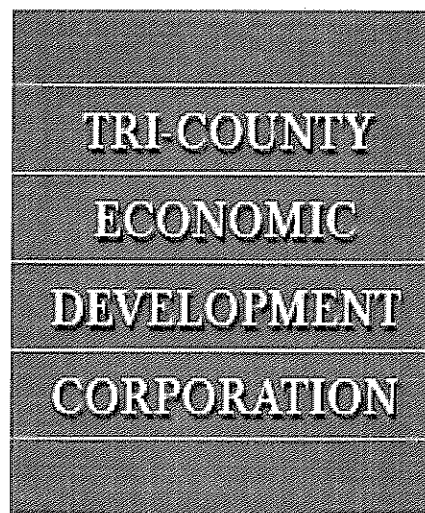


Tri-County Economic Development Corp.
Comprehensive Economic Development Strategy
Annual Update Report

2009 – 2010



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INTRODUCTION

CEDS Annual Report Format

The Comprehensive Economic Development Strategy (CEDS) is a five year plan that was adopted in 2005 and covers the time period between 2005 through 2010. The Economic Development Administration (EDA) requires Economic Development Districts to complete a CEDS Annual Report each year which serves to (1) summarize and assess the past year's activities, and (2) present new or modified program strategies. Each of the jurisdictions within the Economic Development District was asked to provide updates on project priorities and other pertinent information to be included in the CEDS Annual Report.

The CEDS Annual Report provides the following information: (1) information on the organizational background and capacity, (2) details on projects worked on or completed in 2008-2009, (3) information on the CEDS Committee, (4) changes in the District economy, (5) vision, goals and general strategies that were adopted as part of the five year planning document, and (6) priority projects for each of the member jurisdictions for the 2009-2010 fiscal year.

Organizational Background

After substantial organizational planning, Butte, Glenn, and Tehama Counties, with the State of California's recognition, agreed on an "Intent to form an Economic Development District" in 1985. The counties then formed the Tri-County Economic Development Corporation to represent the District. Shortly thereafter, in September of 1985, the United States Economic Development Administration (EDA) approved the formation of the Tri-County Economic Development District in accordance with Section 301 (b) of the Public Works and Economic Development Act of 1965, under the terms of Public Law 89-126, as amended. The Tri-County Economic Development District is currently a designated non-profit corporation under the authority of section 23701 (f) of the Revenue and Taxation Code of California. Hereafter, Tri-County Economic Development District will be referred to as "District".

The District was established to act as the economic development planning and coordinating organization for the counties of Butte, Glenn, and Tehama and the eight member cities located within the three counties. Initial identified goals of the District were to encourage new employment opportunities; foster a stable and diversified local economy; and, alleviate the persistent unemployment in the Tri-County area. Since that time, the District has added small business development as a significant component of its overall program.

Cities and counties participating in the District are listed below:

Butte County

City of Chico
City of Oroville
Town of Paradise
City of Gridley
City of Biggs

Glenn County

City of Willows
City of Orland

Tehama County

City of Corning
City of Red Bluff

Capacity of Organization

The Tri-County Economic Development District has had exceptional success in assisting their member communities through both their planning and loan programs. Key to the effectiveness of the organization is an experienced management team, and exceptional staff. The TCEDC is composed of 4 full-time and 1 part-time staff with expertise in strategic planning, project management, budget development, financing, marketing, loan portfolio management, computer technology, and human resource management.

Over the last five years (2004 – 2008), the District has completed 132 projects totaling \$9,189,203 in assistance, and leveraging over \$10,842,849 in additional funds resulting in the creation and or retention of over 150 jobs. Looking at the average job creation over the last five years it is anticipated that through the District's participation in the activities outlined in the Work Program the District will participate in the creation of 20 to 25 additional jobs over the next year. Many of the projects highlighted below will contribute to the long-term creation of higher-skilled and higher-wage jobs. Please see Exhibit 2 for a full list of staff members and their respective positions.

Management

TCEDC Executive Director, Marc Nemanic has been employed at TCEDC since 1991. He possesses a firm background in economic development planning and financing. Further, TCEDC Senior Program Manager, Sheri Nix, has also been employed at TCEDC since 1998. In addition, Amy Piper, Financial Administrative Analyst has been with the organization since 1997 and Patty Hess, Loan Division Manager has been with the organization since 1998. The capacity, experience, and stability of TCEDC's management team is unparalleled among rural economic development organizations in California. All management staff and key personnel possess excellent relationships with member communities and funding agencies.

Planning Division

The planning division utilizes the CEDS process as an effective method for identifying and prioritizing public works and other economic development projects in the District. Moreover, the process has served as an effective vehicle for equitably allocating staff time to assist communities with preparing funding applications to state and federal agencies.

By aggressively pursuing technical assistance and public works projects identified through the CEDS process, and then assisting the District members in accessing funds, the District has been able to develop a reputation as an effective customer-oriented, service providing organization to its members. The district has become the regional "hub" for accessing economic development resources from State and Federal agencies.

Loan Division

In order to provide capacity for regional business development, the loan division manages 11 separate federal, state, private, and locally capitalized loan funds with a total capital base of \$5.5 million. During this period a total of 11 businesses were funded totaling \$1,056,757 in RLF funding and leveraging approximately \$4.8 million in private investment. These loans are projected to create and or retain 13 jobs.

By administering such a large number of funds, the loan division is able to help package the appropriate loan with the appropriate need. Since the inception of the loan program, the TCEDC has been able to secure relationships with various local banks insuring a strong referral relationship.

2008-2009 DISTRICT PROJECTS

During the 2008-2009 fiscal year the District completed a large volume of projects benefiting the tri-county region. The following outlines the major projects either started or completed during the past year. The Tri-County EDC will continue to work closely with our local partners to complete similar projects in 2009-2010 that meet the defined goals and objectives of the 2005-2010 CEDS.

Implementation of the 2005 –2010 Comprehensive Economic Development Strategy (CEDS).

- Numerous priority “A” projects are currently in progress. Several are specifically discussed in various sections of this report.
- The District continued to hold regularly scheduled meetings with district members to discuss current and potential projects as well as general economic development issues. The District has focused its efforts on helping its member cities and counties access resources for, or provide technical assistance to, priority projects as identified in the 2005-2010 CEDS.

Applications for State and/or Federal Grant Funds

- **City of Chico – EDA Public Works Preliminary and Final Grant Preparation;**
The District provided assistance in the preparation of a \$2.5M EDA Public Works grant for a \$5.0 infrastructure project in North Chico. The project would benefit the businesses located in the Airport Industrial Park.
- **County of Butte – CDBG Enterprise Grant Preparation and Implementation;**
On behalf of the County of Butte, the District submitted a grant application for \$500,000 through the State Community Development Block Grant Program which was approved and is now assisting with implementation of the scope of work. The grant is being used to further develop the micro-enterprise incubation program that began in April 2003.
- **County of Butte – CDBG Enterprise Grant Preparation;**
On behalf of the County of Butte, the District prepared and application through the State Community Development Block Grant Program Enterprise Allocation in the amount of \$300,000 for the continuation of the micro-enterprise incubation program.

Planning and Technical Assistance (TA) Projects

The Tri-County EDC developed and prepared the following Planning and Technical Assistance grants and or assisted with their implementation during the past year:

- **County of Butte – CDBG Planning and Technical Assistance Grant Project Implementation;**
The District provided on-going assistance in the implementation of a Marketing Plan for the Web Portal funded through the State Community Development Block Grant Program Economic Development Allocation in the amount of \$35,000.
- **County of Butte - CDBG Planning and Technical Assistance Grant Preparation;**
On behalf of the County of Butte, the District prepared an application through the State Community Development Block Grant Program General Allocation in the amount of \$35,000. The grant was for development of a wastewater and drainage study.

- **County of Butte - CDBG Planning and Technical Assistance Project Implementation:**
On behalf of the County of Butte, the District continued to provide assistance with the development of a Capital Access Analysis and Loan Marketing Strategy.
- **City of Chico - Technical Assistance Project Implementation:**
On behalf of the City of Chico, the District provided assistance with the development of a Capital Access Analysis and Loan Marketing Strategy.
- **City of Chico – Grant Preparation;**
The District prepared an application through the City’s Block Grant program in the amount of \$65,000 to assist with development and implementation of a Business Mentoring Program.
- **City of Oroville – CDBG Planning and Technical Assistance Grant Preparation;**
On behalf of the City of Oroville, the District prepared an application through the State Community Development Block Grant Program General Allocation in the amount of \$70,000 to fund 1) Streetscape Plan, 2) Water Capacity Feasibility Study.
- **City of Oroville – CDBG Planning and Technical Assistance Grant Preparation;**
On behalf of the City of Oroville, the District prepared an application through the State Community Development Block Grant Program Economic Development Allocation in the amount of \$70,000 to fund 1) Industrial Park Planning Strategy, 2) Alternative Power Generation Plan for Businesses.
- **City of Biggs – CDBG Project Implementation;**
On behalf of the City of Biggs, the District continued to provide assistance with implementation of the City’s Downtown Visual Master Plan Program.
- **City of Biggs – CDBG Project Implementation;**
On behalf of the City of Biggs, the District provided assistance in the preparation of an application through the State Community Development Block Grant Program Economic Development Allocation in the amount of \$35,000 to fund phase II of the Downtown Visual Masterplan.
- **County of Glenn – CDBG Planning and Technical Assistance Grant Preparation;**
On behalf of the County of Glenn, the District prepared an application through the State Community Development Block Grant Program Economic Development Allocation in the amount of \$35,000 to fund a Green Technology/Agriculture Industries Feasibility Study.
- **City of Orland – CDBG Planning and Technical Assistance Grant Preparation;**
On behalf of the City of Orland, the District prepared an application through the State Community Development Block Grant Program General Allocation in the amount of \$35,000 to fund a Housing Element Update for the General Plan.
- **City of Willows – CDBG Planning and Technical Assistance Grant Preparation;**
On behalf of the City of Willows, the District prepared an application through the State Community Development Block Grant Program General Allocation in the amount of \$35,000 to fund a Housing Element Update for the General Plan.
- **County of Tehama – CDBG Enterprise Grant Preparation;**
On behalf of the County of Butte, the District prepared and application through the State Community Development Block Grant Program Enterprise Allocation in the amount of \$150,000 for the development and implementation of a micro-enterprise incubation program.

- **County of Tehama – CDBG Planning and Technical Assistance Grant Preparation;**
On behalf of the County of Tehama, the District prepared an application through the State Community Development Block Grant Program Economic Development Allocation in the amount of \$35,000 to prepare a Business Attraction and Retention Program Analysis and Resource Development Plan.
- **City of Corning – CDBG Planning and Technical Assistance Grant Preparation;**
On behalf of the City of Corning, the District prepared an application through the State Community Development Block Grant Program General Allocation in the amount of \$35,000 to fund a Housing Element Update for the General Plan.

Other District Projects

Funding for such programs come from the local communities, the State, and the Federal Government. To date, for the 2008-2009 fiscal year, TCEDC has assisted with the following projects for member communities:

- **County of Butte - Technical Assistance Project Implementation:**
On behalf of the County of Butte, the District provided assistance with a relocation project for the Barry Kirchner Wildlife Foundation.
- **County of Butte - Technical Assistance Project Implementation:**
On behalf of the County of Butte Private Industry Council, the District is providing assistance with Green Jobs Technical Assistance training project.
- **Town of Paradise – USDA Rural Business Enterprise Grant Preparation;**
On behalf of the Town of Paradise, the District prepared a pre-application through the USDA RBEG program in the amount of \$80,000, with cash match of \$80,000 from Paradise to assist with development and implementation of a Business Mentoring Program.
- **County of Glenn – Project Implementation;**
The District continued assisting with development of the second phase of the Airport Management Plan.
- **City of Orland – USDA Rural Business Enterprise Project Implementation;**
On behalf of the City of Orland, the District prepared an application through the USDA RBEG program in the amount of \$45,000, with cash match of \$55,000 from the City to assist with development and implementation of a Business Mentoring Program.
- **City of Orland – Business Façade Improvement Program Project Implementation;**
The District is assisting the City of Orland with the development and implementation of a Business Façade Improvement Program.
- **City of Willows – Downtown Revitalization Strategy Development;**
The District is providing assistance to the City in the development of a Downtown Revitalization Strategy provided with funds from WalMart.
- **City of Red Bluff – Business Façade Improvement Program Implementation;**
On behalf of the City of Red Bluff, the District is continuing to assist with implementation of the project funded through the USDA Rural Business Enterprise Grant Program. The grant was approved in the amount of \$90,000 and is assisting with funding the Business Façade Improvement Program.

Lending Division

- **EDA RLF Re-Capitalization**

The lending division continues to be active during this report period with regard to EDA lending activity. EDA accounts receivable are currently at \$986,000. During this period four (4) loans totaling \$257,450 were funded, bringing the EDA funds available to lend to \$372,000.

- **Loan Portfolio**

In order to provide capacity for small business development, the District manages 11 separate federal (including EDA), state, private and locally capitalized RLF's on behalf of District member cities and counties with a total capital base of \$5.5 million. During this period a total of thirteen (11) businesses have been funded totaling \$1,056,757 in RLF funding, leveraging approximately \$4.8 million in private sector capital. These loans are projected to create/retain eighteen (13) jobs. The District continued to place a significant amount of effort into enhancing opportunities for small businesses to obtain "gap" financing for job creation and/or retention projects.

- **Pipeloes**

TCEDC currently has approximately \$375,000 in pipeline loans.

In addition to the EDA-Capitalized RLF, the District manages nine (11) other loan funds on behalf of its member cities and counties, including the following:

- ◆ County of Butte Enterprise Fund - \$274,880
- ◆ County of Glenn CDBG Re-Use RLF (3 separate funds)- \$417,375
- ◆ County of Tehama \$100,965
- ◆ Glenn & Tehama County USDA Forest Service Old Growth Diversification RLF- \$706,664
- ◆ USDA IRP RLF - \$650,000
- ◆ TCEDC General RLF #1 - \$500,000
- ◆ TCEDC General RLF #2 - \$500,000
- ◆ TCEDC General RLF #3 - \$250,000
- ◆ TCEDC General RLF #4 - \$150,000
- ◆ TCEDC General RLF #5 - \$250,000

CHANGES IN COMPOSITION OF THE CEDS COMMITTEE

The ongoing review and implementation of the CEDS is affected through the CEDS committee.

The Tri-County Economic Development District's Board of Directors currently serves as the CEDS committee. The Board normally consists of twenty-one members (five from each participating county, three "at large" slots earmarked for minority representation, one slot earmarked for a chamber representative, one slot earmarked for a post-secondary education representative and one slot earmarked for an employment/labor representative), and eighteen Alternate Directors. Tri-County EDC has modified the CEDS committee to comply with the EDA IFR 304.

The following changes in the composition of the CEDS Committee occurred since submittal of the 2005-2010 CEDS document:

- ◆ 12/16/08
Andy Holcombe, Chico City Council, was appointed to replace Mary Flynn as the primary Governmental representative to the Board.
- .. 12/24/08
James Paschall, Orland City Council, was appointed to replace Vernon Montague as the primary Governmental representative to the Board.
- .. 1/6/09
Leigh McDaniel resigned from the Board leaving a vacancy for the primary County of Glenn At-Large Non-Governmental representative to the Board.
- ◆ 1/9/09
John Leach, Corning City Council, was appointed to replace Yvette Zuniga as the primary Governmental representative to the Board.
- .. 1/21/09
Jamie Johansson, Oroville City Council, was appointed to replace Steve Jernigan as the primary Governmental representative to the Board.
- ◆ 2/2/09
Sophie Konuwa resigned from the Board leaving a vacancy for a minority representative to the Board.
- ◆ 3/1/09
Owen Styles, Gridley City Council, was appointed to replace Audrey Taylor as the primary Governmental representative to the Board.
- ◆ 6/1/09
Andy Holcombe resigned from the Board leaving a vacancy for the primary City of Chico Governmental representative to the Board.

Please see Exhibit 3 for an updated Board Member list.

Although not "official" CEDS committee members, local government, staff members, local economic development organizations, and other interested individuals from the community are invited to participate in all CEDS related meetings.

CHANGES IN THE ECONOMY

Income

The following summarizes the statistics for per capita income as described by the U.S. Bureau of Economic Analysis for the period 1997 – 2007.

In 2007 Butte had a per capita personal income (PCPI) of \$29,767. This PCPI ranked 37th in the state and was 71 percent of the state average, \$41,805, and 77 percent of the national average, \$38,615. The 2007 PCPI reflected an increase of 4.5 percent from 2006. The 2006-2007 state change was 4.5 percent and the national change was 4.9 percent. In 1997 the PCPI of Butte was \$19,652 and ranked 41st in the state. The 1997-2007 average annual growth rate of PCPI was 4.2 percent. The average annual growth rate for the state was 4.7 percent and for the nation was 4.3 percent.

In 2007 Glenn had a per capita personal income (PCPI) of \$25,953. This PCPI ranked 48th in the state and was 62 percent of the state average, \$41,805, and 67 percent of the national average, \$38,615. The 2007 PCPI reflected an increase of 9.9 percent from 2006. The 2006-2007 state change was 4.5 percent and the national change was 4.9 percent. In 1997 the PCPI of Glenn was \$18,861 and ranked 48th in the state. The 1997-2007 average annual growth rate of PCPI was 3.2 percent. The average annual growth rate for the state was 4.7 percent and for the nation was 4.3 percent.

In 2007 Tehama had a per capita personal income (PCPI) of \$24,778. This PCPI ranked 51st in the state and was 59 percent of the state average, \$41,805, and 64 percent of the national average, \$38,615. The 2007 PCPI reflected an increase of 3.5 percent from 2006. The 2006-2007 state change was 4.5 percent and the national change was 4.9 percent. In 1997 the PCPI of Tehama was \$16,835 and ranked 52nd in the state. The 1997-2007 average annual growth rate of PCPI was 3.9 percent. The average annual growth rate for the state was 4.7 percent and for the nation was 4.3 percent.

	1997 Per Capita Personal Income	2007 Personal Income	% Change
Butte	\$19,652	\$29,767	51%
Glenn	\$18,861	\$25,953	37%
Tehama	\$16,835	\$24,778	47%
District Average	\$18,449	\$26,802	45%
California	\$25,312	\$41,805	57%
United States	\$24,175	\$38,615	52%

Source: US Bureau of Economic Analysis

Household Size

Overall, the number of households increased during the period 1990 – 2007 in the tri-county region, averaging an annual growth rate of 1.0% for the region. The majority of the growth has occurred in the Butte and Tehama County areas. The following table summarizes the growth in number of households for the region from 1990 – 2007 in thousands.

Number of Households (in thousands) 1990 - 2006

	1990	1995	% chg from 1990 Change	2000	% chg from 1990 Change	2007	% chg from 1990 Change
Butte	72.23	76.67	6.1%	82.58	14.3%	84.6	17.1%
Glenn	8.86	9.38	5.9%	9.67	9.1%	9.45	6.7%
Tehama	18.8	20.8	10.6%	21.96	16.8%	22.81	21.3%
Total	99.89	106.85	7.0%	114.21	6.9%	116.86	16.9%

Source: California Department. of Finance, Demographic Research Unit

The number of persons per household has remained relatively stagnate from the period 1990 – 2007. Based on information from the U.S. Census Bureau, the average household size for the region in 2007 was 2.69.

Number of Persons per Household (1990 – 2007)

	1990	1995	% chg from 1990 Change	2000	% chg from 1990 Change	2007	% chg from 1990 Change
Butte	2.48	2.42	-2.4%	2.41	-0.2%	2.51	1.2%
Glenn	2.77	2.77	0.0%	2.76	0%	2.95	3.8%
Tehama	2.6	2.54	-2.3%	2.51	-1.0%	2.61	.03%
Average	2.62	2.58	-1.57%	2.56	-.40	2.69	1.67%

Source: California Department. of Finance, Demographic Research Unit

Earnings by Industry

The following summarizes earnings by industry for the period 1996 – 2006 as was prepared by the U.S. Bureau of Economic Analysis. This is the most up-to-date information currently available. A comparison by industry between 1996 and 2006 was not possible due to the changes in SIC to NIACS industry classifications.

Earnings of persons employed in Butte County increased from \$2,137,941¹ in 1996 to \$3,849,126 in 2006, an average annual growth rate of 6.1 percent. The largest industries in 2006 were government and government enterprises, 26 percent of earnings; health, and social services 17 percent; and retail trade, 10 percent.

Earnings of persons employed in Glenn County increased from \$301,772 in 1996 to \$382,875 in 2006, an average annual growth rate of 2.4 percent. The largest industries in 2006 were government and government enterprises, 35 percent of earnings; manufacturing, 11 percent of earnings; and farm, 9 percent.

Earnings of persons employed in Tehama County increased from \$487,170 in 1996 to \$860,494 in 2006, an average annual growth rate of 5.9 percent. The largest industries in 2006 were government and government enterprises, 28 percent of earnings; manufacturing, 16 percent; retail trade 10 percent; and transportation and warehousing, 10 percent.

¹ All income earning estimates are stated in thousands of dollars.

Earnings by Industry, 2006

	Butte		Glenn		Tehama	
	Dollars (thousands)	% of Total Earnings	Dollars (thousands)	% of Total Earnings	Dollars (thousands)	% of Total Earnings
Total Earnings	3,219,079	100%	330,748	100%	739,712	100%
Farm earnings	52,781	2%	28,174	9%	29,946	4%
Utilities	45,871	1%	7,003	2%	-	-
Construction	196,177	6%	13,513	4%	30,968	4%
Manufacturing	198,556	6%	35,301	11%	121,393	16%
Wholesale trade	102,039	3%	17,271	5%	-	-
Retail trade	336,529	10%	20,494	6%	73,194	10%
Transportation and warehousing	73,700	2%	16,646	5%	75,591	10%
Information	54,894	2%	1,357	.40%	6,392	1%
Finance and insurance	184,605	6%	5,432	2%	13,056	2%
Real estate and rental and leasing	43,055	1%	467	.1%	4,779	1%
Professional and technical services	133,138	4%	4,931	1%	11,312	2%
Management of companies and enterprises	18,197	1%	-	-	3,016	.40%
Administrative and waste services	82,065	3%	964	.30%	8,463	1%
Educational Services	10,905	.30%	-	-	2,042	.30%
Health, and social services	535,648	17%	-	-	67,456	9%
Arts, entertainment, and recreation	17,567	1%	1,313	.40%	1,692	.20%
Accommodation and food services	100,704	3%	10,374	3%	18,810	3%
Other services, except public administration	145,321	5%	9,541	3%	27,973	4%
Government and government enterprises	836,784	26%	116,165	35%	205,413	28%

Source: U.S. Bureau of Economic Analysis

Population Statistics

As is explained in the following section, the Tri-County Region has been experiencing a steady population growth over the last several years and is expected to continue. The current and anticipated growth rates are potentially due to several factors: (1) migration north from more southern areas of the state, (2) relocation of retirees, (3) growth in student population for both CSU, Chico and Butte College, and (4) increased job opportunities for local youth and young adults (less young people migrating out of the region).

Current and Historical Data

The following table outlines the past ten years in population growth for the three counties within the region. The information was obtained from the California Department of Finance, Demographic Research Unit.

Historical Population Data, 1997-2007

	Butte		Glenn		Tehama		Tri County		California	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change	Number	% Change
1997	198,700		26,400		54,900		280,000		32,207,000	
1998	200,000	0.65%	26,400	0.00%	55,300	0.73%	281,700	0.61%	32,657,000	1.40%
1999	201,000	0.50%	26,300	-0.38%	55,500	0.36%	282,800	0.39%	33,140,000	1.48%
2000	203,100	1.04%	26,550	0.95%	55,700	0.36%	285,350	0.90%	33,753,000	1.85%
2001	205,028	0.95%	26,727	0.67%	56,299	1.08%	288,054	0.95%	34,441,561	2.04%
2002	207,492	1.20%	26,998	1.01%	57,107	1.44%	291,597	1.23%	35,088,671	1.88%
2003	210,022	1.22%	27,424	1.58%	58,119	1.77%	295,565	1.36%	35,691,442	1.72%
2004	212,237	1.05%	27,824	1.46%	59,208	1.87%	299,269	1.25%	36,271,091	1.62%
2005	215,189	1.39%	28,271	1.6%	60,720	2.55%	302,180	1.64%	36,728,196	1.26%
2006	217,209	.94%	28,651	1.34%	61,533	1.33%	307,393	1.05%	37,172,015	1.20%
2007	218,069	.87%	28,915	1.28%	61,774	.91%	308,758	.91%	37,771,431	1.61%
10-Year Annual Avg. Change		0.98%		.95%		1.24%		1.02%		1.61%

Source: California Department of Finance
University Center for Economic Development, 2007 Economic Profile.

Labor Force Statistics

The following chart outlines the current unemployment rate for each of the counties within the district as of April 2009, as well as employment by industry.

Unemployment Rate & Employment by Industry

	Butte	Butte %	Glenn	Glenn %	Tehama	Tehama %
	County	of Total	County	of Total	County	of Total
Civilian Labor Force	106,700		12,820		26,690	
Civilian Employment	93,400		10,760		22,920	
Civilian Unemployment	13,300		2,060		3,760	
Civilian Unemployment Rate	12.4%		16.1%		14.1%	
Total, All Industries	75,800	100.00%	7,710	100.00%	16,630	100.00%
Total Farm	2,800	3%	1,660	20%	1,020	6%
Total Nonfarm	73,000	97%	6,050	80%	15,610	94%
Goods Producing	6,400	9%	700	11%	2,720	15%
Construction & Mining	3,000	4%	250	4%	584	3%
Manufacturing	3,400	5%	450	7%	1,920	12%
Service Producing	66,600	87%	5,350	69%	12,890	78%
Trade, Transportation & Public Utilities	12,800	2%	1,420	17%	3,670	23%
Wholesale Trade	1,800	3%	330	5%	290	2%
Retail Trade	9,200	13%	690	7%	1,960	13%
Other Trade	1,800	2%	390	5%	1,450	9%
Information	1,100	1%	0	0%	80	.50%
Financial Activities	4,300	5%	140	2%	440	3%
Professional and Business Services	5,000	7%	130	2%	640	4%
Educational and Health Services	13,800	17%	490	6%	1,910	11%
Leisure and Hospitality	7,500	10%	710	9%	1,290	8%
Other Services	3,800	5%	90	1%	360	3%
Government	18,000	23%	2360	33%	4,500	26%

The following chart provides an annual summary of the jobs by industry for each County and the Tri-County District for 2008.

Employment by Industry - 2008 Average

	Butte		Glenn		Tehama	
	Number	Percent	Number	Percent	Number	Percent
Total, All Industries	77,800	100%	7,980	100%	17,010	100%
Total Farm	2,800	4%	1,810	23%	1,270	7%
Natural Resources, Mining & Construction	3,300	4%	300	4%	760	4%
Manufacturing	4,100	5%	510	6%	2,040	12%
Service Providing	67,700	87%	5,370	67%	12,950	76%
Private Service Producing	49,500	64%	3,000	38%	8,500	50%
Trade, Transportation & Utilities	13,600	17%	1,430	18%	3,730	22%
Wholesale Trade	1,900	2%	360	5%	300	2%
Retail Trade	9,900	13%	660	8%	2,020	12%
Transportation, Warehousing & Utilities	1,900	2%	400	5%	1,410	8%
Information	1,200	2%	0	0%	80	0%
Financial Activities	4,400	6%	160	2%	430	3%
Professional & Business Services	5,400	7%	130	2%	680	4%
Educational & Health Services	13,400	17%	480	6%	1,880	11%
Leisure & Hospitality	7,900	10%	730	9%	1,310	8%
Other Services	3,700	5%	80	1%	400	2%
Government	18,200	23%	2,360	30%	4,450	26%

Source: State of California, LMI, 2008

The following table outlines the projections for non-farm employment by industry for the tri-county region.

Projected Employment by Industry 2016

	Butte County (Chico MSA)	% of Total	Glenn & Tehama County (part of Northern Valley Region)	% of Total
Total Nonfarm	95,300	100.00%	41,170	100.00%
Natural Resources, Mining, & Construction	4,700	6.0%	1,360	4%
Manufacturing	4,000	5%	3,250	12%
Trade, Transportation, & Utilities	15,500	20%	7,190	23%
Information	1,400	2%	140	.8%
Financial Activities	4,700	5%	770	3%
Professional & Business Services	6,700	8%	1,090	4%
Educational & Health Services	15,000	18%	2,940	9%
Leisure & Hospitality	8,700	10%	2,730	9%
Other Services	4,100	5%	680	2%
Government	20,100	21%	10,060	30%

Source: State of California, LMI

Industry Clusters

The following table outlines the most recent (2000-2007) industry clusters identified for the Tri-County EDC Region.

Tri-County (CA) EDC Regional Industry Employment

Industry	Employment (2007)	Rank by Size	Rank by Concentration	Rank by Growth Rate
All Government*	25,240	1	3	9
Health Care and Social Assistance	14,226	2	2	6
Accommodation and Food Services	7,885	3	5	7
Other Services (except Public Administration)**	5,849	4	4	8
Construction	4,695	5	8	1
Finance and Insurance	3,266	6	7	4
Professional, Scientific, and Technical Services	3,058	7	12	3
Administrative, Support, and Waste Management	2,865	8	11	15
Wholesale Trade	2,723	9	10	5
Real Estate, Rental, and Leasing	1,538	10	6	11
Information	1,289	11	13	10
Arts, Entertainment, and Recreation	1,259	12	9	14
Utilities	631	13	1	2
Management of Companies and Enterprises	465	14	14	13
Educational Services	445	15	15	12

* All Government includes federal, state and local employment – from defense, police and firefighters to educators and other public services. The growth in this cluster is found primarily in local government, with significant increases in local education.

** Other Services includes automotive repair & maintenance, religious organizations, grant making & giving services, social advocacy organizations, personal care services, professional & similar organizations, death care services, civic & social organizations.

Note: The growth rate is from 2000 to 2007, which roughly coincides with one entire business cycle.

Source: California Economic Strategy Panel; California Regional Economies Project

VISION, GOAL TOPICS & GENERAL STRATEGIES

The CEDS Committee adopted a vision, goals, and general strategies during the planning for the 2005-2010 CEDS.

Vision

The Comprehensive Economic Development Strategy Committee completed a visioning process during a workshop held in 2005. The Committee was asked to develop a vision for the tri-county region that would provide guidance for the region into the year 2015. After brainstorming and building consensus, the group developed the following vision statement:

In the year 2015, the Tri-County Economic Development District will be a diversified, sustainable regional economy utilizing collaborative private/public partnerships that support entrepreneurial development and innovation within existing and emerging industry clusters while maintaining an enduring quality of life.

A follow-up conference call was held where CEDS participants were given an opportunity to comment on the vision statement, as well as the Goal Statements and General Strategies. A consensus was reached by those participating.

Obstacles to Realizing the Vision

All organizations are destined to hit certain obstacles when trying to obtain a long-term vision. Listed below are potential obstacles that have been identified that could possibly provide challenges for communities in meeting the vision.

Summary of Obstacles:

- Lack of awareness and coordinated training efforts and needs.
- Lack of private sector participation in economic development efforts.
- Lack of education on economic development efforts.
- Lack of job diversification.
- Lack of advanced entrepreneurial programs.
- No regional marketing plan.
- Existence of limited financial resources for economic development services.
- Lack of delivery system for equity capital for businesses.
- Lack of reliable air service for passengers and freight.
- Lack of available improved land.
- Existence of special interest/self interest with lack of commitment to a shared vision.
- Need for mutual support by sharing resources.
- Fear of change.
- No identity for the region.
- Instant gratification mentality – what have you done for me lately?

GOAL TOPICS AND GENERAL STRATEGIES

The CEDS Committee participated in a brainstorming session and through this process identified eight goal topics. In support of these Goal Topics they identified general strategies. We asked each of the District member communities to determine their specific community Project Priorities that through implementation would support of these Goal Topics and General Strategies.

- ◆ **Goal Topic 1:** *Entrepreneurial Climate*
- ◆ **Goal Topic 2:** *Technological Innovation*
- ◆ **Goal Topic 3:** *Ag-products/processes*
- ◆ **Goal Topic 4:** *Recreation/Tourism*
- ◆ **Goal Topic 5:** *Transportation Infrastructure*
- ◆ **Goal Topic 6:** *Higher Education*
- ◆ **Goal Topic 7:** *Aging Population*
- ◆ **Goal Topic 8:** *Quality of Life*

Goal Topic 1: *Entrepreneurial Climate*

General Strategies:

1. Provide support for market-driven economy.
2. Develop entrepreneurial training/education programs.
3. Plan for industry, commercial, and residential growth.
4. Increased job development with focus on creating jobs with livable wages.
5. Promote industry and job diversity.
6. Identify existing and emerging industry & business clusters through asset mapping.
7. Identify funding sources to assist entrepreneurs.
8. Develop regional entrepreneurial support services plan.
9. Promote regional products world-wide.
10. Develop infrastructure to retain and expand regional businesses.
11. Continue development of Airport Industrial Parks.

Goal Topic 2: *Technological Innovation.*

General Strategies:

1. Partner with institutions of higher learning in the research and development of new technologies.
2. Partner with institutions of higher learning to assist in identification of industry clusters that support new products and processes.
3. Support development of regional high tech communication including digital WIFI and internet connectivity.
4. Utilize natural resources to develop a sustainable regional energy policy (solar, water, wind).

Goal Topic 3: *Ag-products/processes*

General Strategies:

1. Maintain balance between existing commodities and specialty ag-products.
2. Provide supportive environment for development of new and innovative agriculture businesses, including agriculture processing and manufacturing.
3. Develop marketing strategy for regional agriculture related businesses to compete globally.

Goal Topic 4: *Recreation/Tourism*

General Strategies:

1. Develop regional recreation/tourism marketing plan.
2. Develop and promote local events.
3. Develop and promote ag-based tourism.
4. Identify and designate additional recreation areas.
5. Promote historical sites and parks.
6. Create Wildlife viewing destinations (eco lodge).
7. Develop strategy to be known as convention destination.
8. Support development of whitewater recreation industry.

Goal Topic 5: *Transportation Infrastructure*

General Strategies:

1. Improve roadways, highways, and freeway infrastructure.
2. Better utilize transportation corridors and inter-county transportation.
3. Continue to maintain and develop regional airports.
4. Identify and enhance logistics and distribution systems.

Goal Topic 6: *Higher Education*

General Strategies:

1. Increase opportunities through development of localized independent campuses and technology centers.
2. Utilize institutions of higher learning to provide support services to businesses, including career training in innovative technologies, and distance learning degrees.
3. Facilitate training and educational opportunities to meet current and future workforce needs, including senior education programs.

Goal Topic 7: *Aging Population*

General Strategies:

1. Take advantage of economic opportunities of aging population.
2. Increase support services (i.e. medical).
3. Develop continuum of care plans.
4. Continue to support development of senior housing and retirement facilities.
5. Continue to support development of senior educational programs.
6. Continue to utilize SCORE to provide support services to area businesses.
7. Support school partnerships with senior community.
8. Identify potential entrepreneurial careers for seniors.

Goal Topic 8: Quality of Life

General Strategies:

1. Develop affordable and diverse housing options.
2. Develop and support cultural opportunities.
3. Support jobs/housing balance.
4. Continue to enhance through parks, and outdoor services.
5. Identify and promote cultural and art programs.
6. Provide quality health care and education.
7. Create live and play environments.
8. Support balance of mixed land use.

STRENGTHS, WEAKNESSES, AND ECONOMIC PERFORMANCE FACTORS

Prior to the Visioning workshop a questionnaire was distributed to each of the member jurisdictions asking them to provide information on their community's strengths, weaknesses, and economic performance factors. Although all jurisdictions were asked to provide this information, not all responded. The following outlines the information received.

Strengths

Butte County

County

- Proximity to CSU, Chico and Butte College
- New recreational activities
- Near renewable resources
- Affordable housing and industrial sites in the South County area
- Availability and cost of semi-skilled labor
- Business to CSU, Chico relationship

Chico

- Compact community
- Availability of Rail, Truck Transportation
- Chico Redevelopment Agency
- Quality of Life
- Excellent work force
- California State University, Chico

Gridley

- Access – Highway 99; easy access to Interstate 5 and 80; close proximity (60 miles) to Sacramento International Airport
- Utilities – city-owned electrical with rates 15% to 30% lower than competition
- Product – Industrial Park, Pacific Flyway, Housing, Work force for targeted industries
- Affordable Housing – 500 new units planned, median cost is \$147,500
- Work force – Small town atmosphere but able to draw on a strong labor market
- Recreation – Pacific Flyway, proximity to recreational facilities and activities; Butte County fair and Feather River
- City Government – pro-business and entrepreneurial attitude

Oroville

- Proximity to airport
- Proximity to Feather River
- Adjacent to major thoroughfare – Highway 70
- Rail accessibility
- Located in the foothills of the Sierra Nevada Mountains
- Large industrial area
- Good labor market
- Cheap land

Paradise

- Somewhat “off the beaten path”
- Environment Differ from that of the valley
- Supportive elected officials, management team & business community
- Community-based economic development momentum

Glenn County

Orland

- Proximity to Interstate 5
- Inexpensive land costs

Willows

- 1-5 Corridor with two off-ramp access opportunities
- Airports at the north and south end of Glenn County provide for small plane access with sufficient space for industrial development in the immediate vicinity
- Affordable housing and developable land
- Regional government center

Tehama County

Red Bluff

- Relatively small community with growth potential
- Growth supportive organization/community
- Desirable location; I-5 Freeway access; Sacramento River

Weaknesses

Butte County

County

- Not located on Interstate 5
- Lack of airline carriers
- Lack of proximity to high tech industries
- High housing prices
- Lack of available and affordable “ready-to-go” industrial land
- Lack of available high-skilled labor

Chico

- Not on Interstate 5
- Minimal air service
- Proximity to large metropolitan area: Sacramento
- Housing affordability
- Transportation
- Job diversity

Gridley

- Lack of infrastructure and entrance at Industrial Park, reuse of closed plant facilities
- Lack of incentives, such as, Enterprise Zone tax credits, agriculture production tax credits, low interest loans, risk funds, relocation fund
- California business climate issues – PG&E exit fee, worker’s comp, and insurance, high cost of doing business in California as compared to Reno

- Butte County's economic plight, an entitlement community – job losses, high unemployment and underemployment, low income/high poverty levels – this affects all jurisdictions in Butte County
- Highway 99 status and plan
- Sewer capability for industrial waste, particularly at the Industrial Park and Rio Pluma
- Closed cannery
- Traditional businesses – need expansion of entrepreneurial training

Oroville

- Distance from major employers
- Highway 70 – 2 lane road from most of Marysville
- Distance from main metropolitan area
- Lack of educated/high-end technical workers
- Butte County seat/Welfare distribution
- Small population as compared to metropolitan areas

Paradise

- Individual wastewater disposal systems
- Not on a major truck, train, air carrier route
- Environmental constraints which limit the size of the business
- Available land
- Business support infrastructure

Glenn County

Orland

- Rural location
- Low income levels

Willows

- Distance to major metropolitan area
- Agriculture as the major economic resource leaves the local economy subject to rise and fall of agricultural markets
- Limited staffing for planning and development services
- Aging infrastructure
- Weak commercial/industrial presence

Tehama County

Red Bluff

- Lack of Higher Education facilities.
- Shortage of skilled workers.
- Distance to other urban centers.
- Distance to major airports.
- Lack of quality and variety of businesses.
- Lack of tourism related businesses.
- Existing transportation street network.
- Sewer and water capacity.

Factors that Impact Economic Performance

Direct Impacts

Butte County

County

- Regional land use planning
- Expansion of infrastructure for transportation systems
- Increase in energy costs

Chico

- Transportation Systems (Air, Hwy 99)
- Financial resources for infrastructure and housing
- Limited air service

Gridley

- Cal Trans' plans for Hwy 99
- Inability to obtain infrastructure financing
- PG&E exit fees
- Drainage
- Development of corridor between Biggs and Gridley controlled by County
- State budget constraints
- Availability of federal grants
- Sales tax generating businesses on Highway 99
- Increasing legislative control over land use decisions reducing the City's ability to plan for the future of the City.
- Potential requirements for tertiary treatment at sewer facilities, which is very costly and would be borne by sewer system users
- Increased legislative restrictions such as requirement for lower arsenic levels in water, which is very costly and would be borne by sewer system users
- Lack of availability of low cost electrical resources for wholesale providers

Oroville

- Enterprise Zone
- Loans
- Business Assistance

Paradise

- State "take-aways" – Property tax, VLF, Road/Transportation projects
- Wastewater constraints/cost
- Retail Opportunities
- Long-standing "reliance" on Chico as economic, cultural, & employment center

Glenn County

Orland

- State Revenue thefts
- County land use actions (lack of current general plan)

Willows

- Williamson Act- The ability to pay significantly reduced property taxes provides a disincentive to make land available for development
- Lack of locally-available capital
- Rising fuel costs

Tehama County**Red Bluff**

- High Cost of State and Federal environmental mitigations of wetlands and species.
- Lack of State and Federal resources to repair and expand I-5 and Highway 36.
- Significant agriculture region.

Indirect Impacts**Butte County****County**

- High cost of housing
- CSU, Chico and Butte College
- Recreational opportunities

Chico

- Housing
- Environmental Issues
- State, government taking local funds
- Wetlands

Gridley

- Population growth and increased housing is straining the city's ability to accommodate services such as schools, police, fire, water, sewer, etc.
- Jobs- housing imbalance
- Retaining and maintaining local hospital to serve population
- Quality of public education in the community
- Crime rate, activities for children; reuse of old closed theater – control gangs
- Reuse of closed cannery – potential environmental
- Availability of jobs
- Housing
- Industrial sewer capability to protect water

Oroville

- Developing the Waterfront Property Project
- Encouraging business and development
- A Thriving downtown business/tourist center

Paradise

- None listed

Glenn County

Orland

- Rising costs of housing
- Low vacancy rates of rentals

Willows

- Flood prone areas within and immediately surrounding the community
- While the local hospital has reorganized and is experiencing some rejuvenation, continued progress in health care facilities is vital
- Wastewater treatment facility and collection system
-

Tehama County

Red Bluff

- Rapidly increasing housing costs, including construction and land.
- Limited areas to accommodate large scale development.
- Limited health care options.

Changes in Economic Factors

Butte County

County

- Strengthening of America's Community Act

Chico

- Improvement of Hwy 99 through Chico

Gridley

- Highway 99-by pass and widening
- Closure of re-use of Signature Fruit Facility
- State's consolidation of funding programs
- Meeting current and projected growth demand
- Availability of infrastructure in areas of projected growth
- Mortgage interest rate
- Ability to expand sphere of influence
- Decline in interest rate
- Possible closure of the Biggs-Gridley Memorial Hospital due to lower than cost reimbursements from Medicare and Medi-Cal

Paradise

- None listed

Glenn County

Orland

- Lack of funds through Cal Trans for SR22 realignment.

Willows

- Continued efforts in workers compensation reform at the State level
- Area wide real estate boom may lead to further residential/commercial opportunities

Tehama County

Red Bluff

- Becoming a larger employer base while still providing affordable housing.

2009-2010 DISTRICT-WIDE PRIORITY PROJECTS

Taking into consideration the vision, goals, and general strategies of the region, the local communities were asked to develop priority project lists that outline specific projects to be completed in each of their jurisdictions. The TCEDC Board, sitting as the CEDS Committee reviewed the proposed priority project lists and approved the CEDS document. Please see Exhibit 11 for a copy of the Board resolution of approval for the 2005-2010 CEDS.

The TCEDC Planning Division utilizes the CEDS project priority lists as an effective method for identifying and prioritizing public works and other economic development projects within the District. Moreover, the process has served as an effective vehicle for equitably allocating staff time to assist communities with preparing funding applications to state and federal agencies.

In addition, the Economic Development Administration Reform Act of 1998 identifies a CEDS as a requirement to apply for assistance under the Economic Development Administration's public works and economic adjustment programs. The communities were asked to take into consideration the EDA Investment Criteria when developing their priority projects.

The project priority lists are split into three distinct levels. The first are "Priority A" projects, or projects that the community would like to move forward with in the near term. The second level of projects are "Priority B" projects, or projects that the community would like to go forward within the next 5 years. The final category of projects are "Priority C" projects, or projects that the community would like to move forward with sometime in the future.

Priority A (near-term projects)

County of Butte

1. Create a bold, powerful, forward-looking countywide Economic Development Strategy that identifies county programs to achieve business growth and expansion.
2. Continue to pursue Business Research Park Development Opportunities:
 - a. Continue to seek funding for the development of necessary infrastructure to serve development of a Business Research Park within appropriate areas within the County.
 - b. Encourage and develop partnership with CSU, Chico for development of a Business Research Park.
 - c. Initiate recruitment of major corporations for industrial locations throughout the County.
3. Support business development and expansion through the provision of business mentoring and consulting services.
4. Support business retention through programs which identify distressed companies, identify necessary services to retain/grow local companies, and provide the necessary services to maintain the County's employment base.
5. Develop a cultural tourism plan that will augment and enhance arts, agriculture, nature, and heritage tourism opportunities within the County of Butte.
6. Pursue improvements to county infrastructure which supports business growth and development, including the expansion of rail and air opportunities.
7. Pursue development of value added agriculture products/facilities within the County and develop a program that leverages the internationally recognized reputation of Butte County's academic and private industry achievements in farm research and innovation, taking advantage of local, regional, and global opportunities.
8. Continue to enhance technology-based economic development tools such as www.ButteBusinessResources.com for the purpose of coordinating the provision of economic

development services, growing local businesses, and promoting the Butte County area to businesses that may be interested in locating or expanding their businesses within the County.

9. Work towards the implementation of Vision 2010.
10. Pursue funding for residential and commercial energy efficiency improvements.
11. Assist in the research, development and financing of the green industry sector.
12. Pursue funding to assist with the implementation of the Nitrate Compliance Program.
13. Pursue infrastructure enhancements to assist with the expansion of recreation and tourism opportunities in the Lake Oroville area.
14. Pursue the expansion of drinking water services to the Chico State University Farm classrooms and laboratories.
15. Pursue infrastructure improvements in the Palermo area to assist with issues related to groundwater pollution and improper drainage.
16. Develop a Visitor Center located at the Butte County Fairgrounds with ties to state visitors' centers throughout California, particularly in the Upstate region.
17. Promote jobs/housing balance.

City of Chico

1. Infrastructure improvements (ready to construct) that would increase access, connectivity and capacity to the base level employment centers of Chico where more higher paying jobs can be created for the region (e.g. widening of Cohasset Road to the Airport, CMA Industrial Park, and Business Park; Skyway 99 interchange through Martin Luther King/East Park Avenue to increase access through east/west corridor; expansion of the 20th Street commercial corridor; the intensification of use in the business and industrial parks; etc.)
2. Airport improvement projects that would increase the capacity of the Chico Municipal Airport in both commercial and general aviation air service to address the connectivity needs of Chico businesses.

City of Gridley

1. Highway 99 - widening, bypass, entrance, streetscape, business locations, signage, waysigns, and underground utilities.
2. Expand Sewer Capacity – ability to handle domestic and industrial waste water. Shared pretreatment facilities for industrial users.
3. Industrial Park – Construction of Phase II of Industrial Park Infrastructure including Highway 99 access, internal road system, sewer capability, upgrade to West Liberty, rail spur addition at back of park.
4. Recruitment of firms to Industrial Park.
5. New swimming pool/aquatic center.
6. Identify renewable energy manufacturers.
7. Implement E-Commerce website for local businesses.
8. Micro-business assistance and certified market growers.

City of Oroville

1. High Tech Business Park Infrastructure for Municipal.
2. Pursue Alternative Energy-Seed money for market analysis.
3. Pursue market study for waste water treatment/reuse.
4. Sewer Infrastructure improvements/replacement.
5. Repair and improve City surface streets.
6. Southside Streetscape infrastructure-utilities undergrounding, façade improvements.
7. Hewitt Park Phase III Improvements
8. Hwy 70 landscaping improvements.
9. Brownsfield's cleanup/properties.
10. Locate an additional fire station at the Municipal Airport.
11. Feather River-Centennial Plaza Phase II, III, etc.

12. Secure additional Community Development Block Grant (CDBG) Enterprise Grant Funds and utilize existing Enterprise Grant Funds and Revolving Loan Funds to the fullest extent to assist in filling the financial gap related to proposed business expansion and retention projects.

Town of Paradise

1. Phase II Wastewater Collection and Treatment Facility – Engineering.
2. Phase II Wastewater Collection and Treatment Facility – Construction.
3. Industrial Business Park Development.
4. Skyway Corridor – BCAG Study and Implementation.
5. Downtown Urban Design and Capital Project – Master Plan Implementation.
6. Paradise Community Village Affordable Housing and Infrastructure.

City of Biggs

1. ARRA application assistance.
2. Coordination and funding assistance with downtown redevelopment anchor project.

County of Glenn

1. Expand existing Business Services including, Microenterprise Business Programs, that will retain and Expand County-based Businesses.
2. Pursue funding to expand and improve infrastructure for commercial and Industrial areas, with specific attention to the Willows and Orland Airport.
3. Retain and expand the Glenn County Medical Center as an essential public service and area employer.
4. Develop strategies and capacity to partner with Willows and Orland in developing high priority economic areas within the respective spheres of influence and along the I-5 corridor.
5. Partner with Emerging Technology Fund and other entities to expand fiber optics and broadband access with the County.
6. Target companies for business and technical assistance that focus on emerging green technology, alternative energy services and agriculture tourism/value-added agriculture products.

City of Orland

1. Public Safety Facility.
2. Develop Economic Strategic Plan.
3. Master Plans for Sewer and Storm Drain systems.
4. General Plan update to include historic district or designation.
5. Signalization for State Route 32 at Pabst Avenue.
6. Community Center
7. Continue to pursue business development opportunities that include agriculture, art, natural resources and historic tourism utilizing partners such as the USDA, the Central Sacramento Valley RC&D, Glenn County RCD, Butte-Glenn Community College, and other entities.
 - a. Work on developing the Bio-energy project in Glenn County (MERF, Gasification, etc.)
 - b. Working with the Sacramento Valley RC&D to develop an ag-related marketing program for area agriculturists.
8. Develop Stony Creek Trail project and grant.
9. Enhance the recreation and park opportunities, amenities, and safety for the community.
10. Entryway improvements and signage, including SR 32, South Street, and Sixth Street.

City of Willows

1. Plan and begin implementation of intersection and interchange modifications at the intersections with Highway 99 and Highway 57 and I-5 Interchanges.

2. Implementation of infrastructure needs identified through the planning process to increase economic vitality in the downtown.
3. Rehab/Replacement of Waste Water Collection System citywide.
4. Development of the South Willows Business Park.
5. Infrastructure improvements along Highway 99 between county roads 53 & 57.

County of Tehama

1. Industrial/Commercial Marketing Strategy.
2. Welfare reform support activities – Job Creation.
3. Identify and secure additional small business loan capital.

City of Corning

1. Repair and rehabilitate streets in the City.
2. Plan and begin implementation of intersection and interchange modifications at the Solano Street and South Avenue intersections with Highway 99W and I-5 Interchanges.
3. Highway 99W Commercial and Industrial Corridor Infrastructure.
4. Rehabilitate and reopen Rodgers Theater.
5. Revitalize the Historic Downtown, both structurally and economically.
6. Pursue storm drain improvements and potential floodwater storage solutions for Jewett and Birch Creeks and the Blackburn-Moon Drain.
7. Acquire additional properties adjacent to Corning Municipal Airport for airport expansion per Airport Master Plan.
8. Apply for PG & E Rule 20A; underground installation funding.
9. Continued Improvement and Expansion of Municipal Water System.
10. Pursue other recreation related opportunities including a community center, parks and golf courses.

City of Red Bluff

1. Infrastructure rehabilitation and expansion.
2. Formation of Redevelopment Agency.
3. Industrial development/job creation/retention.
4. Implementation of required ADA access improvements.
5. Downtown revitalization/retention/development.
6. Airport industrial park expansion.
7. South Main Interchange.
8. Shasta College Technology Center needs assessment.
9. Re-use/redevelopment of former mill site(s).
10. Urban trails/bikeway development.
11. Sacramento River and tributary bank stabilization.
12. Impact of the closure of Lake Red Bluff to the City of Red Bluff.
13. Burn Dump.

Priority B (projects within 5 years)

County of Butte

1. Implementation of the Economic Development Element of the Butte County General Plan including the implementation of a countywide Economic Development Strategy.
2. Implementation of a cultural tourism plan that enhances arts, agriculture, nature, and heritage tourism opportunities within the County of Butte.
3. Pursue opportunities for more reliable, expanded airplane/aircraft service to the County.

4. Develop whitewater recreation venues on the Feather River, capable of hosting national and international sporting events.
5. Secure a “Catalyst” for Lake Oroville Area Resort Development.

City of Chico

1. Infrastructure development and improvements to increase access, connectivity and capacity, and address major infrastructure gaps identified through the General Plan Update that create jobs and revenue in underutilized opportunity areas.
2. Public Private partnership projects designed to spur private investment in underutilized opportunity areas identified in the General Plan Update and /or Economic Development Strategy.
3. Infrastructure development to the west side of the Chico Municipal Airport for FAA supported aviation use and aviation-related industry (e.g. power, water, road, etc.)

City of Gridley

1. Downtown – signage, upgrade historic buildings, parking, infrastructure improvements.
2. Development of creative financing vehicles to assist job creating businesses (existing and new) start, expand and locate in Gridley’s Business Development Zones – Downtown (Rehab), Hwy 99 and Gridley Industrial Park.
3. Implement Pacific Flyway development at Gray Lodge and Visitor Center downtown Gridley.
4. Reuse of the closed Signature Fruit Facility.
5. Butte County Ag Center. Study completed by Butte County of feasibility of ag center. After review City of Gridley believes this fits with the feasibility study of property in north Gridley on Hwy 99. As the South County is the ag area of Butte County, City of Gridley.

City of Oroville

1. Downtown traffic conversion from one-way to two-way.
2. Streetscaping infrastructure on Huntoon and Lincoln Blvd.
3. Oro Dam Blvd. streetscaping improvements.

Town of Paradise

1. Downtown Parking Facility Improvements (including public transportation center).
2. Civic Center/Community Center – City Plaza.

City of Biggs

1. Alternative energy generation project – solar/biomass.
2. Small business location and incubation site in Biggs.
3. Commercial expansion to SR99 & B Street with signage drawing people to downtown.
4. Recruit additional industrial employers, preferably ag-related.
5. Local/regional annual festival to spur tourism and interest in local investment.

County of Glenn

1. Complete the revision to the County General Plan.
2. Develop and implement an Economic Development Element to the County General Plan.
3. Identify and develop high economic-impact recreational activities along Sacramento River, Black Butte Lake and Stony Gorge Reservoir.

City of Orland

1. Swimming pool renovation.

City of Willows

1. Infrastructure improvements to increase access, connectivity, and capacity to the industrial and residential areas in South Willows.
2. Expansion/addition of Parks & Recreation facility in North Willows.
3. Infrastructure/Facilities enhancements within existing Parks System.
4. Evaluate/Develop new Public Safety Facility.

County of Tehama

1. Funding for Economic Development – TLDC Support.
2. Speculative Building Development Program.
3. Industrial marketing strategy.

City of Corning

1. Identify opportunities for reuse and infill development for vacant buildings and undeveloped or under-developed properties within the City.
2. Complete Airport Expansion.
3. Extend City Water and Sewer facilities to serve properties on west side of freeway in the vicinity of Corning Road and South Avenue interchanges.

City of Red Bluff

1. Increase in needed Public Facilities (Police & Fire Depts) and related services.
2. City Hall improvements.
3. Circulation and traffic management.
4. Corner lot – Walnut Street development.
5. Large vehicle parking.
6. Development of Boys and Girls Club.

Priority C (long-term projects)

County of Butte

1. Storm drainage rehabilitation.
2. Creation of a Community Center to facilitate senior, teen, and park activities.
3. Improve aesthetics of Highway 162.
4. Create Business Development Opportunities near airports within Butte County.

City of Chico

1. Increase access from interchanges on Highway 99 including frontage road and east-west connectors (e.g. Southgate, Eaton, Cohasset, etc.)
2. Increase regional connectivity through the north side of Chico via the State Highway 32 by-pass.
3. If permitted by FAA, infrastructure development to west side of the Chico Municipal Airport for non-aviation industry

City of Gridley

1. Construction of state-of-the-art Ethanol Production Facility.
2. Infrastructure – citywide; drainage; electrical, etc.

City of Oroville

1. Centennial Plaza-Riverfront Phases II, III,, IV, etc.
2. Sewer replacement in downtown.

3. Alternative Energy generation-local power supply-off grid.

Town of Paradise

1. No projects identified as “C” Priority.

City of Biggs

1. Annexation to SR99 with traffic signalization intersection at Rio Bonito Road.
2. Mixed-use development north, south east and west, with design standards complementary to Gridley’s development to its north.
3. New city hall and library facility.

County of Glenn

1. No projects identified as “C” priority.

City of Orland

1. Extension of Pabst Ave. to the north.
2. Library building expansion.

City of Willows

1. Storm drainage rehabilitation in North Willows.
2. Comprehensive update of City’s General Plan.
3. Streetscape project along Highway 162 East of Humboldt Ave. & West of Tehama Street.

County of Tehama

1. Infrastructure Development – County wide.

City of Corning

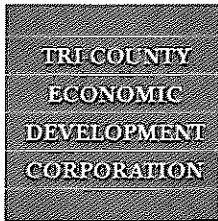
1. Pursue Commercial businesses (downtown area), Industry (lumber/manufacturing) and Outlet Stores (clothing, shoes, household essential stores) to make Corning their home.

City of Red Bluff

1. No projects identified as “C” priority.

EXHIBITS

Exhibit 1 – Bi-Monthly Report



June 17, 2009

To: Tri-County Economic Development Corporation (TCEDC) Board Members; Alternate Board Members; Loan Advisory Board Members; Member Communities; and Other Interested Parties

From: Marc Nemanic, Executive Director

RE: *TCEDC Project Status*

The following report summarizes the activity and status of Tri-County EDC projects in the planning, lending, and financial divisions for the period **March 1, 2009 – April 30, 2009**.

Community Development Block Grant - Planning and Technical Assistance Projects

Project Name & Location	Description	Status
County of Butte – 2006-07 CDBG ED PTA (Grant Preparation & Project Implementation)	Application for development of Business Capital Access Analysis and Loan Marketing Development Strategy	TCEDC assisting with implementation of this project through a subrecipient agreement. TCEDC working with Claggett Wolfe Associates in the completion of analysis. The final report was submitted to the County in March.
City of Biggs – 2007-08 CDBG ED PTA (Project Implementation)	Implementation of Downtown Façade Program Assessment Study	Council approved subrecipient Agreement March 2008. TCEDC is implementing project on the City's behalf. TCEDC working with Chabin Concepts to complete this project. A final report was presented in December 2008. Additional steps are now under review through the implementation of the Visual Master Plan – Phase 2.
County of Butte – 2008-09 CDBG General PTA (Grant Preparation)	Application to assist with development of Palermo Wastewater and Drainage Study	Application prepared by TCEDC and submitted to the State in August 2008. Funding approved in December 2008.
City of Oroville – 2008-09 CDBG General PTA (Grant Preparation)	Application for development of: (1) Lincoln & Huntoon Streetscape Plan - \$35,000 (2) Water Capacity Feasibility Study - \$35,000	Application prepared by TCEDC and submitted to the State in September 2008. Funding approved in December 2008 for Water Capacity Feasibility Study only.
City of Oroville – 2008-09 CDBG ED PTA (Grant Preparation)	Application for development of: (1) Industrial Park Planning Strategy - \$35,000 (2) Alternative Power Generation Plan for Businesses - \$35,000	Application prepared by TCEDC and submitted to the State in September 2008. Funding approved in December 2008.
City of Biggs – 2008-09 CDBG ED PTA (Scope of work preparation)	Visual Master Plan – 2 nd phase	Scope of work prepared by TCEDC. City submitted application to the State. Funding approved in December 2008. TCEDC will be implementing project through a subrecipient agreement.

County of Glenn – 2008-09 CDBG ED PTA (Grant Preparation & implementation)	Application for development of: Green Technology/Agricultural Industries Feasibility Study - \$35,000	Application prepared by TCEDC and submitted to the State in August 2008. Funding approved in December 2008. TCEDC will be implementing project through a subrecipient agreement.
City of Orland – 2008-09 CDBG General PTA (Grant Preparation)	Application for development of : Housing Element Update - \$35,000	Application prepared by TCEDC and submitted to the State in August 2008. Funding approved in December 2008.
City of Willows – 2008-09 CDBG General PTA (Grant Preparation)	Application for development of : Housing Element Update - \$35,000	Application prepared by TCEDC and submitted to the State in September 2008. Funding approved in December 2008.
City of Corning – 2008-09 CDBG General PTA (Grant Preparation)	Application for development of : Housing Element Update - \$35,000	Application prepared by TCEDC and submitted to the State in September 2008. Funding approved in December 2008.

Community Development Block Grant – Enterprise Grant Application

Project Name & Location	Description	Status
County of Butte 2006-07 Enterprise Grant – (Grant Preparation & Program Implementation)	\$500,000 grant to continue implementation of the microenterprise business incubation program on behalf of the County of Butte.	Application prepared by TCEDC and submitted to the State in January 2007. Contract received from State in September. TCEDC implementing program through a subrecipient agreement.
County of Butte 2008-09 Enterprise Grant – (Grant Preparation)	\$300,000 grant to continue implementation of the microenterprise business incubation program on behalf of the County of Butte.	Application prepared by TCEDC and submitted to the State in December 2008. Due to Funding limitations project was not funded. TCEDC will prepare another application on the County's behalf for the 2009-10 FY. NOFA is anticipated to be out in June 2009.
County of Tehama 2008-09 Enterprise Grant – (Grant Preparation)	\$150,000 grant to implement a new microenterprise business incubation program on behalf of the County of Tehama.	Application prepared by TCEDC and submitted to the State in December 2008. Due to Funding limitations project was not funded.

Other Planning & Loan Projects

Project Name & Location	Description	Status
City of Chico – EDA Infrastructure Development (Grant Preparation)	A pre-application for \$2.5 million for \$5 million project to EDA to complete infrastructure development on Cohasset Rd.	Pre-application prepared by TCEDC on City's behalf and was submitted to EDA in January 2009. The Project Investment Summary was forwarded to Washington, D.C. in March 2009. Invitation to submit final application was received in late March and final application was submitted in April. Funding pending.
City of Chico (Project Administration)	Business Capital Access Analysis and Loan Marketing Development Strategy	City collaborating on the Capital Access study in conjunction with County of Butte's program. A final report with recommendations was submitted to the City in January 2009.
City of Willows (Program assistance)	Downtown Revitalization Strategy utilizing Funding received from Walmart - \$60,000	TCEDC is holding funds on behalf of the City of Willows; funding of projects is based on City directions.
City of Red Bluff - USDA Rural Business Enterprise Grant (Project Implementation)	Application for \$90,000 to assist with funding a Business Façade Improvement Program.	TCEDC implemented this program on the City's behalf. The Program was completed December 2008.
City of Orland – USDA Rural Business Enterprise Grant (Grant Application & Project Implementation)	Application for \$45,000 with matching funds of \$55,000 from the City of Orland to assist with a funding a Business Mentoring Program.	TCEDC prepared and submitted an application to USDA in April 2007 for funding of a Business Mentoring Program for the City of Orland. TCEDC implementing project. To date 3 businesses have received assistance. TCEDC is working with team to development additional marketing.

County of Glenn (Program assistance)	Airport Marketing Project	TCEDC assisting the County of Glenn in marketing efforts of the industrial land at the Glenn County Airport in conjunction with a subcontractor, The Chico Project.
AT&T Exceleator Proposal 2008 (Grant Preparation & Program Implementation)	Application for \$25,000	TCEDC submitted an application for \$25,000 to provide assistance with staff capacity for Business Incubator Program. Funding approved in September 2008.
Washington Mutual Proposal 2008 (Grant Preparation & Program Implementation)	Application for \$50,000	TCEDC submitted an application for \$50,000 to fund staff capacity for Business Incubator Program. Funding approved for \$10,000 in September 2008.
US Bank Proposal 2008 (Grant Preparation & Program Implementation)	Application for \$50,000	TCEDC submitted an application for \$50,000 to fund staff capacity for Business Incubator Program. Funding approved for \$5,000 in December 2008.
Butte County	Barry Kirschner Wildlife Foundation relocation.	TCEDC providing technical assistance to Barry Kirschner Wildlife Foundation for permanent financing for their new site; acquisition cost is estimated at \$760K. Estimated total project cost \$1.2 million
Town of Paradise -- USDA RBEG (Grant Preparation)	Business Mentoring and Incubation Program Application for \$80,000	Pre-application prepared by TCEDC on Town's behalf and was submitted to USDA in April 2009. Funding pending.
Butte County Region (Program Implementation)	Green Jobs Technical Assistance	TCEDC working with Butte Private Industry Council through WIRED to develop a Green Jobs technical assistance program. A \$60,000 contract has been approved for developing the program through TCEDC.
American Recovery and Reinvestment Act of 2009	Regional Economic Recovery Work Plans	TCEDC assisted in coordinating efforts with members in submission of potential regional projects to be included in State's Regional Work Plan.

Potential Future Planning Projects

Project Name & Location	Description	Status
City of Biggs- CDBG P/TA (Program Implementation)	Visual Master Plan – 2 nd phase - \$35,000	Funding approved in December 2008. TCEDC to implement program under subrecipient agreement once the 1 st phase of project is completed (see page 1).
County of Butte – EDA (Grant Preparation)	Economic Development Administration T.A.	TCEDC is discussing a possible application to EDA to provide funding for technical assistance services to small businesses.
Town of Paradise- State Water Resources Control Board	Waste Water Treatment Facility	This project is a high priority for the Town. TCEDC is researching possible funding sources through the American Recovery and Reinvestment Act.
City of Chico – Economic Development Funding/Economic Development Administration	Application for \$65,000 as leverage for \$65,000 grant application to EDA to assist in providing Business Mentoring services through BIP.	TCEDC is in the process of developing a proposal for an RFP through the City of Chico. Applications are due April 24, 2009.
City of Chico – Economic Development Funding	Application for \$25,000 to assist in providing loan marketing and underwriting services to the City of Chico.	TCEDC is in the process of developing a proposal for an RFP through the City of Chico. Applications are due April 24, 2009.

Exhibit 2 – TCEDC Staffing List

Tri-County Economic Development Corporation
Staff Roster
(Revised 6/1/09)

Employee	Hours Worked Per Week
Marc Nemanic <i>Executive Director</i>	40
Sheri Nix <i>Senior Program Manager</i>	40
Patty Hess <i>Loan Portfolio Manager</i>	40
Amy Piper <i>Financial Administration Analyst</i>	40
Elke Rist <i>Loan Administration</i>	22
Roger Hart <i>Financial Consultant</i>	40

Exhibit 3 – Board Members

TRI-COUNTY ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS
June 2009

Officers

(All officers are Executive Committee Members)

President

Lorri Pride, Glenn County "At Large"
Glenn County, Private Sector, Real Estate

Vice President

Tod Kimmelshue, Butte County "At Large"
Butte County, Private Sector, Ag Financing

Secretary/Treasurer

Forrest Flynn, Red Bluff City Council
City of Red Bluff, Public Sector

Other Board Members

George Russell
Tehama County Supervisor
Tehama County, Public Sector

Tracey Quarne
Glenn County Supervisor
Glenn County, Public Sector

James Paschall
Orland City Council
City of Orland, Public Sector

Vacant
Tehama County "At Large"
Tehama County, Private Sector

Owen Styles
Gridley City Council
City of Gridley, Public Sector

Bill Finley, Private Industry Council
Employment Agency Representative

Vacant
Glenn County "At Large"
Glenn County, Private Sector

Walter Dodd (Executive Committee)
Tehama County "At Large"
Tehama County, Private Sector
County, Retired Business Owner

Jamie Johansson
Oroville City Council
City of Oroville, Public Sector

Heather Baker (Executive Committee)
Willows City Council
City of Willows, Public Sector

Sylvia Lopez, (Minority Representative)
(Executive Committee)
Glenn County
City of Willows, Lender, Private Sector

Vacant
Chico City Council
City of Chico, Public Sector

Vacant
Minority Representative

Bill Connelly (Executive Committee)
Butte County Supervisor
County of Butte, Public Sector

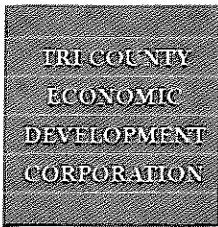
Jose Ascencio
Chamber of Commerce Representative

Ken Meier
Post Secondary Education Representative

Scott Lotter (Executive Committee)
Paradise Town Council
Town of Paradise, Public Sector

John Leach
Corning City Council
City of Corning, Public Sector

Exhibit 4 – Resolution



Before the Board of Directors
Of The
Tri-County Economic Development Corporation

Resolution #2009-01

IN RE: RESOLUTION OF THE TRI-COUNTY ECONOMIC DEVELOPMENT CORPORATION (TCEDC) TO FORMALLY AUTHORIZE MARC NEMANIC TO SIGN ALL DOCUMENTS RELATING TO THE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT FOR 2009-2010

WHEREAS, Marc Nemanic is the Executive Director of the Tri-County Economic Development Corporation; and

WHEREAS, Marc Nemanic serves as an ex-officio member of the Tri-County Economic Development Corporation's Board of Directors as the Assistant Secretary; and

WHEREAS, the Tri-County Economic Development Corporation's Board of Directors, in its capacity as the governing body, may authorize Marc Nemanic to sign all documents relating to the Comprehensive Economic Development Strategy Annual Report.

NOW, THEREFORE, BE IT RESOLVED, that the Tri-County Economic Development Corporation's Board of Directors authorizes Marc Nemanic, in his capacity as the Executive Director, to sign all documents relating to the Comprehensive Economic Development Strategy Annual Report.

PASSED AND ADOPTED at a meeting of the Board of Directors of the Tri-County Economic Development Corporation on the 18th day of June, 2009 by the following vote:

AYES: 13

NAYS: 0

ABSENT: 4

Lorri Pridé, President
Tri-County Economic Development Corporation

ATTEST:

APPROVED AS TO CONTENT: