

**COMPREHENSIVE ECONOMIC
DEVELOPMENT STRATEGY (CEDDS)**

2013

**for the
SUPERIOR CALIFORNIA
ECONOMIC DEVELOPMENT DISTRICT**

**Counties of
MODOC, SHASTA, SISKIYOU, AND TRINITY**

**Prepared by
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EXECUTIVE SUMMARY

The Superior California Economic Development District (SCEDD) submits this Comprehensive Economic Development Strategy (CEDS) as a periodic comprehensive review and update as of January 24, 2012, as required by the United States Department of Commerce-Economic Development Administration (EDA). The CEDS provides historical data, outlines present economic situations, identifies opportunities for development and outlines broad plans for implementing defined strategies for improving and developing the local and District-wide economies.

This document originated as an EDA sponsored “Overall Economic Development Program” report first completed in 1968 by Virgil Covington and Evangeline Manning, Shasta County Economic Development Corporation. This 2013 CEDS is a complete review and update of the CEDS previously reviewed and updated in 2002 and reviewed annually each year thereafter. The information contained in this CEDS is solicited from District board members, elected officials, administrators, public works officers, and the private sector business people throughout the four county area served by the District. Using the EDA CEDS guidelines, pertinent information and data was obtained and assembled by County and subject categories. This CEDS document was prepared by District staff on behalf of and under review of the Economic Development District CEDS Committee.

This document, as submitted, is the final document as approved by the Superior California Economic Development District Board of Directors acting as the Economic Development District CEDS Committee.

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ORGANIZATION

The Superior California Economic Development District (SCEDD) was organized in 1979 through a Joint Powers Agreement with the Counties of Modoc, Shasta, Siskiyou and Trinity in the northeastern-most part of California. The District encompasses an area of 17,731 square miles with a current population of 245,750 and a labor force of 112,300 comprised of the four member counties.

In 1980, SCEDD was designated an “Economic Development District” by the U.S. Department of Commerce Economic Development Administration (EDA). The EDA Annual 301(b) Planning Grant enables the District to work with its county members in providing planning and technical assistance to the public and private sectors for new business development, business retention/expansion, and ultimately, job creation.

The District is currently governed by a seventeen member Board of Directors composed of representatives from each participating county (see page 2).

The Board of Directors meets on the third Thursday of every other month beginning in January. On occasions when prompt official action is needed, the Board will meet on an alternate month as well or will call a special meeting. Committees of the Board meet as needed.

**SUPERIOR CALIFORNIA ECONOMIC DEVELOPMENT DISTRICT
BOARD OF DIRECTORS AND CEDS COMMITTEE**

<u>NAME</u>	<u>OCCUPATION</u>	<u>APPOINTMENT</u>
<u>Modoc County</u>		
Dave Allen	County Supervisor	County Board of Supervisors
Jim Irvin	City Councilman	City of Alturas Councilman
Vacant		Private Sector - County BoS
<u>Shasta County</u>		
Pam Giacomini	County Supervisor	County Board of Supervisors
Jeff Kiser	City Manager	City Council of Anderson
Greg Clark	Deputy City Manager	City Council of Redding
Vacant		
<u>Siskiyou County</u>		
Michael Kobseff	County Supervisor	County Board of Supervisors
Steve Drageset	CPA/Self Employed	Private Sector - County BoS
Kelly McKinnis	City Finance Director	Siskiyou League of Local Agencies
<u>Trinity County</u>		
John Fenley	County Supervisor	County Board of Supervisors
Vacant		Private Sector - County BoS
Vacant		
<u>Members At Large (Appointed by SCEDD Board of Directors)</u>		
William Hinman	Bank Branch Manager - ret.	
Audra Gibson	Non-Profit Program Administrator	
Fred Castagna	Project Manager- City of Shasta Lake	
Vacant		

Total Board Members Positions - 17
Positions vacant at this time - 5

OFFICERS FOR FY 2013 - 2014

Steve Drageset	President
Greg Clark	Vice President
William Hinman	Treasurer
Robert Nash	Secretary/Chief Executive Officer

COMMITTEES FOR FY 2013-2014

EXECUTIVE COMMITTEE

Steve Drageset, President
Greg Clark, Vice President
Bill Hinman, Treasurer
Fred Castagna
John Fenley
Kelly McKinnis
Pam Giacomini

FINANCE COMMITTEE

Steve Drageset, Chair
Bill Hinman
Michael Kobseff

PERSONNEL COMMITTEE

Steve Drageset, Chair
Bill Hinman
Fred Castagna

LOAN COMMITTEE

Steve Drageset, President
Greg Clark, Vice President
Bill Hinman, Treasurer
Fred Castagna
John Fenley
Kelly McKinnis
Pam Giacomini

MINORITY REPRESENTATION

State: California
 County: Modoc-Shasta-Siskiyou-Trinity
 Prepared By: Robert Nash, Executive Officer

This form is for the purpose of providing data to determine compliance with EDA Directive 7.06 on minority representation on CEDS Committees. The two aspects of compliance are as follows:

- a) The percentage of minority representation on the CEDS Committee must be as large as the minority percentage of the population of the area. If there is an Executive Committee, its membership must reflect the ratio of the minority representation on the CEDS Committee.
- b) Minority representation should be selected by representatives of the lending minority groups or organizations of the area, meeting in a closed session.

	<u>Number</u>	<u>Percent</u>
1. Population by Race/Ethnicity*		
Total Population	236,688	100%
White	200,894	84.9%
Hispanic/Latino	21,794	9.2%
American Indian	6,562	2.8%
Black or African American	2,112	0.9%
Asian	4,988	2.1%
Native Hawaiian and Pacific Islander	338	0.1%

2. CEDS Committee Members
 (See Page 5)

<u>Summary</u>	<u>CEDS Committee</u>
** Total Seats	17
** Non-Minority Members	12
Minority Members	1

5. Method by which Minority Representative were Selected:
 Within the four-county Superior California Economic Development District, there are currently no known minority organizations that encompass all of the counties. Therefore, the Board of Directors seeks minority members from within the District with an emphasis on previous or current public or quasi-public office.

* Source: U.S. Census Bureau, Census 2010.
 ** Three positions are vacant at this time.

SCEDD STAFF

The Superior California Economic Development District Board of Directors is served by a staff with offices in Redding, Shasta County.

Executive Officer, Robert Nash: Responsible for managing the business of the District consistent with the objectives of the EDA Act of 1965 as amended. The Chief Executive Officer reports to the board and implements long and short term corporate goals and objectives of the board. The CEO coordinates departmental programs, projects, and staff for business financing; business training and technical assistance; and economic development planning and technical assistance. He supervises financial management of the District, including accounting, budgeting, reporting and audits.

Administrative Assistant/Executive Secretary: Serves as assistant to the Board of Directors and the Executive Officer. Assists in the preparation, submission, and administration of all grant applications, contracts, reports and agreements. Responsible for scheduling Board meetings, preparing and mailing out Board packets, transcribes Board minutes, and maintains District files. Assists with Microenterprise Development Program administration and Loan Program administration as needed.

Loan Program Manager: Manages and maintains the SCEDD Business Development Loan Program portfolio including loan repayments, workouts, and adverse collections. The incumbent also prepares applications for other loan/grant funding as directed to leverage the loan fund and/or obtain additional sources of capitalization. Responsible for marketing and delivery of loan packaging and consulting fee services; business development loans; preparation and review of loan applications, credit

analysis; recommendations for funding and loan documentation. Loan Program Manager supervises other loan program staff

Loan Closing Specialist: Serves as Assistant to the Loan Program Manager.

Responsible for follow-up with loan applicants/borrowers, coordinates loan application documentation, prepares loan closing documents, maintains loan collateral and maintains loan files and follow-up.

Economic Development Specialists: SCEDD is utilizing part-time contract staff for economic development planning and technical assistance activities as needed.

Fiscal Officer: Responsible for all aspects of fiscal management and fiscal reporting including compliance with grant, contract and federal expenditure regulations and guidelines; contract and grant financial reporting; program budgets; and followup loan financial reviews. Also, serves as systems administrator for SCEDD computer hardware/software, local area network and telecommunications. Also serves as Human Resources expert/advisor to the Executive Officer and management staff.

Bookkeeper: Maintains accounts for the District. Accounts include payroll, accounts receivable, and accounts payable. This position also handles loan accounting and billing.

Special Projects Manager - Microenterprise Development Program Manager:

Responsible for supervision and leadership to programs and projects by working with and providing guidance to program staff; solicits program funding opportunities, keep funding agency current on project progress through written reports; recruits targeted clients via a variety of outreach mechanisms as appropriate; develops curriculum and program design for prebusiness training, provide ongoing evaluation and follow-up on a regular basis; and maintains program/project budgets and compliance with program guidelines and

regulation.

Business Development Specialist : Provide pre-business training and ongoing business counseling/support services for targeted microenterprise clients, both prebusiness and existing microbusinesses; develops supplemental curriculum material; recruits and schedules guest presenters, oversees reference library and software programs and maintains clients tacking information.

BACKGROUND: THE AREA AND THE ECONOMY

The Area

The Superior California Economic Development District (District), formed in 1979, includes the four counties of Modoc, Shasta, Siskiyou and Trinity. The four-county District is a region covering an area of 17,734 square miles, extending from the northeastern corner of California (Modoc County), east along the Oregon border to Del Norte County (Siskiyou County), southward along the border of Humboldt County (Trinity County). To the south the District borders Tehama County and includes portions of the upper Sacramento Valley (Shasta County). On the eastern side of the District, Modoc County borders the State of Nevada and Lassen County to the south.

The District is predominantly mountainous terrain with small valleys interspersed. Mount Shasta (14,162 feet), Mount Lassen (10,547 feet) and Castle Crags are among the most spectacular of many volcanic and former volcanic mountain peaks in the region in addition to the spectacular granites of the Trinity Alps and Marble Mountains.

The climate is variable throughout the District due to the great variation in topography. Extremes range from a Mediterranean climate in the northern end of the Sacramento Valley, Redding area, with elevation of agricultural river bottoms ranging 400 to 500 feet in elevation, with mild, moist winters and dry, hot summers, to the mountain valleys in Siskiyou and Shasta Counties (Scott, Shasta and Fall River

Valleys, elevations 2,600 feet to 3,300 feet), with longer, colder winters, but hot dry summers - to the high desert valleys (Tulelake Basin, Butte Valley, Big Valley-Adin, Alturas, Surprise Valley, Likely, with elevations 3300 to 5500), to alpine climate of the high mountain wilderness areas of Trinity, Siskiyou and Modoc Counties. Between the high mountains and the valleys, a high desert climate with rolling hills of juniper and sage is found in eastern Siskiyou County, eastern Shasta County, and nearly all of Modoc County. Foothills immediately north and east of Redding often receive over 100 inches of rainfall during the winter while the high desert areas may receive no more than 10 inches.

There are three major river course water sheds. The Sacramento/Pitt River water shed covers all of Shasta County and most of Modoc County. The Klamath River and watersheds transects Siskiyou County, and the Trinity River heads in Trinity County with the watershed covering essentially the entire county except a small portion of the south- county area which is covered by Mad River watershed. These rivers systems are most notable for not only their spectacular unspoiled beauty, but for their world renowned salmon, steelhead and trout fisheries. These three rivers are also renowned for their historical Gold Rush era gold mining and still, to this day; provide recreational gold panning activity as well as a limited amount of commercial gold extraction activity.

There are hundreds of natural lakes in the mountainous and wilderness areas of the region plus two large natural basin lakes: Lower Klamath Lake in Siskiyou County, and Goose Lake in Modoc County, plus three large intermittent lakes (dry lake bed), Upper, Middle and Lower Alkali Lakes in Surprise Valley, Modoc County. Major

reservoirs, constructed as part of the Federal Reclamation Act - Central Valley Project, include Shasta, Keswick, Trinity, Lewiston and Whiskeytown Lakes. These reservoirs have a combined storage capacity of over 7.5 million acre feet of water, all within the District, providing critical flood control downstream, water storage for downstream irrigation, major hydroelectric power generation, and substantial recreation. There are numerous other smaller reservoirs such as Shastina, Siskiyou, Big Sage and Tule Lakes which serve many purposes including flood control, water supply storage, hydroelectric generation and recreation. Copco, Iron Gate, Britton and the Pitt Reservoirs are owned by power companies for the express purpose of hydroelectric generation. Other highlights include ten separate wilderness areas and seventeen other parks, monuments, wildlife refuges and recreation areas.

The Interstate 5 (I-5) freeway, the primary north-south transportation route through the district, begins at the Mexican border in the south and traverses northward through California. It passes through the capital city of Sacramento, the nearest major metropolitan center to the District, where it intersects with I-80, the closest primary transcontinental route. I-5 passes through Shasta County, continues north through Siskiyou County and on to Oregon, Washington and Canada. In addition to Interstate 5, there are several other important highway routes that intersect the District:

Highway 395, the "Three Flags Highway", connects Mexico, the United States and Canada. It runs along the eastern edge of the Sierra Nevada and Cascade Mountain Ranges passing through Alturas, Modoc County.

Highway 299 West originates in Redding and travels through Trinity County to the coast, intersecting with Highway 101 near Eureka, the West Coast route.

Highway 299 East also originates in Redding and runs east through northeastern Shasta County, through Burney and Alturas in Modoc County, and into northwestern Nevada.

Highway 97 originates in Weed, Siskiyou County and is the primary route north through eastern Oregon and Washington into and through British Columbia where it becomes the Alaska

There are additional secondary highways in the District that link communities with the primary routes for local transportation and commuting. These secondary routes are especially important for the timber and tourism/recreation industries.

The Union Pacific Railroad (which acquired the lines formally operated by Southern Pacific) bisects the Sacramento Valley bisects the District at Redding and continues north through Siskiyou County to Klamath Falls, Oregon. The Burlington Northern/Santa Fe Railroad line traverses the remote western part of Modoc County Klamath Falls, Oregon, south through Lassen and Plumas Counties and on to Sacramento and Reno.

There are four short-line railroads in the District. The Yreka Western Railroad is not presently operating, but remains in place, and until recently, served Yreka and Montague in Siskiyou County with freight and excursion passenger service, connecting with the CORP short-line (formerly Southern Pacific) in Montague. The CORP short-line runs on rail route owned by Union Pacific (formerly Southern Pacific) from Weed, Siskiyou County, to Roseburg, Oregon, connecting with Union Pacific main-line on either end. The McCloud River Railroad, historically a logging rail road originally developed by McCloud Lumber Company, previously connected with Union Pacific at Mount Shasta, Siskiyou County and the Burlington Northern/Santa Fe to the east in

Modoc County at Bartle, traversing eastern Shasta County to serve the Burney area. The McCloud River short-line is no longer in operation and has been removed. The fourth short line, Great Western, is owned by the County of Lake, in Oregon, and runs a route connecting Lakeview, Oregon, with Alturas, connecting with the Union Pacific to Klamath Falls, Oregon. There are no railroad services in Trinity County or western Siskiyou County. The rail route between Alturas and Susanville, Lassen County is still owned by Union Pacific but was taken out of service and the rail removed about ten years ago.

The only airport with scheduled airline service in the District is located in Redding. The Redding Municipal Airport accommodates scheduled commuter airline service connecting with major airlines in San Francisco for points beyond. However, the Redding airport has struggled in retaining more than one airline to provide service to locations in addition to San Francisco, the most recent departure being Horizon/Alaska Air serving Los Angeles and Portland, Oregon. There are several air charter services based in Redding. Federal Express maintains an air package freight station at the Redding airport. There are several other small county airports throughout the District, some with fixed base operator service, some without any service. Other airports with scheduled airline service serving region, but located outside the District, are in Medford, Oregon; Klamath Falls, Oregon; Reno, Nevada; and Sacramento, California.

Government(s) and Political Geography

The four counties in the District are political subdivisions of the State of California. There are a total of 13 incorporated cities in the District.

Following is a list of incorporated cities by county:

INCORPORATED CITIES BY COUNTY	
Modoc County	Alturas (county seat)
Shasta County	Anderson Redding (county seat) Shasta Lake
Siskiyou County	Dorris Dunsmuir Etna Fort Jones Montague Mount Shasta Tulelake Weed Yreka (county seat)
Trinity County	(None) The county seat is the community of Weaverville (unincorporated)

Paramount to the geography of the District is the high percentage of national forest lands. Roughly two-thirds of the District's forest lands are federally owned.

There are numerous Indian Reservations throughout the District. The following is a list of reservations as compiled by the Indian Assistance Program Field Directory of 1990.

Modoc County	Alturas Rancheria Cedarville Rancheria Fort Bidwell Reservation Likely Rancheria Lookout Rancheria XL Rancheria
Shasta County	Big Bend Rancheria Montgomery Creek Rancheria Pit River Tribe of California Redding Rancheria Roaring Creek Rancheria
Siskiyou County	Karuk Tribe of California Quartz Valley Rancheria

The Economy

The 2012 combined total population reported by California Department of Finance the four counties that comprise the District as 245,687, up 16,100 (7%) from the year 2000 (See the Appendices for County profiles and additional statistical information). Shasta County has the highest population (177,823), up 14,934 since 2000, and fastest average growth rate since 2000 (9.2 percent), of the four counties. Both Modoc and Trinity Counties actually lost population in the 1990's but gained a modest 1.3% and 5.3% respectively 2001 through 2012, even with a slight drop in population in 2011. Siskiyou gained a minimal 1% in population over past 12 years. (Population numbers from California Department of Finance, Demographic Research Unit)

Probably more telling than anything as to the direction of the economy is in the Labor Force, unemployment, participation rate, etc. Combined labor force in the four county region in 2011 was 112,300², a 19% growth since 2000. From a relative stand point, that was a more rapid rate of growth than the population growth. Labor force participation (the number of workers in the labor force as a part of the total population) grew from 44.8% to 49.8%. The majority of that growth in labor force and labor force participation was in Shasta County, in fact, Trinity county lost about 50 from the labor force in 2011 and participation dropped from 39.2% to 36.8%. (Labor Force numbers from California Employment Development Department, Labor Market Information Division)

The annual average unemployment for the four counties was 6.5% in 2000 and increased to 16.3% by 2010 and then dropped slightly to 15.2% in 2011 while the

California statewide average unemployment was at 4.9% and 12.4% and 11.7%, respectively. Unemployment in October of 2012 in each county: Modoc - 12.2% after a peak of 18.5% January 2011; Shasta - 11.5% after peak of 17.5% February 2010; Siskiyou - 12.7% after peak of 20.1% January 2011; Trinity - 13.4% after peak of 22.1% January 2011. As can be seen, unemployment in the more rural counties of our region exceeds that of the metropolitan Redding area (Shasta County), while the state unemployment, as a whole, is far lower than the north state region, particularly our four county district. This has been the case for at least the most recent 30 years, probably long and is pretty typical anywhere comparing rural employment / unemployment to metropolitan (Unemployment numbers from California Employment Development Department, Labor Market Information Division)

Employment in the North State remains cyclical due in large part because of the seasonal nature of the resource based economy (agriculture, timber, outdoor recreation) which not only affects those industry sectors, but all the other sectors supporting or which benefit, such as retail. The primary economic growth in the District is centered in the metropolitan Redding area of Shasta County and along the I-5 corridor up through Siskiyou County. It is no secret that the more remote communities have a harder time just maintaining a local economy, let alone economic growth and job creation.

Another important measure of economic health is personal income, particularly family income, as a measure of trend and comparison to other regions. Weighted average household income for the four county region in 2010 was \$36,700, compared to state-wide of \$57,600. More interesting, is the rate of decline when adjusted for inflation.

Since 2000, all counties in the district, except Modoc, which is the lowest at \$34,579 to begin with, have experienced a 10% or more decline in real household income for 2012. Modoc is 8.3% decline in real household income between 2000 and 2012. (Information per US Census Bureau and Claritas as prepared by Wahlstrom and Associates.

Government, particularly state government, is by far the largest employment sector with the most growth in number of jobs in the region over the past 12 years. Actually, the past two years local government jobs have decreased with the budget difficulties being experienced during the current recession. Outside of government, the largest employment in numbers for the region is Private Educational Services - Health Care, Retail Trade, and Leisure-Hospitality, in that order. The Redding area has developed a regional health care hub over the past five decades and now boasts over 11,100 jobs, with Siskiyou a distant second and Trinity and Modoc each having fewer than 200 jobs in that sector. It's the same case with retail trade and leisure-hospitality. However, it is important to recognize the thousands of self-employed entrepreneurs in the more rural areas of the region where most of the retail and hospitality economy is smaller businesses, often only the proprietor(s), without employees.

Industrial, which includes sawmills, logging, and construction, comprise almost 6,000 jobs, and farms, which includes timber, account for only about 1,900 jobs. However, these are the primary base industries supporting our transportation sector and a large part of our wholesale trade sector.

In the area of agriculture production, Siskiyou County has the greatest activity in terms of sales at \$280 million in 2011, then Modoc at \$82 million, Shasta County at \$78 million, and then Trinity at \$1.7 million. Modoc County suffers from climatic and transportation limitations to farm profits. Trinity County, due to its mountainous terrain and vast public ownership, has a very limited amount of farming and ranching activity. Overall, agriculture activity is not increasing in production; however, the past three years have seen the industry enjoy excellent prices for most products after several years of depressed profitability.

Timber production value in 2011 was \$53 million in Shasta County, \$39 million in Siskiyou, \$9.5 million in Trinity, and \$2.4 million (2008) in Modoc (County Crop Reports). This is exclusively timber and timber products, including firewood, produced on private land, excluding all product from federal or state lands. It would seem that Trinity would be a higher producing timber county; however, due to the vast majority of the timber land being owned by the federal government, there is very little timber production by comparison in Trinity County.

Within the region, a large sector of specialty agricultural production takes place, some of it unique to just this region: nursery strawberry plants, wild rice, mint, seed garlic, specialty beef production for medical and cosmetic component production, and queen bee rearing, among others. There are increasing efforts underway to develop and market special products, particularly herbs, mushrooms and wine grapes and other nursery root and cane stock, some of which is particularly suitable for smaller farms. This leads to the latest opportunity in agriculture and for economic development, that being the small farm direct to consumer market. This is a rapidly

growing trend and includes processing and manufacturing of food products.

One issue that is expected to be a growing constraint to agriculture production is competition for groundwater and surface water resources and diversions of water from agricultural use for other environmental uses. While this issue will be a challenge in many areas of the District, it has been most notable in the Klamath Basin where water for the Klamath Irrigation Project was substantially reduced and a large acreage permanently taken out of production in the early 2000's. The water was to be withheld from agricultural irrigation diversion so that it could be used for the benefit of certain endangered fish species. More recently this has been a major factor with water diversions in the Scott and Shasta Valleys in Siskiyou County. The long term impacts of these farm water versus environment issues are yet to be determined. Along similar lines, environment factors are becoming an increasing hindrance to grazing livestock on public lands and private lands bordering sensitive streams and rivers.

Forest product manufacturing (lumber, doors, windows, fencing, etc.), is holding fairly steady these days, in spite of a very depressed timber market due to the world-wide recession and collapse of the housing market. The interesting factor is that today the majority of large scale wood product manufacturing is firms that also own their own timber resource. One rare exception is the Schmidtbower owned Trinity Forest Products dimensional lumber mill in Weaverville, Trinity County. There are a few specialty wood products manufacturers remaining but the road has been very lean in recent years and many have not survived the current recession. This is after the 1990's scale back of the industry due, in large part, to surmounting

environmental and regulatory constraints, including protection of endangered and threatened species, particularly the Northern Spotted Owl, which resulted in the majority of public forest land being taken out of timber production. These circumstances forced the majority of mills to close in the early 1990's resulting in permanent layoffs which were never recovered and probably never will be recovered in the timber industry.

One exception to this economic phenomena in the timber industry is Trinity River Lumber Company in Weaverville, Trinity County which purchases and freights in nearly all of its raw timber inventory. An untimely catastrophic mill fire in the fall of 2009 resulted in a near complete loss of their sawmill facility. The loss became an opportunity to rebuild with an all new modern sawmill, which they did. The good part is the family owned company was able to rebuild and hire back employees, the down side is the new machinery with the latest in automation technology resulted in only about 90 of the original 130 employees being hired back. Again, on the positive side, the opportunity to rebuild with modern milling machinery may be the factor that has allowed them to remain in business with that plant in Weaverville, those jobs being the majority of the industrial jobs remaining in Trinity County in 2012.

The mining industry has experienced very little new activity beyond the few established companies that have been working at it for some time, regulatory environmental constraints being the key factor as it is in all other resource based industries. Apart from recreational gold extraction on the Klamath, Salmon, and Trinity Rivers, the gold mining industry continues to decline with new regulation two years ago essentially eliminating commercial suction dredging on the Klamath and

Trinity Rivers. Mining of limestone with adjacent cement manufacturing in the Redding area remains successful but also remains limited by the resource and insurmountable environmental constraints to starting up a new operation. Additionally, mining diatomaceous earth still occurs in the Burney area and is apparently moderately successful. Mining aggregate for construction materials remains a viable industry in the region, but has been very slow in recent years due to the general economic recession and collapse of the housing and building industry. The one important factor that has contributed some stability to aggregate and limestone mining is the publicly funded highway and bridge projects, one of the largest bridge projects in the county being on Interstate 5 “Antlers” bridge crossing Shasta Lake at Lakehead.

There is increased emphasis in the recreation and tourism sectors of the economy in most areas of the District, but sales have been down, due in large part to the economic recession. Because the region has abundant and attractive natural resources that draw people to the area, tourism continues to provide a substantial amount of economic activity. Developed attractions such as the Mount Shasta Board and Ski Park, Turtle Bay Park and Museum, boating and fishing on the large Reservoirs, and others provide valuable recreational resources that help stimulate businesses and support local hospitality businesses. However, the tourism industry remains primarily seasonal in most areas of the District with substantial fluctuations in economic activity.

The decline of native fish stocks, especially migrating fish stocks (salmon and steelhead), is a serious threat to the outdoor recreation sector in the region, especially for local communities that rely heavily on sport fishing as a component of

their tourism economy. Commercial and sport salmon fishing was curtailed in 2009 and 2010 due to drastic losses in the salmon run numbers; however, as the salmon run numbers have rebounded, limited sport fishing was allowed in 2011 and in 2012 pretty much full scale sport and commercial fishing was allowed as salmon numbers have rebounded very nicely. What the future holds is unknown, due in large part to what nature and natural phenomena coupled with the numerous unnatural barriers and conditions handed to the fish populations and the seemingly endless regulations.

Retail seems to be doing fine in the Redding area with both local shoppers and transient shoppers from the surrounding communities taking advantage of the big box retailers and wide selection of retail products available. This tends to hold pretty true, but on a smaller scale, for retailers in the smaller communities along the Interstate 5 corridor. However, retail trade in rural communities of the district outside the I-5 corridor are struggling like never before. The remote community retailers suffer against the economy of scale and less costly freight enjoyed by retailers in the larger communities along major transportation routes. Rural retailers are competing with Medford and Klamath Falls, Oregon (who also enjoy no sales tax burden as in California) and our own Redding, California right in our Economic Development District. It is has been a factor in retail trade for several decades now as profit margins become increasingly tight and shoppers are more willing to travel for a better deal and better selection of product.

The overall economy in the four counties that comprise the Superior California Economic Development District, as demonstrated by high unemployment rates, low family income and other factors, is far from robust compared to many areas of

California and the nation, and there is little anticipation of any real improvement across the board in the foreseeable future. The rate of decline and business failure seems to have curtailed, but growth remains elusive at this time in the midst of five years of economic decline, so far. A few sectors of the economy are holding their own, most notably agriculture. Most employment is either in government, services, or retail trade.

ENVIRONMENTAL

Land Use

The county board of supervisors in each of the four counties; aided by planning departments, have the primary responsibility of land use planning for private lands within the unincorporated areas of those counties. The incorporated cities are responsible for land use planning in their jurisdictions. Trinity County is unique in that it does not have any incorporated cities.

All jurisdictions (city and county) have planning commissions which serve as advisors to the elected officials. The ultimate decisions for land use issues are the responsibility of the local elected officials acting in accordance with the planning laws of the State of California.

Planning coordination is complicated by the fact that much of the land in the District is owned or controlled by federal and state sources. Local communities have been concerned that resource management policies for these state and federal lands often focus on broad political objectives and fail to adequately address the effects of those policies on local economies.

Zoning

All counties and cities in California are required to use a zoning system to regulate how private lands can be used and developed. Zoning is required to be consistent with the community's general plans. The jurisdictions in the District are striving to maintain a balance between land uses for residential, commercial,

industrial, agriculture and open space/recreation purposes.

The debate continues concerning how the area can expand economically to meet residential and commercial needs without jeopardizing natural resources, agricultural areas or the general rural character that many people value. A recent example of this struggle was the June 2012 Voter Referendum overturning a previous General Plan Land Use designation change approved by the County Board of Supervisors on a unanimous vote from Rural Residential-Ag to Commercial on a 100 acre area adjacent to the northeast corner of the I-5 and Knighton Road interchange.

Toxic and Hazardous Sites

Sites designated by the U.S. Environmental Protection Agency in the 1990's as hazardous waste sites within the District included the following:

Valley Plating Company. City of Shasta Lake, Shasta County
Iron Mountain Mine. Shasta County. This is a Superfund Site.
J.H. Baxter Company. Weed, Siskiyou County.

Each of these sites either has been cleaned up or controlled and mitigated by EPA in past years. The Iron Mountain Site, a former iron mine, will continue to be a site with EPA sponsored mitigation measures on going well beyond the foreseeable future due to extremely toxic metals naturally occurring in the ground water effluent at the former mine tunnel entrance.

There are a number of other contaminated sites in the District; most consisting of fuel and oil contamination at vacant and, in some cases, existing truck terminals, railroad terminals, bulk fuel plants and other industrial sites. Many have been cleaned up with a combination of private investment with EPA assistance. Contamination is a major hindrance to local development and planning due to the cost of cleanup.

These costs often exceed the property value of the site after remediation.

Prime Farmland

Much of the farmland in the District is located at high elevations with substantial productivity limitations due to climate. The majority of farmland soils are designated as Class III, IV or V soils. These soils are not considered to be "prime" farmland. There is a very small percentage of Class I or II soils constituting "prime" agricultural land, and most of these areas are in the Sacramento Valley. The majority of the traditional productive farmland in the Redding area has already been or is in the process of urbanization.

PERCENT OF LAND IN AGRICULTURE		
	Percent	Acres
Modoc	28.7	108,517
Shasta	15.5	28,725
Siskiyou	16.6	97,739
Trinity	3.0	1,194

Conservation Areas

The District is especially rich in natural resources, including scenic areas and fish and wildlife resources. There are numerous areas that have been set aside for preservation and open space uses as follows:

UNIQUE AREAS AND HABITATS IN THE SCED DISTRICT	
WILDERNESS AREAS	Marble Mountain (Siskiyou County) Mt. Shasta (Siskiyou County) Red Buttes (Siskiyou County) Lava Beds (Modoc County) South Warner (Modoc County) Thousand Lakes (Shasta County) Lassen Volcanic (Shasta-Lassen Counties) Yolo Bally-Middle Eel (Trinity County) Chanchelulla (Trinity County) Trinity Alps (Trinity County)
NATIONAL PARK	Lassen Volcanic (Shasta-Lassen Counties)
STATE PARKS	Castle Crags (Shasta County) McArthur-Burney Falls (Shasta County) Ahjumawi Lava Springs (Shasta County) Shasta Historic (Shasta County) Joss House Historic (Trinity County) Natural Bridges (Trinity County)
NATIONAL MONUMENT	Lava Beds (Modoc County)
NATIONAL WILDLIFE REFUGES	Modoc (Modoc County) Clear Lake (Modoc County) Tule Lake (Siskiyou County) Lower Klamath (Siskiyou County)
WILDLIFE AREAS	Butte Valley (Siskiyou County) Ash Creek (Modoc County)
NATIONAL RECREATION AREA	Whiskeytown-Shasta-Trinity Area (Shasta-Trinity Counties) Whiskeytown Administered by the National Park Service - Shasta-Trinity Administered by U.S. Forest Service

Historical Sites

An updated list of sites and structures eligible for listing on the National Historic Register is available from the State of California Department of Parks and Recreation. Each county also has an expanded list of local sites available.

Flood Hazard Areas and Wetlands

All of the counties in the District participate in the Federal Emergency Management Agency (FEMA) flood plain map system. The National Flood Insurance Act of 1968 offers an important incentive to communities for implementing a flood plain management program. Damages resulting from development in flood-prone areas can be minimized through flood plain management. This management concept encompasses a comprehensive program of corrective and preventive measures for reducing flood damage including but not limited to emergency preparedness plans, flood control project, and flood plain management regulations. Each government entity within the District has an updated general plan that addresses the issue of development within flood hazard areas.

Wetlands

The United State Army Corps of Engineers has identified and continues to recognize numerous wetland areas in the District as “jurisdictional” wetlands within its regulatory control, and there are hundreds of additional minor wetland areas that may be determined to be jurisdictional wetlands when development is proposed. Special permits and mitigation measures are required for development projects that impact jurisdictional wetlands.

There are significant wetland resources on the wildlife refuges listed below:

WILDLIFE REFUGES	
Butte Valley Wildlife Area	Siskiyou County
Lower Klamath National Wildlife Refuge	Siskiyou County
Tule Lake National Wildlife Refuge	Siskiyou County

Shasta Valley Wildlife Area	Siskiyou County
Modoc National Wildlife Refuge	Modoc County
Ash Creek Wildlife Area	Modoc County

Endangered Species

The following is a partial list of endangered plants and animals in the District as compiled by the California Department of Fish and Game:

ENDANGERED ANIMALS	
Scientific Name	Common Name
<i>branchinecta lynchi</i>	vernal pool fairy shrimp
<i>buteo swainsoni</i>	Swainson's hawk
<i>canis lupus</i>	gray wolf
<i>charadrius alexandrinus nivosus</i>	western snowy plover
<i>chasmistes brevirostris</i>	shortnose sucker
<i>catostomus microps</i>	Modoc sucker
<i>coccyzus americanus occidentalis</i>	western yellow-billed cuckoo
<i>deltistes luxatus</i>	Lost River sucker
<i>desmocerus californicus dimorphus</i>	valley elderberry longhorn beetle
<i>empidonax traillii</i>	willow flycatcher
<i>gulo gulo</i>	California wolverine
<i>haliaeetus leucocephalus</i>	bald eagle
<i>hydromantes shastae</i>	Shasta salamander
<i>lepidurus packardi</i>	vernal pool tadpole shrimp
<i>monadenia infumata setosa</i>	Trinity bristle snail
<i>oncorhynchus tshawytscha</i>	chinook salmon - Central Valley spring-run ESU
<i>oncorhynchus tshawytscha</i>	chinook salmon - Sacramento River winter-run ESU
<i>ovis canadensis sierrae</i>	Sierra Nevada bighorn sheep
<i>pacifastacus fortis</i>	Shasta crayfish
<i>plethodon asupak</i>	Scott Bar salamander
<i>plethodon stormi</i>	Siskiyou Mountains salamander
<i>riparia riparia</i>	bank swallow
<i>salvelinus confluentus</i>	bull trout
<i>strix nebulosa</i>	great gray owl
<i>vulpes vulpes necator</i>	Sierra Nevada red fox

Endangered Plants	
Scientific Name	Common Name
<i>arabis mcdonaldiana</i>	Mcdonald's rockcress
<i>calochortus persistens</i>	Siskiyou mariposa-lily
<i>cirsium ciliolatum</i>	Ashland thistle
<i>cottus asperrimus</i>	rough sculpin
<i>eriastrum tracyi</i>	Tracy's eriastrum
<i>eriogonum alpinum</i>	Trinity buckwheat
<i>fritillaria gentneri</i>	Gentner's fritillary
<i>gratiola heterosepala</i>	Boggs Lake hedge-hyssop
<i>grus canadensis tabida</i>	greater sandhill crane
<i>orcuttia tenuis</i>	slender Orcutt grass
<i>panicum acuminatum var. thermale</i>	Geysers panicum
<i>phlox hirsuta</i>	Yreka phlox
<i>tuctoria greenei</i>	Greene's tuctoria

The Spotted Owl (*Strix Occidentalis*) is not listed as endangered; however, it has been given a "threatened" designation. The resulting economic impact as a result of owl protection and timber harvest prohibitions have been substantial on both private and public forest lands.

There is genuine community-wide concern for careful and conscientious management of the northern California environment. However, the issue of environmental preservation/conservation/protection in reference to the historical natural resource extraction economy is so diverse and complex that it cannot be adequately or appropriately addressed here. Nevertheless, a balanced position must be attained soon so that a stable, sustainable economy can be maintained in an effective and conscientious manner.

PUBLIC SERVICES

Sewage Treatment Facilities

A listing compiled by the State of California Regional Water Quality Control Board of waste water treatment facilities in the District, their design capacities and current loads are as follows:

Discharger	Facility	Capacity MGD	Usage MGD
Alturas, Modoc County	Alturas Municipal WWTP	0.50	0.50
Adin Com. Serv. District	Adin STP	0.07	0.03
California Pines CSD	Calpines STP	0.01	0.005
Shasta County	Palo Cedro WWTP	0.06	0.03
Shasta County	Cottonwood WWTP	0.40	0.15
City of Anderson	Anderson STP	2.00	1.10
City of Redding	REDG STP Clear Creek	8.80	7.50
City of Redding	Stillwater Regional STP	12.00	4.00
Shasta Dam PUD	Central Valley STP	0.58	0.58
Burney Water District	Burney WWTP	0.44	0.33
Fall River Mills CSD	Fall River Mills STP	0.08	0.08
City of Dunsmuir	Dunsmuir STP	0.51	0.30
McCloud Community Services District	McCloud STP	0.30	0.20
City of Mount Shasta	Mount Shasta STP	0.70	0.30
City of Weed	Weed STP	0.78	0.41
City of Yreka	STP	1.70	1.00

There are also several other small systems (plants), usually private, serving various small communities throughout the District which are not listed.

Most of the District is rural in character and most sewage treatment plants are located in incorporated cities or in unincorporated communities like Weaverville

and McCloud where services are provided by a community services district. The smaller communities and remote/rural areas frequently rely on private septic systems.

Water

Approximately 75 percent of the water in the State of California originates in Northern California. As a result, the Federal Bureau of Reclamation-Central Valley Project was established in the 1930s. The completion of Shasta Dam in 1944 established the keystone facility for the project, followed by the Trinity River project completed in the early 1960s. Much of this "federal" water is delivered to riparian municipal and agricultural users and "reclamation" irrigation districts in the Sacramento and San Joaquin Valley.

One of the primary uses of the project is irrigation and flood control; however, the Congressional intent for the project also calls for "the preservation and propagation of fish and wildlife." A significant amount of stored water is now "priority reserved" for summer season releases to enhance fish and other riparian wildlife and habitat. The local recreation industry benefits as the lake surface levels are maintained at higher and more consistent levels. However, downstream industrial water users including agriculture operations are impacted by reduced water supplies.

Water will continually be a matter of concern in the District. This is partly because of the large increase in population in the State of California, particularly in Southern California. The water issue is further compounded by the necessity of metropolitan areas in Southern California areas to seek new sources of water to meet their needs.

As demonstrated in the Klamath Basin area of the District, environmental issues such as stream flow requirements for protection of fish habitat and habitat

of various threatened and endangered species are increasingly playing a major role in determining the allocation and use of water resources. In April 2001, the Bureau of Reclamation announced that there would be no water available from Upper Klamath Lake to supply the farmers of the Klamath Irrigation Project. The water, which was in short supply because of a regional drought, was withheld from agricultural use so that it could be used for the benefit of two species of “endangered” sucker fish and the “threatened” Coho salmon. Although there has been some relief to farmers in the provision of irrigation water since the ruling, the drastic reduction in local agricultural production in 2001 severely impacted farms and a variety of business and caused widespread economic hardship in the Klamath Basin. Furthermore, it is not clear how water resources in the Basin will be allocated in the future.

Solid Waste Handling and Disposal

Until recently most communities were handling solid waste disposal with the use of local landfills. But the State of California decided that since some communities were experiencing toxic conditions long after landfills had been closed and that those communities could not finance the cleanup, each community must:

- a. Determine how toxic free its disposal methods are.
- b. Appoint a task force to study the waste disposal problem and present plans to properly handle all aspects.
- c. Immediately establish a fund of sufficient amount that would be adequate for toxic cleanup of any unit.
- d. Within a short space of time put in operation the task force plans to properly handle solid waste disposal.
- e. Reduce waste disposal 50 percent by year 2000. Most

communities are implementing recycling to reduce waste. However, very remote areas are hard pressed to justify the cost of recycle collection, let alone mandated waste reduction.

It is difficult for many rural communities to financially comply with state land fill requirements because of the relatively low volumes of waste and the economy of scale. A number of landfills have been closed and transfer stations installed.

Several communities have initiated recycling programs and toxic waste collections. The city of Redding obtained a grant to purchase a plastic granulator to recycle the plastic which is being removed from the waste stream. The California Integrated Waste Management Board designated Siskiyou County as Recycling Market Development Zone which offers incentives to businesses engaged in recycling or using recycled materials. These incentives include loans and assistance in marketing, technology and permitting.

ASSESSMENT ECONOMIC PROBLEMS, OPPORTUNITIES PAST DEVELOPMENT EFFORTS

GOALS

The economic development goals which the Superior California Economic Development District has maintained since 1980 were still relevant for the District as recent as 2000. By 2007 it was apparent that the original goals were aging and not necessarily as relevant as they used to be. A lot has changed over the past ten years and the current economic development goals are getting stale, or maybe even obsolete, in some cases. Unfortunately, this appears to be due, at least in part, to an acceleration of negative economic factors in certain segments of the regional economy, particularly in certain geographical areas, resulting in a generally stagnant, at best, or negative pace, at worst, in overall economic condition in the region.

The following discussion is formatted under the District's present economic development goals, a general assessment of the goals as stated, a brief assessment of efforts over the years under these goals, and further assessment of the relevance of the goals in the economic situation today and as anticipated going forward.. This will aide in the reassessment or restatement of economic development goals and formation of new goals in the following sections of the of this CEDS document.

1. GOAL. *To maintain a strong, environmentally responsible, sustainable wood products industry in the region that provides increasing employment opportunities for the residents of the District.*

The SCED District was originally formed around this goal as the timber/lumber industry experienced a period of substantial and sudden economic decline in the late 1970's, early 80's. Shrinking profit margins in the manufacturing side (saw mills) was requiring more efficient mechanization and larger economies of scale, effectively throwing all the original family owned and operated smaller saw mills with old and labor intensive machinery out of business along with some of the original large sawmills built in the 1920's and 30's that had not been updated. All of the old box factories also ceased operations as cardboard replaced wood for packing and shipping boxes and containers. Also, the timber industry had essentially cut over all the readily available "old growth" timber, going to second growth timber which was available in much lower volumes depending on maturity since original harvest and site quality determining growth rate.

An attempt to help mitigate this economic decline in the industry and communities centered around the industry, SCED District initiated its first business development loan fund, at the time, specifically targeted to the communities of McCloud and Burney, both of which had just experienced a major shut down leaving hundreds of workers without work in the community. For the most part, the response by the District was not very successful in lifting the economic decline. It was pretty quickly learned that communities reliant on an industry suffering major economic set back is not a good place to invest precious public funded programmatic loan funds due to the fact that in a depressed industry in a depressed economy, local businesses, particularly businesses in the affected industry, are

highly likely to not have loan repayment ability. The loan fund was later opened up to all four counties in the District without restriction to affected timber/lumber related industry in timber/lumber communities.

In the mid 1990,s, the timber/lumber industry experienced another tremendous economic blow as federal timber resources were no longer available for commercial harvesting as they became “protected” for endangered species. Private timber resources were significantly encumbered with a myriad of additional environmental regulating and permitting process. Today, only a handful of timber product manufacturers remain in the region. Within the district are: Timber Products Company in Yreka, Roseburg Forest Products Company in Weed, Trinity River Lumber Company in Weaverville, Sierra Pacific Industries in Anderson with plants in Anderson, Shasta Lake and Burney, and Shasta Green in Burney. An Interesting observation, each one of the surviving lumber milling companies is exclusively private family owned and operated. All of the public corporation owned timber and saw milling companies such as Champion, International Paper, Diamond National, Kimberly Clark and Weyerhaeuser sold out and left California by the end of the 1990's, the most recent being Louisiana Pacific.

Documented job losses due to closures since 1989 in just the timber, logging, and lumber industry sectors exceed 3,750. This does not include the hundreds of self employed or independent loggers (gypo loggers), including timber fallers, loggers, truckers, etc. In addition are the hundreds of jobs in support industries like welders (sawmill construction, refurb, etc.), truck tire shops, tractor sales and service, mobile equipment repair, log trailer manufacturing, custom sawmill machine shops and metal fabrication, and on and on. For example, in 1993 a study commissioned by the District, the City of

Anderson and the Economic Development Corporation of Shasta County concluded the effects of 328 job losses at the Roseburg plant located in Anderson. The study showed that an additional 860 jobs could be lost indirectly in related support industry and spin off retail. Shasta County would lose \$35 million in annual personal income and the City of Anderson would lose in excess of \$20,000 in sales tax revenues. Roseburg did cease operations and the property remains vacant to this day. This happened over and over throughout the district. Today there are far more vacant former sawmill sites than active operating sites.

The combined impact of timber and timber products industry remains significant, but the employment is no longer anywhere near what it was at the peak of the industry in the 1970's and early 1990's. In the past ten years, combined timber harvest volume for the four counties was up about 10.4% by 2006 but in 2010 was back down and about even with 2000. However, timber value, when adjusted for inflation (base 2011) was down 28% in 2006 over 2000, and down a total of 44% by 2011, still suffering the effect of the housing collapse. (*Wahlstrom - California Department of Forestry*)

It still makes sense to pursue “*maintain a strong, environmentally responsible, sustainable wood products industry in the region*” as a comprehensive goal for the region; however, “*that provides increasing employment opportunities for the residents*” may be impractical as an economic development pursuit as economic and regulatory impediments continue to mount limiting resource material supply and making it ever difficult for small business entry into the industry.

After a tremendous amount of economic development effort was put toward this goal in the 1980's and 1990's, very little effort has been expended since beyond local EDC attempts to assist individual companies with local site specific political environmental

hurdles. There have been a few attempts with financing the restart of a couple of specialty wood re-manufacturing operations (value added); however, ultimate success has been very limited. Quite honestly, with impossibly thin profit margins, volatile commodity markets, and monumental regulation, this industry is a dangerous place to be financially unless one is well established and very familiar with the industry. Further, to expect economic growth in the main stream of the industry may be impractical with limited timber resource supply reliant entirely on private timber land production while federal timber remains essentially out of production. Perhaps the best opportunity for small business remains in the specialty producer with niche markets.

It is important to educate the public on the importance of the timber industry in the region in terms of jobs and base industry economic impacts. The four county region enjoys approximately 34% of the state-wide total average annual timber harvest volume and harvest value. (*Wahlstrom - California Department of Forestry*)

Attention has been directed to the opportunity for more value-added wood product manufacturing. One plan for expanding value-added manufacturing was developed by the Siskiyou County Economic Development Council with an Economic Development Administration technical assistance grant in the late 1990's. This study proposed opportunities for the regional timber and lumber processing industry to integrate and recapture some of the primary industrial capability and economic benefit which was not being pursued at the time. An outgrowth of this effort was a project by College of the Siskiyous with a special EDA grant in mid 1990s to develop a Process Technology Training Center at their Yreka campus. This program addresses the industry's needs for trained workers in new automated processing and manufacturing technologies.

The California Timber Industry Revitalization Committee worked with private industry to support establishment of a viable hardwood lumber industry in the 1990's. This effort implemented several studies for the purpose of supporting start-up of a new hardwoods industry based on tanoak. For example, the Watershed Research and Training Center in Hayfork was researching hardwoods industry development and facilitation and opened a woodworking business incubator and shared use equipment facility. A California tan oak industry was ultimately unsuccessful due to several feasibility hurdles that could not be overcome in spite of efforts and investment by the state.

Although much effort was expended concerning hardwood market development, work also was conducted on the use of small diameter and distressed conifer timber as a product of commercial thinning of overgrown federal forest lands. The Watershed Center's Small Diameter Demonstration Project conducted several demonstration projects in the Hayfork area proving the quality, quantity and utilization of small diameter conifer timber. Those studies provided valuable information on the economic feasibility and wood available for primary and secondary manufacturing and value-added products. Not much came of this due in large part to the ultimate unwillingness of the federal forest management to cooperate with this type of resource harvest that would have provided not only economic impact, but forest health improvement and enhanced fire resilience.

2. GOAL. To maintain a strong agricultural industry in the region which can provide a satisfying and financially rewarding living for area farmers, cattlemen, dairymen, and farm workers.

For the most part, the agricultural sector has remained relatively stable

economically over the years, with expected cyclical market value for commodities produced as is typical of commodity markets and production dependant on the vagaries of nature and climate. Traditional ag production in the region is beef, hay and grain; however, new crops and specialty crops are increasing in importance as local industry diversifies production. Farm jobs decreased from 2660 in 1990 to 1860 in 2011. However, while employment in the ag sector is a relatively small percentage of the total private (non-government) jobs, 4.6% in 1990 as to 2.4% in 2011, it is a significant, and increasing, part of the combined industrial sector in the region, 17.5% in 1990 as to 22.6% in 2011 (*California Employment Development Department*). What this seems to say is that ag jobs have been decreasing at a slower rate than jobs in the combined industrial sector, which includes logging and wood product manufacturing (sawmilling).

There has been a dedicated effort over the years in developing specialty and alternative crops and products that could provide diversification and additional or enhance profitability for growers and producers in the region.

The first of these was not due to any organized institutional effort but an opportunity identified in the 1930's, that being the breeding and rearing of queen bees for the apiary industry. The science of genetic selection for improved health and productivity of honey bees and the development of methods and processes for rearing and marketing queen bees started in Palo Cedro, Shasta County. It is now a very well established industry in the region, still centered in Palo Cedro, and with collaboration from University of California, remains the leader in bee breeding for improvement of genetic traits and produces the majority of select queen bees for the North American apiary/honey production industry.

The other specialty crop that originated in Shasta County is strawberries. The

strawberry nursery stock industry originated in Shasta County with development of the first modern strawberry varieties by University of California researchers in the 1940's. Since then the crop has grown in importance in the region as it continues to be a very significant component of the ag sector with expanding acreage and dollar volume in Modoc, Shasta, and Siskiyou Counties. Most of the strawberry plant propagation for world-wide commercial strawberry fruit production comes from this region. While this is an important part of the overall ag sector in the region, economic development has had little influence in this very specialized industry as University of California and UC Cooperative Extension continues to play a major role in development of new and improved varieties and cultural methods. The northern California nursery strawberry industry ships planting stock world - wide.

Wild rice was introduced as a new crop in the intermountain region of the District in the 1980's. Acreage used for wild rice production expanded for several years but is now stabilized as the market for this special food product has saturated. It remains an important crop for the agricultural industry in the district. Development of several different products from this crop provides additional income and stability.

In the 1980's and 90's SCEDD cooperated in the formation and financing of the Fall River Wild Rice Co-operative, a cooperative processing and marketing plant in Fall River. The most recent effort was a Forest Service grant received by SCEDD in 1995 to help the cooperative complete development of new specialty store shelf ready-to-cook and ready-to-eat products to further expand their market for wild rice products.

Another newer specialty crop that received and still gets attention from University of California is mint which is grown in eastern Shasta County and the Klamath/Tulelake basin area of Siskiyou and Modoc Counties. Mint is a perennial crop grown to produce

mint oil extract for flavoring foods and health products (like toothpaste). Two broad categories of mint, peppermint and spearmint, are grown. The high elevation production is successful in part to the disease free status.

There is a limited amount of wine grape production throughout the District. In Trinity County there are several small vineyards and wineries with limited commercial production. Economic development interests gave some attention to this sector of the industry in the late 1990,s with limited results other than a couple of business development loans for winery equipment. The wine industry in the region would still be considered a fledgling industry today and for most producers is a side line business.

The southern portion of Trinity County had a number of herb farms that formed a farmers cooperative called High Mountain Herb Cooperative in 1995. The U.S. Forest Service funded a demonstration herb processing and warehousing project and resource library in Trinity County and Trinity County later was awarded a grant from the California Department of Housing and Community Developments CDBG program to fund construction of the facility in Mad River. The "High Mountain Herb" facility was eventually terminated in name due to the discontinuation of High Mountain Herbs as a business venture. The facility that was developed by Trinity County is now used for other purposes.

Historically, efforts in developing new high value specialty crops for north state agriculture, in particular high elevation ag, has been successful with technical support of University of California and UC Cooperative Ag Extension Service. However, this type of development tends to be very technical, expensive and high risk, and is best suited for university support and larger, better established commercial farming operations. Where local economic development comes in is in supporting the effort in general, and specifically

in assisting with grant or loan funding to help with product or market development or for financing processing infrastructure, as was done for the Fall River wild rice industry and attempted for High Mountain Herb Cooperative.

At present, in 2013, there is an emerging role for local and regional economic development in the emerging small farm specialty production for “direct to consumer” markets. This industry sub-segment is emerging country-wide and presently has support within the federal agencies and at the Universities. The potential economic impact of this “direct to market” agriculture is as yet unknown, it is assumed to be rather minor overall, but it is one of the things that local economic and business development interests can make some difference in with coordinated efforts for smaller independent businesses (farmers).

3. GOAL. To utilize and protect the recreational resources of the District for the benefit of residents and tourists.

The region has a rich history with an assortment of historical sites along with an abundance of natural scenic and recreation resources. As mentioned in the previous section, the region has an abundance of developed water resources with private recreation facilities including full service marinas and lodging. These resources serve as valuable attractions and provide incentives for other local non-tourism/recreation business development, further enhancing local and regional economic diversification. As the forest products industry has declined and now seems to have plateaued, the very limited and decreasing extent of mining activity, and the apparent economic plateau of the agriculture base industry in the district, increasing attention has been going to the possibilities of

economic growth in the recreation-tourism industry. The State of California has recognized for several years that tourism is an important industry in California and thus remains a key player in tourism promotion at the State level.

The Shasta-Cascade Wonderland Association (SCWA) serves all of the counties within the District with membership driven cooperative marketing and promotion on a state-wide, nation wide, and world wide basis. The major work of the association has been to: provide brochures, pamphlets, information, maps, etc., of recreation sites and opportunities in the region for visitors; to promote the region; and to assist national and international periodical writers in obtaining information for stories of the natural resources, recreation, resorts, etc., in the service area. In 1997, SCWA relocated from Redding to Anderson where it had constructed a highly visible regional visitors center at the Shasta Factory Outlet Center.

Some local communities are working to expand their tourism promotion efforts, usually independently, sometimes in cooperation with others. With the increasing interest in tourism/recreation as a potential growth industry in the region, there is new interest in upgrading and expanding tourism marketing at a semi-regional level, such as a Trinity Region or a Trinity-Siskiyou Region. This marketing expansion is actively underdevelopment at this time with SCED assistance and cooperation with stake holders in Trinity County, Siskiyou County EDC, and Shasta Cascade Wonderland Association.

New tourism marketing strategy projects are currently underway for Siskiyou and Trinity counties. In those studies by Carl Ribaldo, tourism economic profile study reflects a general increase in travel spending, but a slight decrease in employment (*based on Ribaldo - California Travel Impacts by County, California Travel and Tourism*

Commission). Tourism related jobs in the district increased 3.3% to 8600 jobs from 2000 to 2006, but by 2010 was back down to 7890, decrease of 8.2% since 2006, for a 5.1% decrease over the ten year period through 2010 (*based on Wahlstrom-California Travel Impacts by County*). However, when you look a little closer as Wahlstrom did recently, inflation adjusted travel spending in 2010 has less real value than 2000. This study reflects a nice overall increase in travel spending by 5.3% 2000 to 2006, but by 2010 had decreased 8% for a ten year decrease of 3.1% combined. Not good. But, when taken into consideration for the 2008 fires which devastated the entire summer tourist season, two years of no salmon fishing, and the great recession, which is still very much a factor in far northern California, maybe the decrease is actually the opportunity to up grade tourism offerings and marketing to recover sales and expand market share.

4. GOAL. To promote more efficient utilization of energy resources in the region and to develop alternative energy sources to reduce reliance on foreign fossil fuels.

There is a very diverse mix of electric power generation in the region from natural gas fired steam turbine, wind turbine to hydro turbine powered electric generation. The commercial hydro generation is all owned by major power companies or the federal government (Bureau of Reclamation), the one exception being Box Canyon Dam with related hydro generation owned by the County of Siskiyou.

All but one of the several wood chip fired generation plants in the region are associated with existing lumber milling operations wherein the waste wood from the milling and processing operation is burned in the generating plant with the generated electricity

being used to power the milling plant and excess power being sold to the power company. These “biofueled” co-generation plants produce excess steam, some of which is used in steam powered operations in the saw mill plant and for steam heat in the lumber drying kilns. The one independent plant (not associated with a sawmill), Shasta Wheelabrator in Anderson, Shasta County, is the largest of all the wood fueled power plants at 58 megawatt generating capacity, utilizing 750,000 tons of waste and residue wood per year (*wheelabratortechologies.com*). These plants eliminate the need for open burning of waste wood from milling operations and also have eliminated most open burning of waste wood from demolition and land clearing projects, significantly reducing associated air pollution since the late 1980's. Further, it has given the timber industry an outlet for material generated by “commercial” thinning of forests that are overgrown and in need of reducing tree density for optimum forest health and tree growth. In addition, the market for co-generation wood chips allows a cost reduction in removal of juniper that has overgrown much of the high desert range and forest lands, reducing both grazing and forest health, production and wildlife habitat.

The biomass co-generation industry continues to be threatened by both deregulation from the Public Utilities Commission which would allow lower prices to be paid for electricity generated. Additional threats are environmental restrictions limiting or prohibiting forest thinning activity. However, the most obvious opportunity for bio-fuel resource is on the federal forest lands, which at this time, are essentially un-managed for any purpose or use and in desperate need of wild fire fuels reduction and stand thinning to improve forest health and wildlife habitat. Leaving federal forest lands in such a state of over growth of trees and underbrush has led to a prevalence of cataclysmic uncontrollable wild fires

burning 100's of thousands of acres of federal and private forest land annually. The economic losses to private enterprise in destroyed timber stands, lost timber and grazing production, and lost tourism are in the billions of dollars.

Geothermal energy offers some opportunities for development, but not without considerable controversy. There is much potential for geothermal energy in the eastern part of the District, a highly-volcanic area. Private investors have continued attempts to plan and permit development of geothermal resources for electric plants in northern Modoc County and northeastern Siskiyou County (Medicine Lake), but none successful to date.

Alturas High School is presently heated by an existing geothermal hot water well and another was developed for the elementary school in the 1990's. The City of Alturas and the Modoc Unified School District had considered development of a community center and enclosed arena/event center that would utilize geothermal resource winter heat for year round use. That project was shelved due to brine waste water disposal issues with the geothermal hot water. There are several "hot spring" resorts and at least one commercial "hot spring" fish farm in the Modoc area.

The Pacific Northwest Intertie power line originates in Washington State and proceeds to southern California with a spur line connecting with the Pacific Gas and Electric Company east of Redding. It took several years to arrange for a continuous corridor for the line, obtain permits and solicit investors for construction to proceed, but the Intertie was completed in 2004 and now provides regional electric utilities access to optional, less-costly electric energy sources. The additional power source coming into California also provides additional reliability for uninterrupted power supply state-wide. While businesses and residents in the region do not necessarily benefit directly from

additional power supply, power reliability issues affecting the state-wide power supply can affect customers of PG&E in the region as a primary power shortage in the state can affect all in-state power suppliers, including PG&E, possibly resulting in rolling black outs such as what occurred in the summer of 2000.

Likewise, the reduced cost power from the Columbia River hydro generation facilities transmitted via the Pacific North-west Intertie does not directly benefit local businesses and residents because there is no direct delivery of power, but the reduced cost power is blended into all other sources available to PG&E, theoretically resulting in a cost lower than what might be available otherwise. However, PG&E power cost is still much higher than the cost of direct hydro power enjoyed by Redding Electric Utility and Shasta Lake Electric customers through WAPA. Surprise Valley Electric Coop power direct from the Bonneville unit on the Columbia River is among the lowest cost power in California. Power delivered to Siskiyou County and Modoc County by Pacific Power is similarly higher cost, like PG&E power.

There is a considerable amount of hydropower produced within the District. The larger hydro generation facilities are all owned by major power companies or the federal government (Bureau of Reclamation), the one exception being Box Canyon Dam with related hydro generation on the upper Sacramento River and owned by the County of Siskiyou. The Pacific Gas and Electric Company (PG&E) operates several hydro generators in Shasta County, the largest being a series of six dams and hydro generators on the Pit River between Fall River and Shasta Lake. The hydro plants on Battle Creek, operated by PG&E, are relatively small historical facilities which PG&E is presently in the process of decommissioning due, at least in part, to increasing pressure for elimination of salmon run barriers on prime spawning streams. PacifiCorp Energy (Pacific Power and

Light Company) operates Irongate and the Copco reservoirs (hydro power plants) on the Klamath River in Siskiyou County, all of which are embroiled in a controversy for dam removal to open up the Klamath River for spawning salmon.

The U.S. Bureau of Reclamation operates several major hydro generators as part of the Central Valley Project (Shasta and Trinity units) and transfers the power to the Western Area Power Administration (WAPA). Much of that power generation is used in the CVP system for pumping water into and through the California Aqueduct in the San Joaquin Valley and other irrigation canal facilities such as the Tehama-Colusa Canal in the Sacramento Valley and the Bella Vista Water District in Redding. WAPA markets and sells the excess power at wholesale to other utilities including City of Shasta Lake and City of Redding. Trinity County also enjoys low cost direct hydro power from the Lewiston Dam hydro plant on the Trinity River (Bureau of Reclamation - Central Valley Project) via their own Trinity Public Utility. These three utilities receive hydro generated power directly from these federally owned and operated facilities based on contracts negotiated concurrent with construction of the dam and hydro facilities years ago.

Large scale commercial wind turbine power generation is not as prevalent in the region, due in large part to the lack of sustainable wind velocities. Only one commercial scale installation has been completed to date, the Hatchet Ridge project near Burney, Shasta County. The Hatchet Ridge project was developed by a British investment group specializing in wind farm development. It is now owned and operated by a US based firm, Pattern Energy Group. Wind power projects such as Hatchet Ridge remain highly reliant on government subsidy to make the cost of installation feasible. Hatchet Ridge is rated at 101 megawatt capacity (44,000 homes).

To date there are no large scale commercial solar power generation installations,

possibly due to the lower percentage of sunny days as compared to southern California where most commercial solar installation in the state is located. Like wind turbine development, this alternate source is dependant on government subsidy to make the cost of installation economically feasible.

The goal of “*promoting more efficient utilization of energy resources in the region and develop alternative energy sources*” has made great strides since it was originally adopted in 1980 and it seems reasonable to retain that goal as the community continue to look for opportunities to further develop renewable energy resources, particularly in the area of bio fuels for power generation and potential geothermal sources in the Modoc area. There is tremendous volume of unutilized potential bio-fuel resource wherein additional and more complete harvesting, collection and utilization will have multiple benefits beyond just simply renewable energy production.

The additional goal, “*to reduce reliance on foreign fossil fuels,*” while still a noble intent, is a bit outdated and possibly outside practical purview of district economic development strategy.

The scope of development in this arena of alternate renewable resources is typically beyond the scale that the local and district economic development activity can feasibly promote or enhance with direct business assistance. However, additional utilization of local sources bio fuels can generate substantial local business and employment opportunity. Continued political pressure from local economic development operators and interests may be able to influence federal forest resource management to get back into actively managing forest lands for forest health, including reduction of fire fuel load buildup.

5. GOAL. To develop an efficient multi-modal transportation system for the movement of people and commodities in the region.

Concerning highway development, Highway 299, which proceeds from Alturas through Redding to the Pacific Coast (Eureka/Arcata), has been the subject of focused planning by the State Division of Highway for improvements that, if made, will help provide better access to Weaverville and Trinity County and the coast. Improvements are now underway on the Buckhorn Grade section of the highway between Redding and Weaverville. Interstate 5 north of Redding received considerable upgrade in several parts consisting of straightened curves, new overpasses and new bridges over the Sacramento River, etc. in the early 1990's.

Truck freighting remains an important industry in the District given the ideal location on Interstate-5 mid-way between Los Angeles and Portland, Oregon and Seattle, Washington. There are several large truck freight firms in Redding and Yreka. In addition, several regional freight delivery companies have terminals in the Redding area to serve the region for both in-coming and out-going freight. Package delivery is now available throughout the entire district with service from United Parcel Service and Federal Express, both with a shipping terminal in Redding providing overnight delivery in or out.

There have been no significant developments in air transportation services in recent years. Redding remains the only community in the District with scheduled air service; however, in spite of extended efforts by City of Redding and Shasta County Economic Development Corporation, service remains limited to one carrier and one destination, San Francisco. This limitation in scheduled commercial passenger airline service remains a detriment to attracting major industry expansion into the area.

There have been no significant developments in the commercial rail industry,

except the acquisition of Southern Pacific Rail Road by Union Pacific. When UPRR took over, they immediately started upgrades of all rail crossings in their system. Rail freight between Weed and Medford, Oregon via the Siskiyou route has become unreliable and problematic for timber product industry in the Weed and Yreka area shipping to Oregon. This has become an issue and could become a barrier to the existing wood product industry in the area. Siskiyou EDC and local jurisdictions have invested a considerable amount of effort in attempting to help the short-line, CORP Rail Road, get the route and rail facilities sufficiently upgraded for more reliable freight service over that route which is critical for the local industry with connections in Oregon.

Over the years there has been some conceptual discussion regarding rail transportation between the Northern California Coast (Eureka/Humboldt Bay) and the Northern Sacramento Valley (Redding or Red Bluff) to connect major routes of Interstate 5 and/or the UPRR. This idea has recently taken a new urgency. The Lake County, Oregon owned rail line between Lakeview and Alturas continues to experience financial difficulty with the rail operator as well as poor condition of the rail line facilities. The District has cooperated with Modoc County, Lake County and South Eastern Economic Development District in Klamath Falls in attempting to address the problem by locating grant funds to help with cost of upgrade to the rail facility, so far to no avail. This link with UPRR main line in Klamath Falls remains in operation today but with very questionable reliability and sustainability. It is critical for businesses in Lakeview shipping by rail; however, no businesses in Modoc County are known to be using rail freight at this time. The City of Alturas proposed development of a railcar repair facility on the old Alturas Mill Site as well as additional railroad-related operations several years ago but did not come to fruition.

While progress has been made on several elements of highway transportation, a number of factors within this goal remain critical and problematic at several levels; therefore, this goal remains relevant today. Transportation and transportation cost remains a critical factor to business success, particularly for industrial business with markets and/or major suppliers outside the area.

6. GOAL. To maintain and improve communities in the region by providing a suitable and attractive place for residents to work, live, and recreate.

This goal is more along the lines of community development. The goal is important from the stand point of being able to retain businesses in the region and to attract other business expansion to the area. This is equally important for retaining a quality work force. It all comes down to quality of life and amenities available to the local population.

There has been substantial progress made over the past twenty years in some parts of the region, while other communities more remote and suffering from loss of major industrial employment base have not done so well. A combination of municipal and non-profit efforts have made great strides in the general Redding area with the addition of an extensive hiking/biking trail system, Turtle Bay Park and Museum. This same combination of effort has worked tirelessly on neighborhood improvement and low income housing development. One of the biggest attributes to the north state heretofore has been the relatively low crime rate. That is changing rapidly these days as financial difficulty within local municipalities and county government has resulted in reduced law enforcement forces and inadequate jail space. Further undoing the low crime rate previously enjoyed is the state discontinuing full term incarceration of criminals and returning them to the local communities. This problem is on the verge of becoming a crisis.

For the smaller, more remote communities, continuing general community development and improvement has not been as easy from a resources standpoint, but with a combination of local municipal resources, outside grants, local foundation assistance and local non-profit community assistance, most have been able to do at least small improvements to make their downtown more attractive, develop park space, special street lighting, community theater, etc.

One of the most significant things to happen in the past twenty years is the advent of tribal gaming. There are differing opinions as to whether this has been advantageous or detrimental to the community(s) at large, or to the tribal communities specifically. However, what it has done is boosted local tribal communities economically, effectively giving them a legitimate place in the whole community economically and socially. With the economic impact to the tribes, they have become a key player in their respective communities in addition to being able to provide a wide range of services to their members. The level of impact due to gaming, as might be expected, has been more significant for tribes located in larger population communities while more remotely located tribes have not benefitted at the same level. And for tribes or tribal families not officially recognized, they have not been allowed to participate in this economic phenomenon, which is of regret to them.

While local and regional economic development generally do not get directly involved in planning or carrying this type of development, they always support it because it does indirectly enhance the economic fortune of a community. The goal of maintaining and improving communities for residents to work, live, and recreate is more important than ever in this depressed economy and continuing decline of rural communities in general.

SCEDD's executive officer periodically visits governmental agencies within each county in the District and works closely with local economic development organizations and chambers of commerce to stay acquainted with economic development issues in those areas. Needs and opportunities are evaluated on an on-going basis for the provision of assistance from Planning and Revolving Loan Fund Programs.

Not long after the formation of SCEDD in 1979, the McCloud area of Siskiyou County and the Burney area of Shasta County suffered lumber mill closures that severely damaged their local economies. The Economic Development Administration (EDA) provided a \$1 million Revolving Loan Fund to help finance new businesses and industry in the area. It is SCEDD's responsibility to administer this loan fund.

Technical assistance, business management advice and business loans were made available and have been a great help. It was eventually determined that these two small geographic areas were dependent upon a larger area and, subsequently, the geographic area for eligibility for the loan fund was enlarged to include the entire District with an additional \$500,000 Revolving Loan Fund capitalization from the Economic Development Administration.

Loans from the Revolving Loan Fund have been coupled with bank loans on a cooperative financing basis and many businesses have been started, expanded or retained as a result. Various loan proposals are always in the process of consideration by SCEDD. The following loans have been funded by SCEDD since 1980:

SCEDD Business Development Loan Funds have loaned over \$8.9 million, leveraged over \$27 million in additional companion or participation financing (usually commercial banks) and created and retained over 1,355 jobs in the District.

Other economic development financing in the area includes: Community Development Block Grants (CDBGs) for business loans; City of Anderson Revolving Loan Fund which was capitalized via pay back of a 1987 CDBG loan; Modoc Economic Development Corporation Revolving Loan Fund which is privately capitalized and remains active in Modoc County; and several CDBG Loan Funds at the County of Siskiyou and the cities in Siskiyou County.

PROGRESS EVALUATION

The periodic evaluation of progress in implementing the CEDS Action Plan is an important element of the planning process and overall economic development program. Evaluation will help maintain attention and dedication to priority project momentum and will encourage timely responses to funding and other project opportunities. Further, periodic review will identify new opportunities or new initiatives beginning to take shape in the region.

Each year, SCEDD staff will evaluate progress in implementing the CEDS Action Plan. Monitoring of some projects or initiatives may require additional research, including contact with project managers and involved parties. It is during this process that new initiatives or development ideas will come up and can be listed for consideration by the stakeholders and CEDS Committee for inclusion in the updated CEDS document.

SCEDD will encourage the primary economic development organizations in each of the four counties in the District (Modoc, Shasta, Siskiyou and Trinity Counties) to evaluate progress and will cooperate on implementation of identified projects in their respective areas. These organizations include, but are not limited to: Modoc Economic Development Corporation (Modoc Economic Vitality Workgroup); Siskiyou County Economic

Development Council; Shasta County Economic Development Corporation; and Trinity County Economic Development Corporation. City/County agencies and Workforce Investment agencies are also key contacts in this economic planning assessment endeavor.

The following review covers activities listed on the previous implementation strategy, even though they may have been initiated years ago, that remain active or that influence development and planning efforts still active today.

1. Business and Industrial Development

The Trinity Alps Business/Industrial Park east of Weaverville was completed in the mid 1990's with SCEDD assistance with an EDA grant, a CDBG grant for infrastructure development, and a loan from SCEDD. The upper bench includes complete infrastructure development including paved street, sidewalks, phone, water, and sewer. All lots have been sold; however, only three out of seven of the upper and middle parcels are developed. Unfortunately, none are private for-profit industry. They are an office complex leased by the county for their health and human services department, a local non-profit theater group, and Shasta College class rooms. Three lots remain available for development. The middle level has a retail garden nursery and hydroponic supply business. The lower level does have one industrial business; a sand and gravel processing and stockpile operation. No additional marketing of the park has been put forth in recent years.

Three industrial parks have been developed in the greater Redding area of Shasta County with EDA funding assistance in the past two decades: The Redding Airport Park on Airport Road and Lockheed Drive: The Shasta Lake Business Park on District and Shasta Gateway Drives was developed in the late 1990's concurrent with incorporation of the city. Eight lots are developed and occupied with about six or seven lots remaining open and

available: the most recent to be completed is the City of Redding Stillwater Business Park at the end of Old Oregon Trail and Rancho Road east of the Redding Airport with all lots ranging in size from about five acre to 100 acres remaining available, about 700 acres in all.

In Siskiyou County, the City of Weed developed the South Weed area through a series of grants from EDA to develop a large freeway frontage complex of hotels, restaurants, gas stations and a truck stop. An extension of the development will allow additional commercial and industrial business to locate there. At the present time, City of Yreka and Siskiyou EDC are working on preliminary site development, contamination clean up, of a former sawmill site on Phillipe Lane.

The Siskiyou County Economic Development Council has cooperated with the College of the Siskiyous in the development of a Process Technology Training Center as a part of the Yreka Campus for diversification of wood products manufacturing through value-added processing technology operating skills training.

2. Business Incubator Facility

A 10,000 square foot small business incubator facility was developed in Hayfork, Trinity County with a CDBG program grant to assist with development of the facility and a Ford Family Foundation grant to support the initial operation of the incubator and to assist with business development. At one point, the facility was fully occupied by one specialty wood products manufacturing business with many jobs; however, that business eventually sold and moved out of state. Efforts have been underway for a while now to secure new incubator tenants in the facility.

The Shasta Lake owned business incubator facility at the Gateway Business Park remains rented out to start-up and emerging businesses. The facility does not provide any services to the tenants as would be typical of a genuine incubator operation. The Shasta Lake incubator facility was developed with funding assistance from EDA concurrent with development of the Shasta Gateway Business Park in the mid 1990's.

The Siskiyou County EDC incubator was set up in 1991 and continues to provide low cost space and services to start up and emerging businesses. The facility also houses the SCEDC Food Works and shared use food processing and canning/bottling kitchen as well as office space for the EDC.

3. Mill Site Reuse Planning Project

As a part of the "Spotted Owl Recovery Program" in the late 1990's, SCEDD conducted several extensive reuse planning projects on recently vacated sawmill sites. SCEDD received funding assistance from USDA Forest Service and EDA. A preliminary mill site redevelopment strategy was completed for six sites in the region, all privately owned at the time. The site in Yreka has had no further work done. The High Ridge Lumber site on Phillippe Lane had a second phase with SCED to map and plan clean up of contamination. Siskiyou EDC has since received funding from EPA to conduct preliminary clean up activity on a portion of the site in anticipation of making it available for industrial development. The former Roseburg site in Mount Shasta actually had three phases of planning including contamination mitigation and multi-use development. The city acquired the property and arranged funding for water and sewer infrastructure extension to the site, however, that fell through and no further work has been done on that site since. The mill site in Burney at the cross road of Highway 299 and 89 is now occupied by Hat Creek

Construction for their main office, storage yard, aggregate stock pile and concrete batch plant. The old Champion box factory site at Buenaventura Street in Redding had been mostly redeveloped for industrial and commercial use with the exception of the old log pond which had been filled in with wood debris and needed to be excavated, refilled and compacted before final redevelopment to roadside retail could be completed. That was completed with EDA and USFS financial assistance through SCED and now has a nice veterinary clinic, ARCO gas station-mini market, and a fast food restaurant.

The final site addressed in this project was the former Sierra Pacific Mill in Hayfork, Trinity County. A Forest Service grant to the SCEDD Northern California Mill Site Reuse Program funded cost of to prepare the Hayfork Mill Site Redevelopment Strategy, completed in June 2000. The subsequent owner at the time considered numerous ideas for reuse of the site, including a small specialty saw mill or gravel extraction; however, none came to fruition. The site remains essentially unutilized to this day.

4. Business Training and Assistance

In 1994, SCEDD initiated, with EDA funding, demonstration of general small business development training and development program that lead directly to SCEDD founding the Cascade Small Business Development Center (SBDC) in 1995 via funding from Small Business Administration and the California Trade and Commerce Agency. SCEDD operated the SBDC until 2004 when Shasta College took over the SBDC when Trade and Commerce Agency was disbanded and no longer funding SBDC's in California. The program is still in operation today under Shasta College and remains a vital link in the portfolio of business development program services available.

Since 1997, SCED has been operating Microenterprise Development Programs in

Modoc, Shasta and Trinity Counties under CDBG funding through the respective county jurisdictions. In Siskiyou County, similar microenterprise development training and assistance has been conducted by Jefferson Economic Development Institute, also with CDBG funding. Several hundred businesses have started up or expanded as a result of these training and assistance programs to date. This program activity remains in place in each of the counties and is anticipated to continue subject to continued funding and effectiveness.

5. Business Attraction and Expansion -

Efforts to advocate business attraction and expansion in Trinity County received a significant contribution of support in the year 2001 with approval of a \$100,000 grant application submitted to the "Jobs-Housing Balance Improvement Program". The County's grant application and program proposal made reference to the 1995 Trinity County Economic Development Action Plan and that plan's implementation provisions which proposed that the County, "Increase activity of a Business Attraction Program", and that it, "Coordinate with Superior California Economic Development District and Cascade Small Business Development Center." The funding, to be extended over a two-year period and to include a \$10,000 matching contribution from the County, enabled the County to implement a marketing strategy to recruit businesses to, and expand current businesses in, Trinity County. No new businesses were recruited to the County at the time, or since then, however, additional business training and assistance was provided to emerging and expanding businesses in the County at that time.

The City of Shasta Lake obtained financing from EDA in the amount of \$1,500,000 for a road extension for the Knauf Fiberglass Plant which began development in that area

in 1999 and went into production in 2001. That was the most significant business attraction to the region before or since with over \$80 million investment and employing over 100 workers.

Shasta County EDC and Siskiyou County EDC had and still have ongoing business recruitment campaigns. That activity is funded entirely locally, but in recent years, has not enjoyed much success.

6. Economic Strategy Planning

The Modoc Economic Vitality Workgroup and the Modoc Economic Development Corporation completed a five-year organizational strategy for economic development in Modoc County entitled the Modoc Economic Vitality Plan in 2004. The operation plan was formulated as an action-oriented plan with specific strategies, list of tasks and a budget to serve as a "blueprint for action" for a strong economic development program in the county. Funding for Modoc Vitality Group staffing was provided by the Alliance for Workforce Development. That funding is no longer in place and the Vitality Workgroup is no longer meeting.

The two Enterprise Zones, Shasta Metro and Siskiyou, develop their own strategy plans as well and those are taken into account in the development of this CEDS. Workforce Development Strategy is the strategy of the Workforce Investment Act providers serving the respective counties, particularly Shasta-Trinity SMART and Siskiyou Training and Employment Program (STEP), and Alliance for Workforce Development in Modoc County..

7. Enterprise Zone

Enterprise Zones provide incentives for local business expansion and attraction via

tax credits in exchange for new jobs and qualified equipment purchases.

As a result of a combined effort lead by Shasta County Economic Development Corporation, the Shasta Metro Enterprise Zone was designated November 1991 covering parts of Redding, Anderson, Shasta Lake and parts of Shasta County in between.. The Shasta Metro Enterprise Zone designation was renewed in 2006 and amended in 2013 to add in areas east of Redding including Palo Cedro and the Highway 299 corridor from Bella Vista through Burney and Fall River to McArthur in eastern Shasta County. The Shasta Metro.

Shortly after the Shasta Metro Enterprise Zone designation in 1991, Siskiyou EDC was successful in applying and obtaining designation for an Enterprise Zone covering the Interstate 5 corridor from Yreka through Weed to Mount Shasta. The Siskiyou Enterprise Zone was also later modified to expand to take in other communities including Dunsmuir, McCloud, Fort Jones and Tule Lake.

Both Enterprise Zones have been a significant asset in the region and remain active today. However, the state recently rescinded all authorizing regulation for Enterprise Zones and they will cease operation as of January 2014. The state is attempting to design a replacement enterprise incentive program that will be implemented state-wide rather than in designated rural communities. At the time of this publication, it is unknown what the new state program will look like or whether it will be of any benefit to rural economic development.

8. Tourism

SCEDD staff assisted the city of Anderson in developing financing for the visitors center located near the Factory Outlet Stores in Anderson. The visitor center and the managing

organization, Shasta Cascade Wonderland Association, continue as a vital link in the most recent efforts to enhance tourism marketing in the region.

9. Water Bottling

Water bottling has become an industry cluster of sorts, particularly in Siskiyou County, with the recruitment and development of spring water bottling facilities by Crystal Geysers Roxane in Weed and the Dannon International plant in Mt. Shasta. The Castle Rock Spring Water plant in Dunsmuir actually started locally with SCED and local CDBG financing assistance in phases as that company started up and grew. Castle Rock was acquired by Dannon and then Dannon was acquired by Coca Cola, and subsequently Coca Cola decided to get out of the water bottling business and shut down the plant in Dunsmuir and in Mount Shasta, displacing 50 workers. Mid 2000's, Nestle Corporation worked out a spring water purchase from the community of McCloud and had planned to set up a large water bottling plant there, employing up to 130 workers, but met with such strong political environmental opposition, most from outside the area, that they finally discontinued efforts in McCloud and took their interest to another location. Siskiyou County EDC and SCED are presently working with EDA in an effort to secure funding for waste water collection and treatment system upgrade and expansion in Mount Shasta to handle the added demand that will be placed by the proposed new bottling operation in the former Dannon facility.

In the mean time, the city of Dunsmuir is reapplying to have their spring water source re-certified so that they can market the spring water bottling opportunity in Dunsmuir.

There is interest by another bottling group, at the time of this report, in setting up a new operation in the former Dannon facility in Mount Shasta and another moving forward in setting up a plant in Redding.

10. Business Financing Assistance

In 1990 SCEDD started out with a small \$500,000 EDA revolving loan fund for business assistance gap financing. That fund has been built up over the years to \$5.0 million through several federal resources. Over the past thirty years, \$17 million has been loaned to businesses in the region, leveraging over \$30 million of private companion financing and private investment, and resulting in the creation over 2,460 jobs.

Beginning in 1995, SCEDD started packaging SBA 504 loans also, initially as a contract packager and in just Shasta County. SCEDD subsequently applied for and was certified by Small Business Administration as a “Certified Development Company” in 2004 and has been packaging loans throughout California since, but with a market emphasis on the district surrounding region. A few SBA 504 deals have been done in Siskiyou County; the majority of the volume has been in the Redding area of Shasta County. Total SBA loans both within and outside the District amounts to over \$46 million for 733 new jobs.

Several of the jurisdictions in Siskiyou County have received CDBG grant funds over the years to establish local business development loan funds. Most have contracted the grant and loan program management to a private non-profit firm in Siskiyou County. The CDBG program loans are limited to businesses that qualify as low to moderate income ownership or to businesses that will create jobs for low to moderate income residents of the jurisdiction. This activity has met with moderate success in a very difficult market area and an especially challenging grant program to administer per state guidelines.

Economic and Community Development Goals/Objectives

General District Program Goals:

1. Expand business and industrial development and job creation.
2. Maintain a strong, sustainable wood products industry in the region that continues to provide industrial employment opportunities in the District.
3. Maintain a strong agricultural industry in the region which can provide a satisfying and financially rewarding living for area farmers, cattlemen, dairymen, and farm workers.
4. Support the start-up, growth and continued prosperity of small businesses.
5. Utilize and protect the recreational resources of the District for the benefit of residents and tourists.
6. Promote efficient utilization of energy resources in the region and develop alternative energy sources including: biomass co-generation, biomass thermal, geothermal co-generation and thermal, solar, wind. .
7. Maintain an efficient multi-modal transportation system for the movement of people and commodities in the region.
8. Maintain and improve communities in the region by providing a suitable and attractive place for residents to work, live and recreate.

Program Objectives

- A. Manufacturing and Business Facilitation
 - Concentrate on retaining and expanding the local manufacturing base through collaborative and cooperative efforts with local economic development corporations and workforce development providers.

- Support marketing efforts of agencies and jurisdictions in the recruitment of business and industry.
- Support local business/industrial park development and marketing.
- Continue to support local, state and federal policies that assist in streamlining permit processing and reducing/minimizing regulations that constrain economic growth/expansion.
- Support the extension of term limitations of state-sponsored enterprise zones and the expansion of the geographic areas of those zones.
- Support reuse projects and redevelopment planning for closed and underutilized industrial and commercial areas, including abandoned mill sites.

B. Small Business Development

- Provide direct small business development services with financing, counseling, marketing and export assistance.
- Sponsor workshops that assist small businesses with business planning, management and marketing.
- Support and assist with the marketing and management of existing business incubators and the planning and development of new incubators.
- Support the economic benefits to be gained by the establishment and administration of redevelopment areas and recycling zones.

C. Natural Resource and Development

- Support long-term utilization of forest lands on the basis of best management practices .
- Support policies for timber harvest, biomass utilization and forest and habitat restoration that will provide local opportunities for employment and the local procurement of state and federal contracts.
- Work with the U.S. Forest Service and USDA-Rural Development in the provision of rural economic planning and development services and forest-based economic adjustment strategies.

- Identify and promote new and non-traditional uses of forest materials including the manufacture of secondary, value-added forest products and utilization of materials resulting from fuel reduction, thinning and salvage, including development of businesses utilizing non-timber forest products.
- Support the expansion of agricultural business opportunities including the development and marketing of value-added products and specialty crops (e.g., vineyards and wineries, herbs, flowers, etc.).
- Support the planning and development of publicly owned recreation and tourism facilities as a means of stimulating related economic activity and job creation.

D. Economic Resource Information

- Provide economic data on labor trends, population characteristics and the economic base of the SCEDD service area in collaboration with the Center for Economic Development at CSU-Chico and Labor Market Service at California Employment Development Department.
- Provide referrals to local and state resources.
- Expand and upgrade the SCEDD website and links to other related sites.

E. Human Resource Development

- Support implementation of local workforce development plans.
- Continue to support and partner with workforce development programs (including private industry councils and community colleges) and economic development corporations to coordinate efforts for job training and job creation.
- Give high priority to the creation of job opportunities that use the skills of the local labor force.
- Promote business and school partnerships.

F. Community Development

- Provide technical assistance regarding funding and resources for infrastructure and program development and expansion.
- Support jurisdictions in developing business friendly attitudes and programs.

- Encourage and facilitate forums and workshops that will provide economic development strategies.

COMMUNITY AND PRIVATE SECTOR INVOLVEMENT

The development of this CEDS document as a complete re-write included extended contact and input from stake holders throughout the community. The first phase of information collection involved facilitated sessions with key stake holders, by invitation and referral, in each county to receive input as to perceived economic strengths, weaknesses, opportunities, and threats . This included elected officials representing local jurisdictions and community service districts, local government officials, private business owners, non-profit managers, economic development staff and board members.

The second phase was reviewed by the SCEDD Board of Directors acting as the CEDS committee to provide initial review of goals and objectives for the District and then initial review of the implementation strategy.

Third phase will be to return to the stake holder groups in each county for final review and input regarding goals and implementation strategy. Then final review by the SCEDD Board / CEDS Committee, then final publication. The final phase will be presentation of the CEDS and economic profile information to local economic development organizations, specifically Modoc EDC, Shasta EDC, Siskiyou EDC and Trinity EDC, district member County Boards of Supervisors and member City Councils.

A copy of the stakeholder input is attached in a matrix format in Appendix A.

STRATEGY IMPLEMENTATION

This section of the CEDS identifies individual initiatives and specific projects that will need to attract private investment; as well as public investment. The potential projects identified here will help start, strengthen, retain and expand local businesses, resulting in retention of jobs and creation of new, more stable and better paying jobs in local communities throughout the District. Many of the identified activities and initiatives are designated SCED as a probable responsible entity for implementation while other entities are designated as appropriate responsible entity for other proposed or planned projects, activities or initiatives. Further, several general or broader based initiatives indicate multiple entities in a coordinated effort to effectively implement a project or bring a broad initiative forward. The four county district served by SCED has been and remains fortunate to have a high degree of cooperation among agencies and interested organizations and institutions in economic and business development efforts.

SCEDD DISTRICT-WIDE

1. MANUFACTURING AND BUSINESS FACILITATION

Activity	Time Frame	Responsibility
1-1. Assist local manufacturers in retention and expansion efforts by acting as a facilitator/coordinator for technical assistance, financing, regulatory advocacy, etc.	Ongoing	SCED, Chambers of Commerce, Local Governments, Local Economic Development Organizations, State CDBG
1-2. Continue to actively conduct business and industry attraction-recruitment	Ongoing	Local Governments, County Economic Development Organizations, Chambers of Commerce
1-3. Administer and promote business development revolving loan fund programs with funding through CDBG, US EDA, US SBA, USDA, other public, and private sources as appropriate	Ongoing	SCED, Local Economic Development Organizations, Local Governments
1-4. Provide support and technical assistance in funding infrastructure for business and industry expansion	Ongoing	SCED, Local Economic Development Organizations, Local Governments
1-5. Conduct and assist in planning redevelopment and reuse of closed and underutilized mill sites	In Progress Long Term	Local Governments, Local Economic Development Organizations, SCED

2. SMALL BUSINESS DEVELOPMENT

Activity	Time Frame	Responsibility
2-1. Continue Small Business Development Center Program for small business training and assistance	Ongoing	Shasta College, Small Business Administration, University Center for Economic Development (CSU-Chico)
2-2. Coordinate cooperative partnerships for the provision of business assistance and development services	Ongoing	SCED, Local EDC's, Colleges, Local Governments, Service Providers, Chambers of Commerce
2-3. Microenterprise Business Training and Assistance implementation with funding via CDBG, US SBA, USDA, and federal, state and local sources	Ongoing	SCED, Local Economic Development Organizations, Local Governments, State CDBG
2-4. Business Education	Ongoing	Local Colleges

3. NATURAL RESOURCE DEVELOPMENT

Activity	Time Frame	Responsibility
3-1. Support the development and marketing of value-added products utilizing agriculture, timber, non-timber forest resources, and other natural resource products	Ongoing	SCED, local EDC's, local Governments Watershed Center, Resource Conservation Districts (RCD)
3-2. Support initiatives that will open new markets for agriculture, timber, non-timber forest resources, and other natural resource products	Ongoing	SCED, local EDC's, Local Governments, RCD's
3-3. Work with land owners, industry, development organizations and agencies to promote the concept of sustained yield and multiple use for forest lands, including timber production, grazing and recreation	Ongoing	SCED, Local EDC's, Industry Advocacy Organizations, Local Governments, RCD's
3-4. Better utilize fire damaged resources on federal forest lands after wildfire	Near term Long term	Federal Government and Agencies, Local Governments, Industry Advocacy Organizations
3-5. Support cooperative efforts to develop and promote recreation resources and related tourism opportunities and facilities throughout the District	Ongoing	SCED, Shasta-Cascade Wonderland Association, Chambers of Commerce, Visitors Bureaus, Local EDC's, Local Governments

4. ECONOMIC RESOURCES AND INFORMATION

Activity	Time Frame	Responsibility
4-1. Collect, assemble and distribute pertinent economic development planning, economic profile and demographic information	Ongoing	SCED, CSU Chico-Center for Economic Development, California Employment Development Department, Local EDC's, Workforce Development Agencies
4-2. Update and distribute the District-wide Business Resource Guide	Near Term	SCED
4-3. Expand and upgrade the SCEDD website with improved links to related website's	Near Term	SCED
4-4. Support and actively participate as a member of the Center for Economic Development, California State University-Chico	Ongoing	SCED

4-5. Maintain contact/communication with government agencies and distribute information on legislation relative to business and rural economic development.	Ongoing	SCED, Local EDC's, Chambers of Commerce, California Association for Local Economic Development, National Association for Development Organizations
4-6. Liaison with federal and state agencies to coordinate economic planning and development funding efforts	Ongoing	SCED, Local EDC's, Local Governments, Federal and State Agencies

5. HUMAN RESOURCES

Activity	Time Frame	Responsibility
5-1. Promote workforce development and coordinate job training, entrepreneurial training and education efforts concerning economic development	Ongoing	Workforce Development Agencies, Local EDC's, Local Colleges, SCED, SBDC, JEDI
5-2. Provide vocational and technical training and education	Ongoing	Workforce Development Agencies, Local Colleges
5-3. Conduct periodic labor market and business surveys	Periodic	Workforce Development Agencies, EDCs,

6. COMMUNITY DEVELOPMENT

Activity	Time Frame	Responsibility
6-1. Promote and assist in the preparation of community action plans and economic development strategies	Ongoing	SCED, Local EDC's
6-2. Provide technical assistance in grantsmanship to communities and organizations for the preparation of economic development grant applications	Ongoing	SCED, EDC's
6-3. Support and facilitate community forums for economic planning	Ongoing	SCED, Local EDC's
6-4. Solid Waste disposal management and facilities expansion	Long Term	Local Governments
6.5 Modernize, upgrade and expand municipal water and waste water treatment facilities presently not up to standard or capacity	Long Term Short Term	Local Municipalities and Special Service Districts
6.6 Support Downtown Revitalization and Street Programs	Ongoing	Local Governments, Local EDC's, Chambers of Commerce, SCED

MODOC COUNTY

1. MANUFACTURING AND BUSINESS FACILITATION

Activity	Time Frame	Responsibility
1-1. Improvements and reuse of the Alturas Saw Mill site including railcar facilities	Near Term Long Term	City of Alturas, Site Development Partners, Modoc EDC, SCED
1-2. Expand the capacity and role of the Modoc Economic Development Corporation in collaboration with other organizations and agencies	Long Term	Modoc EDC, Modoc Economic Vitality Group, Modoc County, City of Alturas, SCED
1-3. Develop a business retention/expansion program	Long Term	Modoc EDC, Modoc County, City of Alturas, SCED
1-4. Implement a training and assistance program for microenterprise and other small businesses, funded at least in-part by Cal HCD-CDBG	In Progress Ongoing	Modoc County, SCED, Shasta College SBDC, Alliance for Workforce Development, Cal HCD-CDBG
1-5. Expand cooperation/collaboration with Native American Economic Development Programs	Long Term	Local Tribal Organizations, Modoc County, City of Alturas, Modoc Economic Development Corporation
1-6. Improve promotion of county-wide tourism/recreation	Ongoing In Progress	Chambers of Commerce, Modoc County, City of Alturas, Resource Conservation and Development Organizations
1-7. Improve infrastructure serving industrial sites and commercial development	Long Term	City of Alturas, Modoc County
1-8. Provide natural gas service in Alturas	Long Term	City of Alturas, Modoc County
1-9. Develop truck/travel center for trucks and tourists	Long Term	City of Alturas, Modoc County
1-10. Improve marketing programs for local industrial, agricultural and crafts products	Long Term	Chambers of Commerce, Modoc Economic Development Corporation

2. NATURAL RESOURCE DEVELOPMENT

Activity	Time Frame	Responsibility
2-1. Expand juniper and small diameter timber utilization and related industries	In Progress Long Term	Northern Cal-Neva Resource Conservation and Development Council, U.S. Forest Service

2-2. Develop geothermal resources	In Progress Long Term	Modoc County
2-3. Develop biomass based heating district	In Progress Long Term	Modoc County, City of Alturas, Sierra Nevada Conservancy

3. COMMUNITY DEVELOPMENT

Activity	Time Frame	Responsibility
3-1. Expand the Alturas Community Theater	Long Term	Alturas Community Theater Association
3-2. Alturas wastewater treatment capacity expansion	Near-term	City of Alturas
3-3. Modoc Events Center	Long Term	Modoc County, City of Alturas

SHASTA COUNTY

1. MANUFACTURING AND BUSINESS FACILITATION

Activity	Time Frame	Responsibility
1-1. Shasta Metro Enterprise Zone Expansion	In Progress	Shasta County EDC, local jurisdictions
1-2. Retain support for the business incubator	Ongoing	City of Shasta Lake
1-3. Microenterprise Development	Ongoing	SCED, Shasta County, Cities of Shasta Lake, Anderson and Redding
1-4. Market Business/Industrial Parks: City of Redding Airport and Stillwater, Shasta Lake Gateway Industrial Park	Ongoing	City of Redding, City of Shasta Lake, Shasta County EDC
1-5. Industrial/commercial development plan for southeastern area of the City of Anderson	In Progress	City of Anderson
1-6. Redding Stillwater Business Park development	Completed	City of Redding, Shasta EDC, SCEDD
1-7. Industrial water/sewer/drainage improvements to trunk line (Ox Yoke industrial area-Anderson)	Short Term	City of Anderson
1-8. Shasta Gateway Industrial Park expansion	Long Term	City of Shasta Lake
1-9. Develop Shasta Lake Commercial Center Project	Short Term	City of Shasta Lake

1-10. Promote business retention and expansion	Ongoing	City of Anderson, City of Redding, City of Shasta Lake, Shasta County, Shasta EDC, SCED
1-11. Infrastructure extension and re-zone of property along Pine Grove to increase commercial development potential	Completed	City of Shasta Lake
1-12. Infrastructure extension and development of Wonderland Boulevard Interchange for business and industry	Long Term	City of Shasta Lake, Shasta County, Shasta EDC, SCED individual property owners/developers,

2. HUMAN RESOURCE DEVELOPMENT

Activity	Time Frame	Responsibility
2-1. Cooperate with SMART to promote workforce development and coordinate job training and education efforts concerning economic and business development	Ongoing	SMART Resource Center
2-2. Four year college/university course availability	In Progress	Shasta College, Simpson University

3. COMMUNITY DEVELOPMENT

Activity	Time Frame	Responsibility
3-1. State Veterans Home infrastructure open up for veteran residents	In Progress	City of Redding, Shasta County
3-2. Update Redding Area Metro Report	Short Term	City of Redding, Shasta County EDC
3-3. Repair or rebuild city management and utility office buildings	Short Term	City of Shasta Lake
3-4. Repair Pine Grove Avenue, Ashby Road, and Cascade Blvd to enhance commercial and industrial access	Short Term	City of Shasta Lake
3-5. Knighton Road sewer project	Long Term	City of Redding, Shasta County
3-6. Tormay drain update	Long Term	City of Anderson
3-7. Stillwater sewer trunk line extension	Long Term	City of Redding
3-8. Freeway interchange upgrade (Deschutes Road)	In Progress	City of Anderson

3-9. Convention Center Site Analysis and Feasibility Study	Long Term	City of Redding
3-10. Construct Community Service Center for employment, social and medical services	Short Term	City of Shasta Lake, involved organizations and agencies
3-11. Redevelopment of existing highway commercial corridor along Cascade Boulevard	Long Term	City of Shasta Lake and individual property owners/developers
3-12. Develop additional regional tourism gateway facilities and programs	Ongoing	City of Shasta Lake, Shasta Lake Chamber of Commerce

SISKIYOU COUNTY

1. MANUFACTURING AND BUSINESS FACILITATION

Activity	Time Frame	Responsibility
1-1. McCloud mill site development	Long Term	McCloud Community Services District, Siskiyou County, SCED
1-2. Shared-use food processing facility, "Siskiyou Harvest" Program	In Progress	Siskiyou County EDC, SCED, JEDI
1-3. Microenterprise Development Training, Technical Assistance and Financing Assistance with funding via CDBG, US-SBA, USDA, and other federal, state and local sources.	In Progress	Jefferson Economic Development Institute, Siskiyou County, local jurisdictions, SCED, Great Northern Corporation
1-4. Phillipe Lane industrial area enhancement	Long Term	City of Yreka, Siskiyou EDC
1-5. Roseburg mill site reuse development	Long Term	City of Mt. Shasta
1-6. Yreka Business Incubator enhancement	Short Term	Siskiyou County EDC
1-7. McCloud spring water bottling facility development	Short Term	McCloud Community Services District, Siskiyou County, Siskiyou EDC, SCED
1-8. Mt. Shasta wastewater collection system interceptor line replacement-upgrade	Short Term	City of Yreka of Mt. Shasta
1-9. Siskiyou Brownfields Development Program	On Going	Siskiyou EDC, Cities & Counties
1-10. Airport industrial/commercial development	Long Term	Siskiyou EDC, Siskiyou County & Cities
1-11. Enterprise Zone renewal/expansion	Short Term	Shasta Valley Enterprise Zone, Siskiyou County EDC

1-12. Short-line railroad reuse/upgrade	On Going	EDC & Cities
1-13. Improve infrastructure for local and regional business park development	On Going	Siskiyou County, Cities, EDC, SCED

2. NATURAL RESOURCE DEVELOPMENT

Activity	Time Frame	Responsibility
2-1. Recycling Marketing Development Zone	On Going	Siskiyou County Economic Development
2-2. Support economic development objectives with fire plan projects to reduce forest fuels and biomass	On Going	Siskiyou County, Fire Safe Council, partner organizations
2-3. Natural resource management on public lands	On Going	USFS, BLM

3. COMMUNITY DEVELOPMENT

Activity	Time Frame	Responsibility
3-1. Expand affordable housing supply	On Going	City of Dunsmuir, City of Mt. Shasta, City of Weed, Siskiyou County
3-2. Mt. Shasta underground business district utilities	Short Term	City of Mt. Shasta
3-3. North Mt. Shasta water capacity upgrade	Short Term	City of Mt. Shasta
3-4. Black Butte infrastructure extension	Short Term	City of Weed
3-5. Vista Drive Improvements/extensions for truck traffic	Short Term	City of Weed
3-6. Mt. Shasta Botanical Gardens	Long Term	Mt. Shasta Botanical Garden Foundation, City of Weed
3-7. Medical facility expansion, upgrade	Ongoing	Siskiyou County, Hospital
3-8. Happy Camp telecommunications facility	Long Term	Community of Happy Camp, Siskiyou County
3-9. Collier Welcome Center	Long Term Ongoing	Chamber, Cities, County

TRINITY COUNTY

1. MANUFACTURING AND BUSINESS FACILITATION

Activity	Time Frame	Responsibility
1-1. Trinity Alps Business and Industrial Park marketing	Ongoing	Trinity County, SCED
1-2. Hardwood industry development	Short-Long Term	Watershed Research and Training Center, Trinity County, SCED
1-3. Wood products value-added incubator facility for light manufacturing	Ongoing	Watershed Research and Training Center, SCED, Trinity County
1-4. Small Business and Microenterprise Development Alternate Financial Assistance	In Progress	SCED, Trinity County, State CDBG
1-5. Develop business attraction and retention program	Long Term	Trinity County, Trinity County Economic Development Corporation, SCEDD
1-6. Reuse of abandoned mill sites	Long Term	Watershed Research and Training Center, Trinity County, SCED
1-7. Weaverville Business Incubator	Long Term	SCED, Trinity County
1-8. Forest salvage products industry development and product marketing (<i>Trash to Treasure</i>)	Long Term	Humboldt-Trinity Recreation Alliance, U.S. Forest Service
1-9. Southern Trinity bed and breakfast Industry development	Long Term	Humboldt-Trinity Recreation Alliance

2. NATURAL RESOURCE DEVELOPMENT

Activity	Time Frame	Responsibility
2-1. Develop biomass co-generation and thermal energy facilities	Short - term Long - Term	Trinity County, Watershed Center, SCED
2-2. Support private land owners creation and development of in-forest and on-farm jobs	Short - term Long - term	Watershed Center, Small Business Development Center-Shasta College, UC Cooperative Extension, SCED

3. COMMUNITY DEVELOPMENT

Activity	Time Frame	Responsibility
3-1. Community arts development, expansion	Ongoing	All jurisdictions
3-2. Develop access to Trinity PUD electrical power in areas not presently served	Long - term	Trinity County, Trinity PUD
3-3. Health and family living services development	Ongoing	Trinity County
3-4. Airport redevelopment/relocation	Long Term	Trinity County
3-5. Industrial-commercial site/park development	Long Term	Trinity County, SCED
3-6. High speed communication systems development	Ongoing	Trinity County
3-7. VanDuzen Park restoration	Long Term	Humboldt-Trinity Recreation Alliance, U.S. Forest Service
3-8. Watts Lake restoration	Long Term	Humboldt-Trinity Recreation Alliance, U.S. Forest Service
3-9. Volunteer Fire Department training	Short/Long Term	Humboldt-Trinity Recreation Alliance, U.S. Forest Service
3-10. Set up Ruth Community Safety Center	Short/Long Term	Humboldt-Trinity Recreation Alliance, U.S. Forest Service
3-11. Public/private safety - security patrol	Short/Long Term	Humboldt-Trinity Recreation Alliance
3-12. Rehabilitation of Hayfork Community Center	Short Term	Hayfork Community Center, Inc., Trinity County
3-13. Construction of Hayfork Community Regional Forestry Center	Long Term	Watershed Research and Training Center, Trinity County, Shasta College, U.S. Forest Service, Trinity Resources Conservation District, University of California Extension, Trinity River Restoration Program, Trinity County Fair, Trinity Waterworks District 1, SCEDD
3-14. Development of Main Street Plan for Highway 299	In Progress	Weaverville Chamber of Commerce, Trinity County, Cal DOT (Cal Trans)