

Sonoma-Mendocino CEDS

Public Workshops / May 2016

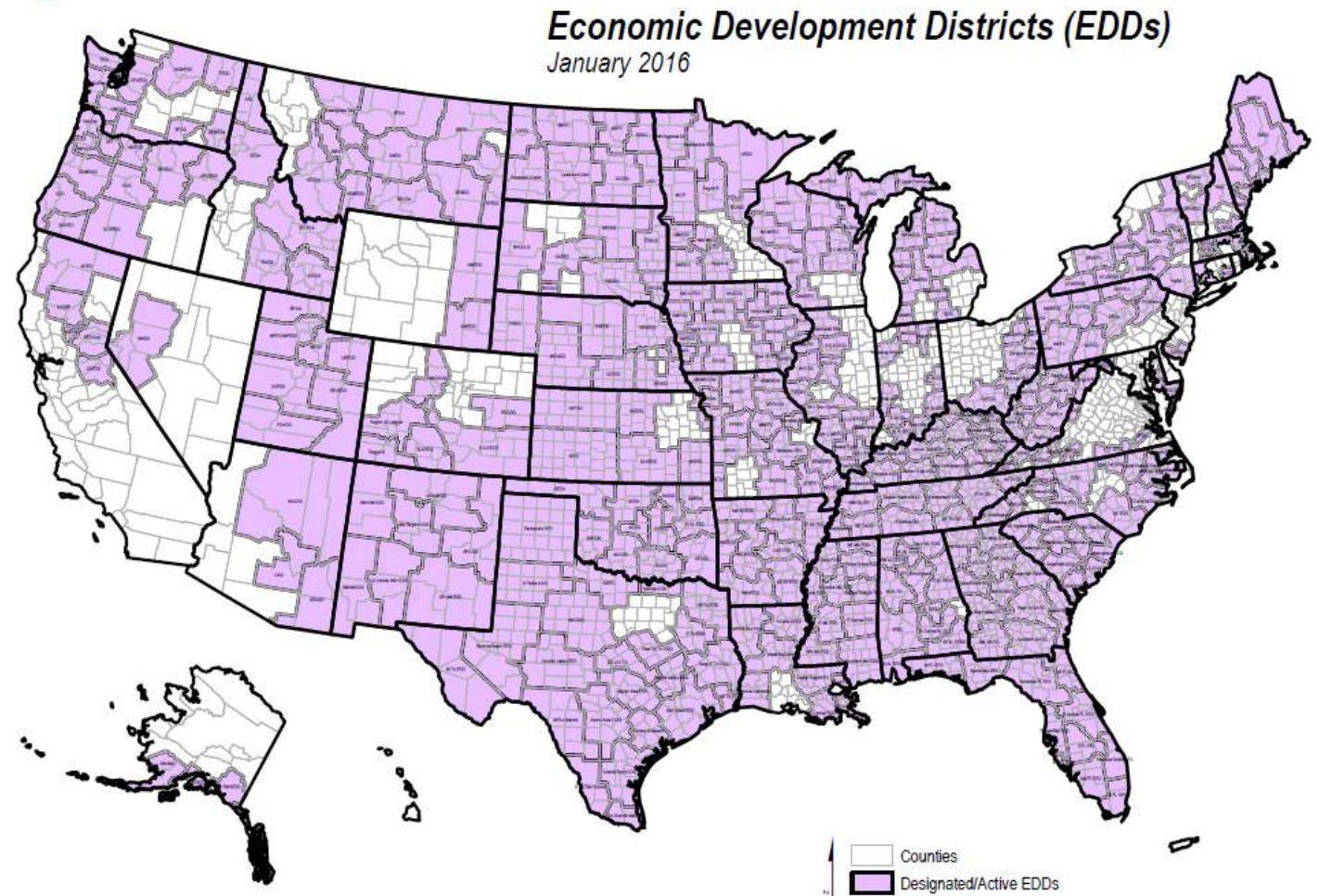


*Prepared by Civic Analytics LLC for
Sonoma-Mendocino Economic
Development District*



Why do a CEDS?

- Understand trends shaping community & economic development outcomes – developing a “common set of facts.”
- Identify opportunities for multi-county collaboration based on shared goals.
- Achieve or maintain designation as an EDA Economic Development District.
- Create a framework for coordinated pursuit of many different types of funding (public and private).
- Improve the region.



EDA specifics:

- Eligible to compete for Public Works, Economic Adjustment, and other EDA investment programs (\$135 million in PW/EA available in FY2016).
- Approximately \$75,000 in funding per year to EDDs for implementing CEDS (must be matched 1:1).
- Targets improvements to economically distressed areas, generally defined as $\leq 80\%$ US PCI and/or \geq US unemployment rate + 1 percentage point for 2 years.



ABOUT ★ HOW TO APPLY ★ FUNDING OPPORTUNITIES ★ CASE STUDIES ★ EDA TOOLS ★ NEWSROOM ★ CONTACT

ABOUT EDA

IN THIS SECTION:

- Overview
- EDA's 50th Anniversary
- Leadership
- [Investment Programs](#)
- Multi-Agency Initiatives
- Investment Priorities
- Office of Innovation and Entrepreneurship
- Disaster Recovery
- Resources for Grantees
- EDA Job Opportunities!

RESOURCES DIRECTORY

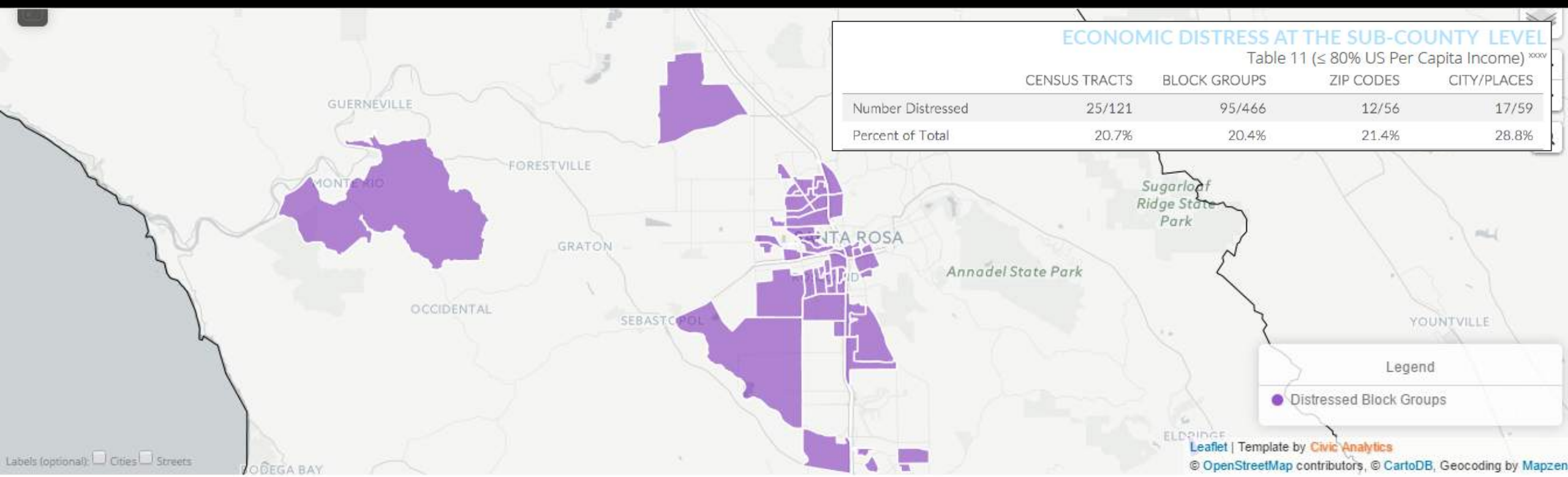
INVESTMENT PROGRAMS

Public Works:
Empowers distressed communities to revitalize, expand, and upgrade their physical infrastructure to attract new industry, encourage business expansion, diversify local economies, and generate or retain long-term, private sector jobs and investment.
[Printable Public Works Program \(PDF\)](#)

Economic Adjustment:
Assists state and local interests in designing and implementing strategies to adjust or bring about change to an economy. The program focuses on areas that have experienced or are under threat of serious structural damage to the underlying economic base. Under Economic Adjustment, EDA administers its [Revolving Loan Fund \(RLF\) Program](#), which supplies small businesses and entrepreneurs with the gap financing needed to start or expand their business.
[Printable Economic Adjustment Program \(PDF\)](#)

Partnership Planning:
Supports local organizations (Economic Development Districts, Indian Tribes, and other eligible areas) with long-term planning efforts. The [Comprehensive Economic Development Strategy \(CEDS\) Content Guidelines](#), provides suggestions, tools, and resources for developing comprehensive economic development strategies.
[Printable Partnership Planning Program \(PDF\)](#)

SONOMA-MENDOCINO ECONOMIC DEVELOPMENT DISTRICT



ECONOMICALLY DISTRESSED BLOCK GROUPS 

Show entries

Search:

GEOGRAPHY	GEOID	PERCENT OF	PERCENT BE	PER CAPITA
Block Group 1, Census Tract 105, Mendocino County, California	060450105001	73.5%	19.7%	\$20,981
Block Group 1, Census Tract 106, Mendocino County, California	060450106001	70.4%	22.5%	\$20,092

SMCEDS Key Tasks

1. Secondary research
2. Community survey
3. Interviews
4. **Public workshops**
5. Goals
6. Call for projects
7. Draft CEDS
8. Public comment
9. Submit CEDS
10. EDD application

IN THIS SECTION:

Overview

Content

Summary Background

SWOT Analysis

Strategic Direction/
Action Plan

Evaluation Framework

Economic Resilience

Format

Preparation

Equivalent/Alternative Plans

 Full Report (PDF)

RESOURCES DIRECTORY

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CONTENT

A CEDS should be developed with broad based community participation and result in a document that is readily accessible to regional stakeholders. Potential partners for developing a CEDS could include government agencies, private sector interests, education providers, non-profits, community and labor groups, workforce boards, utilities, etc. Stakeholders should be able to use it as a guide to understanding the regional economy and to take action to improve it. The CEDS should take into account and, where appropriate, incorporate or leverage other regional planning efforts, including the use of available federal funds, private sector resources, and state support which can advance a region's CEDS goals and objectives. Its quality should be judged by its usefulness as a tool for regional economic development decision-making.

There are four main elements of a CEDS: 1) summary background, 2) SWOT analysis, 3) strategic direction/action plan, and 4) evaluation framework. The background should provide an overview of the region's economic situation. Building on data from the summary background, the SWOT analysis should assess the state of the regional economy, including the opportunities and threats posed by internal and external trends and forces, and the availability of resources for economic development. The region's vision, goals, and measurable objectives, together with an appraisal of the region's competitive advantages, should form the basis of the strategic direction and action plan. The evaluation framework should establish criteria and performance measures for evaluating the region's implementation of the strategic direction and progress toward goals and measurable objectives. The elements of the CEDS, seen through a lens of economic resiliency, should logically build upon and/or shape each other to result in a coherent, targeted document.

Recommended Resource: See South Florida's 2012 CEDS with the "six pillars" statewide framework which provides a clearly articulated, unifying framework across EDDs in the state: <http://www.sfrpc.com/CEDS/SouthFloridaCEDS2012-17.pdf> (PDF).

Below are recommendations for what should be included in each of the required sections, and suggested tools, resources and examples to help in each section's development:

- A. Summary Background: A summary background of the economic development conditions of

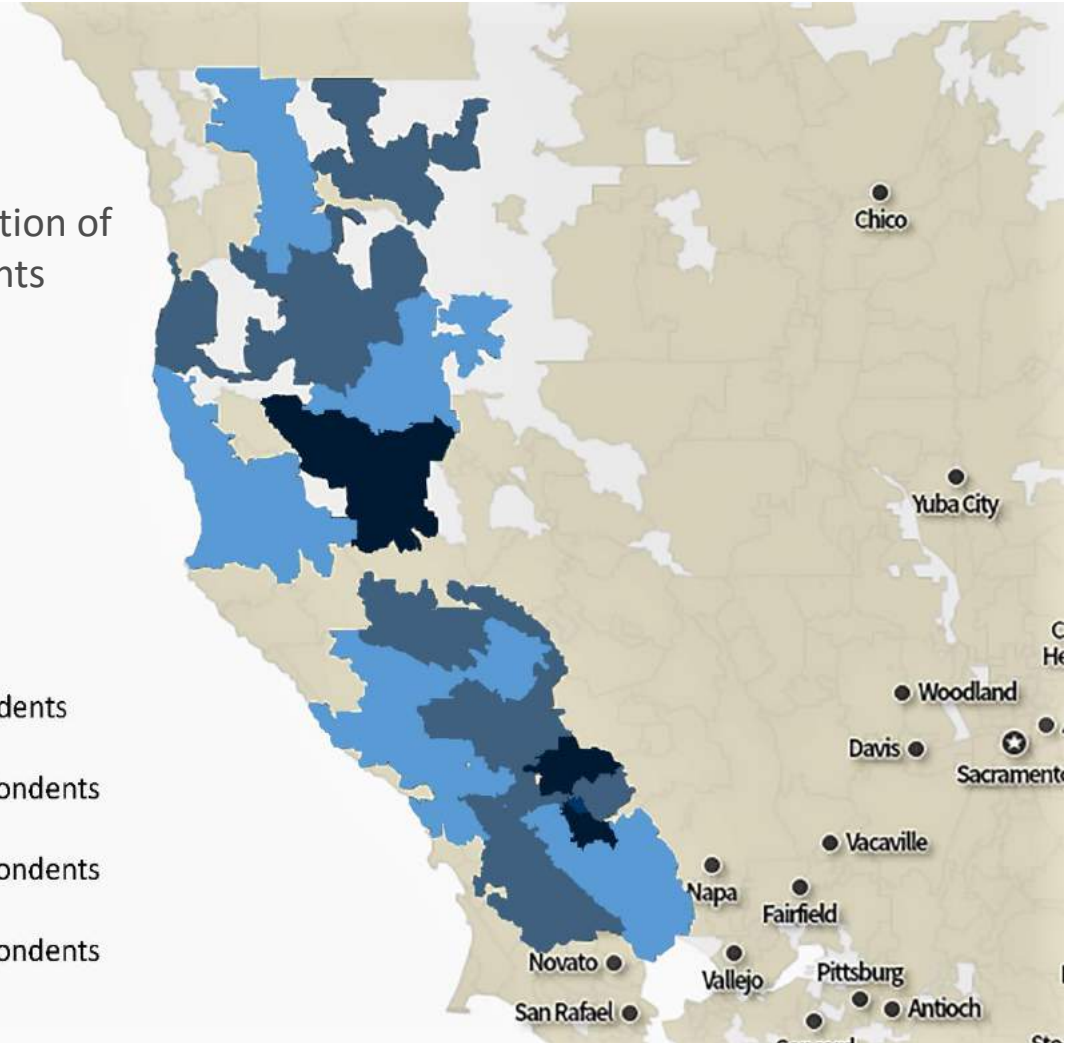
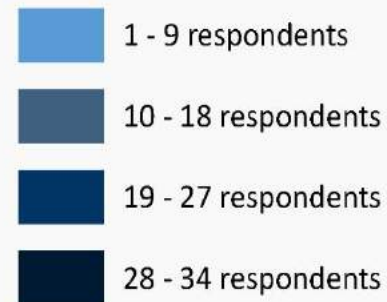
Purpose of the CEDS survey:

- Vehicle for public participation and community engagement.
- Primary data check on secondary data research – do perceptions align with what secondary data suggests?
- Inform CEDS goals and strategies.

Survey overview:

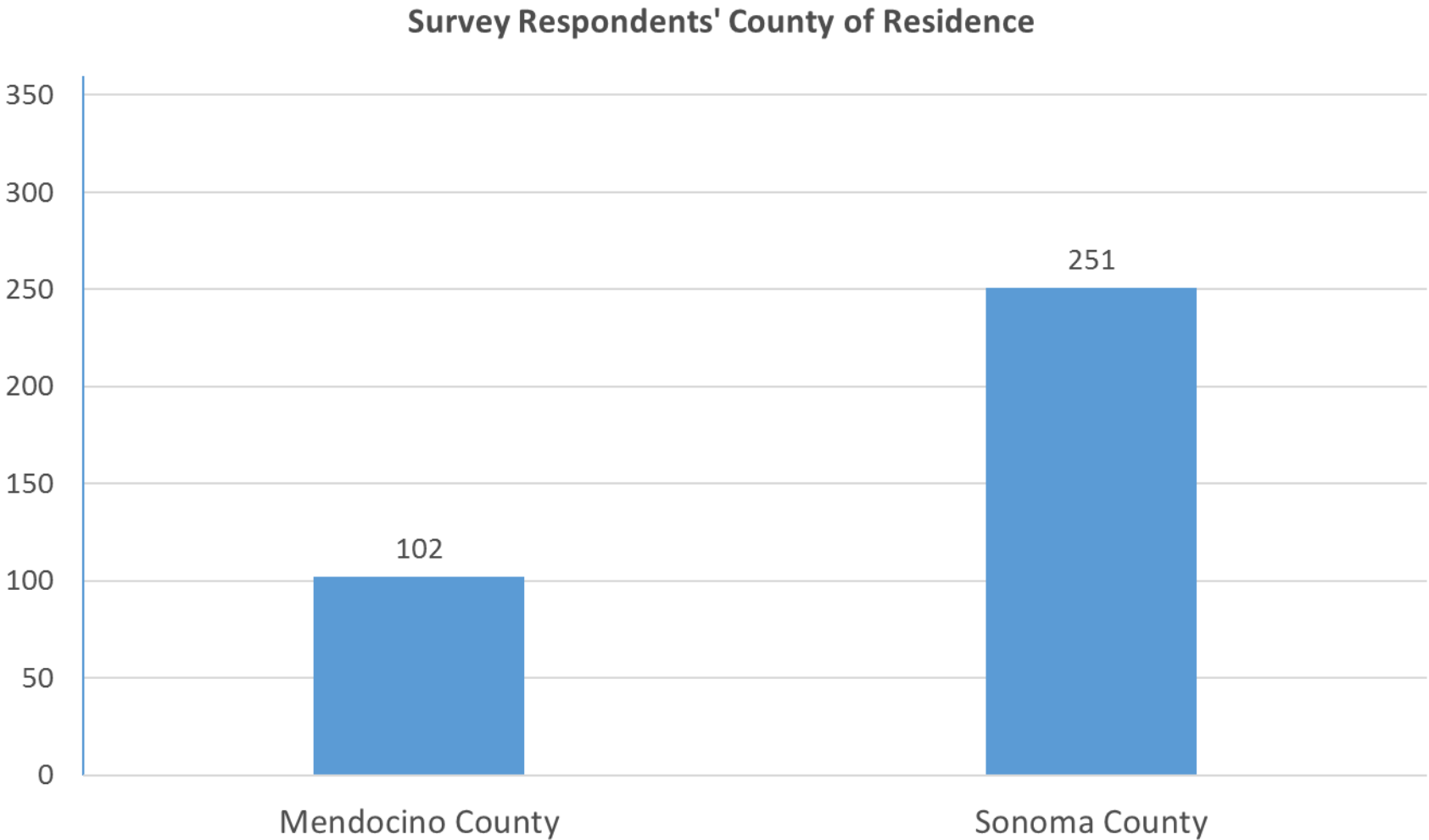
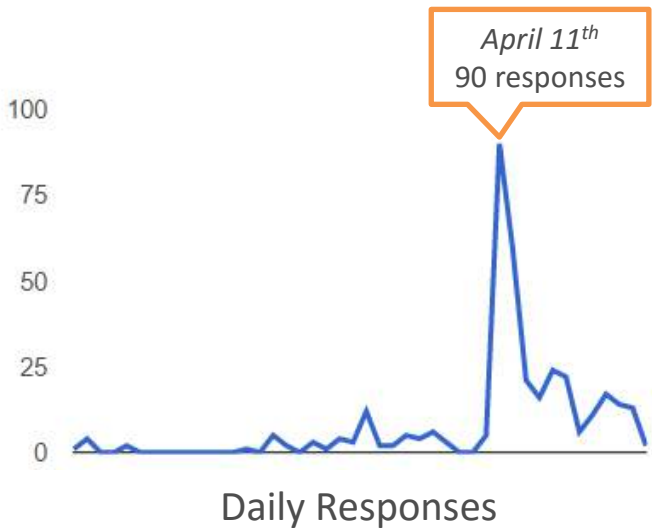
- Available in English and Spanish on [CEDS website](#) March 23-April 25.
- 22 questions
- 353 responses

Zip Code distribution of survey respondents



Which county do you live in?

Respondents	
Sonoma	71%
Mendocino	29%
251 - .05% of Sonoma total pop	
102 - .12% of Mendocino total pop	

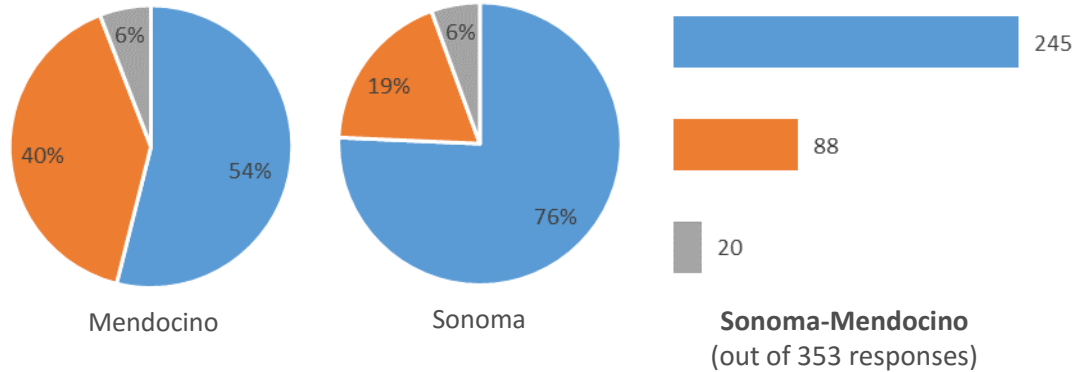


How would you complete the following statements?

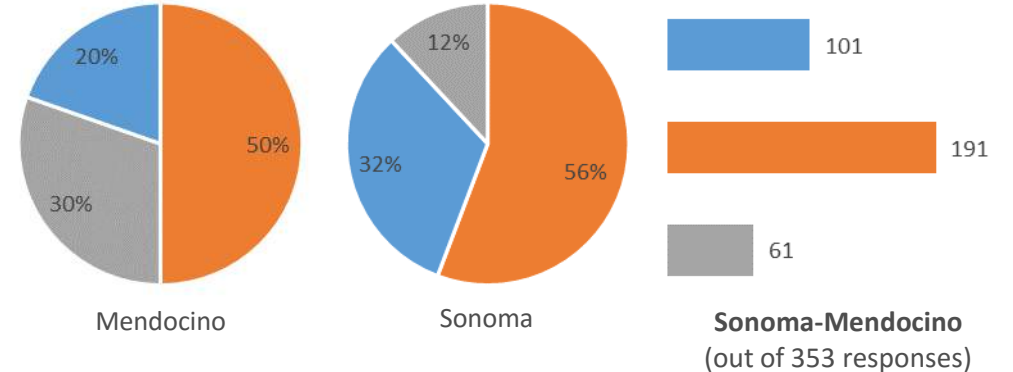
"I am..."

■ Very likely
 ■ Somewhat likely
 ■ Not likely

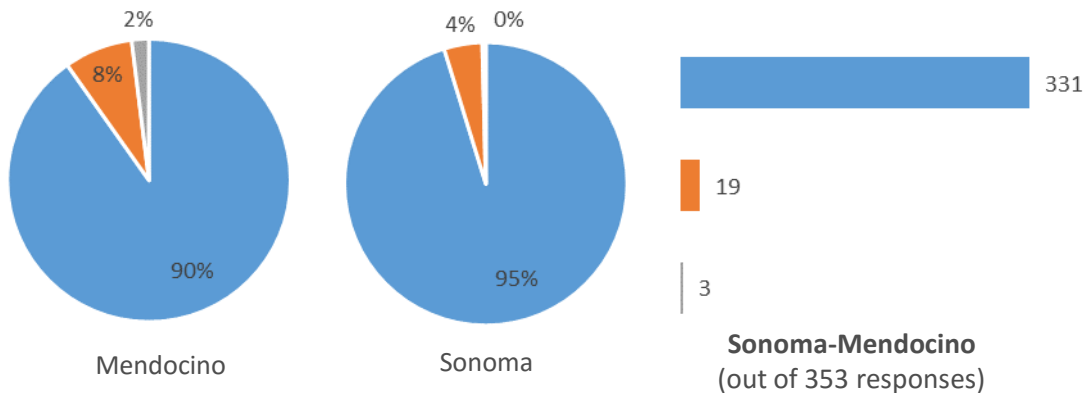
... to recommend my county as a place to **live**?"



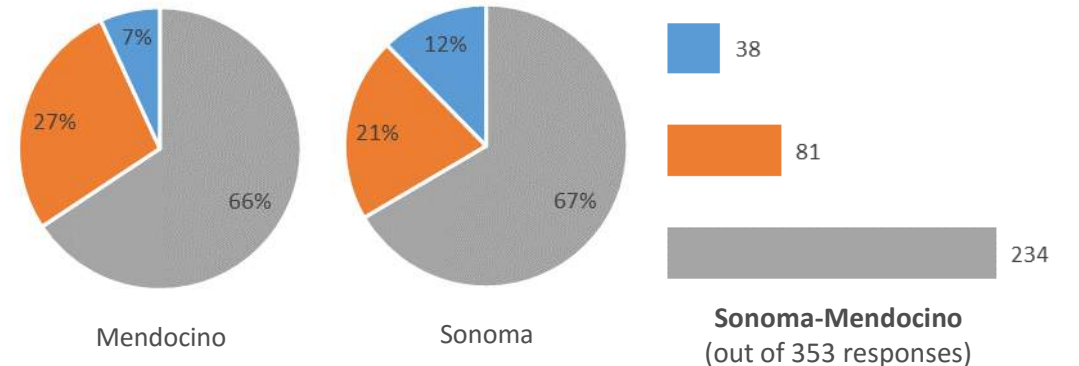
... to recommend my county as a place to start a **business**?"



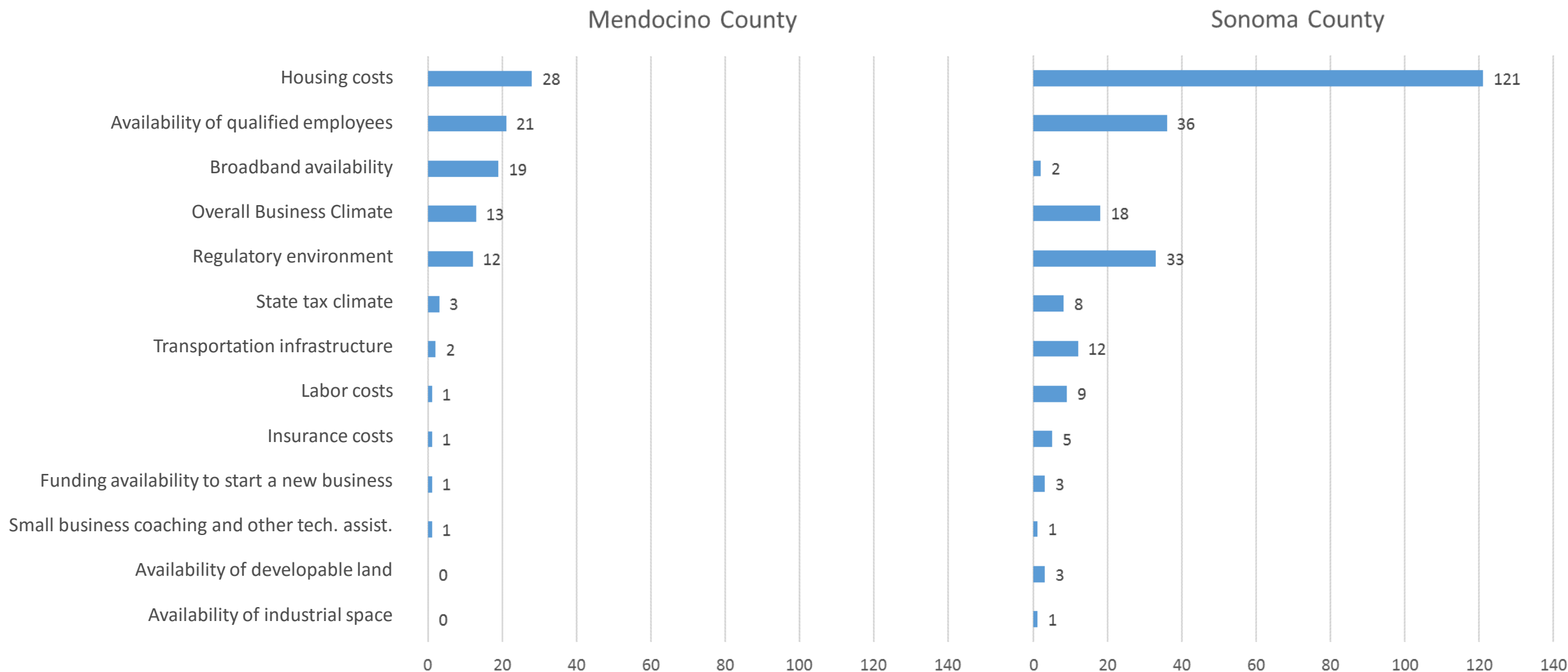
... to recommend my county as a place to **visit**?"



... to consider **relocating** to a county other than Mendocino or Sonoma?"



What is your top concern about the future competitiveness of your county's economy?



To what extent do you agree or disagree with these statements about your county's economy?

County	Disagree	Neutral	Agree
S	0%	0%	99%
M	2%	6%	92%
S	8%	23%	68%
M	26%	26%	48%
S	13%	27%	61%
M	35%	35%	31%
S	6%	19%	75%
M	39%	33%	27%
S	19%	28%	53%
M	43%	29%	27%
S	13%	34%	53%
M	51%	37%	12%
S	40%	22%	39%
M	55%	28%	17%
S	43%	22%	35%
M	66%	16%	18%
S	55%	25%	20%
M	67%	22%	11%
S	33%	35%	32%
M	75%	20%	6%

"The region attracts visitors/is seen as a visitor destination."

"Entrepreneurs can succeed."

"I can advance in my chosen career."

"Businesses are growing."

"Education and job training is available to residents who want or need it."

"Education and job training quality is high."

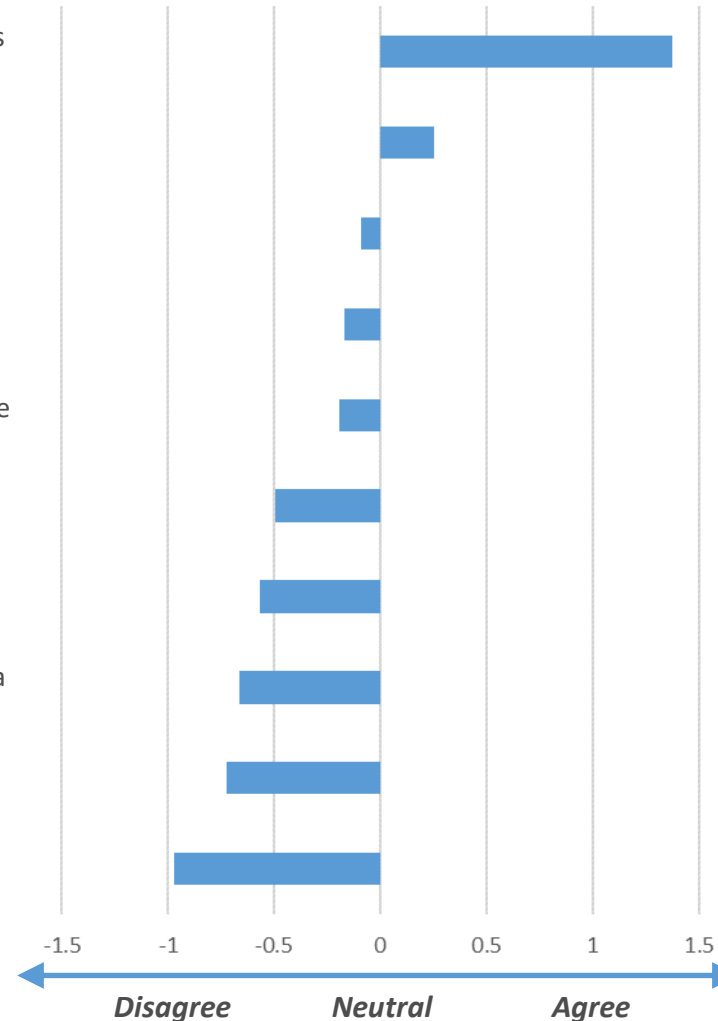
"Wages and salaries make it possible to maintain my standard of living."

"Everybody who wants a job can get a job."

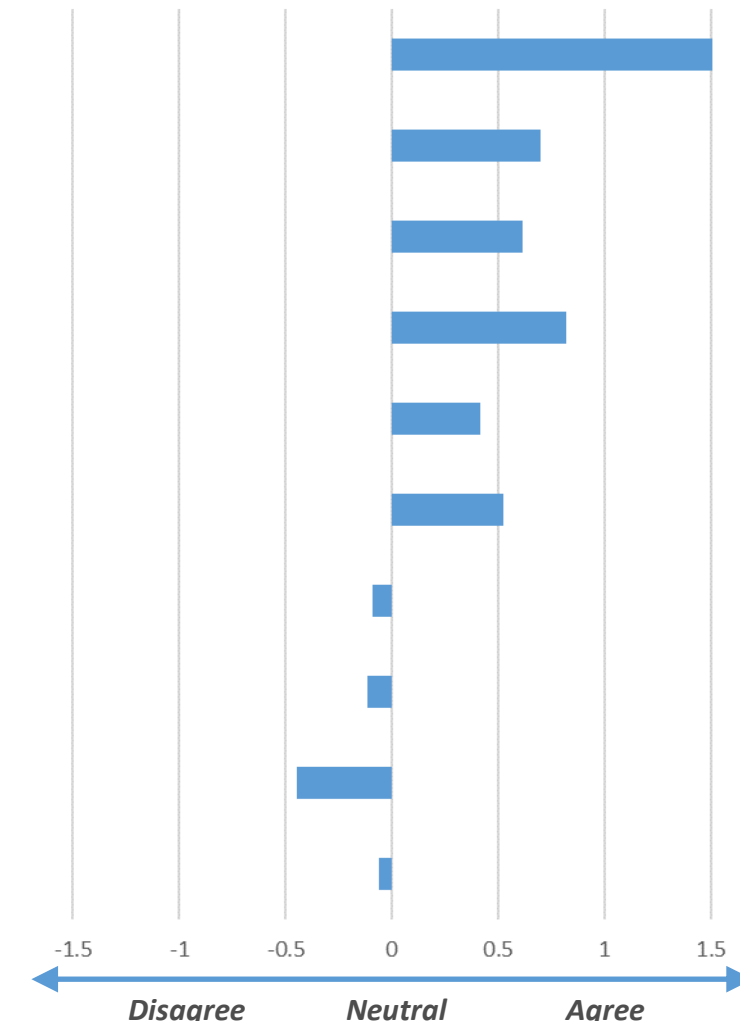
"All residents have equal access to economic opportunity."

"The region attracts businesses/is seen as a business destination."

Mendocino County



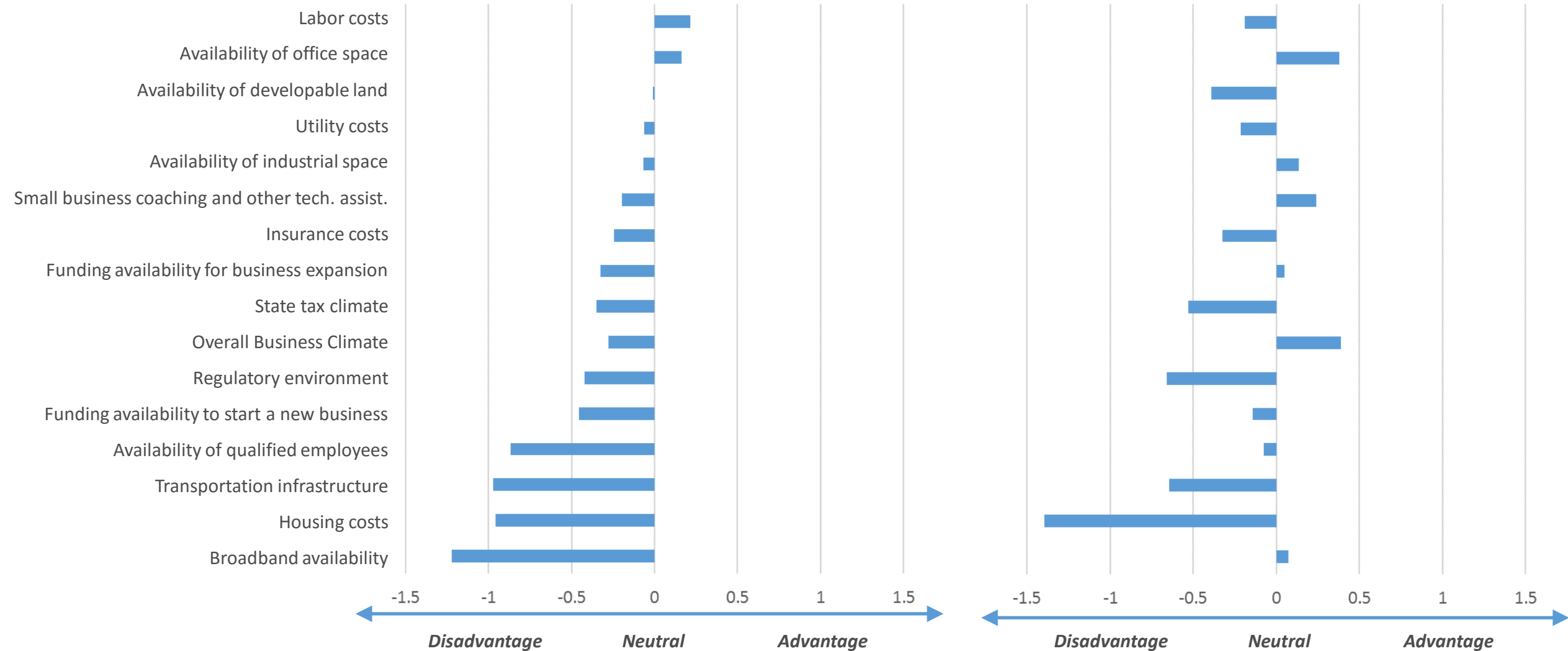
Sonoma County



When it comes to your county's business climate, how would you rate the following?

Mendocino County

Sonoma County



When it comes to infrastructure availability and quality, how would you rate the following?

County	Disadv.	Neutral	Adv.
S	58%	31%	11%
M	8%	21%	71%
S	50%	30%	20%
M	15%	26%	59%
S	57%	26%	16%
M	48%	31%	21%
S	25%	33%	41%
M	49%	33%	19%
S	35%	38%	27%
M	52%	30%	18%
S	16%	59%	25%
M	52%	45%	3%
S	28%	53%	19%
M	68%	29%	3%
S	54%	31%	15%
M	85%	14%	1%
S	23%	45%	32%
M	76%	23%	1%
S	30%	24%	46%
M	83%	15%	2%

Traffic and congestion

Commute Times

Road/Highway access and quality

Bike and pedestrian infrastructure

Bike and pedestrian safety

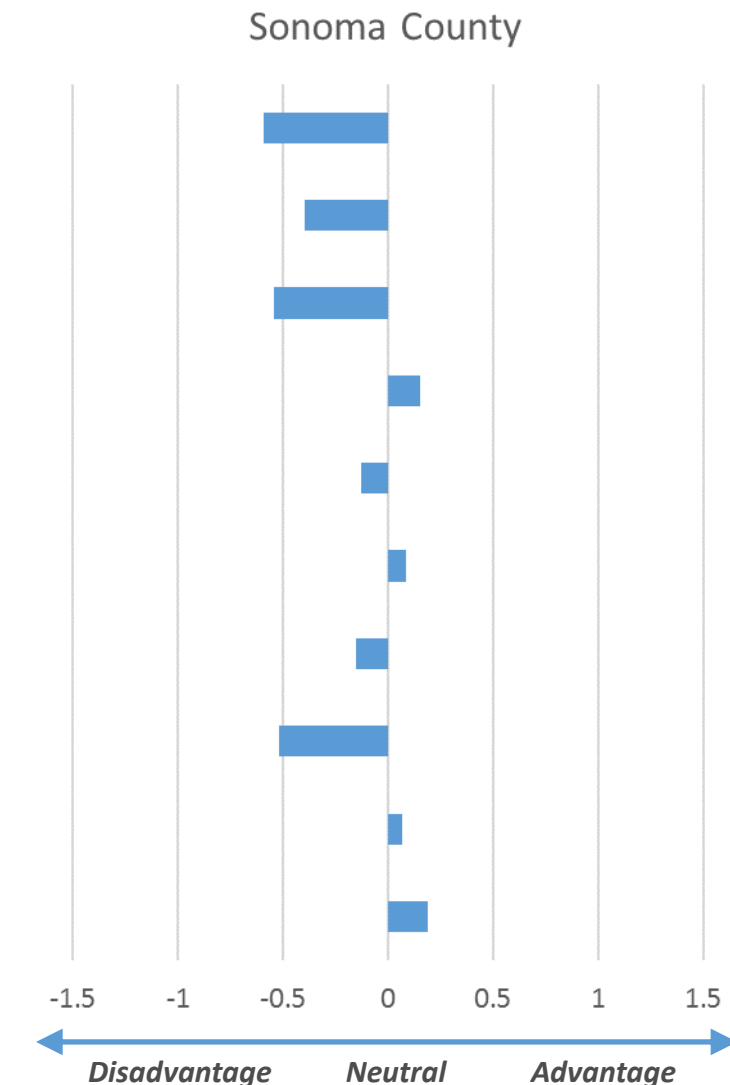
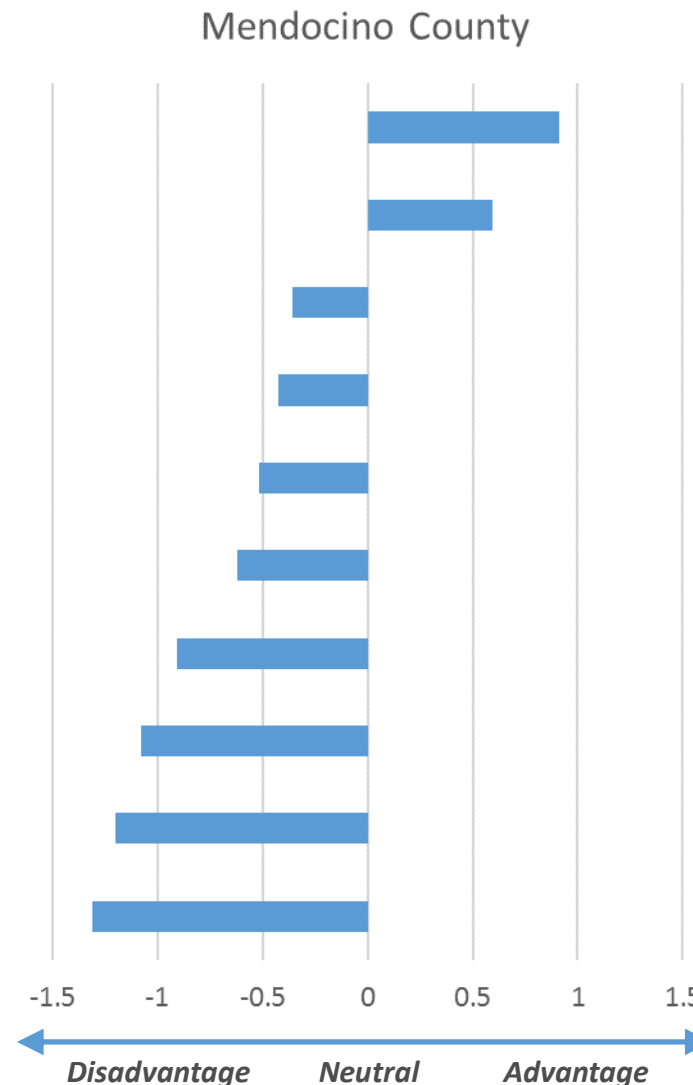
Freight transportation

Cost of broadband service

Transit (bus, commuter rail, etc.)

Availability of broadband service

Passenger air service



Please rate the following aspects of your community's quality of life. (Sonoma)

Sonoma County's
overall quality of
life "grade":

B+

	Grade
Arts and cultural facilities and programs	A-
Commute times and transportation options	C+
Diversity and Inclusiveness	C+
Entertainment, nightlife, and dining	B
Environment and sustainability programs	B+
Family and child-friendly options	B
Human and social services affordability and availability	B -

	Grade
Outdoor recreation and public parks	A
Philanthropic and community development activity	B+
Retail and shopping destinations	B
Sense of personal and property safety	B+
Sense of community, connectedness, and civic participation	B+
Housing Affordability	D+

Please rate the following aspects of your community's quality of life. (Mendocino)

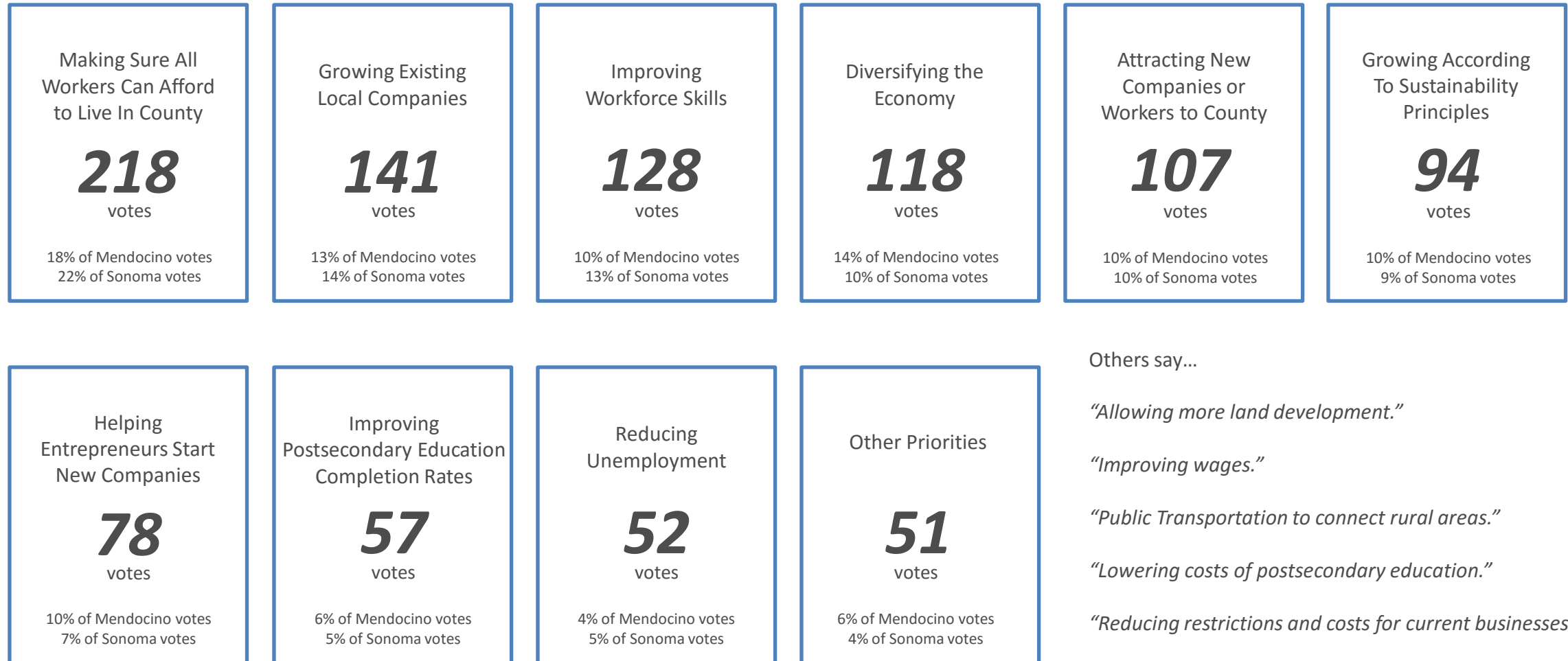
Mendocino
County's overall
quality of life
"grade":

B

	Grade
Arts and cultural facilities and programs	B
Commute times and transportation options	B -
Diversity and Inclusiveness	B -
Entertainment, nightlife, and dining	C+
Environment and sustainability programs	B
Family and child-friendly options	B -
Human and social services affordability and availability	C+

	Grade
Outdoor recreation and public parks	A-
Philanthropic and community development activity	B
Retail and shopping destinations	C
Sense of personal and property safety	B
Sense of community, connectedness, and civic participation	B+
Housing Affordability	C-

Which of the following do you view as the top three economic priorities for your county?



Others say...

“Allowing more land development.”

“Improving wages.”

“Public Transportation to connect rural areas.”

“Lowering costs of postsecondary education.”

“Reducing restrictions and costs for current businesses.”

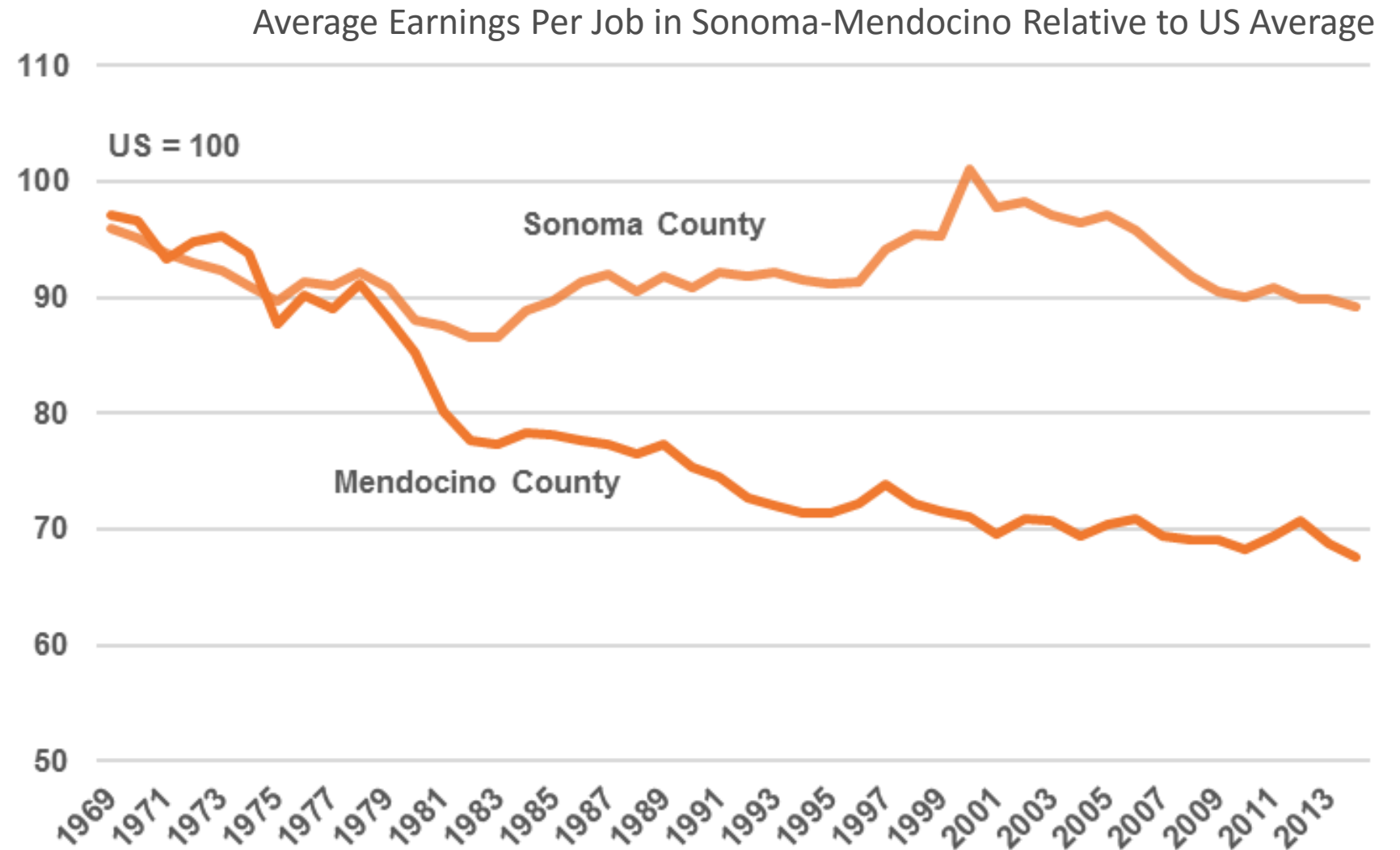
“Improving road infrastructure.” [specifically 101]

Wages are not keeping up with rising cost of living in Sonoma-Mendocino. Median value for owner-occupied housing is two to three times higher than US median; rent is 35% higher.

Average earnings in Sonoma (\$50,796) are 89% of US and have increased by only 14% in real terms since 1969.

Average earnings in Mendocino (\$38,503) are 68% of US and are **17% lower** in inflation-adjusted terms compared to 1969.

Meanwhile, the average home value has increased by at least 300% since 1970.



Housing Affordability for Workers Age 25+ by Educational Attainment and Race/Ethnicity

	SONOMA COUNTY		MENDOCINO COUNTY	
	AVERAGE EARNINGS	MAXIMUM AFFORDABLE HOUSING COST (MONTH)	AVERAGE EARNINGS	MAXIMUM AFFORDABLE HOUSING COST (MONTH)
Bachelor's Degree+	\$74,964	\$1,874	\$50,376	\$1,259
Some College/Associate's	\$50,928	\$1,273	\$37,764	\$944
High School Diploma	\$42,636	\$1,066	\$33,780	\$845
No High School Diploma	\$35,244	\$881	\$28,308	\$708
Asian	\$56,364	\$1,409	\$40,512	\$1,013
White	\$50,532	\$1,263	\$35,892	\$897
Native Hawaiian/Pacific Islander	\$39,156	\$979	\$30,948	\$774
Black	\$37,188	\$930	\$28,764	\$719
American Indian/Alaska Native	\$36,336	\$908	\$29,376	\$734
Hispanic/Latino	\$36,024	\$901	\$28,464	\$712

Hispanics/Latinos are nearly one out of five residents age 25+ in Sonoma-Mendocino, but earn 65%-75%, on average, of what is necessary to afford monthly rent in an average priced housing unit.

Primary working age (25-64) share of population is comparable to US share, but cohort is growing at slower rate in Sonoma-Mendocino region.

Uneven recovery during 2010-2014 of labor force growth – 4.0% in Sonoma and -1.0% in Mendocino.

Mendocino’s population (total) was larger in 2010 than it was in 2015.

Growth Rate by Decade of Primary Working Age (25-64) Population

	1970s	1980s	1990s	2000s
Sonoma-Mendocino	61%	37%	19%	6%
Sonoma County	66%	40%	21%	6%
Mendocino County	40%	24%	10%	5%
US	19%	19%	16%	11%

Estimate of Primary Working Age (25-64) Population Growth

	2010	2014	AVG ANN CHANGE	AVG ANN GROWTH
Mendocino County	47,821	47,880	15	0.03%
Sonoma County	264,392	272,916	2,131	0.81%
Sonoma-Mendocino	312,213	320,795	2,145	0.69%

Demographics – Educational Attainment

Comparison of Population Age 25-64 with Associate's Degree or Higher to Projected Job Openings Requiring Associate's Degree or Higher

	AGE 25-64 ASSOCIATE'S+ POP 2000	AGE 25-64 ASSOCIATE'S+ POP 2014	AVG ANNUAL POP CHANGE 2000-2014	AVG ANNUAL JOB OPENINGS 2015-2025	POP CHANGE/ JOB OPENINGS
Mendocino	12,951	13,436	35	191	18%
Sonoma	98,073	109,742	834	1,744	48%
Sonoma-Mendocino	111,024	123,178	868	1,997	43%
US	49,727,035	65,667,532	1,138,607	1,430,200	80%

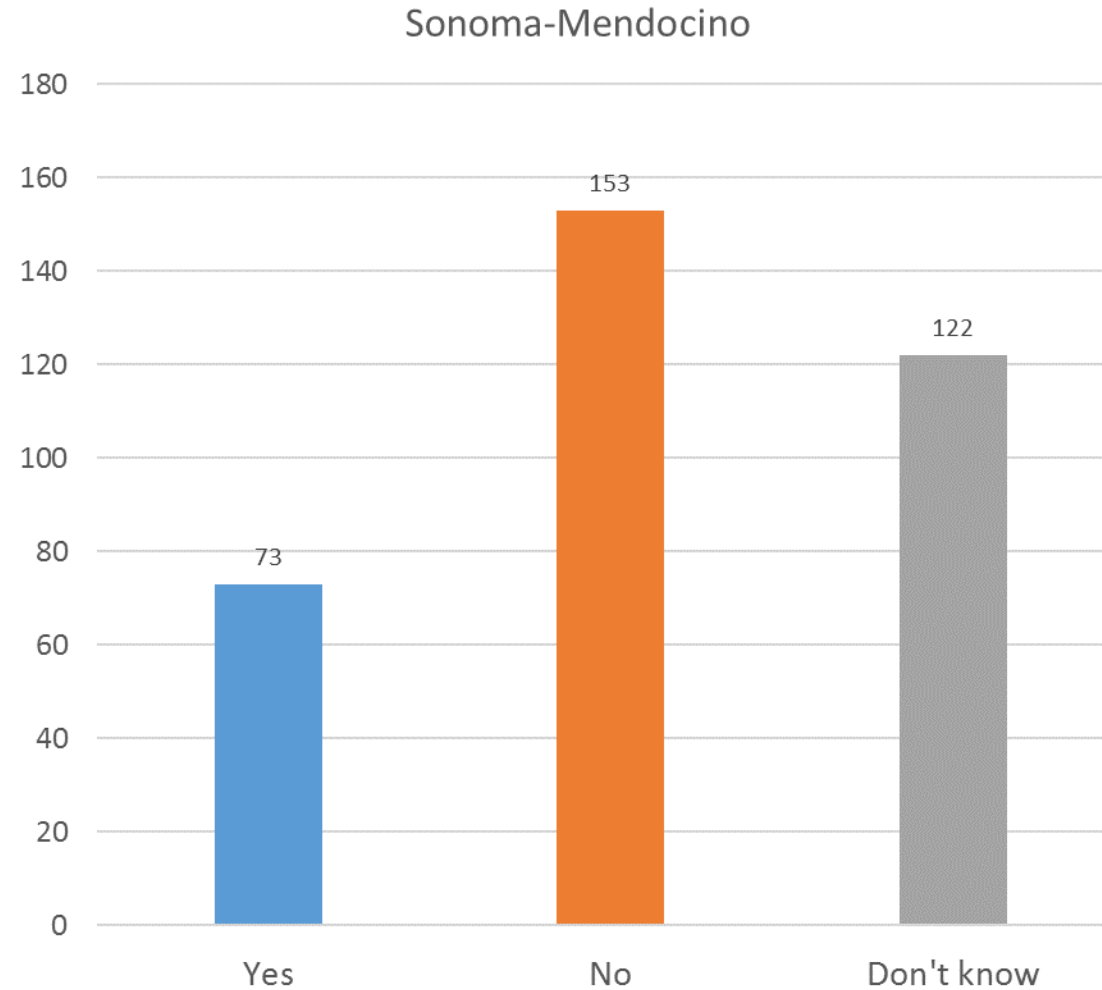
In 2000, 38% of the primary working age (25-64) population in Sonoma-Mendocino had an associate's degree or higher, several percentage points higher than the US (34%). By 2014, that advantage was gone: US rate had increased to 40%, Sonoma-Mendocino to just 39%.

Approximately one-third of Sonoma-Mendocino residents in their primary working age years are not equipped with the postsecondary education necessary to compete for most living wage jobs, including 88,413 residents of Sonoma County (33%) and 18,798 in Mendocino County (41%).

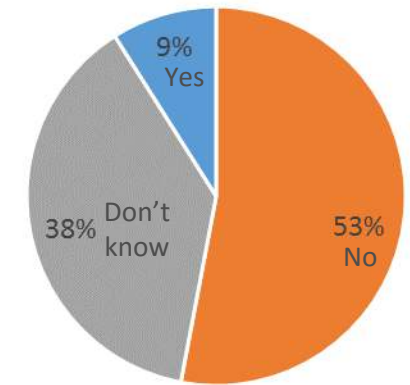
Are students graduating from schools adequately prepared to enter the workforce?

Responses (out of 348)

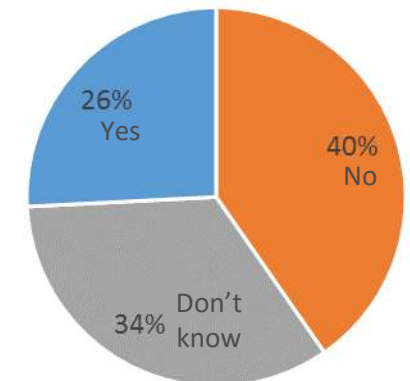
Yes	21%
No	44%
Don't Know	35%



Mendocino County



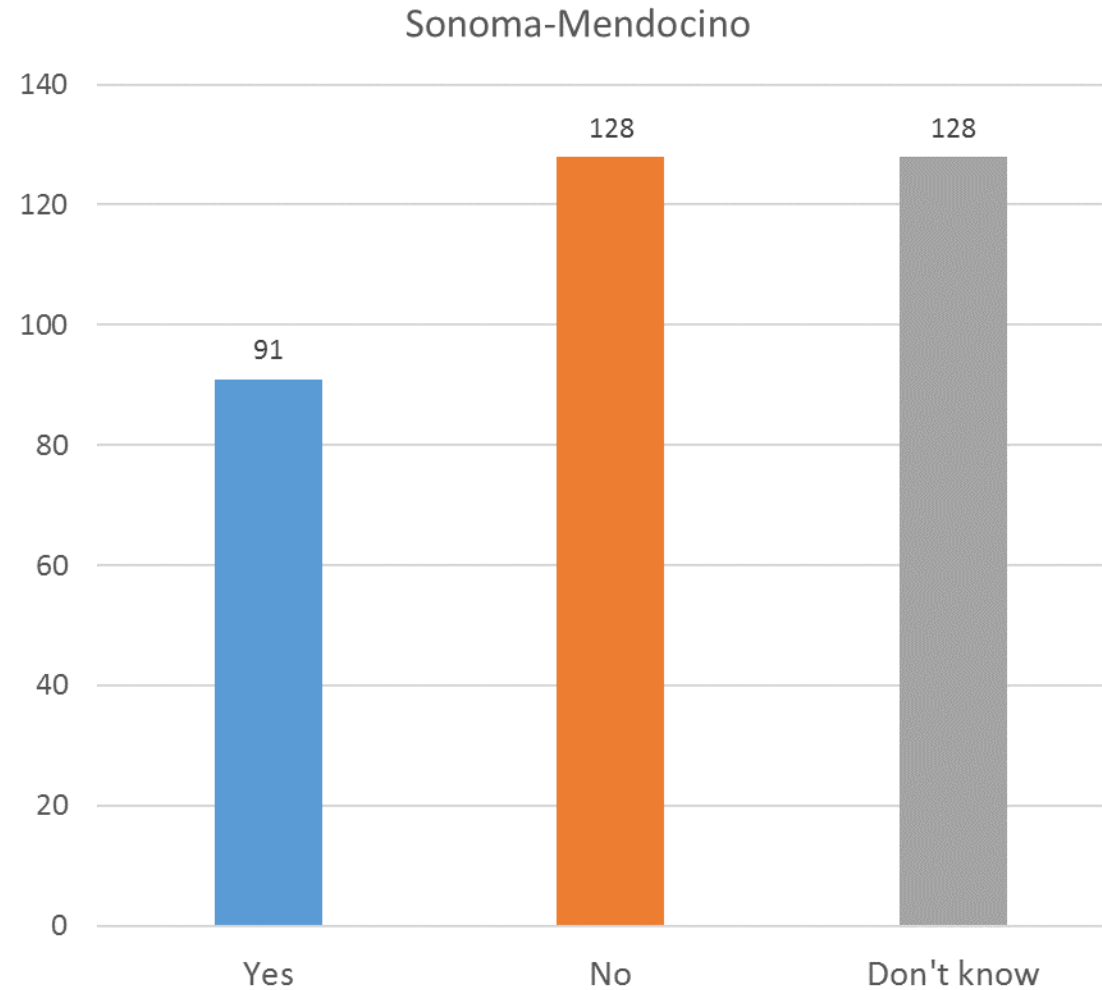
Sonoma County



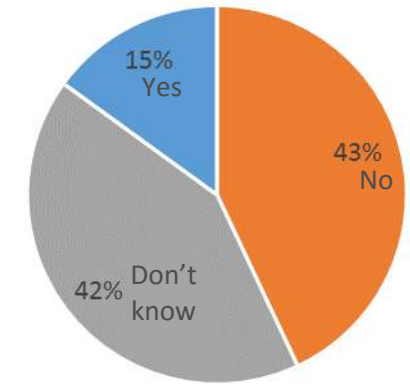
Is career and technical education a priority for school districts in your county?

Responses (out of 347)

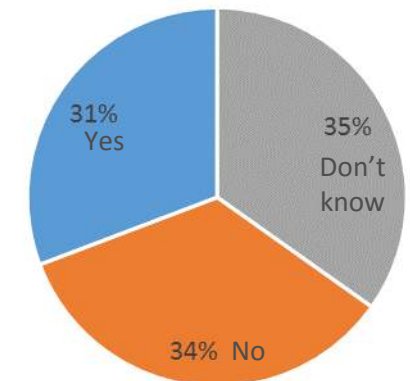
Yes	26%
No	37%
Don't Know	37%



Mendocino County



Sonoma County



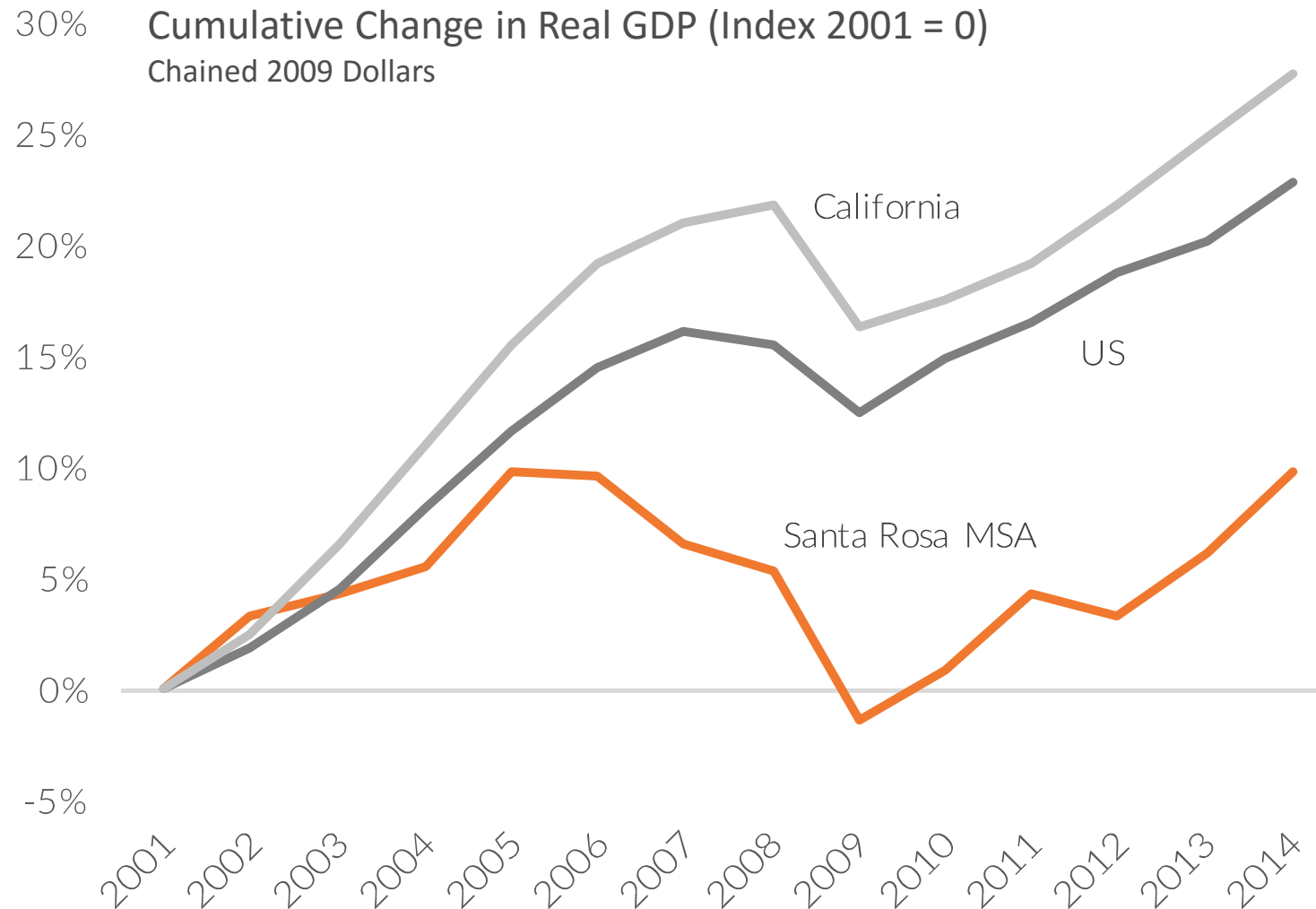
Santa Rosa MSA lost more than \$2 billion in real output during 2005-2009. Real GDP in 2009 was smaller than 2001.

For every \$1 in GDP lost during 2005-2009, \$0.62 can be traced to the combined losses in real estate and construction.

Real estate has provided 35% of GDP recovery (2009-14) in Santa Rosa MSA, compared to 15% for all US metro areas. Professional & business services was only 3% of GDP recovery in Santa Rosa MSA (24% for all US metros).

Sonoma: \$23.9 billion*

Mendocino: \$3.8 billion*



Traded economy: 4,000 establishments, 60,000 jobs, \$8 billion in GDP.

24 strong traded clusters ranking among top 25% of US counties according to job concentration.

Wineries are 70% of total economic activity in Food Processing & Manuf. But many other opportunities in Malt Beverages (\$144 million), Specialty Food (\$87 million), and Dairy Products (\$56 million).

Traded Clusters in Sonoma-Mendocino with at least \$100 Million in GDP

	GDP (VALUE-ADDED) 2013	ESTABLISH 2015	JOBS 2015	STRONG SONOMA	STRONG MENDOCINO
Food Processing & Manufacturing	\$1,558,718,731	429	9,906	x	x
Distribution & Electronic Commerce	\$1,171,978,128	652	7,731		
Info Tech & Analytical Instruments	\$594,287,551	68	2,603	x	
Financial Services	\$585,182,399	316	2,037		
Medical Devices	\$471,600,979	20	1,484	x	
Hospitality and Tourism	\$420,790,294	400	6,896	x	x
Marketing, Design & Publishing	\$299,168,486	199	2,234	x	
Agricultural Inputs & Services	\$133,374,933	130	2,599	x	x
Performing Arts	\$120,333,500	71	1,435	x	x

Opportunities for collaboration on workforce development – employment in occupations requiring less than a bachelor’s degree and paying a median wage of at least \$15 per hour are expected to increase by 300 positions (6%) during 2016-2021.

Adjusted for size (GDP), Sonoma-Mendocino would rank among top 10 MSAs nationally for VC investment during 2005-2012.

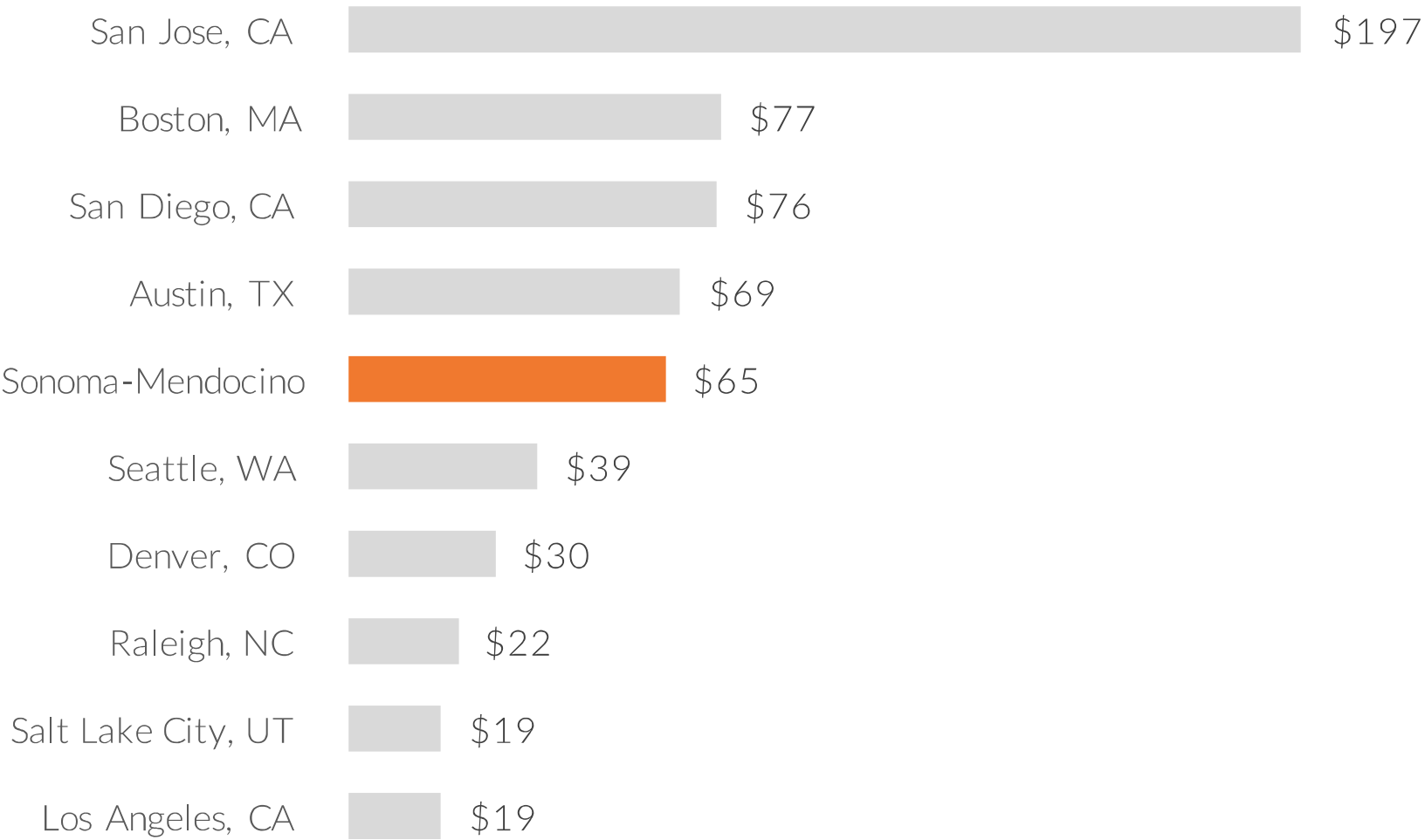
Best years for VC recently were 2009 (\$115) and 2007 (\$100).

Average of seven deals per year during 2010-2015 (NVCA).

Sonoma-Mendocino would also rank in top 20 MSAs for patents per 10,000 employees, trailing only San Jose and San Diego in the state of California.

Average of 196 patents registered per year (95% in Sonoma).

Average Annual Venture Capital Investment Per \$10,000 in GDP, 2005-2012



Please rate the following statements on your county's diversity and openness.

County	Disagree	Neutral	Agree
S	12%	19%	69%
M	14%	25%	61%
S	14%	27%	59%
M	14%	36%	50%
S	10%	31%	59%
M	17%	33%	50%
S	19%	31%	50%
M	23%	28%	50%
S	29%	31%	41%
M	33%	29%	37%

"My county is a welcoming, tolerant, and attractive place for people of diverse backgrounds."

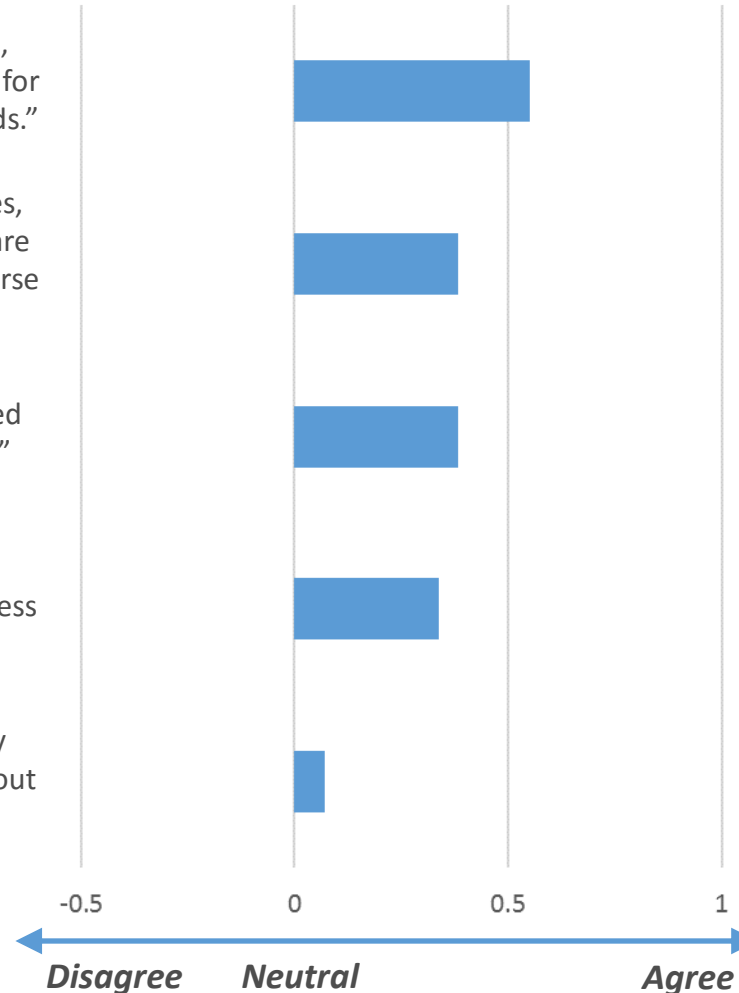
"Opportunities, communities, and networks in my county are accessible and open to a diverse range of people."

"Minority and women owned businesses can thrive here."

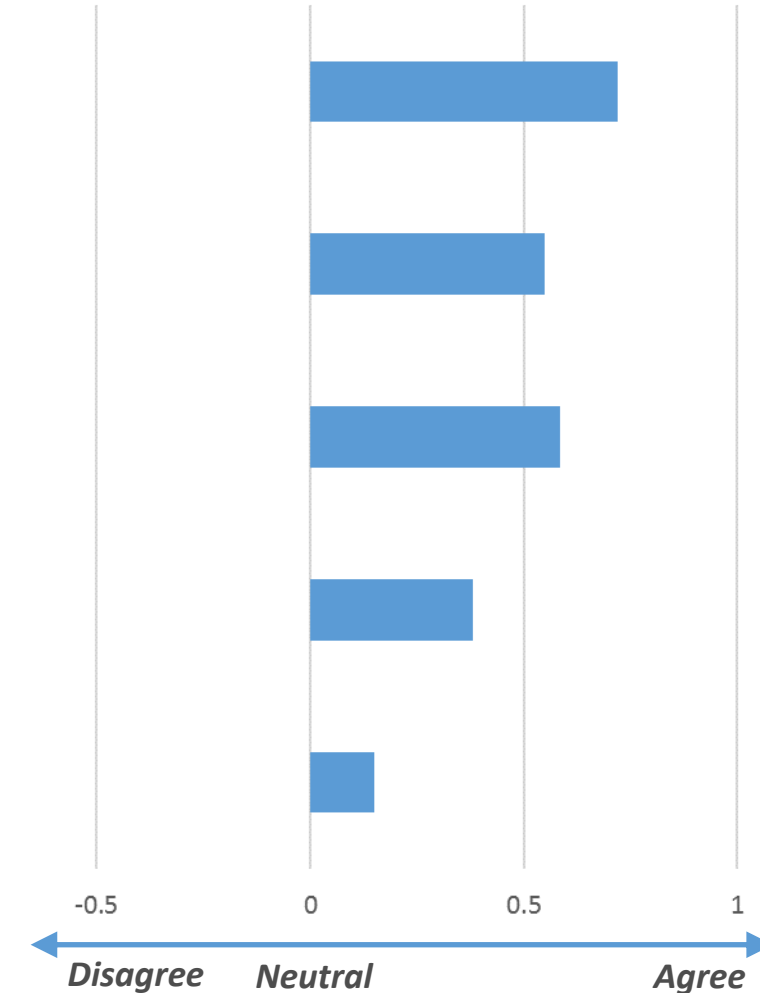
"New residents can easily integrate into civic and business circles here."

"People of all ages are fully included in conversations about the future direction of my county."

Mendocino County



Sonoma County



How do the following economic factors compare to five years ago?

County	Worse	Same	Better
S	15%	25%	60%
M	18%	44%	38%
S	15%	25%	60%
M	27%	38%	35%
S	15%	32%	54%
M	23%	48%	29%
S	10%	21%	69%
M	37%	35%	29%

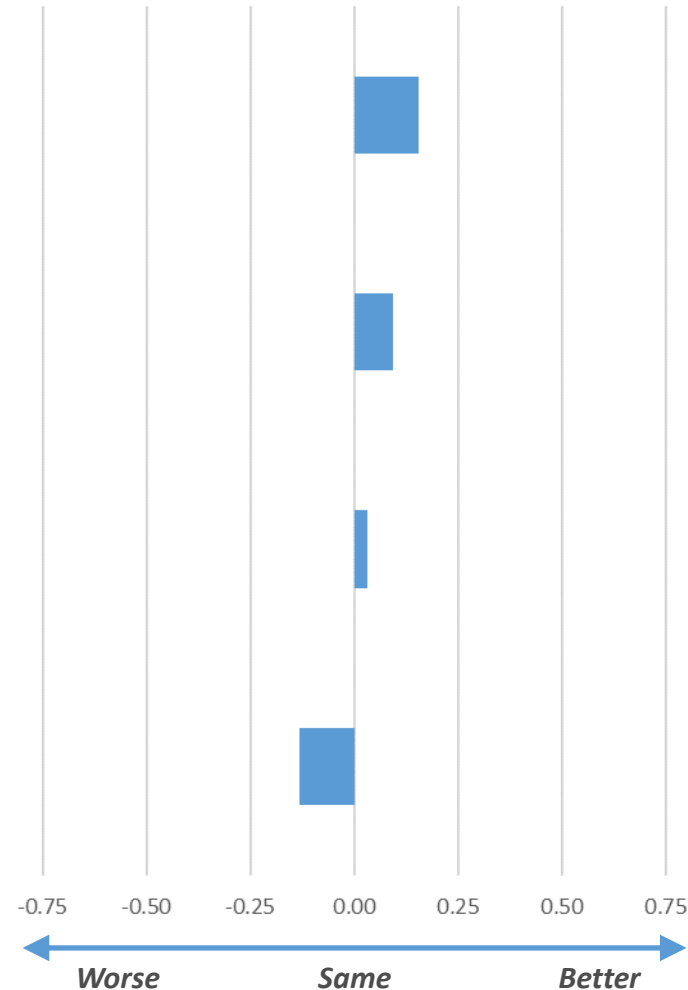
My employer's economic circumstances

My household's economic circumstances

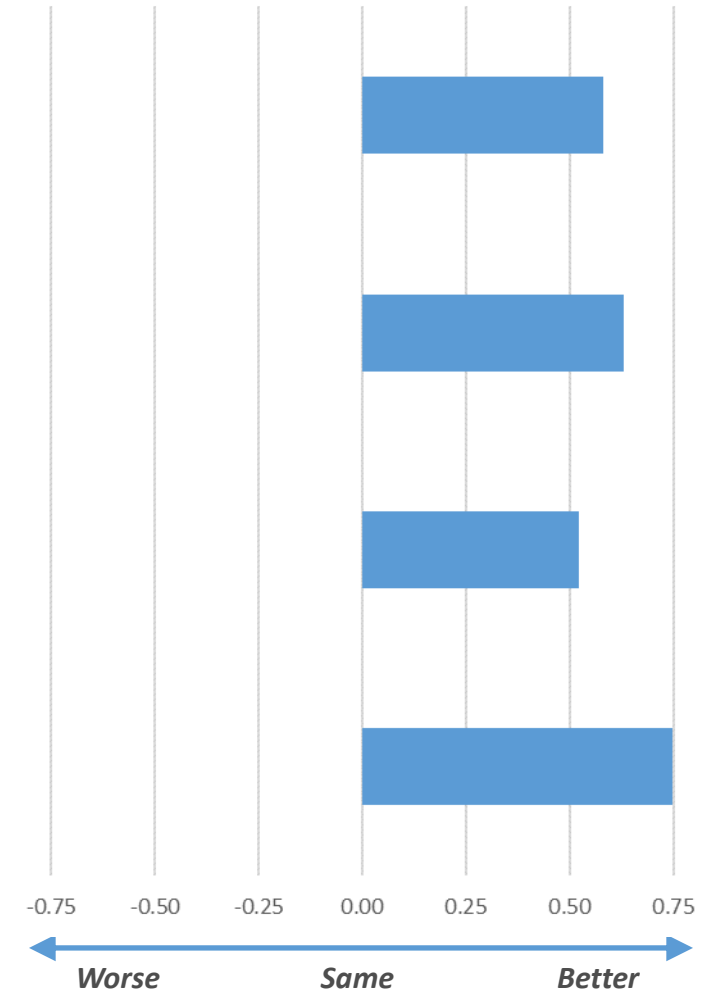
My business' economic circumstances

My county's economic circumstances

Mendocino County

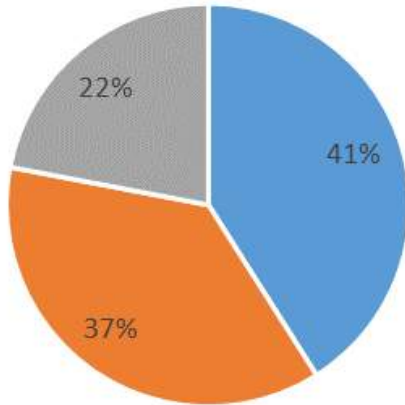


Sonoma County

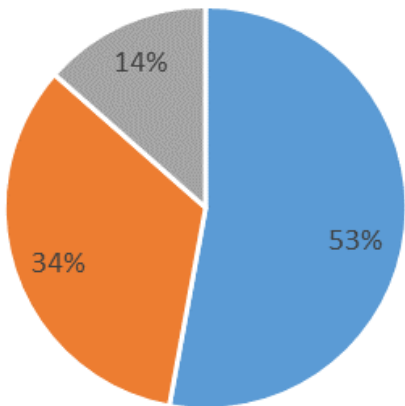


Five years from now, do you believe your economy will decline, stay the same, or improve?

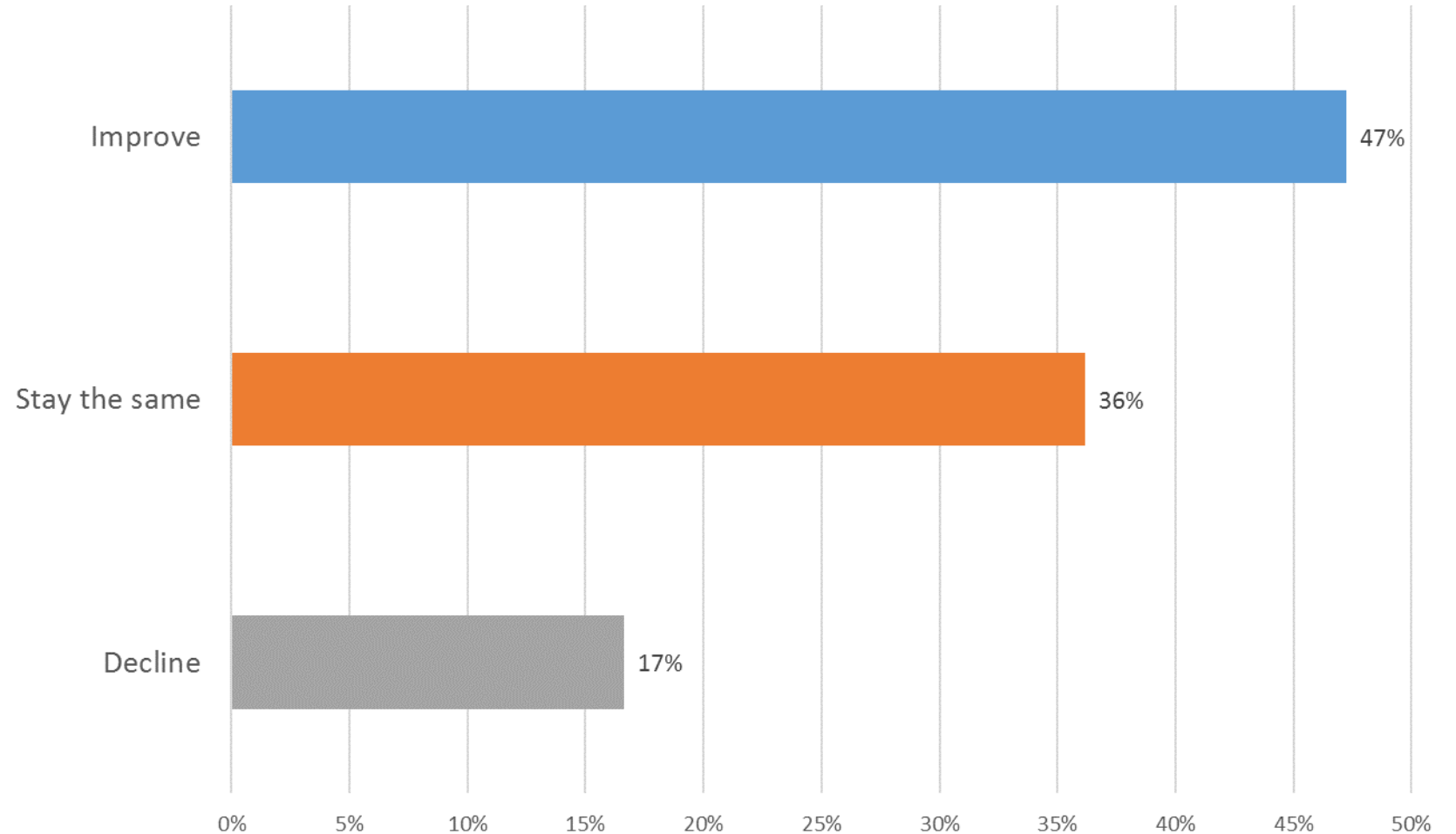
Mendocino County



Sonoma County

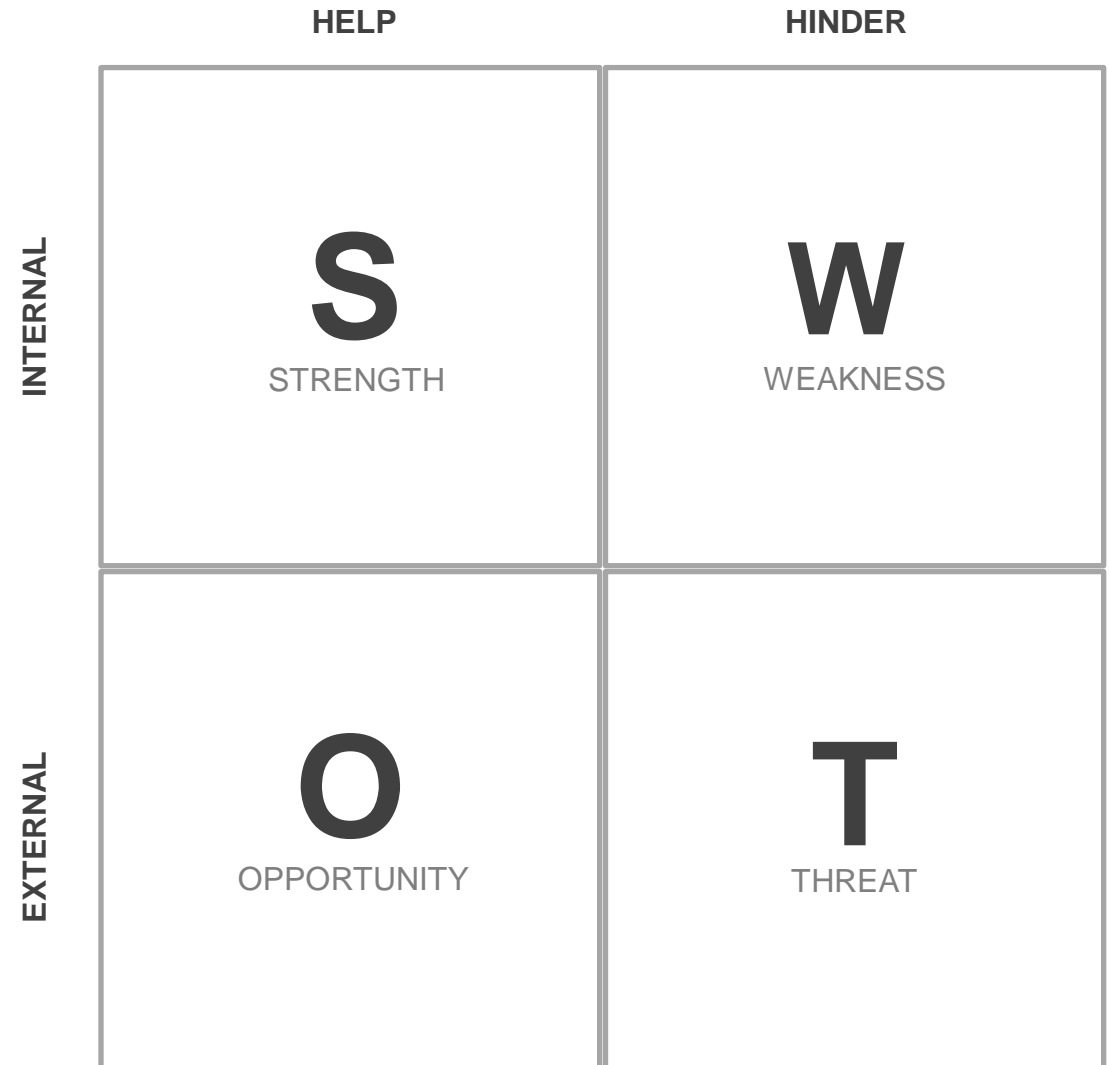


Sonoma-Mendocino State of the Economy



- What will legal cannabis do to wages, incomes, tax bases, & commercial/industrial real estate?
- To what extent is quantifying housing shortage useful? Relevant for CEDS implementation?
- Is there sufficient awareness/coordination on “middle-skill” career opportunities that pay a living wage and align to priority clusters?
- Can “regulation” be made actionable?

- Appoint a note taker for your table (include name & contact information).
- Identify at least 3 SWOTs & be prepared to report out to the room.
- Do any existing programs come to mind addressing SWOTs effectively?



SMCEDS Key Tasks

1. Secondary research
2. Community survey
3. Interviews
4. Public workshops
5. Finish research/draft goals – **June**
6. Call for projects – **July**
7. Draft CEDS – **August**
8. Public comment – **Aug-Sept (30 days)**
9. Board action/submit CEDS – **October**
10. EDD application – **October (start)**

IN THIS SECTION:

Overview

Content

Summary Background

SWOT Analysis

Strategic Direction/
Action Plan

Evaluation Framework

Economic Resilience

Format

Preparation

Equivalent/Alternative Plans

 Full Report (PDF)

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CONTENT

A CEDS should be developed with broad based community participation and result in a document that is readily accessible to regional stakeholders. Potential partners for developing a CEDS could include government agencies, private sector interests, education providers, non-profits, community and labor groups, workforce boards, utilities, etc. Stakeholders should be able to use it as a guide to understanding the regional economy and to take action to improve it. The CEDS should take into account and, where appropriate, incorporate or leverage other regional planning efforts, including the use of available federal funds, private sector resources, and state support which can advance a region's CEDS goals and objectives. Its quality should be judged by its usefulness as a tool for regional economic development decision-making.

There are four main elements of a CEDS: 1) summary background, 2) SWOT analysis, 3) strategic direction/action plan, and 4) evaluation framework. The background should provide an overview of the region's economic situation. Building on data from the summary background, the SWOT analysis should assess the state of the regional economy, including the opportunities and threats posed by internal and external trends and forces, and the availability of resources for economic development. The region's vision, goals, and measurable objectives, together with an appraisal of the region's competitive advantages, should form the basis of the strategic direction and action plan. The evaluation framework should establish criteria and performance measures for evaluating the region's implementation of the strategic direction and progress toward goals and measurable objectives. The elements of the CEDS, seen through a lens of economic resiliency, should logically build upon and/or shape each other to result in a coherent, targeted document.

Recommended Resource: See South Florida's 2012 CEDS with the "six pillars" statewide framework which provides a clearly articulated, unifying framework across EDDs in the state: <http://www.sfrpc.com/CEDS/SouthFloridaCEDS2012-17.pdf> (PDF).

Below are recommendations for what should be included in each of the required sections, and suggested tools, resources and examples to help in each section's development:

- A. Summary Background: A summary background of the economic development conditions of

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COMMUNITY AND REGIONAL PLANNING

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