



Presentation of the Draft  
Nevada County Economic Development  
**Action Plan**

Nevada County Board of Supervisors  
March 26, 2024



ICS Consulting

## Topics we will cover

Focus on Alignment

Driven by key informants

The “Playbook” approach

Action Plan contents

Five focus areas for the next 2-years

Tracking performance and results

Questions, input, direction

# ***Alignment*** focus of the Action Plan

- This is “Step No. 3” in the progression of the County’s economic development vision and strategy begun a few years ago
- Emphasize rapid development, deployment, and learning as we go
- Imperative: **Increase alignment around existing efforts**
- Two types of work products, closely linked:
  - 1) Deliver a set of realistic and actionable strategies and tactics that will guide the actions and investments of the County; and
  - 2) Increase alignment in the actions between the County and its various economic development partners to improve economic efficiency and impact.

**Exhibit 2: List of Key Informant Interviews**

<b>Organization:</b>	<b>Participants:</b>
Nevada County Economic Resource Council (ERC)	Gil Mathew, CEO Plus ICS presentation to the ERC Board
Sierra Business Council (SBC) SBDC operator, etc.	Kristin York, Vice President Steve Frisch, President & CEO
Sierra Commons	Robert Trent, Executive Director
Rural County Representatives of California (RCRC)	Bob Burris, Deputy Chief Economic Development Officer
Greater Grass Valley Chamber of Commerce	Robin Davies, CEO
Nevada City Chamber of Commerce	Stuart Baker, Executive Director
Truckee Chamber of Commerce	Jessica Penman, President and CEO
Penn Valley Chamber of Commerce	Nicole Gagnon, Executive Director
Visit Truckee-Tahoe	Colleen Dalton, CEO
Nevada County Contractors Association	Tom Last, Executive Director
Contractors Association of Truckee Tahoe	Edward Vento, Executive Director
Nevada County Association of Realtors	Kathy Hinman, Executive Director
Nevada County Arts Council	Eliza Tudor, Executive Director
Community Foundation of Nevada County	Cristine Kelly, Interim CEO
Alliance for Workforce Development, Inc.	Kristine Zuazua, Executive Director, Maryanne Connelley, Business Service Rep.
Sierra College	Karen O’Hara, Executive Dean, Nevada County campus Amy Schulz, Dean, Division of Business and Technology
Tahoe Forest Health System	Ted Owens, Foundation Executive Director and Director of Strategic Alliances
Sierra Nevada Memorial Hospital	Scott Neeley, MD, FACP, President and CEO
Grass Valley City Manager	Tim Kiser
Nevada City City Manager	Sean Grayson
Truckee Town Manager	Jennifer (Jen) Callaway
County Superintendent of Schools	Scott W. Lay
Nevada County Cannabis Alliance	Diana Gamzon, Executive Director



**Key-  
informant  
driven**



# Two-Year Operating Context:

- Strong evidence that local firms are under stress.
- Highly likely that local employers will face strong headwinds in 2024-26 due to continued uncertainty, ongoing geopolitical conflicts, high cost of capital, weak access to qualified workforce, difficulty housing workers locally, ramifications of closing a multi-billion-dollar State budget deficit, political discord entering the 2024 election cycle, risks of further economic shocks and disruptions, and more.
- Availability of high levels of federal and select state (California Jobs First) investment and grants related to economic capacity building and growth for which having a stakeholder-driven plan is advantageous.
- Competition for investment, talent, and economic activity remains unrelenting.

# Implementation Goals:



- Increase economic activity
- Increase tax revenues
- Improve business retention and expansion
- Improve County competitiveness and win rate for federal and state investments and grants
- Improve branding and awareness inside and outside the County
- Increased knowledge-sharing between the County and local businesses
- More support for entrepreneurs and local small business
- Increase ***alignment*** between the County and economic development stakeholders on a shared set of measurable priorities



# Value of the Playbook approach:

- This Action Plan is designed as a playbook – a set of business or job-building activities or “plays” that can be activated based on best timing, available talent and resources, and support from a “coalition of the willing.”
- The playbook approach empowers all individuals, groups, and communities to choose to enact the specific activities in the Action Plan that match their priorities.
- While local groups can advance their part of the plan, each action item is linked to larger strategies that, when combined, create a force-multiplier effect.
- A playbook enables adaption and flexibility in rapidly changing times.



Leverages the talents and capacity of the entire community. No one is a bystander.



Creates flexibility and adaptability



# Action Plan Content List:

- Alignment focus
- Key informant driven
- Differences in rural vs. urban economic development
- Alignment with other plans and processes, including the new C.E.D.S.
- Socio-economic facts
- County economic profile
- Local trends to watch
- County-specific Strengths, Weaknesses, Opportunities, and Threats assessment
- Input-output model for thinking about Economic Development
- The five focus areas of the Action Plan
- Actions sorted by immediate, short-term, and long-term status
- The centrality of workforce preparation across all strategies
- Playbook needs an annual work plan developed in concert with County partners with performance metrics
- Key performance indicators (KPIs) examples given
- Performance evaluation process
- Ongoing plan coordination with Partners, progress reporting, and refresh



# Key Socio-economic Facts:



- 102,293 Population
- 4.1% unemployment rate (Jan 2024) vs. 5.1% for California (Dec. 2023)
- 49.7% of population are working age (18-64)
- 29.5% are over age 65
- 38.8% have a bachelor's degree or higher vs. 35.9% for California
- 54,366 housing units of which 74.9% are owner-occupied
- \$79,395 median household income
- \$625,000 median home sale price in the County, December 2023
- 3,230 total business establishments
- 24.5% of working families are struggling to make ends meet

**Sources:** 2022 U.S. Census, U.S. Bureau of Labor Statistics, California Department of Finance, Federal Reserve Bank of St. Lewis, and Redfin.



## 9 Local Trends to Watch:

1. The inflow and outflow of people over the past several years has resulted in a relatively low population growth rate (1.8% growth from 2017 to 2022).
2. The number of working age adults has been in decline the past several years while the proportion of people over 65 in the County has risen to roughly one-in-three.
3. Typical of rural counties, the government, education, and healthcare sectors are the largest employers with good paying jobs but are susceptible to layoffs and belt tightening during state and federal budget deficits and down economic cycles.
4. Nevada County residents are better educated, with an education attainment rate higher than state average, and higher than some surrounding rural counties.
5. Recent data shows that there is net loss of County residents driving outside the County for work vs those driving in to jobs each day, although this net loss is smaller than it was pre-COVID. The net loss is now 2,599 workers, or 5.6% of the County's total workforce, per day.

**Sources:** 2022 U.S. Census, U.S. Bureau of Labor Statistics, California Department of Finance, Federal Reserve Bank of St. Lewis, and Redfin.



## 9 Local Trends to Watch (conti):

6. Nevada County's median sale price for a home (\$625,000 in Dec. 2023) is lower than nearby Placer County (\$635,000) but significantly higher than Sacramento County (\$515,000).
7. A resident earning the County's median income of \$79,395 can afford a home valued at \$310,000, assuming a 30-year-loan at 6.5% interest with a traditional 20% down payment. As of this writing (January 2024), only three (3) homes were available on MLS at this price-point, and all new construction in one community.
8. Roughly 89% of all properties in Nevada County (n=164,988) face a severe risk of wildfire, according to insurance estimates.
9. Climate-related changes to precipitation patterns, snowpack, extreme heat, and wildfires are already having an impact on Nevada County's employers and local governments and are projected to intensify, hitting higher elevation communities the hardest.

**Sources:** 2022 U.S. Census, U.S. Bureau of Labor Statistics, California Department of Finance, Federal Reserve Bank of St. Lewis, and Redfin.



**Economic Development Action Plan**  
 SWOT+ Version 3.0

*Outside the County*



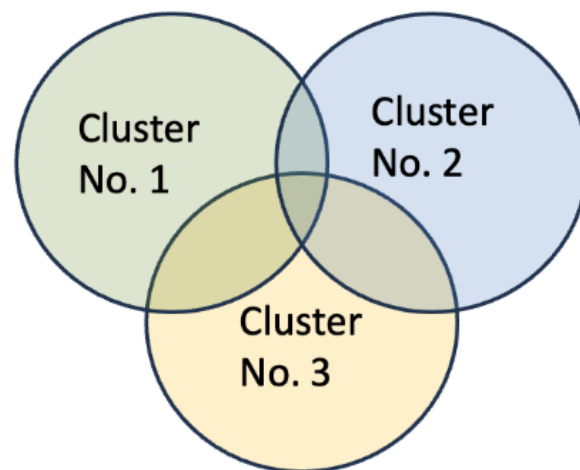
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<i>Inside the County</i>	<p><b>Primary Strengths</b></p> <ul style="list-style-type: none"> <li>County is high functioning, responsive, and well managed</li> <li>Historic downtowns and Truckee</li> <li>Outstanding schools</li> <li>Proportionately large creative class</li> <li>Unique natural and recreational opportunities</li> <li>Joint partnerships and practices</li> </ul>	<p><b>Primary Opportunities</b></p> <ul style="list-style-type: none"> <li>Activate one economic gameplan</li> <li>Streamline government permitting</li> <li>Capture new federal and state funding</li> <li>Signal through County planning and investment where growth should occur</li> <li>Leverage tech manufacturing, food and ag, health, and sustainable construction</li> <li>Leverage large resident creative class</li> </ul>	<p><b>Primary Threats</b></p> <ul style="list-style-type: none"> <li>Development polarization</li> <li>Slow fix to missing middle housing</li> <li>Shrinking number in the workforce</li> <li>State cost shifting</li> <li>Difficulty obtaining insurance</li> <li>Ongoing global discord</li> <li>Impacts due to the changing climate</li> </ul>	<i>Areas for Action</i>
	<p><b>Primary Weaknesses</b></p> <ul style="list-style-type: none"> <li>Polarized community / NIMBYism</li> <li>Missing middle housing</li> <li>Lack of adequate tourist overnight accommodations (e.g., hotels)</li> <li>No mechanism to be in regular touch with employers to know needs</li> <li>24-miles off the nearest interstate</li> </ul>	<p><b>Maximize / Invest</b></p> <ul style="list-style-type: none"> <li>Embrace grow-from-within strategy</li> <li>Emphasize start-up community and small business support</li> <li>Launch a business retention and expansion (BRE) program</li> <li>Improve workforce-to-employer alignment and supports</li> <li>Launch a Live-Work-Play marketing effort</li> </ul>	<p><b>Defend</b></p> <ul style="list-style-type: none"> <li>High quality of life</li> <li>Events and festivals that demonstrate the County's past, present, and future</li> <li>Treasured outdoor spaces</li> <li>Spirit and value placed on collaboration</li> </ul>	

## INPUTS:

- Pipeline of founders and entrepreneurs
- Unique market solutions
- Available risk and/or investment capital
- Predictable government rules and regulations
- Technical support
- Prepared workforce
- Resilient supply chain
- Place-based business infrastructure
- Can-do mindset

## Sustainable Economic Strategy



- Workforce Housing
- Education / WF development
- Infrastructure Investments
- Best Place to Do Business

## OUTPUTS:

- Increased economic activity
- Living wage jobs
- Range of career options
- Workforce pipeline
- Business retention & expansion
- Rising tax revenues
- Responsible industries
- Resilient, low carbon supply chain
- Positive brand awareness

### Economic Foundations

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# 2024-26 Focus Areas:

1. Align around a “grow-from-within” mindset to build a strong foundation.
2. Concentrate business startup, retention, recruitment, and expansion activities in five key sectors (IT and advanced manufacturing, healthcare and social services, recreation and sustainable tourism, food and agriculture, and construction)
3. Increase County economic development support and investment.
4. Boost the visibility of the County and its assets.
5. Add additional tools and information to support local business growth.

**Prioritize building a strong, unified foundation.**

# 2024-26 Focus Areas:



## 1. Align around a “grow-from-within” mindset to build a strong foundation.

- 1.1 Place sharp focus on investing in **local entrepreneurship**, small business formation and support, and the County’s **creative economy strengths**.
- 1.2 Determine a cost-effective way to maintain a **current inventory of businesses located chiefly in the unincorporated areas** of the County to enable efficient two-way communication and early intervention/support.
- 1.3 Organize a cross-sector team with local partners to regularly engage with local firms where the need is greatest, starting with the largest employers first, to understand and resolve business pain points as part of **Business Retention and Expansion (BRE)** effort.

# 2024-26 Focus Areas:

2. **Concentrate business startup, retention, recruitment, and expansion activities in five key sectors.**
  - 2.1 Technology and advanced manufacturing
  - 2.2. Healthcare and social services
  - 2.3. Recreation and sustainable tourism
  - 2.4 Food and Agriculture, including cannabis
  - 2.5. Sustainable / green construction



# 2024-26 Focus Areas:

## 2. Concentrate business startup, retention, recruitment, and expansion activities in five key sectors.

- Support existing technology hubs and business incubators.
- Assess existing accelerator programs and support new efforts.
- Increase access to funding and investment.
- Focus on workforce development and attraction.
- Create a supportive local regulator environment.
- Step up industry-academia partnerships.
- Support networking activities, events, and innovation challenges.
- Where need exists, create employer-led sector partnerships to reduce pain points and increase firm health.

# 2024-26 Focus Areas:

## 3. Increase County economic development support and investment.

- 3.1 To the extent financially feasible, increase direct County financial support for business, trade, and community groups on activities closely aligned with the new Action Plan.
- 3.2 Take steps to improve internal coordination amongst and across County departments and various planning processes (e.g., general plans, recreation master plan, economic development, etc.) on economic development-related matters.
- 3.3 Signal through County planning and infrastructure investment where business relocation and growth will be encouraged, with particular emphasis on properties surrounding the Nevada County Airport.
- 3.4 Double-down on efforts to capture federal funding for infrastructure and clean, low-carbon industries for which the County has natural advantages.

# 2024-26 Focus Areas:

## 3. Increase County economic development support and investment (**conti.**)

- 3.5 With environmental and community safeguards in place, fast-track approvals that lead to more workforce housing at all price points.
- 3.6 Expand public contracting opportunities to boost local procurement.
- 3.7 Organize a quarterly Economic Partners meeting for coordination and joint action.

# 2024-26 Focus Areas:

## 3. Increase County economic development support and investment.



**Increasing the number and range of housing types across the County**



**Continue to make investments that increase broadband access and use**

# 2024-26 Focus Areas:

## 4. Boost the visibility of the County and its assets.

- 4.1 Build upon the existing “Go Nevada County” website, adding content, resources and stories oriented towards business and worker retention and attraction.
- 4.2 Evaluate approaches for increased marketing and tourism and visitation in West County.
- 4.3 Support ongoing efforts among Destination Marketing Organizations (DMOs), trade associations, chambers, and community groups to raise the County’s profile with key audiences.

# 2024-26 Focus Areas:

## 5. Add additional tools and information to support local business growth.

- 5.1 Create an incentive fund to induce business expansion or relocation commitments with specific and measurable obligations on the recipient.
- 5.2 Explore landing or creating a Community Development Financial Institution (CDFI) to support business startups and scaling.
- 5.3 Create a “How to do business in Nevada County” guide and ensure it is widely available.

# Putting the Action Plan to Work



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- Objectives and strategies scaled to the two-year activation window.
- Close to 70% of the strategies can be implemented in the short-term once additional permissions are obtained and funding is found.
- An annual work plan defines the priorities for that year.
- Key performance indicators (KPIs) would be attached to priority actions once agreement reached with partners.
- Regular progress monitoring and reporting to the BOS and stakeholders.
- Regular check-ins with Economic Partners an early next step.
- A “road show” is planned to build broad awareness and enlist participants

# Thank You!

**Bill Mueller, Partner and project Lead**

**Jerry Azevedo, Partner**



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