at the wastewater treatment plant will reduce greenhouse gas emissions and increase resiliency against the expected increase of regular power interruptions.

Project 45. North Coast Biochar Project

North Coast Biochar project would process hardwoods and brush from overcrowded forest stands into biochar. Biochar is a soil amendment that reduces water and fertilizer use, improves soil health and stores carbon for hundreds if not thousands of years.

Partners: The Redwood Forest Foundation, Inc., Mendocino WBWG, Humboldt State University and a network of partners

Appendix B: Acknowledgments

Preparation of this CEDS was a team effort, and it is a richer document thanks to the strategic, technical, and administrative support of many contributors. EPS would like to acknowledge and appreciate the following organizations and individuals.

SMEDD Board Members

NAME	ORGANIZATION
Jeff Kelly	Tri Counties Bank
Jon Frech	Black Oak Coffee
Katrina Kessen	The Greater Ukiah Business and Tourism Alliance
Lisa Badenfort	North Bay Association of Realtors
Mary Anne Petrillo, Chair	West Business Development Center
Michael Nicholls, Immediate Past Chair	Sonoma County Economic Development Board
Paul Castro	California Human Development
Paul Garza Jr.	Garza Consulting
Robin Bartholow	North Coast Builders Exchange

2022 CEDS Industry Strategy Committee

NAME	Title, Organization, Sector
Michael Nicholls,	Sonoma County Economic Development Board
Paul Garza Jr.	Garza Consulting, Small Business
Grant Davis	Director, Sonoma County Water Agency, Utility
Lisa Wittke Schaffner	Executive Director, NC Builders Exchange, Construction
Ananda Sweet	VP of Public Affairs, Santa Rosa Metro Chamber, Small Business
David Smith-Ferri	Dry Creek Rancheria, Tribes/Tourism
Patrick McDonnell	Legal Aid Sonoma County, Latinx Community Leader
John T Bailey	Director University of California Hopland Research and Extension Center
Rosanne Ibarra	Director of community well being, Adventist health, Healthcare
Devon Boer	Executive Director, Mendocino County Farm Bureau, Agriculture

2021 CEDS Steering Committee

NAME	ORGANIZATION
Michael Nicholls	Sonoma County Economic Development Board
Paul Garza Jr.	Garza Consulting
Bradley Johnson	Recovery & Resiliency Analyst
Robert Gernert	Economic Development Finance Corp
Robin Peckham	Economic Development Finance Corp
Stacey Caico	Economic Development Finance Corp

Sonoma County Economic Development Board Staff

NAME	ORGANIZATION
Aleena Decker	Conference and Communications Coordinator
Bradley Johnson	Recovery & Resiliency Analyst
Ethan Brown	Director of Business Development
Lauren Cartwright	Business Retention & Expansion Program Manager
Marcos Suarez	Diversity Services Program Manager
Rebekah Heinze	Fiscal & Budget Analyst
Sheba Person Whitley	Executive Director

Community Meeting Spanish Language Translation and Facilitation

NAME	ORGANIZATION
Ana Horta	Spanish Facilitator
Ricardo Ibarra	Watza Creative Lab, Executive Director

Environmental Resilience Focus Group (July 12, 2021)

NAME	ORGANIZATION
Calvin Sandeen	SMEDD District Manager and Sonoma County EDB
Christopher Godley	Sonoma County Emergency Management
Cordel Stillman	Sonoma Clean Power
Crispin B. Hollinshead	Resident of Ukiah
Ethan Brown	Sonoma County EDB
Jim Roberts	The Madrones and The Brambles
Lauren Cartwright	Sonoma County EDB
Nephele Barrett	Mendocino Council of Governments
Pete Albers	Sonoma County Department of Agriculture
Roberta MacIntyre	Fire Safe Sonoma
Scott Cratty	Mendocino County Fire Safe Council

Technology, Connectivity & Digital Literacy Focus Group (July 13, 2021)

NAME	ORGANIZATION
Brandon Jewell	CTE Foundation
Jini Reynolds	Redwood Valley MAC / Redwood Valley Grange
Lauren Cartwright	Sonoma County EDB
Mary Anne Petrillo	West Business Development Center
Michael Nicholls	Access Sonoma Broadband
Ricardo Ibarra	Watza Lab

Economic Development Partners Focus Group (July 14, 2021)

NAME	ORGANIZATION
Calvin Sandeen	SMEDD District Manager and Sonoma County EDB
Ethan Brown	Sonoma County EDB

Jen Klose	Generation Housing
Lauren Cartwright	Sonoma County EDB
Marcos J. Suarez	Sonoma County EDB
Oscar Chavez	Sonoma County Human Services Department
Rafael Rivero	City of Santa Rosa, Economic Development Division
Sarah McCormick	City of Fort Bragg, Housing and Economic Development
Shannon Riley	City of Ukiah, Deputy City Manager
Tim Ricard	Town of Windsor

Supporting Businesses and Industries Focus Group (July 16, 2021)

NAME	ORGANIZATION
Calvin Sandeen	SMEDD District Manager and Sonoma County EDB
Debbie Rasar	Economic Development & Finance Corporation
Keith Woods	North Coast Builders' Exchange
Kristen Madsen	Creative Sonoma
Lauren Cartwright	Sonoma County EDB
Paul Garza Jr.	West Business Development Center / SMEDD
Tawny Tesconi	Sonoma County Farm Bureau

Equity Focus Group (September 23, 2021)

NAME	ORGANIZATION
Alegria de la Cruz	Sonoma County
Ana Lugo	Equity First Consulting
Bradley Johnson	Sonoma County EDB
Elizabeth Brown	Community Foundation Sonoma County
J. Anderson	Becoming Independent
Letitia Hanke	The Lime Foundation
Lisa Carreno	United Way Wine Country
Marcus Clarke	Community Action Partnership of Sonoma County
Nancy Rogers	Sonoma County Black Forum
Paul Davis	Mendocino Coast Hospitality Center
Raissa de la Rosa	City of Santa Rosa
Sheba Person-Whitley	Sonoma County EDB
Socorro Shiels	First Five Sonoma County

Key Informant & Project Interviews (July, August, September, and October 2021)

NAME	ORGANIZATION
Brad Sherwood	Sonoma County Water Agency
Brandon Jewell	Career Technical Education (CTE) Foundation Sonoma County
Brian Bottari	Comcast
Chris Boyd	Redwood Valley Municipal Council
David Kelley	City of Cloverdale

Denick Murphy	Mendocino Sewer District
Dino Franklin	Kashia Band of Pomo
Don Schwartz	City of Rohnert Park
Dusty Duley	City of Willits
Fernando Mora	Kashia Band of Pomo
Frank Ramirez	Kashia Band of Pomo
Fred Carr	Kashia Band of Pomo
Grant Davis	Sonoma County Water
Greg Sarris	Federated Indians of Graton Rancheria
Ingrid Alverde	City of Petaluma
Jeff Kay	City of Healdsburg
Jeff Parker	Sustainable Housing Expert
Jeney Anderson	Becoming Independent
Jessica Javied	Coyote Valley Band of Pomo
Joel Haspel	Kashia Band of Pomo
Josh Gravier	Sherwood Valley Band of Pomo
Kari Svanstrom	City of Sebastopol
Leona Williams	Pinoleville Valley Band of Pomo
Linda Ruffing	Noyo Center
Malinda Matson	US Economic Development Administration
Mari Rodin	Ukiah City Council
Michael Hunter	Coyote Valley Band of Pomo
Michelle Hutchins	Mendocino County Superintendent of Schools
Nancy Sands	City of Petaluma
Nephele Barrett	Mendocino Council of Governments
Noah Housh	City of Cotati
Pablo Garza	California State Assembly
Paul Anderson	City of Point Arena
Peter Rumble	Metro Chamber of Santa Rosa
Raissa de la Rosa	City of Santa Rosa
Rebecca Simonson	Sonoma Clean Power
Richard Shoemaker	City of Point Arena
Ronit Rubinoff	Legal Aid of Sonoma County
Sage Sangiacomo	City of Ukiah
Sarah McCormick	City of Fort Bragg
Severino Gomes	Kashia Band of Pomo
Steve Dunncliff	County of Mendocino
Suzanne Dershowitz	Sonoma County Legal Aid
Tim Ricard	Town of Windsor
Tom West	North Bay/North Coast Broadband Consortium
Travis Scott	Visit Mendocino
Vaughn Peña	Kashia Band of Pomo

Appendix C: Community Partner & Public Engagement

The project team reached out to community partners to understand concerns and priorities, refine goals and objectives, and develop initial project/initiative ideas.

Summary of Community Outreach Methods and Participation

Outreach Method	Participation	Notes
Expert Interviews	40+ interviews	Conducted by Consultants and Staff
Expert Focus Groups	34 participants total	4 sessions, each about a different theme
Jurisdiction and Agency Interviews	Mendocino: four cities, two tribes, four districts, County staff & supervisors, numerous non-profits. Sonoma: seven cities, one town, three tribes, County staff, numerous nonprofits.	Outreach resulted in the identification and development of numerous high priority projects for potential, state, EDA and other federal funding.
Community Meetings	Approx. 100 people	2 meetings
Survey	330 respondents	Survey had English and Spanish options

Results of Community Outreach include the following synopsis of key input and direction:

- **Housing.** The biggest underlying economic threats to the region are access to housing and high housing costs. Seventy-nine percent of survey respondents stated that the lack of affordable housing is a significant threat to the region’s resilience, affecting both residents who need housing and employers who need workers. Both “workforce” and “affordable” housing are needed. Housing development is challenging because of high permitting costs and timeframes and the lack of access to community septic and water systems. Accessory Dwelling Units, urban infill housing, rural cluster housing, housing land trusts, and higher housing density can all help close the housing availability and affordability gap.
- **Natural Disasters.** Natural disasters (e.g., wildfires, drought) significantly increase the region’s economic vulnerability. Seventy-seven percent of survey respondents indicated that natural disasters are a major threat to the region’s resiliency. Upgrading physical and social infrastructure is viewed as critical to economic and environmental resilience and equity. Responding to these disasters also provides opportunities, for example our local workforce could be trained in alternative energy, green jobs and wildfire management using the Traditional Cultural Knowledge of tribal communities.
- **Climate.** The CEDS should build a partnership with UC Davis (Climate Adaptation Research Center), Humboldt State, and Mendocino College’s Sustainable Construction and Energy Technology Department to develop a comprehensive renewable jobs workforce training program as renewable energy jobs are beneficial as both a workforce development and business attraction opportunity. Consider microgrids and desalination with cheaply priced electricity.

- **Water Infrastructure.** We need a regional entity to manage/coordinate water supply between the two counties. Sonoma County imports a lot of water from Mendocino County. Currently the Potter Valley hydraulic facility may be decommissioned by PG&E and Sonoma County will lose water supply if it is closed.
- **Equity.** The region has significant economic disparities between our rural and our urban communities. Our economy is over-reliant on the tourism sector which is low paying but provides jobs for those with few skills. Advocacy for systemic changes will advance equity, for example, we need political will to augment and create childcare job opportunities and access in all communities. Community hubs that are focused on serving BIPOC needs and create safe spaces is a good way to start addressing equity issues. Homelessness is a critical part of the conversation, and while both Sonoma and Mendocino County have successful Continuum of Care programs, more needs to be done, for example: workforce transportation is critical, programs that assist with workforce re-entry in construction/vocations for formerly incarcerated people have success, and efforts that consciously provide access to capital to underserved demographics (Micro Finance) are all some of the best ways to support equity objectives in our region. Community hubs are needed in the region and could include food access, disaster preparedness, maybe community health. Hubs could be mobile; services are currently located only in Santa Rosa (Sonoma County) and along Hwy 101.
- **Workforce.** Employers have difficulty finding employees. We need to work with businesses and industry leaders to identify required technical skills and develop career-oriented skill-building opportunities; and work with middle schools, high schools, junior colleges, vocational programs, and underserved populations. Vocational training pathways need to be easier, more accessible and should emphasize and encourage trade skills and demonstrate livable wages and career growth opportunities. Some businesses want to hire locally but remote employees can work from anywhere, and the lifestyle/culture is not sufficient to attract young people to Sonoma/Mendocino counties.
- **Childcare.** The lack of childcare is the greatest regional economic and equity weakness. Childcare helps children, parents, employers and creates business opportunities. The region needs activities, resources, opportunities to develop childcare solutions.
- **Education and Career Development.** Studying the CTE model and exploring whether it is replicable in Mendocino could be an actionable project. CTE is very challenging in rural school districts and requires beginner, intermediate, and advanced coursework AND sufficient enrollment at each level. There needs to be a clear path to a certificate, a degree or a job. Improve synergies and connections between CTE and WIB.
- **Government.** Agencies in both counties are siloed, and it is difficult to coordinate multi-jurisdictional efforts. The CEDS should play a role in supporting agencies that are implementing projects and bringing them together to further this regional approach.
- **Technology.** Digital divide is a concern that was exacerbated by COVID-19 as people without reliable affordable Internet are limited in their ability to work remotely, attend school, and apply for new jobs. We should be technology-neutral with regard to internet access which is critical to attract/retain young families in the region.
- **Business Development.** Accelerate assistance to access services, loans and programs. Not everyone knows how to navigate the paperwork/technical side of programs.

Proposed FY 22/23 Meeting Calendar

Proposed SMEDD Board Meeting

18-Aug	10 am -1 pm	Sonoma
17-Nov	10 am -1 pm	Mendocino
16-Feb	10 am -1 pm	Sonoma
18-May	10 am -1 pm	Mendocino

Proposed CEDS STRATEGY Meeting

20-Oct	12-1:30	Sonoma
20-Apr	12-1:30	Mendocino

CEDS Presentations Considerations

Redwood regional Summit Sept. 22-23

EDB Events – To be Identified

Pulled From EDA NOFOs Online.

[CARES Act Recovery Assistance Projects](#)

EDA's CARES Act Recovery Assistance is an agency effort to assist communities impacted by the coronavirus pandemic.¹ The pandemic has caused, and will continue to cause, economic injury to U.S. regions and communities in devastating and unprecedented ways.

EDA's CARES Act Recovery Assistance is designed to provide a wide range of financial assistance to communities and regions as they respond to, and recover from, the impacts of the coronavirus pandemic. Under this announcement, EDA solicits applications under the authority of its Economic Adjustment Assistance (EAA) program, which is intended to be flexible and responsive to the economic development needs and priorities of local and regional stakeholders.

Through the EAA program, EDA provides investments that support a wide range of non-construction and construction activities, including Revolving Loan Funds, in regions experiencing severe economic dislocations, such as those brought about by the coronavirus pandemic. As part of CARES Act Recovery Assistance, EDA will also fund projects that qualify for EAA funding but are like the kinds of projects funded under other EDA programs, such as Public Works, Research and National Technical Assistance, Planning, Local Technical Assistance, University Centers, and Build to Scale (formerly Regional Innovation Strategies (RIS)).² In addition to projects with a regional focus, EDA anticipates making awards for projects of national scope as part of this funding opportunity.

Successful applications will enable affected communities to respond to the impacts of the coronavirus pandemic by supporting affected businesses and communities, including by providing technical assistance to retain existing and hire new employees; by providing a range of skills-training and workforce development projects to help employees compete for high-quality jobs; and by developing and implementing strategies to diversify regional economies to create jobs in new or existing industries. EAA investments are designed to help communities catalyze public-private partnerships to foster collaboration, attract investment, create jobs, and foster economic resiliency and prosperity. Examples of projects that may be funded through CARES Act Recovery Assistance include economic recovery planning and preparing technical strategies to address economic dislocations caused by the coronavirus pandemic, preparing or updating resiliency plans to respond to future pandemics, implementing entrepreneurial support programs to diversify economies, and constructing public works and facilities that will support economic recovery, including the deployment of broadband for purposes including supporting telehealth and remote learning for job skills.

Planning Grant

Funding Opportunity Description: EDA makes planning and local technical assistance investments to support economic development, foster job creation, and attract private investment in economically distressed areas of the United States. Under the Planning program, EDA makes Partnership Planning, Short-Term Planning, and State Planning awards to eligible recipients to create and implement regional economic development plans designed to build capacity and guide the economic prosperity and resiliency of an area or region. More specifically, EDA makes Partnership Planning investments to designated planning organizations (i.e., District Organizations) serving EDA designated Economic Development Districts and to Indian Tribes to facilitate the development, implementation, revision, or replacement of Comprehensive Economic Development Strategies (CEDS), which articulate and prioritize the strategic economic goals of recipients' respective regions. EDA also makes Short-Term and State Planning awards for economic development planning activities that guide the eventual creation and retention of high-

quality jobs, particularly for the unemployed and underemployed in the Nation's most economically distressed regions. Under the Local Technical Assistance program, EDA makes awards to strengthen the capacity of local or State organizations, institutions of higher education, and other eligible entities to undertake and promote effective economic development programs through projects such as feasibility studies, impact analyses, disaster resiliency plans, and project planning. • Eligible Applicants: Eligible applicants for EDA financial assistance under the Planning and Local Technical Assistance programs include a(n): (i) District Organization of an EDA designated Economic Development District; (ii) Indian Tribe or a consortium of Indian Tribes; (iii) State, county, city, or other political subdivision of a State, including a special purpose unit of a State or local government engaged in economic or infrastructure development activities, or a consortium of political subdivisions; (iv) institution of higher education or a consortium of institutions of higher education; or (v) public or private nonprofit organization or association acting in cooperation with officials of a political subdivision of a State. Note that eligible applicants for Partnership Planning awards are limited to EDA designated District Organizations and Indian Tribes; other entities are not eligible for Partnership Planning awards. Additionally, individuals and for-profit entities are not eligible for awards under this Planning and Local Technical Assistance Programs NOFO; requests from such entities will not be considered for funding.



PROJECT PROGRESS REPORT
October 1st, 2021 – March 31st, 2022

Grant Award Number: ED17SEA3020055

Program Manager: Ethan Fogg

Grant Description

Organization: Sonoma Mendocino Economic Development District (SMEDD)

Address: Sonoma County Economic Development Board
141 Stony Circle, Suite 130
Santa Rosa, CA 95401

Phone: 707-565-6456

Report Prepared By: Bradley Johnson, Administrator

Project Title: Sonoma Mendocino Economic Development District

Reporting Period: October 1st, 2021 to March 31st, 2022

Grant Amount: \$70,000 for 3 years. Total grant amount \$210,000 (2019-2022)

Total Expenditures for Reporting Period: \$ 20,088.05 (+ \$20,088.05 in matching funds)

Progress Report

The Economic Development Administration (EDA) certified SMEDD in September 2017; however, first year startup programs were significantly delayed due to the Sonoma Complex wildfires in October 2017. Both Counties' governmental services have focused primarily on recovery programs to address disasters affecting our regional economy. In summer 2018, additional wildfires affected Mendocino County, which strained resources and slowed the progress of SMEDD's work program. In October 2019, the Kincadee wildfires and power outages affected the region and local economy even more. Throughout 2020, 2021, and 2022, the coronavirus pandemic has caused significant economic hardship in our regional economy. In August and September 2020, the LNU Complex wildfires, August Complex wildfires, and the Glass Fire affected the region even more. SMEDD continues to push forward and explore ways to assist with economic recovery and resiliency efforts.

The Sonoma County Economic Development Board (EDB) continues to administer the program and fiscal responsibilities. However, on April 27th 2022 the SMEDD Board of Directors passed a resolution that appointed SMEDD its own fiscal agency by appointing an officer of the board as treasurer/auditor and identifying a financial institution. SMEDD is contracting with Economic Development and Financing

Corporation (EDFC) for assistance in Mendocino County. SMEDD applied to the EDA for more grant funding in 2019 to continue its operations until 2022, which the EDA approved.

SMEDD is in the process of finalizing the 2022 CEDS. The CEDS is currently in its public review period which is scheduled to end June 7th, 2022. Many of the listed projects in the 2016 CEDS are complete, have lost momentum, or have evolved. Updating the District's CEDS is a main priority among the Board as well as focusing efforts on recovery and resiliency to ensure our District can support our regional economy by helping it adapt and survive with our changing climate. The 2022 CEDS will be completed by June 2022.

The following are accomplishments during the reporting period in accordance with the District's scope of work.

A. Administration and Management

- a. SMEDD developed a set of bylaws that were approved by the SMEDD Board of Directors on November 18, 2021.
- b. The SMEDD Board received an invitation to reapply for the 3-year Partnership Planning Program Grant offered by the EDA. The District Manager began to prepare the application in late March 2022.
- c. SMEDD engaged with Johnston and Thomas Attorneys at Law to help transition fiscal management from the County of Sonoma to SMEDD directly.
- d. The Sonoma Mendocino Economic Development District continued to meet on a monthly basis to accommodate the Fiscal Agency transition and CEDS development.
- e. SMEDD appointed a new Interim District Manager to help facilitate the EDD's Administration and Management Activities.

B. District Development and Outreach

- a. Throughout the development of the 2022 CEDS, SMEDD conducted multiple interviews, focus groups, and community workshops. Staff met with various agencies and stakeholders soliciting regional projects proposals to include in the 2022 CEDS.
- b. The SMEDD Board meets monthly to discuss new projects, organization structure, and partnerships with various organizations.
- c. SMEDD has been reaching out to other EDDs to explore opportunities for expansion and ways to become more impactful in the regional economy.

C. District Projects - Work on fire recovery projects includes expanding broadband infrastructure to rural businesses and residents.

In addition to the aforementioned activities the district has worked on the following projects:

a. Broadband Expansion

Sonoma and Mendocino Counties are in the process of positioning the region for upcoming state and federal broadband funding. This includes grant programs providing local agency technical assistance grants providing operational support, as well as broadband infrastructure, and adoption grants. Sonoma County is working on creating a public broadband entity that has the capability of building, owning, and managing open access broadband infrastructure and services available to public and private partners.

This initiative will attempt to leverage opportunities to deploy publicly governed regional infrastructure in coordination with the states open access middle mile network (GoldenStateNet), and other current efforts, in order to provide last mile broadband access to unserved and underserved end users. The initiative will also attempt to leverage public assets and resources belonging to the County, cities, and other participating jurisdictions, such as tribes, or public/private utilities. The current timeline is to apply for state and federal funding over 2022-2023 in order to begin implementing pilot projects by June 2023.

b. EDFC/Mendocino Business Loan Programs and New Sonoma Loan Program:

EDFC (Economic Development & Financing Corporation) is a CDFI that offers loans to start-ups and local businesses that are unable to qualify for a conventional loan. During the 2016 – 2021 period, EDFC increased their revolving loan funds by \$4,550,000. During the 5-year period, EDFC loaned \$4,482,547 to Mendocino and Sonoma businesses (their lending program also covers Lake Co.) In 2020, EDFC and Sonoma EDB, working with EDA staff, completed a transfer application and approval for EDFC to assume an \$800,000 EDA grant for an RLF along with a private foundation-matching grant of \$200,000. As of March 31, 2022 EDFC, has completed 3 loans in Sonoma County disbursing \$288,080 of the available funding. EDFC and Sonoma EDB have been partnering on outreach efforts to ensure successful distribution of all funds by the September 2023 deadline. EDFC is still planning to extend their lending area under USDA RD in 2022 to immediately increase the availability of funds for Sonoma County small business loans.

c. Sonoma Mendocino Alliance for Workforce Development

In January of 2022, the Sonoma Mendocino Economic Development District worked with partners of the Sonoma County Workforce Investment Board (WIB) and Mendocino County's Workforce Alliance North Bay (WANB) to submit a CEDS aligned workforce development proposal through the Good Jobs Notice of Funding Opportunity. The proposal seeks EDA's financial investment of \$4,387,825 over 36 months into the workforce development systems in two counties in Northern California (Sonoma and Mendocino). These counties, while distinct, are connected through a Comprehensive Economic Development Strategy (CEDS), and a regional workforce development strategic plan. This application seeks to leverage the similar needs and opportunities of these two counties, by building a collaborative cross-county team which can work together to build sector partnerships in three primary areas.

- 1) Healthcare – a stable industry with quality jobs, and a lengthy career pathway
- 2) Early Childhood Education / Childcare Businesses – a critical need for the labor force
- 3) Environmental Resiliency Businesses – specifically innovation in manufacturing and upskilling for green building

The three-year project seeks to solve the chronic problem of uncoordinated local systems, by developing the relationships and structure for ongoing meaningful partnership, so that resources can be utilized more effectively, and the opportunities for growth can be expanded into the long-term. Developed as a collaborative effort by the counties' economic and workforce development entities; the focus is on increasing the

overall number of quality jobs, creating a more resilient economy, and improving the quality of life for residents living in or near poverty.