Prosperity 2012:
Humboldt County’s Proposed
Comprehensive Economic Development Strategy

March 26, 2013
Presentation

- Prosperity 2012 Process
- Components of the CEDS
- Targets Industries
- Narrative
- Action Plan Implementation
- Infrastructure List
- Adoption process
To build a story of becoming
From our history...
To our future...

OUR COMPANY

At The California Redwood Company, neither our history, nor our commitment to sustainable forestry is a short one.
Prosperity 2012 Process

- Began in 2010 with industry cluster leaders and their strategic work-plans
- Tribal input through the TEDNet Strategic Plan
- Humboldt 100 Interviews
- Began citizen engagement process February 2012
  - 18 Citizen Action Teams
  - Over 60 CAT recommendations
  - City and CSD staff participated in CATs
- Industry Leader Council
- Infrastructure prioritization committee (RREDC)
- Over 450 people have participated
- 30-day Public Review
Industry Leader Council

Business owners in the 8 Target industries

- Ginger Weber, Premier Financial Group
- Bruce Hamilton, Wildwood Manufacturing
- Carlton Nielsen, Nylex
- Mary Keehn, Cypress Grove Chevre
- Dan Johnson, DANCO
- Ken Musante, Eureka Payments
- Jon O’Connor, North Coast Adventure Centers
- Neal Ewald, Green Diamond Resource Company
- Kyle Visser, Shred Tec
- Lane Strope, Times Printing
Industry Leader Council

- Looked at industry needs and public input
- Over 50 hours of meetings
- Consensus with priority on actions that...
  - Will help achieve goals & strategies
  - Are practical, do-able
  - Are do-able within about 5 years
  - Are likely to encourage collaboration
  - Meaningfully address challenges and opportunities of business
  - Build culture that nurtures business
  - Support job creation
Components of the CEDS

I. Narrative Introduction
II. Overarching Goals & Strategies
III. Action Plan
IV. Infrastructure Project List
V. Targets of Opportunity 2012 Report

*Plus 7 documents as addenda*
The Target of Opportunity industries still offer the greatest opportunity...

- Grew jobs at 14%, region lost at -6.1%
- Lost firms at half the rate of the region (-8.8 vs. 15.5%)
- Grew real wages at an average of 36%
- 5 of 6 pay 30-47% higher than the regional average
Diversified Health Care

ST. JOSEPH HEALTH SYSTEM

The Humboldt-Del Norte Foundation for Medical Care

Salubria & Wellness

Jade Dragon Medical Spa

Heart of the Rose

Timber Ridge Eureka
Specialty Food, Flowers & Beverages
Investment Support Services

ReProp Financial

Wells Commercial

Premier Financial Group

Redwood Capital Bank

George Petersen Insurance Agency

Hunter, Hunter & Hunt
CERTIFIED PUBLIC ACCOUNTANTS

Mikki Moves
REAL ESTATE
Becoming Knowledge-Based


<table>
<thead>
<tr>
<th>Management &amp; Innovation Services</th>
<th>Regional</th>
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<tbody>
<tr>
<td>New Jobs</td>
<td>1,151</td>
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<tr>
<td>New Firms</td>
<td>108</td>
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<tr>
<td>Average Wages</td>
<td>$43,940</td>
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<table>
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<tr>
<th>Investment Support Services</th>
<th>Regional</th>
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<tbody>
<tr>
<td>New Jobs</td>
<td>264</td>
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<tr>
<td>New Firms</td>
<td>50</td>
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<tr>
<td>Average Wages</td>
<td>$38,886</td>
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</table>
Management & Innovation Services

StreamGuys

GHD

EUREKA Payments

Nylex.net

ideal positions

carlinson

orderwithin

SN Consulting Engineers & Geologists, Inc.

greenway

Bridging Inspiration and Reality
Tourism

CARTER HOUSE INNS
& Restaurant 301

THE CARSON MANSION
THE INGOMAR CLUB

FERNDAL
The Victorian Village

THE LOST WHALE INN
Trinidad, California
8 Target Industries

- Diversified Health Care
- Building & Systems Construction
- Specialty Food, Flowers & Beverages
- Investment Support Services
- Management & Innovation Services
- Niche Manufacturing
- Forest Products
- Tourism
Entrepreneurship Boom

2,283

New Businesses 2002-2010
x 1% = 23 businesses
x 12 = 274 jobs
Center of the Region

Humboldt, Del Norte, Siskiyou, Trinity & Mendocino = Redwood Coast Region

- 3,300 shared workers
- Humboldt net importer of workers
- Opportunity for regional collaboration
North Coast Region Commuting Pattern Comparison

- Del Norte: -825, Worker Outflow 2,802, Worker Inflow 1,977, Net Inflow/Outflow -825
- Trinity: -971, Worker Outflow 1,488, Worker Inflow 517, Net Inflow/Outflow -971
- Siskiyou: -2,616, Worker Outflow 2,621, Worker Inflow 127, Net Inflow/Outflow -2,616
- Mendocino: -2,174, Worker Outflow 6,256, Worker Inflow 6,456, Net Inflow/Outflow -2,174
- Humboldt: 127, Worker Outflow 6,329, Worker Inflow 6,456, Net Inflow/Outflow 127

3,301 region workers commute to other counties within the region.

Source: U.S. Census, Longitudinal Employer-Household Dynamics
Narrative

• Current CEDS: *Prosperity! The North Coast Strategy* adopted in 1999
• Demographics
• Assets
• Challenges
• Evolution of Our Industries
• Elephant in the Economy: Marijuana
• Prosperity 2012 Process
• Using the Action Plan
• Evaluation Methodology
Humboldt is not dying
Youth Adults Largest

Humboldt County Population Distribution by Age

- 80 & over: 5,014
- 70 to 79: 7,020
- 60 to 69: 14,725
- 50 to 59: 20,317
- 40 to 49: 15,850
- 30 to 39: 17,241
- 20 to 29: 22,621
- 10 to 19: 16,773
- 9 & under: 15,062

Median Age: 37 Years

Source: US Census DP-1, 1-Year 2010, California Median Age: 35

LaborMarketInfo

Prosperity 2012
Poverty Decreasing

Redwood Coast Region People in Poverty
2000 - 2011 Comparison

<table>
<thead>
<tr>
<th>County</th>
<th>2000</th>
<th>2011</th>
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<tbody>
<tr>
<td>Trinity</td>
<td>17.6%</td>
<td>18.7%</td>
</tr>
<tr>
<td>Siskiyou</td>
<td>18.4%</td>
<td>18.6%</td>
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<tr>
<td>Mendocino</td>
<td>17.8%</td>
<td>15.9%</td>
</tr>
<tr>
<td>Del Norte</td>
<td>21.2%</td>
<td>20.2%</td>
</tr>
<tr>
<td>Humboldt</td>
<td>18.4%</td>
<td>19.5%</td>
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Evaluation Methodology

Part I: Dashboard that tracks Humboldt in context of the larger economy
  • Job production
  • Average annual wages
  • New firm creation
  • Population and workforce
  • Industry clusters concentration
  • Demand occupations

Part II: Business surveys

Part III: Implementation activity
Overarching Goals

- Diversified, growing industries that export
- A strong local economy
- Constant creation of new firms & jobs
- A business climate that nurtures
- Quality of life
Strategies & Action Plan Highlights

A. Focus on 8 Target industries
B. Build a community culture that understands, welcomes & nurtures business
C. Stimulate & nurture entrepreneurship
D. Decrease regulatory complexity & ready land for high value uses
E. Build an infrastructure of connectivity
F. Plug leaks & inefficiencies
G. Improve the regional workforce capacity
Infrastructure List

• All cities, service and special districts, county invited to submit projects

• Projects must be for economic development

• Criteria:
  - Distressed Community
  - Readiness of project
  - Funding secured for project
  - Job creation/retention
  - Regional wealth generation
  - Target industry benefit

• Process
  - Submitted projects
  - Met as Infrastructure Prioritization Committee
  - Ranked together

• Update annually or biennially
Adoption Process

• Recommended Adoption:
  – Headwaters Fund Board (1/15)
  – RREDC Board (1/28)
  – Workforce Investment Board (2/15)

• 30-Day Public Review (2/20-3/23)

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