

# GLENN COUNTY ECONOMIC DEVELOPMENT STRATEGY UPDATE 2019-2022



2018 CONSTRUCTION OF WORLD'S FIRST RICE STRAW MEDIUM DENSITY FIBERBOARD (MDF) PLANT – 300,000 SQUARE FEET, 250 CONSTRUCTION JOBS, 115 FULL TIME WORKERS AVERAGE WAGE \$50-\$60,000 WITH AN AVERAGE ECONOMIC IMPACT TO THE COUNTY OF \$36.7 MILLION ANNUALLY.



FUNDED BY: COUNTY OF GLENN PLANNING & DEVELOPMENT SERVICES  
AGENCY AND HEALTH & HUMAN SERVICES AGENCY

PREPARED BY: CHABIN CONCEPTS, INC., [WWW.CHABINCONCEPTS.COM](http://WWW.CHABINCONCEPTS.COM)

DATE: DECEMBER 2018



## GLENN COUNTY VISION 2015 STRATEGIC PLAN

- ❖ *A thriving Community where each person feels valued and welcomed;*
- ❖ *A County that encourages economic and Community Revitalization while respecting our rural way of life;*
- ❖ *A collaborative environment where local government provides excellent service through responsible use of resources.*

## GLENN COUNTY MISSION STATEMENT 2015 STRATEGIC PLAN

*To partner with our Community to provide a prosperous, safe and secure County through a spirit of cooperation and courtesy, while preserving our way of life.*

## ACKNOWLEDGEMENTS

The project team for preparing the Glenn County Economic Development Strategy 2019-2022 Update appreciates the participation of County Supervisors, Cities of Orland & Willows, departments, partners, resources agencies, brokers and particularly businesses who provided input to this update. Their input was invaluable in framing the context of progress and future opportunities and challenges to create a forwarding-thinking strategy.

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# CONTENTS

Acknowledgements

- Executive Summary ..... 1
- Highlights 2013-2018 ..... 1
- Priorities 2019-2022..... 2
- 1.0 2013 Economic Development Plan Review ..... 3
  - 1.1 Glenn County 2013-2017 Economic Development Indicators ..... 3
  - 1.2 Purpose – 2013 Economic Development Plan ..... 4
  - 1.3 2013 Four Key Actions..... 7
  - 1.4 Lessons Learned ..... 12
- 2.0 2019-2022 Economic Development Strategic Focus..... 13
  - 2.1 Priorities 2019-2022 ..... 13
  - 2.2 Challenges & Opportunities..... 14
  - 2.3 2019-2022 Recommended Economic Development Plan..... 15
    - 2.3.1 Business & Job Creation..... 16
    - 2.3.2 Program Operations..... 21

Appendix





# EXECUTIVE SUMMARY

Glenn County created an economic development strategy in 2013 involving the engagement of many stakeholders to provide input to direction and actions. The strategy focus was on the county’s unique agricultural base.

## 2013-2018 Economic Development Strategy

1. Value Add, Large Farm & Ranch Production
2. Small-Medium Sized Farms/Growers
3. Micro-Small Businesses
4. New Investment Opportunities

Economic development strategies are typically updated every 3-5 years to adjust actions and tactics to the changing economic trends, opportunities and challenges. The purpose of this update is to report outcomes and reset, if needed, strategic initiatives.

The progress that has been made in economic development in Glenn County has far exceeded the 2013 expectations. The 2013 strategy engagement of stakeholders provided great focus, but implementation would be a challenge under the committee/team/volunteer structure that existed. That changed in 2016 when a director was hired. Health & Human Services Agency found resources for a position to move the strategy forward. Section 1.0 provides a deeper 2013-2018 overview.

## Highlights 2013-2018

<b>Economic Indicators</b>	Between 2013 and year ending 2017 Glenn County’s Gross County Product increased by 4.3% and all economic indicators have increased including average wages by 5.8% and unemployment dropping -12.2%.
<b>Business - Jobs</b>	Business growth created over 600 net new jobs over the period with professional/business services, construction, wholesale trade and manufacturing experiencing greater than 5% increases.
<b>Leverage Dollar Investments</b>	Since 2016 over \$18.4 million in state and federal resources was brought into Glenn County for projects and business-direct services.
<b>Economic Development Network</b>	The initial collaboration of City-County officials and departments has expanded to over 30 resource partners with diverse expertise and access to resources. A milestone was met with the passing of County-City Tax Sharing Agreement which further solidified trust and collaboration in making progress.
<b>Incubator</b>	A significant building block for the economic development program was the establishment of the Glenn Grows Center. Over 77% businesses in Glenn County are less than 10 employees. The Center is structured to assist these businesses grow by bringing resources they would otherwise not be able to access. The Glenn Grows Center is becoming an anchor and branding Glenn County’s business climate for new and existing business.

## Priorities 2019-2022

Through interviews all stakeholders agree the progress made to date has been exceptional and leading in the right direction particularly in building a strong collaborative. Stakeholders across the board mentioned two keys that make economic development work in Glenn County which need to be sustained:

- A staffed position (Director) focused on economic development and collaboration; and
- The collaboration between the two cities and the county, working together for the benefit of all not in silos.

Priorities for 2019 and beyond included comments related to expanding business development, enhancing value proposition and efforts that support economic development. Section 2.0 2019-2022 Economic Development Action Plan outlines focus, and actions recommended.

- Glenn Grows Center – continue to build the center as an anchor and starting point for economic development business opportunities while branding Glenn County.
- Collaborative Mantra – continue working collaboratively with multiple entities, building trust and solutions.
- Business Development – continue to work with micro-enterprises and existing businesses to connect with resources that assist to expand and scale operations.
- Opportunity Areas-Diversification – analyze areas that have unique opportunity, underutilized land and adding business attraction targets that are aligned with, but diversified from, ag market.
- Retail-Sales Tax Producers – begin marketing to retail as an attraction target and local revenue producer.
- General Plan – priority to complete General Plan Update including Economic Development Element and update zoning ordinances.
- Business Climate – continue building “business friendly” operations and attitudes, review and complete One Stop process initiated, review for lessons learned, adjustments and unfinished actions for full implementation. *“Path to yes”, Wayne Peabody, Interim City Manager, Willows.*
- County Administrative Officer (CAO) – appoint a CAO to manage the County.
- Infrastructure – broadband, roads, railroad.
- Housing – understand demand of new company labor growth and Camp Fire, collaboratively find solutions for financing housing infrastructure and methods to accelerate workforce housing developments.
- Impacts – monitor economic, business and community trends to effectively address impacts (positive and negative, such as, workforce housing, labor).
- Mission – thoughtful planning to protect and enhance the character and quality of life while promoting economic vitality. Stay true to County’s mission.
- Sustainability – create environment for steady growth and ensure the long-term viability and sustainability of an economic development program and director position.



# 1.0 2013 ECONOMIC DEVELOPMENT PLAN REVIEW

Key indicators are one of the best measures of economic progress as well as identifying trends, strengths and weaknesses in the economy. Over the last five years Glenn County has experienced positive changes in all indicators with Gross County Product increasing by 4.5% compared to national GDP averaging 3.5% and a decline in the unemployment rate of 12.2%.

## 1.1 Glenn County 2013-2017 Economic Development Indicators<sup>1</sup>

INDICATORS ►	2013	2017	ANNUAL AVG. % CHANGE	TOTAL % CHANGE
Gross County Product	\$792,062,000	\$930,723,000	4.3% ↑	17.5% ↑
Taxable Transactions	\$334,092,000	\$393,260,983	4.2% ↑	17.7% ↑
Unemployment Rate	14.7%	7.5%	-12.2% —	-49.0% —
Employment – Total	8,210	8,890	2.3% ↑	8.3% ↑
Population	28,312	28,796	0.4% ↑	1.7% ↑
Average Wage	\$32,396	\$39,000	5.8% ↑	20.4% ↑
Average Manufacturing Wage	\$45,968	\$57,356	6.5% ↑	24.8% ↑
Average Household Income	\$42,641	\$46,260	2.1% ↑	8.5% ↑
Age 25+ with College Degree or Above	17.4%	17.5%	0.1% ↑	0.6% ↑

Sources:

Gross Regional Product – Bureau of Economic Analysis, California Dept. of Finance, prepared by Dr. Rob Eyler, Economic Forensics & Analytics, 12/12/18

Sales Tax Revenue (Taxable Transactions) – California State Board of Equalization

Unemployment Rate & Employment, Average Wage & Average Manufacturing Wage – California Employment Development Dept, LMID

Population (Table E-1 Population Estimates 2017-18 & Table E-4 Historic Estimates 2010-18) – California Dept. of Finance, Demographic Research Unit

Average Household Income (Table DP03 Selected Economic Characteristics) & Educational Attainment (Table S1501) US – Census Bureau, ACS Survey 2017

<sup>1</sup> Appendix Glenn County 2013-2017 Economic Indicators, Expanded

## 1.2 Purpose – 2013 Economic Development Plan

The purpose of the 2013 plan was to create initiatives, particularly for the county's major economic market driver, agriculture, that could realistically be acted upon.

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*2013 Plan Purpose – create initiatives.*

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Plan emphasized the challenge in coordinating economic initiatives – no one point of contact, limited resources and multiple agencies not “linking and leveraging” their resources. Absent staff, working committees, teams and volunteers under the City & County Economic Development Steering Committee (CCEDSC) was recommended.

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*Implementation Challenge – limited resources and no staff.*

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In 2015 a project proposal<sup>2</sup> was prepared by Health & Human Services Agency (HHSA) in partnership with Planning, Public Works and Agriculture Department recognizing “*their share goal for creating a customer friendly environment where service and relationship with the private sector is valued in the best interest of county residents*”. The proposal was a 3-year pilot project focused on establishing “neutral professional community friendly” anchor staffed with a limited-term Development Manager to *manage – coordinate* business resource deployment, facilitate private-public partnerships and build trust stakeholders (ombudsman). In 2016 the Community Development Director position was established funded in partnership between HHSA Planning and Public Works and County Board of Supervisors.

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*2016 Position funded – economic development facilitation, public-private partnership, and trust-building focus.*

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To achieve a highly functioning collaborative that leverages local, state, federal and private sector expertise and resources, an extensive economic development network has been built. The collaborative responds to a variety of constituents, builds partnerships with key resources and coordinates with county and city departments and entities. This network has resulted in bringing over \$18.4 million to projects and businesses between 2016-2018. Internal Team has also been built between county and cities to jointly participate in attracting and facilitating business locations.

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*2016-2018  
\$18.4 Million received from resource partners invested in Glenn County projects and businesses.*

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<sup>2</sup> Project Proposal 3-Year Pilot Implementation Nov. 13, 2015

One of the major milestones achieved through this strong collaborative was a County – City Tax Sharing Agreement. Tax sharing had been a discussion subject for years. Through collaborative efforts and flexible facilitation, the Master Tax Sharing Agreement solidified “working together cooperatively” provided certainty to businesses operating in county/cities and strengthen the business climate. Another major milestone was the issuance of a Request for Proposal (RFP) to hire a consultant to update the County’s General Plan.

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*Milestones*

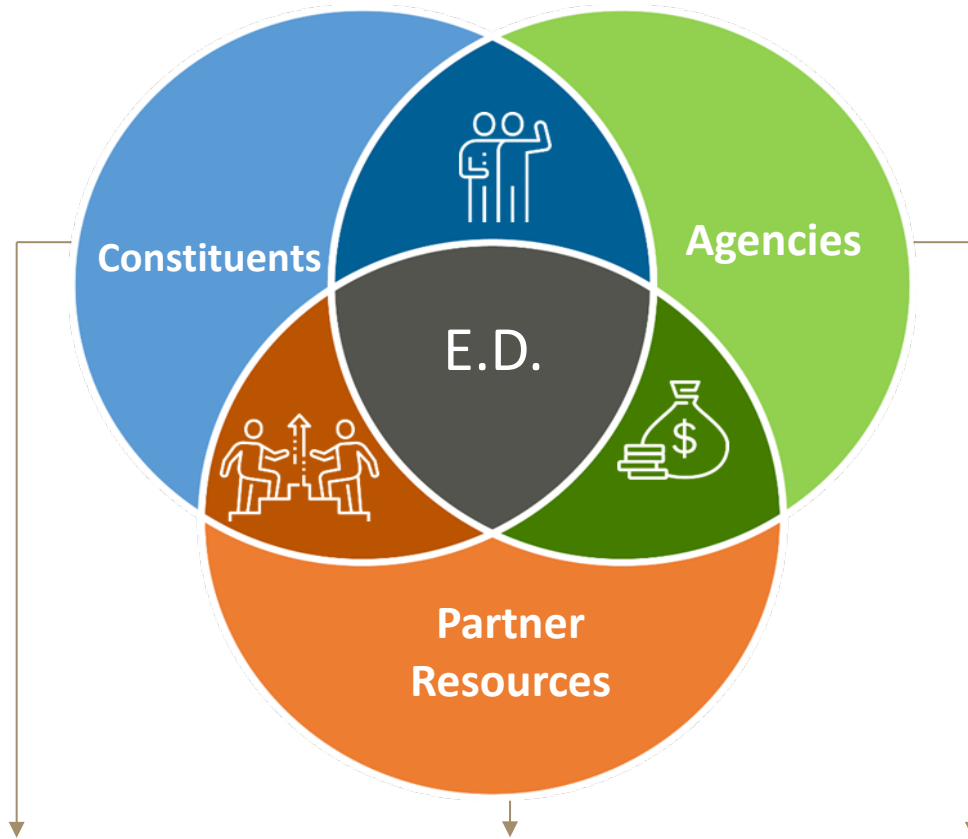
County-City Master Tax Sharing Agreement

Issued RFP to Update General Plan

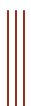
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# MIC DEVELOPMENT NETWORK



PURPOSE: Facilitating Connections with Resources	PURPOSE: Linking & Leveraging Partner Resources	PURPOSE: Collaborative Planning & Solutions
<ul style="list-style-type: none"> <li>▪ Businesses</li> <li>▪ Residents</li> <li>▪ Visitors</li> <li>▪ Property Owners</li> <li>▪ Chambers</li> <li>▪ Not for Profits</li> <li>▪ Organizations</li> <li>▪ Brokers/Realtors</li> <li>▪ Developers</li> <li>▪ Investors</li> <li>▪ Banks/Finance</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3CORE</li> <li>▪ Advance Northstate</li> <li>▪ Center for Economic Development (CED)</li> <li>▪ Chabin Concepts</li> <li>▪ ChicoStart</li> <li>▪ Community Development Services</li> <li>▪ CSU Geographic Information Center</li> <li>▪ Govt Agencies (GoBIZ, USDA, SBA, EDA, EDD, ETP)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Grant Management Associates</li> <li>▪ Morrison &amp; Co.</li> <li>▪ NoRTEC-Grow Mfg., GrowTech</li> <li>▪ NCCC</li> <li>▪ Rural County Representatives of California</li> <li>▪ SBDC</li> <li>▪ SCORE</li> <li>▪ State &amp; Federal Representatives</li> <li>▪ Training Place</li> <li>▪ CCEDC</li> <li>▪ Cities of Orland &amp; Willows/Departments</li> <li>▪ County/Departments</li> <li>▪ Planning/Bldg/Public Works/Environmental</li> <li>▪ HHS/ANCCC</li> <li>▪ Health/Education/Safety</li> <li>▪ Agriculture/Air Quality/Water Resources</li> <li>▪ Rural Conservation District/ Farm Bureau</li> <li>▪ Transportation</li> <li>▪ Utilities</li> </ul>



### 1.3 2013 Four Key Actions

In 2013 stakeholders agreed on four key actions with specific outcomes – business climate, gaps, hands-on services, develop assets.

#### **ACTION: ADDRESS BUSINESS CLIMATE, TRANSFORM FROM REGULATOR**

In 2015 an Ad Hoc Strategic Planning Committee was formed focused on county strategic plan, One-Stop-Shop and county organizational structure. In 2017 Board of Supervisors approved a One-Stop Shop and authorized a One-Stop Director position. Advance North State facilitated employee and stakeholder One-Stop input sessions prioritizing areas to achieve efficiencies and attain a high level of service. *This is an on-going process as resources were not available to implement all recommendations.*

The appointment of Community Development Director and Planning & Development Services Agency Director (One-Stop) has added greatly to improving the business climate – facilitating projects, business location/expansion, answering business inquiries, resource connections while tackling building an internal team, one-stop implementation, general plan update and streamlining the regulatory process.

#### **ACTION: ADDRESS THE GAPS, INVEST IN BEST PRACTICES**

In 2013 action began with a USDA Grant *Grow Glenn* working with smaller farmers and growers. In 2016 with appointment of Director, work focused on business development starting with business retention and expansion, then attraction. The outreach to existing businesses resulted in several expansions that were accelerated with the new assistance available. Services varied depending on company and project:

- Location Siting
- Permitting Process
- Financing
- Access state/federal resources/incentives
- Infrastructure
- Interface with local, state agencies
- Workforce/training
- Business counseling



#### **Milestones:**

- **Community Development Director**
- **One Stop Visioning Session**
- **One Stop Center**
- **One Stop Director**
- **RFP Issued for General Plan Update**

**Businesses Assisted: 35**  
**Construction Jobs: 245**  
**Net New Jobs: 226**  
**Jobs Retained: 85**  
**Capital Investment: \$340 million**



Projects mainly represented Glenn County largest market sector, food and beverage, with several small value-add food production businesses emerging to create a niche in this field. Three projects represent the variety of services provided and the diversification in the type of operations that will have an economic “ripple effect” in future years:

**1. Business Retention – Rumiano Cheese, Willows**

Rumiano is the oldest, 1918, family owned cheese company in California – it was important to keep this long-standing company in Glenn County. The project is on-going as a new location was being secured to accommodate the expansion (Basin Street) which required significant technical assistance from **partners**, specifically 3CORE (see Develop Assets below).




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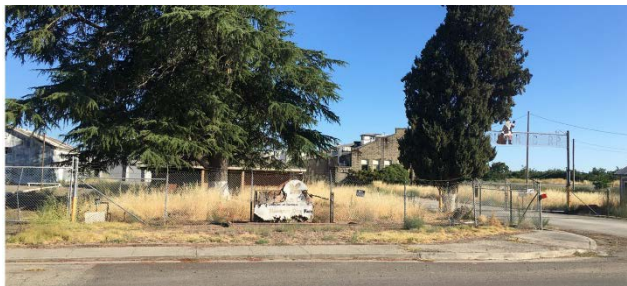
*Economic Impact<sup>3</sup>*  
**Direct Jobs: 85**  
**Indirect Jobs: 80**  
**Investment: Est \$8.0M**  
**Annual Impact: \$44.4M**  
**New Tax Revenue: \$1.1M**

**2. Attraction – Crop Production Services (CPS), Hamilton City**

A unique project to renovate the old Holly Sugar site in Hamilton City to a viable and aesthetically pleasing business, refurbishing and upgrading structures. CPS will offer dry and liquid fertilizers, build and package crop protection products, seeds and application services with stringent internal environment, health, safety and security requirements and standards. Project includes re-establishing rail service through California Northern Railroad. A huge project and investment for Hamilton City.

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*Economic Impact*  
**Direct Jobs: 25-30**  
**Indirect Jobs: 36**  
**Investment: Est \$10.0M**  
**Annual Impact: \$20.1M**  
**New Tax Revenue: \$1.0M**



**3. Innovative Start-Up, CalPlant I, Willows**

Although the size of this project could hardly be called a start-up, it is the first rice straw-based medium density fiberboard (MDF) plant in the world. The project was long in the making with extensive R&D and testing before it could be qualified ready for production. The unique financing with green bonds was a key to making this large project happen. As the production process was “new” and innovative using an agriculture waste product, there were significant hurdles to permitting as well as accessing resources to control cost. This project saw the staff,

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*Economic Impact*  
**Direct Jobs: 115**  
**Indirect Jobs: 59**  
**Investment: Est \$325.0M**  
**Annual Impact: \$36.8M**  
**New Tax Revenue: \$19.7M**

<sup>3</sup> Economic Impact Model, Applied Economics



DTAC and consultants in a full court press accessing state programs that had not been accessed before to assist a company in Glenn County. Construction alone will require 200-300 employees of which the company has requested where possible contractors/workers be hired locally to benefit Glenn County.

This project is a tipping point in diversifying into another industry segment, green building materials and attracting businesses in their supply chain.

The positive economic impacts from this plant will continue for years – attracting businesses to visit the plant from around the world, potential expansion as demand grows and new product development.



**ACTION: HANDS-ON SERVICES, CREATE ENTREPRENEURS**

One of the most physical and catalytic accomplishments was the creation of the Glenn Grows Business and Employment Resource Center which opened in April 2018. Referred to as the Glenn Grows Center it has already earned recognition as the starting point for business – small, existing, expanding and new. It is becoming a brand for the County. Both economic and workforce development are collocated with extensive services offered:

- Business Start Up & Expansion
- Location Search & Siting
- Regulatory Navigation
- Incentives & Special Programs
- Funding, Financing, Mentoring & Marketing
- Community Development
- Workforce Recruitment
- Layoff Aversion
- Workforce Transition
- Subsidized Employment
- Work Experience
- On-the-Job Training
- Business Intelligence & Market Data

**Businesses Served: 45**  
**Jobs: 212**



The Center has workstations, conference rooms, presentations rooms and counselors – all available to business. Workshops are attracting small business (mainly due to subject matter) and 22 businesses have enrolled.

**Business Enrolled: 22**  
**Workshops: 3**  
**Attendees: 55**

The Center funding was creative in accessing multiple sources including private sector. Grants and commitments for providing direct services to business were also secured, totally estimated \$170,000 (not including lease). The Center is an excellent example of linking and leveraging resources.





### **ACTION: DEVELOP ASSETS, PREPARE FOR NEW INVESTMENT, JOBS & REVENUE**

In 2013 stakeholders recognized they would need to prepare for new investment, such as, infrastructure and property readiness. Through collaboration, a running project list was developed and is continually updated. Projects are listed in the regional CEDS for possible assistance with financing.

Projects in the pipeline include studies, planning and project infrastructure construction.

Feasibility studies are critical to confirm/demonstrate market demand and ROI for these types of facilities.

- **Broadband Study, completed by CSU, Chico (CED)<sup>4</sup>, submitted for review**
- **Basin Street Infrastructure grants & financing, \$7.6M (Rumiano Cheese location)**
- **Cold Storage Feasibility Study (Market demand for facility, possible location Basin Street, Willows)**
- **BioMass Co-Gen funding for study (Willows)**

In addition to addressing the Actions of the 2013 Economic Development, there were other tasks completed to support economic development efforts: [www.GlennGrows.com](http://www.GlennGrows.com)

- Marketing Collateral – website, video production, Facebook, brochure & business guide.
- Municipal Marketing Plan<sup>5</sup> – a plan for generating revenue through marketing and sponsorships.
- General Plan – funding allocated to complete a General Plan and zoning ordinance update providing a roadmap for where the County wants to go with supporting policies.
- Capital Investment Incentive Program – currently being evaluated.
- Regional Economic Development – four counties meeting to collaborate on issues and projects that are common or affect all counties.
- Community Choice Aggregation was moving forward in collaboration with Butte County until the Camp Fire. All discussions on hold.
- Sales Tax Mining – evaluating the benefits of data to help target businesses and assistance.

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<sup>4</sup> Appendix: Glenn County Master Broadband Plan, Telecommunications Infrastructure, Upstate California Connect Consortium, CSU, Chico Research Foundation, Geographical Information Center, June 2018

<sup>5</sup> Appendix: Marketing Plan Draft prepared by CSU, Chico, ready for Board of Supervisor Review/Approval

## 1.4 Lessons Learned

The work that has been accomplished, particularly with a dedicated Director on board, exceeds the expectations of the 2013 plan. As the County moves forward for the next five years, a review of lessons learned helps to guide and manage the program, its execution and expectations. Fortunately, the last few years there has been a healthy economy. The future could experience economic slowdown coupled with unknown mandates and programs with a new Governor. Following is a list of lessons learned:

- Listen to financial advisors (bankers) what business needs to focus on and what they are looking for from community for location decisions.
- Continue to build a strong collaborative where we are participants not just spectators. Any success is due in very large part to our partners and willingness to support and assist – shared goals.
- No two businesses are the same, we must be responsive to their unique needs – not assume “cookie cutter”.
- Relationships are key. It is not about starting to support a business when you think they need it and then graduating them out of the program. It takes a commitment to be there, building trust that you will be there when they need it and as they overcome the barriers, they will require less of your time. Being there when one more issue comes up has been noted as particularly important, because that one thing might make or break, help or hinder them in getting onto the next plateau. Support must be consistent and available to become a trusted “partner”.
- Data is critical for business decisions and community/economic development decisions.
- All projects take longer than you think.
- The day-to-day paperwork and administration take time away from working with a business.

## 2.0 2019-2022 ECONOMIC DEVELOPMENT STRATEGIC FOCUS

Glenn County has gained momentum in its economic development program since bringing on a Director in 2016. As noted in the 2013-2018 review several significant projects have propelled the program forward which will have long-term economic benefits creating that “tipping point” where Glenn County is on the radar screen as a viable site location for new industry.

In addition to business development projects, the County has acted on several initiatives to create a business-friendly climate and instill an effective and efficient administrative structure outlined in the 2016-2021 Glenn County 5-Year Strategic Plan.<sup>6</sup> The 2019-2022 Economic Development Update purpose is to identify stakeholder priorities, potential challenges and opportunities, incorporate county’s strategic plan tactics and create a framework for continuing the economic development program to achieve the County’s goal and economic prosperity.

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### Glenn County Strategic Plan Community & Economic Development Goal

Grow a business-friendly environment by encouraging job creation, developing our work force and fostering safe and healthy communities.

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### 2.1 Priorities 2019-2022

Through interviews with leaders and stakeholders’ priorities for 2019 and beyond included expanding business development, enhancing value proposition and efforts supporting economic development:

- Glenn Grows Center – continue to build the center as an anchor and starting point for economic development business opportunities while branding Glenn County.
- Collaborative Mantra – continue working collaboratively with multiple entities, building trust and solutions.
- Business Development – continue to work with micro-enterprises and existing businesses to connect with resources that assist to expand and scale operations.
- Opportunity Areas-Diversification – analyze areas that have unique opportunity, underutilized land and adding business attraction targets that are aligned with, but diversified from, ag market.
- Retail-Sales Tax Producers – begin marketing to retail as an attraction target and local revenue producer.
- General Plan – priority to complete General Plan Update including Economic Development Element and update zoning ordinances.
- Business Climate – continue building “business friendly” operations and attitudes, review and complete One Stop process initiated, review for lessons learned, adjustments and unfinished actions for full implementation. *“Path to yes”, Wayne Peabody, Interim City Manager, Willows.*
- County Administrative Officer (CAO) – appoint a CAO to manage the County.

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<sup>6</sup> 2016-2021 County of Glenn 5-Year Strategic Plan

- Infrastructure – broadband, roads, railroad.
- Housing – understand demand of new company labor growth and Camp Fire, collaboratively find solutions for financing housing infrastructure and methods to accelerate workforce housing developments.
- Impacts – monitor economic, business and community trends to effectively address impacts (positive and negative, such as, workforce housing, labor).
- Mission – thoughtful planning to protect and enhance the character and quality of life while promoting economic vitality. Stay true to County’s mission.
- Sustainability – create environment for steady growth and ensure the long-term viability and sustainability of an economic development program and director position.

## 2.2 CHALLENGES & OPPORTUNITIES

Below are potential challenges and opportunities that may affect the economic development program. Challenges and opportunities should be monitored and reviewed at least annually, particularly with a new Governor and the growing labor shortage.

CHALLENGES	OPPORTUNITIES
<ul style="list-style-type: none"> <li>➤ Infrastructure funding for investment opportunities</li> <li>➤ E-Connectivity - broadband infrastructure</li> <li>➤ Workforce housing</li> <li>➤ Aging demographic</li> <li>➤ Lack of updated policies in General Plan</li> <li>➤ Labor and skills gap shortage in key industries</li> <li>➤ Jobs attractive to local graduating talent</li> <li>➤ Attracting management positions</li> <li>➤ Unknown impacts of the Camp Fire</li> <li>➤ Maintaining Team approach at all levels</li> <li>➤ Economic diversification-long term</li> <li>➤ Access to capital</li> <li>➤ Sustaining economic development and tight operating collaborative</li> <li>➤ Economic shifts</li> <li>➤ Trade policy affecting local and new businesses</li> <li>➤ New state regulations, mandates or cut-backs</li> <li>➤ Business merges &amp; acquisitions</li> </ul>	<ul style="list-style-type: none"> <li>➤ Add data research and management capacity to economic development program</li> <li>➤ Glenn Grows Center becoming a catalyst</li> <li>➤ Projects in the pipeline                             <ul style="list-style-type: none"> <li>○ Basin Street</li> <li>○ Cold Storage</li> <li>○ BioMass</li> </ul> </li> <li>➤ Existing business value-add production</li> <li>➤ Expand building products sector</li> <li>➤ Enhancing public-private partnerships</li> <li>➤ Opportunity Zone tool</li> <li>➤ I-5 Corridor, under-utilized properties along I-5</li> <li>➤ Attract sales tax producing business, retail</li> <li>➤ Continue to tap state/federal resource for direct business service and/or infrastructure development</li> <li>➤ Rural Prosperity Report to President, Sonny Perdue, US Secretary of Agriculture, Oct 2017</li> <li>➤ Elevate Rural, California Forward sponsored by RCRC, Nov 2018</li> </ul>

## 2.3 2019-2022 Recommended Economic Development Plan

### Areas of Focus

Based in interviews, priorities, review of program and projects, research of various studies and strategic planning documents goals/tactics/strategies the recommended framework for 2019-2022 includes seven areas of focus under two categories, Business & Job Creation and Program Operations:



The framework recommendations for Business & Job Creation include:

- Continue current on-going tasks,
- Incorporate stakeholder priorities,
- Add diversification attraction targets through supply chains and retail,
- Enhance research capabilities, and
- Keep infrastructure a priority as a competitiveness factor (Broadband-eConnectivity).

The framework recommendations for Program Operations include:

- Continue building the Economic Development Network, adding resources and new areas of collaboration to link and leverage resources for economic prosperity,
- Actions that support economic development but not necessarily in economic development's purview, i.e., update general plan, complete One-Stop vision, workforce housing,
- Assign Economic Development Director to report to CAO's office (when established) and house at the Glenn Grows Center,
- Support program and director position by adding a part-time administrative support staff, and
- Draft an economic development sustainability plan, including succession planning.

The Director in collaboration with the internal Team and key partners should draft annual work plan(s) with specific work tasks, priorities, timelines and milestones to be reviewed by CCEDC to ensure collaboration and work plans incorporate agreed upon goals and objectives.

### 2.3.1 Business & Job Creation

The following recommended actions for Business & Job Creation provide an updated framework for a 2019-2022 Economic Development Plan supporting the County’s 2016-2021 Strategic Plan Tactics and Strategies:

**2016-2021 County Strategic Plan – Focus Area 1: Community and Economic Development**

- 1.2 Cultivate relationships with public and private partners.
- 1.3 Implement adopted economic development strategy.
- 1.4 Encourage diverse compatible development activities and work to retain, expand and support existing businesses.
- 1.6 Support collaboration that promotes links between safe and healthy communities and economic prosperity.

There are four key areas of focus for Business & Job Creation (BJC):



## BJC – BUSINESS CLIMATE

### Collaboration

- The collaboration (broad group of agencies) has been built on bringing together various and diverse entities to foster and support linking resources and activities to meet the needs of constituents and the community.
- The collaboration serves as the key foundation to creating a “business-friendly” climate. Continue outward facing promotion of individual entity involvement or actions to build the collaborative identity.
- Engage, where appropriate, collaborative members and elected officials in state/federal initiatives where action teams are being formed, legislation could be proposed or tapping other collaboratives such as,
  - Elevate Rural, California Forward (sponsored by RCRC),
  - US Secretary of Agriculture, energy security and transportation infrastructure,
  - Next Century Cities on broadband.
- Strength of the collaborative is an internal Team (county/cities) that is more engaged in the everyday attraction and facilitation of businesses locating in Glenn County. Maintaining this high level of collaboration and cooperation should remain a priority.

### Glenn Grows Center

- The Glenn Grows Center represents and embodies the successful traits of industry sector clustering – an economic development growth model.
- The Center should continue to represent the economic development program, priorities, business first attitude and the “starting point” for business, where expertise and coaching is available.
- Continue expanding services and use of the Center.

**Brookings Institution** recently reported the Five Traits of successful cluster development (*clustering groups of firms that gain a competitive advantage through local proximity and interdependence*)

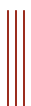
- 1) Focus on robust ecosystem,
- 2) Industry-driven, government funded,
- 3) Facilitate big unique opportunities,
- 4) Championed by dedicated leaders,
- 5) **Anchored by physical center.**

## BJC – BUSINESS DEVELOPMENT

### Existing Business

- Continue Community Coffee Meetings (at least quarterly at Glenn Grows).
- Working with existing business through outreach identify opportunities for value-added production, new product development and innovative industry technologies that can improve production and efficiencies.
- Continue to provide services/access to resources that are valued by business such as non-traditional financing, grant opportunities, solutions.
- Host events to strengthen linkages with other local businesses.
- Identify opportunities to diversify.

<p><b>Business Attraction</b></p>	<ul style="list-style-type: none"> <li>▪ Continue to cultivate business <i>leads</i> from sources such as GoBiz, developers, brokers, real estate agents, referrals and local businesses.</li> <li>▪ As the program moves to a more targeted outreach to direct businesses consider:             <ol style="list-style-type: none"> <li>1) Businesses that align with Food &amp; Beverage cluster, i.e., supply chain;</li> <li>2) Build on the emerging Building Products sector and supply chain particularly in the “green” products;</li> <li>3) Target specific business-types that fit an available building/site, i.e., commercial property along I-5.</li> <li>4) Create an I-5 Corridor prospectus highlighting key sites with I-5 access for marketing.</li> </ol> </li> <li>▪ Develop a value-proposition prospectus, i.e., Why Glenn County meets your future expansion needs.</li> <li>▪ Begin to attend industry target tradeshows and conferences.</li> <li>▪ Initiate a more formal social media campaign aligned with outreach and tradeshows.</li> </ul>
<p><b>Retail Attraction</b></p>	<ul style="list-style-type: none"> <li>▪ Scheduled for 2019 implement marketing to retail targets starting with:             <ol style="list-style-type: none"> <li>1) Attend International Shopping Center Conference (ICSC), Idea Exchange, Monterey, March 2019 to monitor (no booth). Conference is held annually in Monterey. Excellent relationship building event.</li> <li>2) ICSC’s largest show is Las Vegas, May 2019. Plans are to join with TeamCA to attend the show and begin meeting businesses, developers and brokers. TeamCA provides booth space for a number of California community to use as a base.</li> </ol> </li> <li>▪ Complete retail package with key consumer data points and prime locations.</li> <li>▪ Build retail contact list from attendees, add to social media and marketing campaign.</li> <li>▪ Debrief after show to strategize approach and targets.</li> <li>▪ Consider completing simple retail gap analysis.</li> </ul>
<p><b>Research</b></p>	<ul style="list-style-type: none"> <li>▪ Invest in data-mining to support existing business expansion and attraction targeting.</li> <li>▪ Continuous monitoring of state/federal programs to connect businesses with new programs being implemented and/or community investment.</li> </ul>
<p><b>New Investment Opportunities</b></p>	<p>More than 60% of businesses seeking new locations are looking for shovel-ready sites or existing buildings:</p> <ul style="list-style-type: none"> <li>▪ Identify and inventory under-utilized properties that can be promoted.</li> <li>▪ Identify and inventory properties that have unique opportunity that can be promoted.</li> <li>▪ Revisit sites along I-5 as potential for warehousing and distribution.</li> <li>▪ Identify potential projects like Basin Street to leverage resources for development and marketing potential shared uses.</li> <li>▪ Support marketing of sites/opportunities in the Opportunity Zone.</li> </ul>





**BJC – PROJECT DEVELOPMENT**

**Pipeline Projects**

Pipeline projects are those projects that are currently in process that will add value to the County’s Portfolio:

- Basin Street – this project is a great example of utilizing multiple resources to create a business center where businesses can cluster sharing infrastructure, suppliers and resources.
- Northern California Railroad – as labor market continues to tighten in the trucking market, industries need to seek other transportation options. If businesses can access the short-line, extend service to their sites, this could be a very competitive advantage for Glenn County.

**Facilitate Openings**

An announcement of location is just the beginning of the work and assistance a business, particularly large, will need. Often a company location has many change orders and one that often happens is expanding before even opening.

- The economic development program needs to be proactive in assisting these companies to opening and through the first year.
- Large projects often have additional opportunities that are beyond their specific projects. Economic development must be in tune with the business to identify and take advantage of any opportunities as well as assist the company:
  - 1) CalPlant I
  - 2) North State Almond Hulling

**Feasibility Studies**

Feasibility studies play a significant role in business expansion and attraction. The purpose of feasibility studies is to have third-party confirmation of market, opportunity and typical an estimated return-on-investment. This becomes a tool to attract potential investors and business. For rural areas feasibility studies:

- 1) Help to identify opportunities that a sector may not have searched.
  - 2) Overcome perception that the market is not viable or the location competitive.
- Continue to identify sectors and business linkages where grants can be received to conduct a feasibility study, examples in the pipeline:
    - Cold Storage & BioMass Feasibility – use a marketing tool to secure user.
    - Support with proposed location and financing package.
  - At appropriate time work with unincorporated area on mini-Economic Development plans.

**BJC – COMPETITIVENESS**

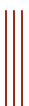
**Broadband**

Broadband Deployment aka e-Connectivity is a key infrastructure priority. It is also a priority identified by the US Secretary of Agriculture in his report to the President and for RCRC/California Forward in the 2018 Elevate Rural.

- Glenn County Master Broadband Plan, Telecommunications Infrastructure, Upstate California Connect Consortium, delivered June 2018 provides recommendations and roadmap for implementing policy and actions. Implement next steps including lead agency for moving forward.

	<ul style="list-style-type: none"> <li>▪ Evaluate joining Next Century Cities<sup>7</sup> a national, no-cost, leader-membership organization of cities and communities focused on broadband.</li> <li>▪ Consider joining an Elevate Rural action team.</li> <li>▪ Monitor with Congressman/Senator federal initiatives for funding deployment.</li> </ul>
<b>Infrastructure</b>	<ul style="list-style-type: none"> <li>▪ Continue to maintain project priority list for cities/county.</li> <li>▪ List infrastructure, critical for job creation, in regional CEDS.</li> <li>▪ Monitor programs for funding for projects. Most funding sources will require “match funds” estimated at 20%-50% of total cost. Consider a match fund reserve.</li> <li>▪ Document I-5 corridor development infrastructure needed and cost.</li> <li>▪ Initiate conversations with other counties along the I5 corridor for joint opportunities.</li> <li>▪ Continue focus on rail-served sites and railroad service.</li> </ul>
<b>Labor</b>	<p>The number one factor for both existing businesses expanding, and new business locating is labor. The current market is tight, and expectations are it will get tighter.</p> <ul style="list-style-type: none"> <li>▪ The local Workforce Innovation &amp; Opportunity Act (WIOA) is a key partner with economic development providing business services as well as job seeker services, co-located at Glenn Grows Center. These two should be inter-related functions. With the labor market challenge immediate strengthen the labor-business nexus should be a priority with actions outlined in Annual Work Plan on joint strategies to ensure best service to businesses and job seekers, including:             <ul style="list-style-type: none"> <li>○ Strategic planning meetings.</li> <li>○ Document labor shed, pipeline (graduates), commute patterns, wages and skill sets.</li> <li>○ Consider how to build a pipeline (career pathways) of labor starting with middle school to high school to college in Glenn County’s demand industries and occupations.</li> <li>○ Utilize WIOA resources to promote certificate training programs (curriculum input from industry sectors) for targeted populations and youth.</li> <li>○ Market work-ready labor/occupations pipeline with basic and specific industry skills to targets.</li> </ul> </li> </ul>

<sup>7</sup> Next Century Cities, a no-cost non-profit dedicated to cities/communities collaborating on deployment of new technologies for broadband.  
<https://nextcenturycities.org/>



### 2.3.2 Program Operations

The following recommended actions for Program Operations is aligned and supports the County’s 2016-2021 Strategic Plan Tactics/Strategies:

#### 2016-2021 County Strategic Plan - Focus Area 1: Community and Economic Development

- 1.1 Identify and allocate resources and staff to meet the Community & Economic Development goal, including relevant planning documents.
- 1.5 Continue efforts to streamline and simplify regulatory process.

#### Focus Area 3: County Financial Stability

- 3.1 Develop Capital Improvement Plan with focus on opportunities for renewable energy and efficiency upgrades.
- 3.2 In conjunction with cities and districts, where possible, share or co-locate staff, equipment and utilize each other’s work to eliminate duplication.
- 3.3 Build partnerships to capture and maximize revenue from available funding sources, programs and/or agencies.
- 3.4 Plan collaboratively for long-term sustainability and future investments.

#### Focus Area 4: Standards of Practice

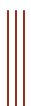
- 4.0 Foster an administrative structure that supports consistent policy, procedures and efficient practice.

There are three key areas of focus for Program Operations (PO):



**PO – COLLABORATION**

<p><b>Network &amp; Engagement</b></p>	<p>Collaboration is included in both Business &amp; Job Creation as an outward facing action to constituents and in Program Operations as an inward action.</p> <ul style="list-style-type: none"> <li>▪ Continually build upon the Economic Development platform adding new resources and expertise as identified.</li> <li>▪ Coordinate and communicate with the network to ensure everyone understands the priorities and actions of the Economic Development Plan.</li> <li>▪ As turn-over occurs in members prepare orientation of the network, purpose, working relationships and outcomes.</li> <li>▪ Engage members in business outreach, where appropriate.</li> <li>▪ Engage members in seeking and reporting opportunities.</li> <li>▪ Engage members to be actively involved in outside initiatives that will benefit business and community.</li> </ul>
<p><b>Economic Development Vision</b></p>	<p>With the progress that is being made with economic development collaboration of the cities and county and the program, the time is right to consider adopting an economic development vision for the next five years. The CCEDC should draft an economic development vision statement complementary to the County’s vision in early 2019 to be recommended to the Board of Supervisors.</p>
<p><b>Development Technical Advisory Committee (DTAC)</b></p>	<ul style="list-style-type: none"> <li>▪ The DTAC is a key committee of departments and resources to work directly with businesses. Continue key department participation as needed for retention, expansion and attraction.</li> <li>▪ DTAC input in economic development initiatives is important as part of the collaboration coordinated with the formalizing of a pre-development review committee.</li> <li>▪ Continue a high level of collaboration, linking, leveraging and information sharing with departments to ensure priorities of all departments are incorporated in planning and smooth execution – PDSA, HHSA, Public Works, Finance and Cities.</li> </ul>
<p><b>Private Sector Advisory Group</b></p>	<ul style="list-style-type: none"> <li>▪ Maintain a private sector advisory group – financial services, transportation, key sectors, real estate – to inform economic development of trends and opportunities or assist with business solutions/advise.</li> </ul>
<p><b>Partner Priorities</b></p>	<ul style="list-style-type: none"> <li>▪ Know and understand each partner’s priorities to link and leverage activities to be supportive of their program success.</li> <li>▪ Promote partners.</li> </ul>
<p><b>Manage Expectations</b></p>	<ul style="list-style-type: none"> <li>▪ Multi-jurisdictional collaborations will also require managing expectations.</li> <li>▪ Prepare annual work plans with projected outcomes.</li> <li>▪ Although there is a strong collaborative, the bulk of actions will be the responsibility of the Director. Given there is only one staff person dedicated to economic development, be realistic with annual plan, <i>under commit and over delivery</i>.</li> <li>▪ Report quarterly progress to plan with challenges, obstacles, delays and new opportunities.</li> </ul>



## PO – SUPPORT OF ECONOMIC DEVELOPMENT

Actions supporting economic development and the County's Strategic Plan are noted but typically are handled by other departments overseeing those programs.

- General Plan and zoning ordinance update is planned to be completed within 3 years. Consultant may be selected by end of January 2019. The update will include an Economic Development Element with policies which is needed for the long-term sustainability of a program.
- Streamline Regulatory Process – continue efforts to streamline and simplify regulatory process (2016-2021 Priority Tactic):
  - One Stop Shop – The initiative started in 2015, with visioning and input from employees and stakeholders it has been implemented in stages with great participation and success to date. Some areas still remain to be implemented and/or complete. Implementation is being managed by Planning & Development Services Agency (lead) in collaboration with other departments and may take a year or more for full implementation.
  - Business interviews today still reflect the need to modernize the permitting and regulatory process to be comparable to other county/cities (recommended in 2017). This may take investment in technology that will need to be included in any budgeting.
  - Planning & Development Services Agency interviewed also identified two actions being implemented (2019) that will make processes “user friendly”:
    - 1) enhancing communications with other agencies as well as “customers” to ensure clear explanation of permits, processes and timelines – local, state and federal (some within control of county and some not);
    - 2) formalizing of a Development Review Process (DRP) to streamline and be responsive to the more complex projects requiring permits vs by right permits which can be issued over the counter. The Development Review Process would include county, state, federal and district agencies, as needed, who can come together in one meeting to review and ask questions of a project proponent, saving time for the proponent by identifying potential issues early and finding solutions.
- Given permitting seems to always be the most frustrating for businesses and developers, i.e., their concern of timelines, maintaining this as a priority with frequent check-ins/meetings with developers, brokers and construction-trade associations to review progress (such as creation of the Development Review Process as a resource, implementation of new technology) where input is taken will further the open communications of this tactic as a Board priority.
- Workforce Housing – the housing shortage is a state-wide/national issue and is further complicated in the North State with the 2017-18 fires. This challenge is not just housing for displaced workers and families. Glenn has several companies expanding that will be hiring workers, locally and from out of the area. Without affordable housing these businesses could be stymied to get into full production. This will affect any business hiring employees including government.

	<ul style="list-style-type: none"> <li>▪ A housing study was completed in October 2018. The demand may be greater than first identified as well as type of housing due to the Camp Fire and the lack of housing/land available in Chico. A supplemental report defining the potential impact, demand, type of housing and nexus analysis may be beneficial in assisting the cities/county on potential projects and tapping various housing resources/programs, such as, housing tax credits that assist in making a development feasible.</li> <li>▪ Planning &amp; Development Services Agency and Health &amp; Human Services Agency have been meeting with housing developers to identify potential projects feasible in Glenn County. Given the housing need/demand likely has changed since October 2018 and both cities have entitled lots for housing (over 500) cities/county might consider an ad-hoc committee to address-document the demand (county-wide) and possibly organize a meeting with a real estate development consulting firm that could advise bringing various resources (i.e., infrastructure financing, tax credits, Section 108) together to move forward workforce housing developments.</li> <li>▪ Other – there may be other unforeseen constraints that will challenge the ability for businesses to expand and locate that should be included in future planning.</li> </ul>
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**PO – SUSTAINABILITY**

<b>CAO</b>	<p>As the county has been establishing the position and program as envisioned in 3-Year Pilot start-up, the Director position was first housed with the Health &amp; Human Services Agency (closely tied in program goals, synergy of business and job development and funding from Workforce Development sources). During the process of implementing the One-Stop Shop the position became housed with Planning &amp; Development Services Agency. With the opening of the Glenn Grows Center, the Director physically operates from the Center.</p> <ul style="list-style-type: none"> <li>▪ Current discussions indicate the County will be hiring a Chief Administrative Officer (CAO) (fulfilling Focus Area 4 of the 2016-2021 Strategic Plan).</li> <li>▪ Director should continue to manage and operate from the Glenn Grows Center.</li> <li>▪ The intent of this position was to be neutral, and an ombudsman. To maintain this integrity, the Director should be assigned to report to the newly proposed CAO. Most government business-focused programs staff report to city manager or county administrative officer. This is another signal to business that business and economic development is elevated at the government level.</li> </ul>
<b>Support Person – Administrative</b>	<ul style="list-style-type: none"> <li>▪ Observation – Program Director is at capacity with assigned duties and reporting.</li> <li>▪ Recommend providing a part-time support staff to Director to handle administration duties, freeing up Director to fully concentrate on business and critical tasks.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>▪ Economic development program and staffing is funded by multiple program sources which leverages resources for common goals and objectives.</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Finding additional revenue streams, methods to fully fund economic development should be a priority, such as, percentage of sales tax increases due to business locations (county &amp; cities).</li> <li>▪ Consider adopting County of Glenn, Municipal Marketing Plan, January 2019, or portions of the plan where private sector can support/invest in the county’s economic development efforts (2016-2021 Strategic Plan Tactic 1.2 Public/Private Partnerships).</li> </ul>
<p><b>Succession Planning</b></p>	<ul style="list-style-type: none"> <li>▪ As the economic development program has matured in Glenn County, succession planning should be considered to ensure sustainability of the program. Succession planning is a forward-thinking process to increase the availability of experienced and capable employees prepared to assume roles as they become available due to transitions. It becomes even more important will the tight labor market is taken into consideration.</li> <li>▪ The administrative support position, although possibly part-time, could be an internship with Director providing mentoring on program implementation and connections with resources partners.</li> </ul>
<p><b>Priority</b></p>	<ul style="list-style-type: none"> <li>▪ In part Glenn County’s success is due to being responsive to business – not just answering inquiries or questions, but ensuring the business is either connected to a resource or has a response and then providing further follow-up to see if something is needed. It is a high-quality level of response to ensure the business has been handled.</li> <li>▪ This level of business service should remain a priority – <i>customer service beyond expectations.</i></li> </ul>



The 2019-2022 Areas of Focus framework updates the 2013-2018 Plan. It is extensive in identifying potential actions over the next five years, many are continuation of current program incorporating priorities identified through stakeholder interviews and some best practices around opportunities elevating actions.



### Annual Work Plans

Given limited resources and staff capacity, suggest caution in over-committing annual work plans around this framework. For programs with a high level of collaboration such as Glenn County's, everything is a priority. Each action in the Annual Work plan should identify outcomes expected that meet priorities of program such as jobs, investment, revenue generation, removing obstacle, infrastructure need, etc.; resources need (both human and financial) and realistic timelines.



## APPENDIX

- A. 2016-2021 Glenn County Strategic Plan
- B. Project Proposal 3-Year Pilot Program, November 2015
- C. 2013-2017 Economic Indicators
- D. Glenn County Master Broadband Plan
- E. Municipal Marketing Plan Draft
- F. One Stop Visioning Process Report
- G. Elevate Rural, California Forward
- H. Rural Prosperity Report, Secretary of Agriculture

