

Yuba-Sutter Region Pandemic & Disaster Economic Recovery and Resilience Plan

January 2022



YUBA-SUTTER ECONOMIC DEVELOPMENT CORPORATION

EDC

Table of Contents

- Introduction.....Pg. 1
- Executive SummaryPg. 2
- Lessons Learned.....Pg. 5
- Shocks and Stressors.....Pg. 7
- Moving ForwardPg. 8
- Future Directions.....Pg. 13
- Economic Resilience Scorecard.....Pg. 14
- Attachment 1- Insights ReportPg. 19
- Attachment 2 - workforce and Mobility Analysis.....Pg. 33
- Attachment 3 - Regional ConditionsPg. 43
- Attachment 4 - Housing and Homeless.....Pg. 47
- Attachment 5 - Community Capitals Assessment.....Pg. 51
- Attachment 6 - Supply Chain Analysis.....Pg. 59
- Attachment 7 - Hospital utilization & Blue Zone InitiativePg. 67





This report is delivered in fulfillment of an agreement between the Yuba-Sutter Economic Development Corporation (YSEDC) and the International Sustainable Resilience Center, Inc. (ISRC) for the development of an Economic Resiliency Strategy to be inserted as a component of the Yuba-Sutter Comprehensive Economic Development Strategy (CEDS) as required by the U.S. Economic Development Administration (EDA).

The report combines eight deliverables that analyzed specific elements of the economy in the region. A detailed set of strategic initiatives and specific actions to implement the initiatives represent the entirety of the report.

The use of the term Strategic Action Agenda in the plan is deliberate. This is not a static plan—it is a living document that prescribes specific actions to implement the strategies produced by findings of both primary and secondary research. The success of this effort is dependent on two key ingredients that all economic development efforts are dependent on: leadership and collaboration. Stepping forward to take leadership in implementing the specific steps that comprise the action agenda is essential. Collaborating by marshaling all of the resources of a region toward the action agenda helps ensure success. Regular reporting is instrumental in keeping everyone accountable for their part and measure what success looks like.

This work is designed to increase economic resiliency in the Yuba-Sutter region through diversifying, strengthening, and increasing the regional economy. The critical issues addressed in this report, reflecting the impacts of the pandemic and long-standing trends, were brought forth by regional stakeholders and YSEDC leadership and validated through data gathering and analysis. It is imperative that this not be viewed as the end of the effort, indeed it is only the beginning. Only by the actions of committed leaders will these initiatives succeed.



Resilience is the ability to adapt to changing conditions and withstand and rapidly recover from disruption. The Economic Development Administration (EDA) further depicts three attributes of economic resilience:

- The ability to recover quickly from a shock
- The ability to withstand a shock
- The ability to avoid the shock altogether

In essence, economic resilience planning allows a community to be proactive, preparing the community to not only respond, but also to minimize impacts and recover quickly. Shocks occur suddenly, often consisting of an unexpected or infrequent event. Stressors have similar impacts, but they are ongoing events that develop over time that increase vulnerability and unpredictability. A shock might include economic downturns, natural hazards, or man-made disasters or even local industry changes. Stressors include a lack of affordable housing, homelessness and other long-standing issues that challenge communities. Although shocks can be difficult to plan for, their impacts can be easier to absorb, and even lessen, with some forethought. The COVID-19 pandemic was an example of such a shock and it challenged communities at every level, from the political realm to the mobility of residents, it was a shock that literally was felt around the world. Like any shock, COVID-19 occurred with the backdrop of all existing stressors that the region was already facing.

As of December 15, 2021 the Yuba-Sutter region experienced the shock like most other communities, with more than 26,000 reported cases and 279 deaths. While the consequences of the pandemic have primarily focused on these tragic numbers, there is a greater impact that has affected most Yuba-Sutter residents, the economic impact. Moreover, the shock of the pandemic not only translated into economic loss and decline, but in some cases, it also exposed other stressors in the local economy. Consequently, the Pandemic and Disaster Recovery and Resilience Strategic Plan provides the opportunity to examine the economy in its totality and develop resilience strategies.

Pandemic Slows Economy

The analysis of regional conditions and workforce documents the impacts of the pandemic. Unemployment increased and consumer spending decreased as a result of business closures resulting in economic harm to both the public and private sector. While unemployment insurance and federal aid sustained some economic activity, the decline was experienced throughout most industry sectors. The supply chain was also impacted as consumers and businesses competed for scarce resources and unveiled a number of opportunities in the local supply chain to support economic resilience.

Economic Slowdown Reveals Stressors

The economic slowdown was evident in the economic indicators and also noted by local stakeholders who provided antidotal information reflecting what the data indicated. Stakeholders also brought to light local economic stressors that additional analysis sustained. The region is challenged with providing housing, both market rate and affordable, to residents as well as for those that are homeless or at risk of being homeless. Business assistance increased as a result of pandemic related assistance programs, however, the need to sustain assistance and encourage entrepreneurship and other business growth strategies was underscored. Hospital utilization was found to be stressed even prior to the pandemic and exasperated by it. Opportunities for workforce development to increase labor force resilience were also discovered.

Stressors Reveal Opportunity

For the Yuba-Sutter region, it was not only pandemic induced stress, but existing economic vulnerabilities that increased the stress and hence necessitate an economic resilience plan. The Resiliency Action Agenda provides initiatives that build on existing collaborations, identify new alliances, and create an environment where economic resilience is not only created, but it is modeled. The innovations proposed help prepare stakeholders to engage in the work of economic resilience and creates a system to monitor performance and success. The strength of communication and trust between various stakeholder groups is robust and with the addition of new partners is the ideal setting for best practice setting actions.

Yuba-Sutter, National Leader in Economic Resilience

Yuba-Sutter is taking economic resilience beyond just creating an action agenda. Building upon the community capitals analysis, the region will be the first in the nation to deploy the Economic Resilience Scorecard™. The Scorecard measures the foundational and societal response capacity of the region to

respond to natural disaster, pandemic, and cyber threats in the future. It allows the region to monitor progress in achieving economic resilience.

What differentiates the Yuba-Sutter region from other regions recovering from the economic impacts of the global pandemic? Economic resilience. Facing economic challenge, no matter what the cause, requires resilience. This action agenda is not just a plan but is also a process to increase resilience within the leadership of the community and embed it as an organizational behavior for all those involved in economic and community development in the Yuba-Sutter region. No matter the circumstance, Yuba-Sutter will be better prepared to adapt and overcome the challenges that are ahead.





Lessons Learned

The Yuba-Sutter region does plan well. From the Comprehensive Economic Development Strategy, Local Hazard Mitigation Plans and a Broadband Strategy background reports provide a solid foundation from which to build economic resilience. While many of these and other plans and strategies are required, the region takes the extra effort to ensure that it is done well.

Yuba-Sutter stakeholders also understand their region well. Through a series of surveys, focus groups and individual interviews, stakeholders understand their region, the impacts that both the pandemic and general economic conditions pose for their economy, and most importantly, they have ideas on what can be accomplished. There is no shortage of vision in the region.

The key elements from the research and stakeholder engagement centered on several key areas.

Housing

Housing was the most cited issue by stakeholders. The data further demonstrated the pressures that demand is having on both supply and prices. The issue of both market rate and affordable housing was not missed. While the quick response might be to build more houses, the need for doing so strategically is evident for ensuring that all levels of the economic spectrum have housing options.

Workforce and education

The sustainability of quality primary and secondary education was top of mind for stakeholders. Training skill gaps and future skill needs is recognized as a critical and urgent issue. The recognition that this is not just a workforce development sector problem or an education system issue, but rather a community-wide issue illustrates the importance of development of collaborative response between business, education, and residents to ensure robust communication and information distribution to create appropriate training and education programs.

Economic diversity and innovation

The pandemic delivered a variety of tools and resources to assist businesses impacted by business closures. However, it also revealed local implications for future consideration such as the lack of business continuity and succession planning. Likewise, the change in dynamics of various industries also increased a focus on existing businesses within the region. The focus on entrepreneurship, innovation and recruiting new businesses was promoted throughout the discovery phase.

Quality of life

People spent more time at home and as a result, outdoor recreational activities became more desirable as people ventured out. Investment in quality-of-life amenities such as arts and culture, foothills, trails, parks and providing authentic experiences in the downtowns increased in priority.

Improved infrastructure

Infrastructure in the region has long been viewed as a vital element for future growth and ultimately resilience. This is particularly true of transportation with bypasses being the most cited need in the region. Similarly, broadband connectivity throughout the region was highly rated, in particular, to support critical communication as well as serve as a stimulant for prosperity in the region. The onset of the pandemic increased the awareness of the need for expanded healthcare facilities in the region as well.





The pandemic produced shocks, unexpected events that occurred suddenly. From the shuttering of businesses, closing of schools and the lack of basic supplies, residents throughout the region felt the shocks almost immediately. The following summarizes the shocks experienced in the Yuba-Sutter region.

- ▶ 42% decline in the number of people traveling to a workplace upon the issuance of the stay-home order issued in March 2020. Further declines in September 2020 and January 2021 followed similar state orders.
- ▶ Employment declined by 15% following the stay home order and unemployment peaked in April 2020.
- ▶ Consumer sales in the region declined 40% in the early months of the pandemic resulting from business closures and reached pre-pandemic levels in early 2021 (Source: Ceubiq). However, local sales tax revenue experienced a negligible decrease at the onset of the pandemic, but quickly rebounded and projected to continue to increase in 2022. This anomaly of decreased spending yet increasing revenues is a result of shifting consumer purchasing patterns as the pandemic increased online purchases for example, which are not recorded as “local” sales however sales taxes are still collected.
- ▶ Employment levels indicate the loss of approximately 1,500 individuals from the labor force.
- ▶ Unemployment doubled after reaching the lowest level in 10 years.
- ▶ The number of business establishments decreased by over 100.

While the region was absorbing and dealing with the economic shocks from the pandemic, a number of economic stressors were occurring. These events develop over time and often lead to increased vulnerability and unpredictability.

- ▶ Housing prices increased sharply after an average run in 2020. This was due in part to the decrease in the number of listings and overall average listing count, which was on the decline prior to the pandemic.
- ▶ Hospital utilization rates, exceeding capacity during the pandemic, were already nearing capacity in the years preceding the event.
- ▶ Supply chains are increasingly dependent on outside influences and the increase in demand compounded the problem within the region.
- ▶ Options for residents, who were not able to go to work or work was unavailable, quickly realizing the lack of quality-of-life amenities within their communities and region.



Taking all primary and secondary analysis, stakeholder involvement, and YSEDC professional staff input, the following initiatives are recommended to strengthen and diversify the Yuba-Sutter regional economy, leverage current and planned resilience efforts, and reduce climate risk through sustainable adaptation. Addressing key issues identified in this process, the following initiatives are recommended:

1. Implement a comprehensive workforce skills development partnership.
2. Create a supply chain and transportation resilience council.
3. Charter a community leader support group for Beale AFB.
4. Develop a farm-to-fork system and create more farmers' markets.
5. Create a small business resilience and opportunity network.
6. Support development of opportunities for the Yuba County Airport.
7. Create amateur sports, agritourism, & ecotourism opportunities.
8. Support the Adventist Blue Zone Initiative and efforts to add health care capacity.
9. Create a task force dedicated to increasing housing options, including affordable housing.
10. Support the Yuba Water Agency in its efforts to establish a University Affiliated Research Center in partnership with Beale Air Force Base.
11. Convene a future pandemic economic preparedness group.

Strategic Action Agenda Implementation Guide

Introduction:

The successful implementation of Action Plans requires a disciplined process. This process is designed to quickly engage leadership and focus on measured results, building on initial successes for long term achievement. For each of the initiatives, an action team should be formed. These core members should meet, elect a chairperson, and develop a timeline for the action steps.

It should also secure commitments from each member to either directly accomplish or recruit others to accomplish every action step. Then they should select others to assist them in implementing each step. The Team Chairmen, Vice-Chairmen, and Initiative Director will serve as members of a Master Steering Committee to coordinate individual initiatives and ensure progress continues toward their implementation. The process for each initiative is as follows:

- ▶ **Identify Potential Leaders:** Through a combination of personal knowledge and networks, committee members must identify potential task force co-leaders and other citizens to serve on task forces in one of the three major initiatives, and/or in sub-groups that will undoubtedly be formed to conduct specific tasks. These leaders should have a personal interest in, and absolute commitment to, the successful implementation of the initiative.
- ▶ **Form Task Forces and Request Assistance:** Chairpersons of task forces appointed must seek a co-chair that is charged with working to recruit other leaders in conducting the steps of one of the action initiatives. The task force they assemble should be of sufficient number to achieve results, but not so large that it is unmanageable. Different initiatives will require different size action teams, but ideally, they should have 5-10 members. Members should be personally recruited by task force leaders and commit to assist in conducting the action steps.
- ▶ **Organize and Benchmark:** The task forces should meet within three weeks of their initial appointment to organize themselves and develop a structure that provides assignment of each action step to a committee member for action.
- ▶ The team should then benchmark successful efforts elsewhere to see how those initiatives were conducted and what lessons were learned. The Master Steering Committee leadership and local economic development consultant can help source benchmark efforts for most initiatives.
- ▶ **Determine Timelines and Resources:** Once the task force has organized and evaluated successful efforts, it should determine reasonable timeframes for each of the action steps and resources (human and financial) required to implement them. In some cases, action teams may contract with outside experts to produce needed research and/or investment prospectus. In such cases, action teams will collaborate with the Master Steering Committee leadership to identify and pursue needed resources.
- ▶ **Take Action, Report, and Refine:** Teams should divide tasks into specific steps and assign members to perform them, either with other members, business and community leaders, or outside expertise. As results are achieved, team members should report to the team and the Master Steering Committee so that either the team may move to the next action or, if the results are not

satisfactory, refinements can be made to redirect the action so that desired results are achieved.

- ▶ **Measure Progress:** Once teams report to the Master Steering Committee, their progress should be measured and reported, and subsequently to the community. These initial successes serve two critical purposes: 1) To build momentum and support in the community; and 2) To allow for adjustments as inevitable changes occur. Following this system will increase chances of success. There are a wide variety of software programs to track and measure progress such as Salesforce and Microsoft Project that could be quickly set up and utilized.

Using this simple system, many regions have accomplished significant steps toward developing dynamic, sustained economic development efforts.



Action Agenda Initiatives Guide

The implementation guide provides a road map that includes action steps, a timeline and resource needs and potential sources to meet those needs

#	Initiative	Action Steps	Deadline	Resource Needs and Potential Sources
1	Support Chamber of Commerce's Workforce Partnership Effort	<ul style="list-style-type: none"> -Represent YSEDC on committees and task forces, both staff and leadership participate -Provide data and information, including results of workforce mobility analysis 	Beginning 01/05/22 Ongoing	<ul style="list-style-type: none"> -Staff and Leadership time and effort -WIOA funding, EDA Good Jobs Challenge Grant
2	Create a supply chain and transportation resilience council	<ul style="list-style-type: none"> -Reach out to both public and private stakeholders representing transportation modes -Develop a set of actions to: <ul style="list-style-type: none"> • -Gain support from grants/sponsors to conduct analysis • -Gain county and/or state endorsement to provide recommendations for regional transportation resilience 	02/28/22 02/28/22	<ul style="list-style-type: none"> -Leadership time -Potential grants: USDOT, EDA, FEMA

#	Initiative	Action Steps	Deadline	Resource Needs and Potential Sources
3	Charter a support group for Beale AFB	<ul style="list-style-type: none"> -Identify, in collaboration with Beale AFB Command, the specific roles a community-based support group could fulfill in advocating for the base -Contact key public and private sector leaders with concept, use guidance from leaders of similar organizations to develop a program for base approval 	<p>03/31/22</p> <p>05/31/22</p>	<ul style="list-style-type: none"> -Staff and Leadership time and effort -Develop membership structure
4	Support farm to fork and farmers' market initiatives	<ul style="list-style-type: none"> -Support the Yuba-Sutter Farm Bureau (YSFB) in assembling farmers to gain support, using best practice examples -Support YSFB establishment of a task force and development of a marketing strategy involving regional restaurants and grocers -Support YSFB in choosing location and securing resources for additional farmers' markets 	<p>04/30/22</p> <p>05/31/22</p> <p>08/31/22</p>	<ul style="list-style-type: none"> -Leadership and staff time -Hire possible consultant -USDA, EDA, or foundation grants
5	Support small business resilience and opportunity networks	<ul style="list-style-type: none"> -Building off the success of the region's business support group, convene and show examples of small business resilience networks -Support development of goals and membership agreements -Support creation of a program of effort including emergency shared space, inventory, and promotion -Explore business opportunities including joint marketing and production 	<p>04/30/22</p> <p>06/30/22</p> <p>9/30/22</p> <p>Ongoing</p>	<ul style="list-style-type: none"> -Leadership and staff time -Potential EDA and FEMA grants -Membership dues once network(s) is/are established -Possible foundation grants
6	Support development of opportunities for the Yuba County Airport	<ul style="list-style-type: none"> -Establish a task force with the airport manager as chair; Develop a plan of action focusing on maintenance and retrofitting -Explore possible humanitarian aid opportunities 	<p>06/30/22</p> <p>09/30/22</p>	<ul style="list-style-type: none"> -Possible EDA and FAA grants - fritzinstitute.org
7	Support a tourism task force to focus on amateur sports, agritourism, and ecotourism in partnership with YSLA	<ul style="list-style-type: none"> -Enhance using tourism industry, tribal, and YSEDC leadership -Focus on proposed recreation complex -Develop and implement P/R and marketing campaign 	<p>03/31/22</p> <p>06/30/22</p> <p>06/30/22</p>	<ul style="list-style-type: none"> -Leadership and staff time
8	Support the Adventist Blue Zone Initiative and efforts to add health-care capacity	<ul style="list-style-type: none"> -Actively support the Blue Zone Initiative -Support efforts by Adventist and others to increase healthcare capacity 	<p>Ongoing</p> <p>Ongoing</p>	<ul style="list-style-type: none"> -Staff and leadership time

#	Initiative	Action Steps	Deadline	Resource Needs and Potential Sources
9	Create a task force to increase housing options, including affordable housing	-Investigate best practice housing initiatives -Work with housing developers and local governments, providing incentives for new housing	05/30/22 12/31/22	-California housing trust fund, local government, private housing developers
10	Support the Yuba Water Agency in efforts to establish a University Research Center in partnership with Beale AFB	-Provide support when requested	Ongoing	Staff time and effort, leadership commitment when requested
11	-Convene a future pandemic economic preparedness group	-Develop a plan to respond to the economic impacts of future pandemics, in consort with emergency management agencies, county/city governments, and the business community	03/31/22	Potential EDA and/or FEMA grants





6 Future Directions

A final addition to the action agenda is an initiative to ensure the region is prepared for further variations of COVID-19 along with potential entirely new pandemics. There are five crucial steps the region should take to prepare for future pandemics. These steps should be adopted by the Yuba-Sutter region:

1. Shore up systems already in place. Communication and information on the spread and scope of a future variant or pandemic must be maintained and if needed improved so the most important ingredient of dealing with pandemics—communication can become more robust and timelier.
2. Prepare stakeholders and the public to do its part. Preparedness requires a “whole community” approach that engages everyone in developing response, especially vulnerable populations. Building relations pre-outbreak can improve access to information and resources, helping ensure agility and effectiveness in response.
3. Practice coordinated response. Tabletop exercises can be immensely helpful in ensuring that all parties are ready in case of another outbreak. Much like a fire drill, these simulations can ensure response roles and responsibilities are clear. Engaging not only emergency response and health organizations, but the business community and economic development via YSEDC and its’ partners, is critical to ensure effective response and recovery. A critical component of this effort is to simulate “stacked disasters” that simulate ongoing natural disasters on top of pandemics. These exercises can enable the region to determine potential gaps in response and recovery efforts and address related issues such as supply chain problems, especially when dealing with needs for personal protective equipment and vaccines.
4. Conduct ongoing “after action reviews” to ensure response and recovery efforts are kept current and at peak effectiveness. This longstanding Federal Emergency Management Agency practice has proven highly effective in identifying gaps in response and recovery and ensuring all parties have resources and training needed to operate at peak effectiveness.



**Economic
Resilience
Scorecard**

5. Adapt to the New Normal, the reality of current and future pandemics. There is widespread consensus by national and global health experts that there will be future pandemics of the scope and scale of COVID-19, and that human behavior must continue to adapt, creating a “new normal” for communities and their economies. Remote work, videoconferencing, virtual events, and social distancing are likely to continue in intervals according to the properties of current and future contagious diseases. Providing processes and information on how to adapt will most likely be a part of life for the foreseeable future. YSEDC can play a vital role in this new normal by convening and coordinating efforts to adapt the regional economy.

Current Situation

The combination of COVID-19 and a record number of natural disasters have wreaked havoc on the global economy and have changed the way potential investors view communities. No longer is it enough to provide skilled workers, available buildings and/or sites, transportation and communication infrastructure, a business-friendly environment, and investment incentives. Both new and resident companies are now including disasters in their risk profiles and want to know that communities are actively taking action to reduce that risk. Of course, now pandemics must be added to natural and man-made disasters, and the ability to adapt to potential future disease-related disasters will be a factor.

But how can a community both assess its’ readiness for disaster and provide potential resident and new businesses with validation that it has reduced disaster risk? Is there a method to first assess, then if needed, take steps to lower risk to an acceptable level? What entity is qualified to make those assessments, and how can communities prove their level of resilience to site location professionals and owners/managers of resident companies?

A Solution

The International Sustainable Resilience Center and StateBook have partnered to develop a thorough assessment of economic resilience for communities and regions. The assessment comes in the form of a questionnaire that should take no more than an hour to complete. As questions are answered, an automatic score is generated based on the type of question and percentage of answer complete, and once complete the total score is confidentially transferred to the economic development organization taking the assessment. The score would be used to provide businesses, investment/site location executives, and other job-creating investors with an assessment of a community’s economic disaster risk—the level of an economy’s ability to withstand and recover from adverse incidents.

Benefits

Communities who utilize the resilience scorecard can realize six benefits:

1. Establishment of a baseline for current disaster resilience capacity
2. Increased awareness and understanding of resilience challenges
3. Enables dialogue and consensus building by key stakeholders on resilience
4. Lowers short-term and long-term investment risk for both new and resident businesses
5. Provides an opportunity for competitive advantage through increasing or maintaining the score
6. Ultimately, enables setting priorities for investment and action to increase resilience

Yuba-Sutter Region Current Scorecard Results

Yuba-Sutter Regional Rating: Need Improvement

Current Resiliency Score: 1880 out of 2,551

Percentage: 74%

Assessment date: 01/25/2022

1870 out of 2551, or 73%. As the scorecard is inspirational, this is a significant score. Of the 50 questions, YSEDC scored the following percentages of completion of actions to increase economic resilience:

% Completed	# of Questions
100%:	27
75%-100%:	6
50%-75%:	4
25%-50%	4
0%-25%:	4
Haven't Started:	5

As YSEDC is the first organization ever to adopt the resilience scorecard, quantitative comparisons are not possible. However, based on the over 40 years of resilience experience of ISRC staff, this is an excellent score.

For the thirteen questions that scored less than 50% complete, YSEDC has numerous links available to assist committee members to develop capacity to fully implement the initiatives tied to them.

The following table provides a list of the 50 resilience questions and community responses.

1. Have you established an economic resilience committee/task force? [Note: should include people with influence and authority who can provide resources necessary to commit to and carry out a resiliency plan should events arise.] Yes
If yes, please tell us if your resilience committee / task force includes any of the following: Representatives from my local community County/regional representatives Other: Community Based Organizations
Local public sector: <ul style="list-style-type: none"> • City government • Planning • Economic development • Mayor's office • Other: Regional School Districts, Yuba College, Yuba-Sutter Transit, Linda Water District, RD784, OPUD
Local private sector: <ul style="list-style-type: none"> • Chamber of Commerce • Other businesses and/or business organizations: Hard Rock Hotel & Casino Sacramento, Harmony Health, Wide-Awake Geek, PG&E, Bridge Coffee Co., Yuba River Moulding and Millworks
Local philanthropic organizations: <ul style="list-style-type: none"> • United Way • Food pantries • Homeless shelters • Other: Habitat for Humanity, Yuba-Sutter Homeless Consortium, Yuba Sutter Regional Arts Council
Local emergency services: <ul style="list-style-type: none"> • Police • Hospital
County/regional public sector: <ul style="list-style-type: none"> • County/regional government • Planning • Economic development • County Executive's office • Other: Yuba Water Agency, Yuba-Sutter Transit
County/regional private sector: <ul style="list-style-type: none"> • Chamber of Commerce • Other businesses and/or business organizations: Northrop Grumman, US Bank, Placer Water Works, Yuba-Sutter Farm Bureau
County/regional philanthropic organizations: <ul style="list-style-type: none"> • United Way • Food pantries • Homeless shelters • Other: Habitat for Humanity, Yuba-Sutter Homeless Consortium, Yuba-Sutter Regional Arts Council
2. Have you drafted a resilience action plan specifically for Economic Development, including resilience of the ED Organization? [Note: It is important for your organization - and your city as a whole - to have a continuity plan in place. This action plan will help you execute each of the following elements of your Resiliency plan.] 100% complete
3. Have you established a business emergency operations and business recovery center (either stand-alone or integrated)? [Note: This should be a physical place.] 75 - 100% complete
4. Have you built an economic risk profile including identification and frequency of specific types of disasters and past impacts? 100% complete
5. Have you developed and shared resilience best practices of key resident industries and/or targeted prospective industries? 1 - 25% complete
6. Have you integrated economic resilience into other types of planning efforts (land use, economic development, redevelopment, etc.)? 100% complete
7. Have you integrated federal, state, and regional/local public sector emergency management and disaster recovery into your economic resilience planning? 100% complete

8. Have you ensured engagement of stakeholders including community organizations/nonprofits, workforce organizations, private infrastructure providers (85% is private), and regional EDOs? 100% complete
9. Have you developed a system for implementation and monitoring of the economic resilience strategy (#2 above)? 75 - 100% complete
10. Have you provided for Public Private Partnerships to increase the effectiveness of physical and systematic resilience? 100% complete
11. Have you developed a funding mechanism for incentives to businesses to encourage their development of continuity plans? 1 - 25% complete
12. Have you utilized tools such as FEMA's Benefit/Cost Analysis to justify public and private investment to enhance resilience? 100% complete
13. Have you organized resources to protect, and quickly restore, essential services such as such as power, water, and telecommunications infrastructure? 100% complete
14. Have you developed emergency funding sources for small businesses in order to survive and/or reopen until federally backed funding (SBA Disaster Loans, HUD Community Development Block Grant Disaster Recovery Funding) arrives? 100% complete
15. Have you provided information to businesses on types of insurance, such as business interruption and catastrophe bonds, specifically to provide protection in case of disaster? 50 - 75% complete
16. Have you used valuation of built and natural infrastructure and facilities to finance both resilience and recovery through securities and insurance? 25 - 50% complete
17. Have you developed close working relationships between the EDO and public and private critical infrastructure organizations? 100% complete
18. Do you have a strategy to increase transportation and supply chain resilience through Public Private Partnerships? 100% complete
19. Have you implemented education and awareness initiatives for businesses on response and recovery operations/resources? 100% complete
20. Have you developed close working relationships with local, state, and federal response and recovery agencies? 100% complete
21. Have you developed assistance for local businesses in securing response and recovery contracting/selling opportunities? 25 - 50% complete
22. Do you have ready-to-implement, open for business/buy local awareness campaigns to help businesses in recovery-including digital marketing? 100% complete
23. Do you have structures in place to ensure local businesses maintain access to supply chains through pre-incident contingency planning and identifying alternative suppliers should primary ones become incapacitated? 1 - 25% complete
24. Have you developed a program to assist businesses in proper record-keeping to meet public recovery assistance requirements? 100% complete
25. Have you created resilience hubs for business training before disasters, and as a shelter and source of information after? 100% complete
26. Have you developed resilience networks for businesses to collaborate and cooperate in both recovery and resilience planning? 50 - 75% complete
27. Have you put in place mechanisms to with local and state agencies to streamline zoning/ permitting after disasters to hasten business recovery? 100% complete
28. Have you identified and positioned workforce training programs to quickly train workers in filling critical skill positions? 75 - 100% complete
29. Do you include training/information in individual resilience and strategies (transportation, childcare) so employees can better withstand incidents and return to work more quickly? 25 - 50% complete
30. In your overall EDO strategy, do you include diversification via key industry clusters to enhance overall economic resilience? 100% complete

31. Have you identified specific vulnerabilities in key resident and targeted sectors and taken action to mitigate those risks? 100% complete
32. Do you provide information on most likely hazards, and specific efforts to mitigate them, to both resident and prospect industries? 100% complete
33. Do you chart industry interdependencies and opportunities to enhance resilience via industry/government partnerships? 1 - 25% complete
34. Do you actively promote ongoing research, innovation, and actions to strengthen resilience, and recruit and/or grow a base of companies in the disaster recovery and resilience industries? Haven't started
35. Do you have a mechanism to provide a live, updatable resource guide for businesses both prior to and after incidents? 75 - 100% complete
36. Have you worked with local/state government to develop a detailed response effort to help adapt businesses and citizens to changes brought about by pandemics, including social distancing, digital business models, and similar measures? 100% complete
37. Have you created a contingency plan for infrastructure adaptation, such as expanding healthcare and education facilities, to address issues caused by pandemics using public private partnerships? 100% complete
38. Have you developed pre-registration programs for businesses, individuals and community organizations in advance of major disasters and pandemics so that they may return immediately after areas are declared safe? 100% complete
39. Have you mapped and developed contingency plans for critical infrastructure interdependencies such as redundant power for telecommunications, ensuring fuel can be provided to generators, emergency medical facility resilience, etc.? 100% complete
40. Have you established a real-time, ongoing monitoring system to ensure all disaster resilience efforts are current and change them to effectively address ongoing changes in disaster risk? 100% complete
41. Have you created and implemented a comprehensive cyber-security strategy including critical infrastructure and public services? 100% complete
42. Have you put in place training and assistance to enable businesses and industries to create their own cyber-security plans and attack responses? Haven't started
43. Have you developed alternative sources of power, such as microgrids, satellite communications capability, and water availability in the event of a cyber-attack? 50 - 75% complete
44. Have you collaborated with emergency management agencies to create a contingency plan for businesses in case of terrorist attacks? 75 - 100% complete
45. Do you have a plan to provide supplies of water in case of severe drought or terrorist-related water contamination? 100% complete
46. Have you created a program to incentivize/assist businesses to create a continuity plan specifically for cyber or terrorist attack? Haven't started
47. Have you developed an economic response and recovery strategy for industrial incidents such as oil spills, explosions, etc.? 50 - 75% completed
48. Have you created an initiative to help businesses respond to global geopolitical incidents such as trade disputes, civil unrest and/or war in nations businesses may trade with? Haven't started
49. Have you created strategies for business adaptation to disruptive technology (energy sources, digitization, AI, robotics, etc.)? 1 - 25% completed
50. Have you developed an economic-oriented public relations response and proactive information plan for disasters, pandemics, cyberattacks, terrorism/unrest, and all other hazards? 25 - 50% completed

To Learn more about the Yuba-Sutter regional resiliency go to <https://ysedc.resiliencescorecard.org/>



The Insights report is the initial assessment of stakeholder input and economic conditions, leading to potential strategies for further development, and contains five elements:

1. Stakeholder Survey Results
2. Analysis of Ongoing Economic Resiliency-Related Initiatives
3. Summaries of Group Meetings August 10 and 11, 2021
4. Summary of Individual Interviews
5. Potential Initiatives

STAKEHOLDER SURVEY

A comprehensive survey was administered to stakeholders - there were 92 responses, an impressive 33 percent response rate. In summary, the following issues were seen as most important to the Yuba-Sutter region:

1. Workforce
2. Housing-Both Affordable and Affordability
3. Homelessness
4. Business recruitment/retention/small business assistance
5. Infrastructure
6. Healthcare
7. Recreation/Quality of Life

Summaries of individual interviews and existing strategies for YSEDC, Yuba Water Agency, Yuba County Strategic Broadband Master Plan Broadband Strategy, Workforce Innovation Opportunity Board Local Strategic Workforce Development Plan, Local Hazard Mitigation Plans, and YSEDC's Comprehensive Economic Development Strategy are found below.

ANALYSIS OF ONGOING ECONOMIC RESILIENCY-RELATED INITIATIVES

The Yuba-Sutter region has several initiatives either planned, underway, or completed including the YSEDC Comprehensive Economic Development Strategy (CEDS), which was submitted in 2020. Preparing a CEDS every five years is a requirement for designation by the Economic Development Administration as a planning and development district, a designation that YSEDC maintains. The current YSEDC CEDS provides a balance of addressing critical issues in a straightforward manner and offering initiatives designed to address them in a community-engaging way. The CEDS guidelines set forth by the Economic Development Administration is divided into six parts:

- ▶ A brief overview of the region and a snapshot of key economic indicators. The YSEDC CEDS mentions an important fact: In 2017, the region was ranked 7th best performing of 384 small Metropolitan Statistical Areas (MSAs) in the US by the Milken Institute.
- ▶ A Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis, which includes Yuba-Sutter's position as home of Beale Air Force Base, regional industry clusters of agriculture, health, advanced manufacturing, and distribution/e-commerce, followed by a vision statement and details of the SWOT.
- ▶ Economic resiliency, including economic diversification plus working with existing industry, small business, and innovative entrepreneurs to strengthen their ability to withstand hazards of all types.
- ▶ Strategic direction, set by four goals for the Yuba-Sutter region—Create and maintain a competitive region through innovation and economic development; develop, retain, and attract talent; improve and modernize infrastructure; and foster overall quality of life and place. Each goal is then divided into three tactics with specific steps and implementation partners.
- ▶ An evaluation framework with specific metrics to measure and report progress toward attainment of each of the four goals.
- ▶ A summary/call to action that reiterates the critical importance the three core principles of economic development (recruitment, expansion/retention of existing business, business creation), plus workforce development and quality of life, a foundation for the future of the region.

In addition, the Yuba Water Agency (YWA) commissioned a comprehensive economic growth strategy for Yuba County that goes into significant detail, focusing on major initiatives to exploit opportunities and address issues. It varies from many strategic economic development plans in that it goes into specific steps for implementation of each recommendation. Although it does not follow the exact structure being utilized by ISRC in this effort, it does follow a similar process for acting. Their strategic plan, titled "This is where you want to be!" is

presented in six parts, as follows:

- ▶ The vision, including an introduction that outlines the purpose of the plan
- ▶ Labor force data and baseline job projections, including major industry clusters and targets
- ▶ The Broad Strategy, including infrastructure expansion, education/workforce development, tourism/hospitality/ entertainment, and technology clusters
- ▶ Recommended priorities, including phasing, summary of other prioritization criteria, and organizing for economic development
- ▶ Report preparation, featuring YWA board, staff, plus the consulting team, those consulted
- ▶ An appendix including economic development outcomes

The Agency is viewed by YSEDC as a vital partner in ensuring Yuba County's economic development efforts are successful.

Yuba County also partnered with Valley Vision to develop a comprehensive broadband strategy to address the critical need for universal connectivity in the region. This strategy included a detailed assessment of the current connectivity landscape, findings of meetings and interviews with representatives of infrastructure, education, Beale Air Force Base, business, and agriculture. It also featured an analysis of residential connectivity and survey results from 35 businesses and 18 agriculture operators on accessibility and reliability. It provided recommendations for increasing broadband capacity, as follows:

- ▶ Form a Broadband Task Force comprised of broad representation to lead broadband efforts
- ▶ Setting "future proof" broadband performance standards for the County
- ▶ Selecting priority (underserved and industrial) areas for broadband expansion and upgrades
- ▶ Validating broadband coverage and speeds on a consistent basis
- ▶ Expanding "middle mile" and "last mile" coverage to reach underserved areas and/or households
- ▶ Developing strategic public private partnerships for cost-effective broadband deployment
- ▶ Applying for Federal and State broadband infrastructure and services programs/ grants
- ▶ A set of policy recommendations to support broadband deployment and reduce barriers to entry
- ▶ Recommendations to approve broadband adoption including training in schools, Yuba Community College, and through WIOA programs to increase economic prosperity, resiliency, and health care

The Yuba County Emergency Management Agency Hazard Mitigation Plan is very well documented and addresses major hazards to the region such as fire and flood, plus other less frequent incidents. As all hazard mitigation plans are required to, it focuses on naturally occurring hazards, and has a thorough analysis of both natural and built environments' susceptibility to disasters. In that regard, the plan does what it should, laying out a blueprint for adapting to the natural environment and protecting both life and property. It does not, nor should it, provide specific strategies/initiatives for economic resiliency, although certainly the built environment, particularly infrastructure, is critical for protecting an economy from natural or man-made hazards.

The plan places hazards in priority of significance in Yuba County, including probability and significance, as follows:

- ▶ Severe Weather (including high winds/tornadoes)—Highly Likely Occurrence, High Significance
- ▶ Flood—Likely Occurrence, High Significance
- ▶ Wildfire—Likely Occurrence, Medium Significance
- ▶ Earthquake—Occasional Occurrence, Medium Significance

Yuba County also estimated the value of the built environment subject to hazard risk at \$2,984,214,695.

The Sutter County Local Hazard Mitigation Plan (LHMP) update was composed in April 2021 and provides a comprehensive strategy to provide new hazard mitigation initiatives from the 2013 LHMP. The 13-page summary of the 884-page document provides a clear and concise assessment of Sutter County's hazard risks, identifies five strategies, and sets a detailed set of actions, both ongoing from 2013 and new, to reduce hazard risks. In identifying those risks, the committee ranked them according to five criteria:

1. Geographic Extent
2. Likelihood of Future Occurrences
3. Magnitude/Severity
4. Significance and
5. Climate Change Influence.

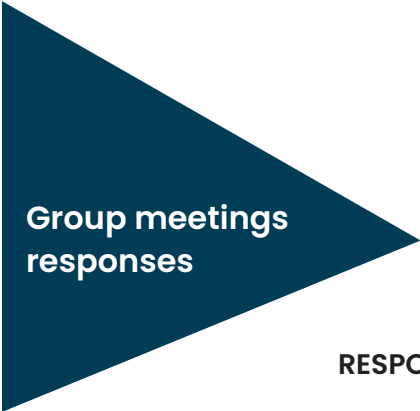
Floods had the highest combination of factors, followed by pandemic and wildfire. From that analysis, the participating jurisdictions and the Hazard Mitigation Planning Committee developed five goals from which specific actions were developed. The five goals are:

1. Minimize risk and vulnerability of the community to hazards and reduce damages and protect lives, properties, public health, and the environment in Sutter County.
2. Provide protection for critical facilities, infrastructure, utilities, and services from hazard impacts.
3. Improve public awareness, education, and preparedness for hazards that threaten our communities.
4. Increase Sutter County's ability to be prepared for, respond to, and recover from a disaster event.
5. Maintain FEMA Eligibility/Position the communities for grant funding.

Of note to YSEDC, the two elements of LHMP were to minimize economic and resource impact and reduce impact to both existing and future development. The plan update provides a detailed set of actions for Sutter County, the cities of Live Oak, and Yuba City, Levee District 1, Reclamation Districts 70, 1001, 1500, and 1660, plus Sutter Butte Flood Control Agency and Levee District 9. A total of 50 actions were cited, of which 43 are new. This ambitious plan is very well written and focused on action.

The final strategy reviewed in preparation for this report was the North Central Counties Consortium Workforce Innovation Opportunity Act (WIOA) Local Strategic Workforce Development Plan. The plan is composed of sections in stakeholder engagement, service delivery, and following the WIOA guidelines with such directives as Title V Older Americans Act, Native American Programs (Section 166), Migrant and Seasonal Farmworkers (Section 167), Veteran Employment Assistance Program, Youth Build Program, Trade Adjustment Assistance, Community Services Block Grant, Unemployment Compensation, Temporary Jobs for Needy Families/CalWORKs, COVID19-specific programs, and programs for the disabled.

Of particular interest is that North Central Counties Consortium (NCCC) employs a full-time staff person housed at Yuba Community College and hosts a computer lab with support for WIOA-sponsored students. In addition, the Sutter County Superintendent of Schools presides over Continuing Technical Education and Adult Education and is a representative of the Workforce Investment Board. Finally, the NCCC states that formalized collaboration in Yuba and Sutter counties is with the Yuba-Sutter Business Consortium (YSBC). Twice yearly, this consortium hosts "Business Walks" throughout the region to gain insight directly from business owners/operators to better understand their needs.



Group meetings responses

RESPONSES FROM GROUP MEETINGS AUGUST 10-11, 2021

On August 10 and 11, the ISRC team visited YSEDC and conducted a series of virtual meetings with regional leaders. The meetings notes are below.

BUSINESS LEADERS

- Area is disconnected. Transportation intensive—must have car.
- 15.5% live at or below poverty line. Many residents have limited or no broadband.
- Public transportation is non-existent.
- 900 acres of undeveloped land zoned for Sports and Entertainment. Need quality of life to make a difference.
- Sunsweet – transportation is not an issue. Most workers live here.

PUBLIC OFFICIALS

- Affordable housing is an issue for fixed income households—limited subsidies for rent and some for utilities—still a large gap in making ends meet. Even with a Section 8 voucher, not enough housing stock available. Extremely limited inventory.
- There are some homeless prevention programs—need to increase investment and focus on low-income population.
- Wastewater is a problem—have a sewer project that needs to be enacted. Have recently certified housing element after long delay with the state not approving. Wheatland has 148 units in planning for very low-income, have 32 units for seniors completed. Also have 150 units of market rate housing in various stages.
- Lack of housing inventory. Low income is on the radar—partnered with regional housing developer for 148 affordable housing units. Just finished motel conversion—Habitat for Humanity

- Schools, healthcare with supported services, parks and bike routes are needed.
- Enhanced evacuation routes are needed. Use Oroville Dam Spillway Emergency as an example.
- Broadband-Yuba County has a new plan and hired a broadband manager, currently looking for funding.
- Need to focus on enhanced Sports and Entertainment area. Hard Rock Hotel and Casino is located there. Need transportation and sewer infrastructure.
- Floods. Counties are well positioned with levees, over last 20 years spent one half a billion dollars for improvements.
- Fire protection. County has problem with smoke all summer. State is injecting for vegetation breaks and clearing. We need more ingress and egress access. Contemplating siren warning system. Asking State for funding. State Fire Authority increases plan funding which will leave some areas undevelopable by changing land use rules.
- Limited healthcare. 1 hospital for two counties. No redundancy and is on one side of the river.
- Residential needs diversity for working class. Small business does not have enough contingency planning. Not enough resiliency in social services.
- Small businesses not prepared for disasters.
- YES--Yuba Enterprise Solutions made strides with program created by Yes to Yuba teams. Hired one person to do outreach for 0-4 employee businesses. Now a liaison for permanent program.
- Secondary education is a huge issue
- Wheatland may get a university research center in partnership with Beale Air Force Base, water agency is committed, and they have funding.
- Business hand holding. Increase focus on tourism.
- COVID-19 extended unemployment benefits leading to hiring problems.
- Area follows State minimum wage, does not set its own.

NONPROFIT AND COMMUNITY-BASED ORGANIZATIONS

- Agriculture workforce has seasonal jobs but now challenged by Hemp industry. It pays more and cash intensive, takes workers.
- Lack of flexibility at work and childcare.
- 30% of population can't make ends meet according to a United Way

report. Ending PUA unemployment will force the issue of going back to work.

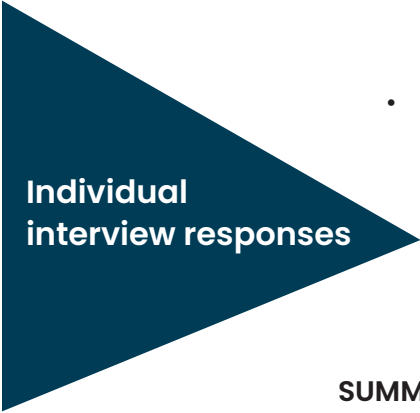
- Wages rising – KFC now paying \$16 an hour.
- Yuba Sutter exports 20K to 30K workers a day to work in Sacramento and beyond.
- Homelessness–Coordinated Entry System (CES) working in county–good response by leaders with Project Room Key and unconventional shelter units.
- Believes free give away and great weather of CA attracts 50% of entire U.S. homeless population to CA.
- Childhood trauma as an indicator of homelessness. Time to manage toxic stress of poverty. We need to enhance efforts
- Prevention of homelessness should be a priority
- Mental Health issues are tied to the economy.
- Too many foster kids. It often leads to homelessness in adulthood.
- Good job cleaning up homeless encampments on river. Some still resist Coordinated Entry System.
- Units available for homeless is far below need. Low rent units needed. Long wait list for Section 8 housing. We echo the State issue.
- Childcare. We lost no childcare centers/businesses during pandemic. Few private companies offer childcare.
- Losing community fabric and close-knit community to commuter families looking for cheaper housing.
- Need ongoing disaster preparedness. Need coordinated services
- Healthcare: Difficulty in attracting good doctors to the area. Poor health habits. Lack of quality food and access. Food Bank helps.
- Adventist was good for community, upgraded our healthcare system
- Need mental health facilities and programs
- Lack access to specialty care
- Lack of transportation. Bus system needs longer operating hours and more routes.
- Wastewater treatment is issue
- Fairgrounds underutilized for services. Needs broadband and building upgrades.
- Need stoplights recalibrated to stop holding up of traffic on 99 and 70.
- Walking and bike paths needed. Need lighted streets. Reuse of rail corridor

is under consideration for bike paths and bypass.

- Lack of broadband in the foothills.
- Kids need to be involved from early age to break generational poverty.
- Need work skills. Get Community College reengaged.
- Lack of workforce for manufacturing.
- Sutter County and Yuba City Housing Element 2021-2029 out for public comment. Yuba County's has been adopted
- Expand early childhood education
- Senior community needs help.

SMALL BUSINESS ADVOCATES

- Community College needs to match workforce training to jobs of the future.
- Currently less students and graduates. See lower engagement in programs
- Decrease in number of people looking for work
- Backlog on healthcare licensing at the State level
- Companies are providing sign on and/or retention bonuses.
- Mid-level recruitment is difficult.
- Affordable housing is an issue at all levels.
- Pandemic and fires are taking up units of housing causing shortages.
- Need to tie housing to employment. Need jobs/housing balance.
- Employee recruitment is difficult, employees easier to retrain.
- Entry level buyers are priced out of housing market.
- Yuba County has some assistance programs for home buyers.
- Employers need to know who lives in the community.
- Language barriers are an issue
- High turnover rate in lower level paying jobs.. Lack of job skills
- Remote workers moving here for less expensive housing.
- Downtown Marysville needs redevelopment
- Create tourism experience in nature, back packing retreats.
- Expand brewery and winery tours.
- Use food trucks and support their business. It attracts business to the area. Elk Grove and Lincoln are doing a good job, we should consider.



Individual interview responses

- Need Marysville old buildings redeveloped on D street corridor. Look to investors to help with upgrades and revitalization. Offer low-cost loans for old buildings to be upgraded.
- Marysville is investing in Gold Sox stadium.

SUMMARY OF RESPONSES TO INDIVIDUAL INTERVIEWS

ISRC conducted a total of ten one-on-one interviews based on membership of the strategic committee provided by YSEDC. As of the date of this report, five members had not yet been interviewed. Should those interviews be conducted, any additional insights gained will be added to this report.

As the interviews were confidential, individual names will not be utilized, and in the interest of being concise, issues and opportunities discussed will be summarized, with those most often cited taking priority. Issues will be listed first, followed by opportunities and additional comments/observations.

ISSUES

Housing—Housing was the most cited issue, even beyond workforce. Each of the interviewees saw housing as a fundamental need that is not being met. Both affordable housing for low to moderate income residents and housing supply and affordability for all residents were cited. Efforts to increase housing stocks was acknowledged but were seen as not enough to meet current and future needs.

Workforce and education—Were often cited together and seen as both critical and urgent. The quality of primary and secondary education was cited, and the need for both providing skills training currently needed and training in anticipation of future skill needs were expressed by all interviewees. Much emphasis was placed on the need for more collaboration between business, education, and residents to ensure robust communication and information distribution to create appropriate training and education programs.

Broadband connectivity—This issue varied from the survey results in that broadband was seen as a universal issue, not relegated to the foothills or disadvantaged communities. The need for universal, dependable, and affordable

broadband service was seen as vital to both economic resiliency and prosperity. Several interviewees cited the critical importance of communication in times of disaster, particularly in wildfires when conditions can change very quickly. Also cited were ongoing needs for distance learning and working considering ongoing variants of COVID-19.

Economic diversity and innovation—Interviews resulted in a balance among almost all interviewees between recruitment of new business and industry, focus on helping existing companies, and supporting entrepreneurship and innovation. YSEDC’s identification of industry clusters both existing and potential, in the 2020 CEDS was cited, along with those identified in the Yuba Water Agency’s economic development plan. Also, the Yuba YES program and tech-based incubator/accelerator efforts were highlighted. Some interviewees also cited lack of small business resiliency efforts such as continuity and succession planning.

Quality of Life—Quality of life issues were also cited by most interviewees. The Sports and Entertainment Zone near Hard Rock Hotel and Casino Sacramento at Fire Mountain was often mentioned, along with the foothills and rivers, as areas needing investment. The overall look of communities in the region was discussed with emphasis on the need for downtown restoration and development to provide an authentic experience, particularly in historic Marysville.

Infrastructure—The need for improved infrastructure, especially transportation infrastructure, was also seen as critical for resiliency and future growth. In particular, the need to improve commercial transportation, centered around the need for a bypass to alleviate congestion caused by commercial traffic. Also, some interviewees expressed concern about healthcare infrastructure, though private, due to the region having only one hospital. A few interviewees also expressed concern about lack of infrastructure solutions such as temporary shelters for homeless residents, although progress in the form of a hotel-to-homeless shelter conversion was acknowledged.

OPPORTUNITIES AND ADDITIONAL COMMENTS

Based on the analysis of existing efforts, group meetings, and individual interviews, coupled with the experience of ISRC leadership, and importantly with the guidance and input of YSEDC leadership, the following insights have been observed. Insights by their very definition are preliminary—they are ideas for further consideration that may become initiatives to increase the region’s economic resiliency.

The workforce issue centers around bringing business, schools, and higher education institutions more closely together. Efforts of both YSEDC and Yuba-

Sutter Chamber of Commerce toward greater levels of communication and collaboration have potential to succeed but could be bolstered by aggressive funding. New funding coming from the American Rescue Plan may be able to fill this gap. In addition, looking to the future, skill needs for industries that may be either recruited or launched in the region should be also considered.

Housing is a major issue throughout the United States, however in the Yuba-Sutter region it is critical throughout the socioeconomic scale. The inability to find housing at any price point impedes the potential for economic growth. It is also a resiliency issue, as loss of housing due to disasters is becoming a national crisis. Effective strategies are being implemented in forward-thinking regions that may be effectively adapted to Yuba-Sutter and will be analyzed for possible effectiveness in providing more affordable housing options.

Beale Air Force Base is recognized and appreciated, but that may need to be more aggressively expressed. Interviews with both private sector and public servant representatives reveal that though Beale Air Force Base is stable, there are opportunities to both secure existing and pursue new missions that may be more successful with focused support. Similar efforts have been successful at Barksdale Air Force Base in Louisiana, where business and local government partnered to create a dedicated support group. Lack of State support at the governor level for the military throughout California is an ongoing concern.

As a region heavily dependent on the agriculture industry, and its proximity to a major metropolitan area, Yuba-Sutter should analyze opportunities in the farm to fork movement. The agriculture industry produces a wide variety of foods, and has significant local ownership, making it very favorable for potential development of farmers' markets and direct to grocery and restaurant sales. An effort focused on farm-to-fork food production and distribution may be a way to strengthen the sector. A final benefit would be to increase resiliency of the food supply by making more of it local.

Businesses, especially small businesses, are more resilient when they work together to solve problems and take advantage of opportunities. It is a long-proven fact that encouraging the formation of business resiliency and business opportunity networks can provide both mutual support in times of crisis, and potential opportunities for new business by combining strengths and leverage. In addition, establishing a business emergency operations center can provide critical communication during a crisis, while serving as a point of knowledge on business continuity and employee resiliency.

In addition to Beale AFB, the Yuba County Airport has a 6,000' runway and instrument landing capability. The combination of rapid growth in private aviation, particularly since the COVID-19 pandemic, and accompanying maintenance needs could present significant opportunities for development of

maintenance and customization of private aircraft. This is especially true given the pool of potential talent coming off duty at Beale every year. In addition, there is a constantly increasing need for humanitarian aid. The airport's location and access to talent from Beale retirees can position it as both a significant aviation service facility and a possible center for humanitarian aviation.

Maximizing the presence of the Yuba Water Agency and supporting its effort to establish a University Affiliated Research Center (UARC) near Beale AFB. The Yuba Water Agency represents a unique asset to the region. Its active engagement with the region in both economic development and broadband adoption presents at least two unique opportunities—establishing a UARC, especially on an issue with the level of global importance of water, could position the region for significant investment. Taking broadband from a convenience to a critical tool for both resiliency and prosperity with training should be a top priority.



Next steps

NEXT STEPS

The insights report has helped to shape the next phases of the planning process. Specifically, as the community capitals process investigates some of the larger capacity areas, the economic and workforce analyses will dig deeper into the opportunities that have arisen from the insights. These will provide the framework for the resiliency action plan as well as set baseline goals for the action plan.

Likewise, performance metrics will be developed to help measure progress in implementing those that are adopted as initiatives to encourage accountability and monitor results.

This page intentionally left blank



Attachment 2 – Workforce and Mobility Analysis

Introduction

The global pandemic initiated a disruptive impact to workforce patterns at the local, regional, and statewide levels. The forced introduction of remote working not only initiated a new set of technologies and innovations to support remote working, but it also allowed a segment of the workforce to “work from anywhere”. Recent data indicates that many companies are maintaining a remote workforce as a permanent part of their operations.

For regions like Yuba-Sutter, a remote workforce has two potential impacts. On one side, the location and affordability compared to the more urban locations in California may offer higher wage earners to remote work from a location in the region. On the contrary, it also may allow for those that are currently located in the region to seek other locations from which to remote work.

This analysis looks at the mobility patterns within the region and compares the changes in mobility, employment levels and relocation data to discern both opportunities and challenges that the pandemic induced remote work options may have on the Yuba-Sutter region.

Methodology

Workforce data that is currently available to demonstrate commute patterns, such as census data and the On-the-Map tool, report pre-pandemic trends and is not current. Consequently, the data presented in this report provides data gathered during the pandemic primarily from the movement of people to and from locations, including relocation data. This data, combined with employment trends, relocation characteristics can frame a more specific picture of the local attributes to support a remote workforce strategy.

Stay-home Order Pattern

The stay-home order issued at the initial stages of the pandemic had an

immediate impact on most residents. In Yuba and Sutter Counties, there was an 18% decrease in the amount of time spent away from home. As the trend shows, Yuba-Sutter residents spent more time outside of the home than the California average. As of December 7, 2021, total time away from home is still less than it was pre-pandemic but tracking higher than the statewide average.



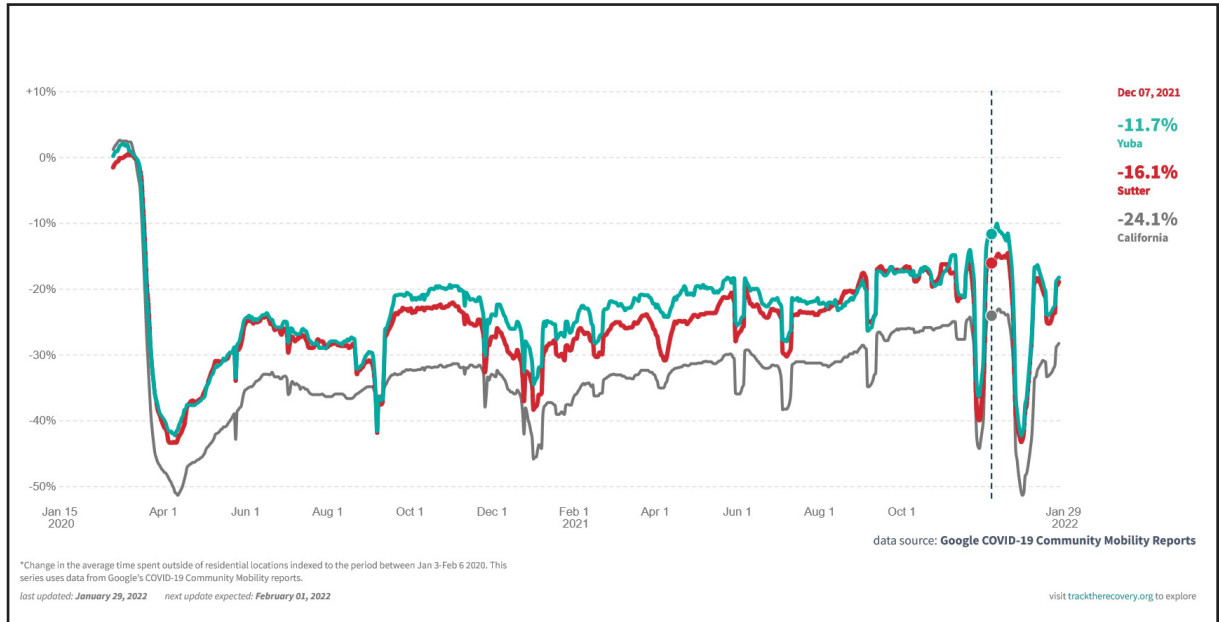
Distance Traveled

The distance traveled data shows the same decrease in the number of people staying home and an increase in the number of people from both counties traveling more than 10 miles from their home. The following table shows the change in travel patterns and distance traveled at peak times from the chart, which is the daily trend from October 23, 2020, to October 19, 2021.

Yuba County	October 23, 2020	October 19, 2021
Stayed Home	25%	17%
Travel less than 1 mile	5%	5%
Travel less than 10 miles	30%	33%
Travel more than 10 miles	40%	45%
Sutter County		
Stayed Home	23%	14%
Travel less than 1 mile	5%	5%
Travel less than 10 miles	40%	45%
Travel more than 10 miles	33%	36%

Travel to Workplace

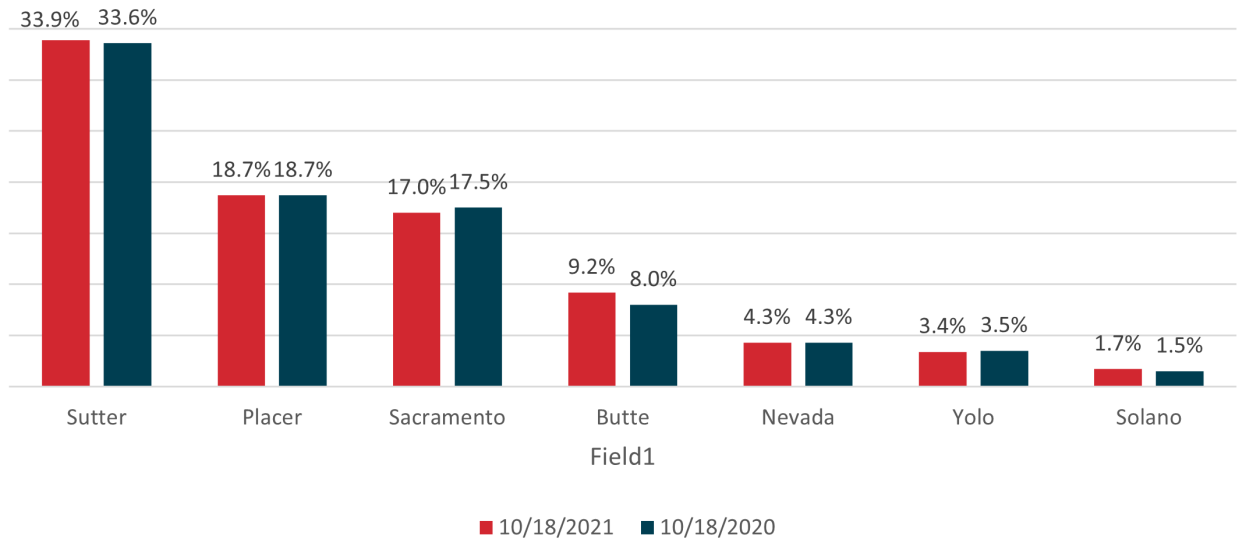
While the data indicate that people are spending more time outside of their home, travel to workplace locations has decreased. This suggests that people are either not working or continuing to work remotely (Note the recent downward spike was Thanksgiving Weekend 2021).



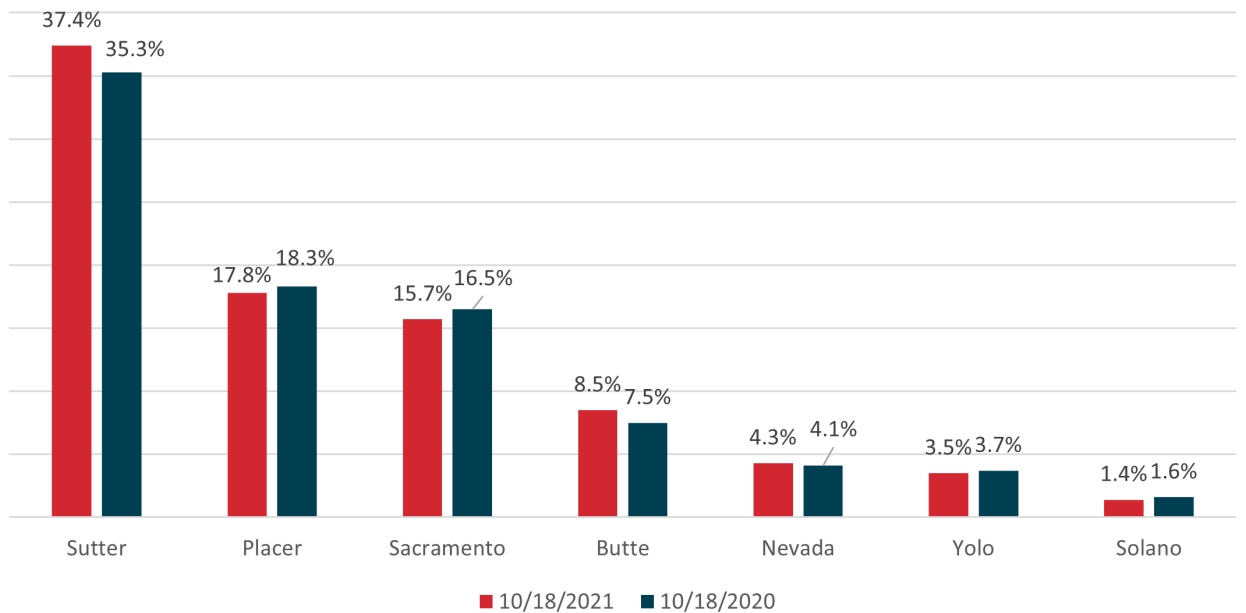
Mobility Patterns

Mobility patterns show the origin and destination of people moving in and out of the respective counties. Not surprising, most of the mobility occurs within the Yuba-Sutter region, with the pattern of mobility remaining fairly the same year over year. There is an increase of people traveling to and from Sutter County, however since Yuba County has maintained increases in mobility year over year, the pattern does not suggest any significant impact in regional mobility.

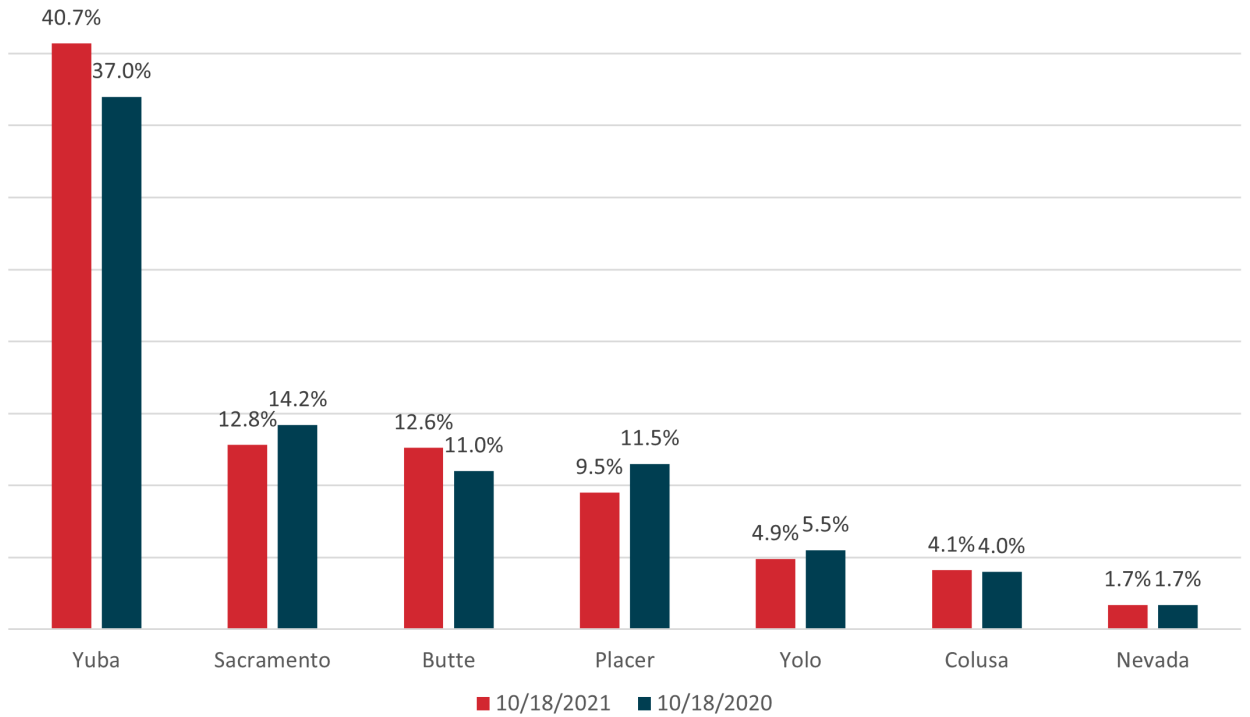
Origin of travel into Yuba County October 2021 vs. 2020



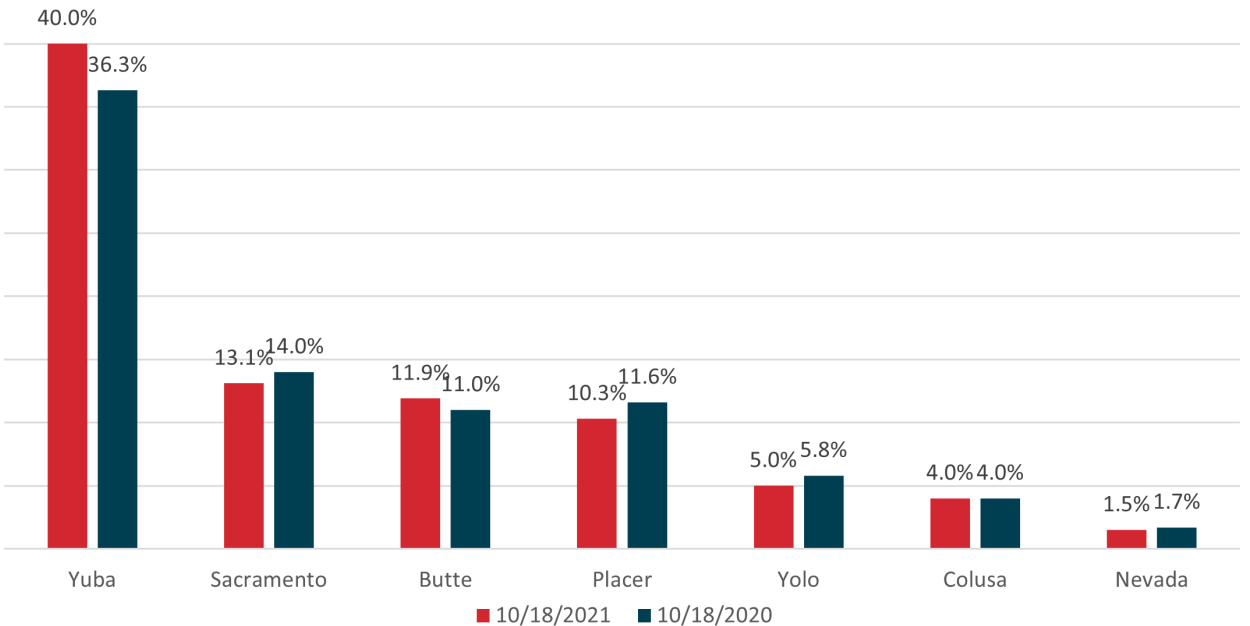
Destination of travel from Yuba County October 2021 vs. 2020



Origin of travel into Sutter County October 2021 vs. 2020



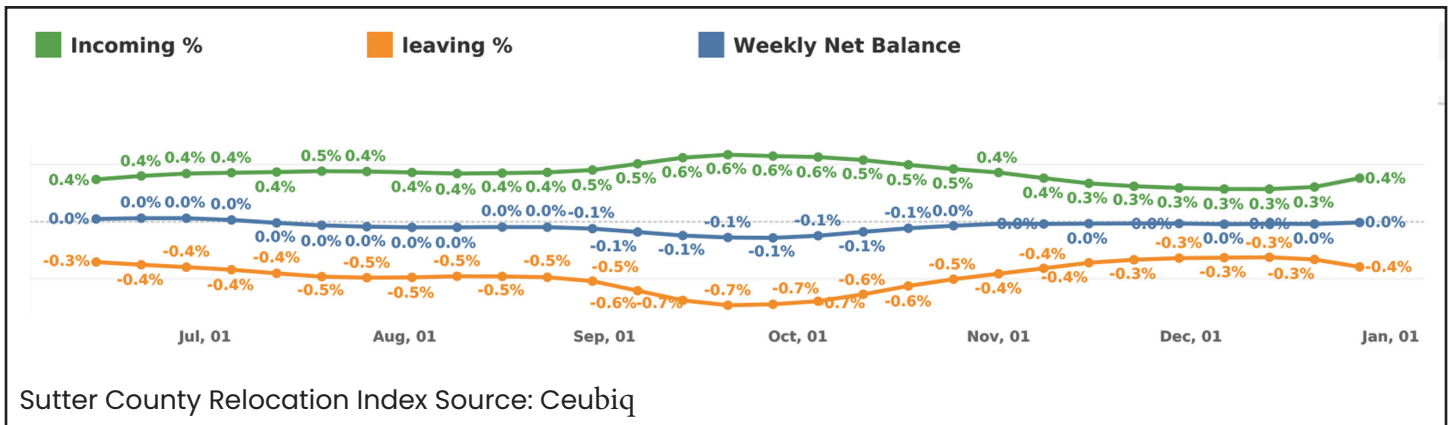
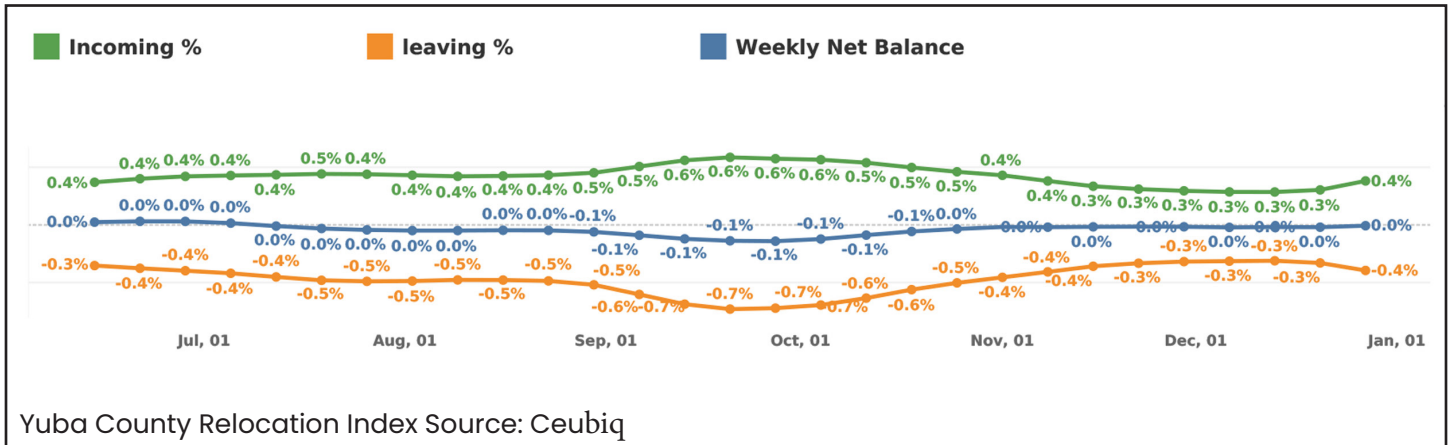
Destination of travel from Sutter County October 2021 vs. 2020



The mobility data however shows a change in the pattern of movement between surrounding counties. Less people are traveling to and from Sacramento and Placer counties while more people are traveling to and from Butte County. These trends typically suggest a shift in employment activity, however in the post-pandemic environment, there is an indication to support the theory that many of those that commuted to Sacramento and Placer counties are now likely remote working.

Relocation

The change in people moving to and from the Yuba-Sutter region remained consistent throughout the past year. On average, there was no measurable net change in the number of people moving into the region and those moving out.



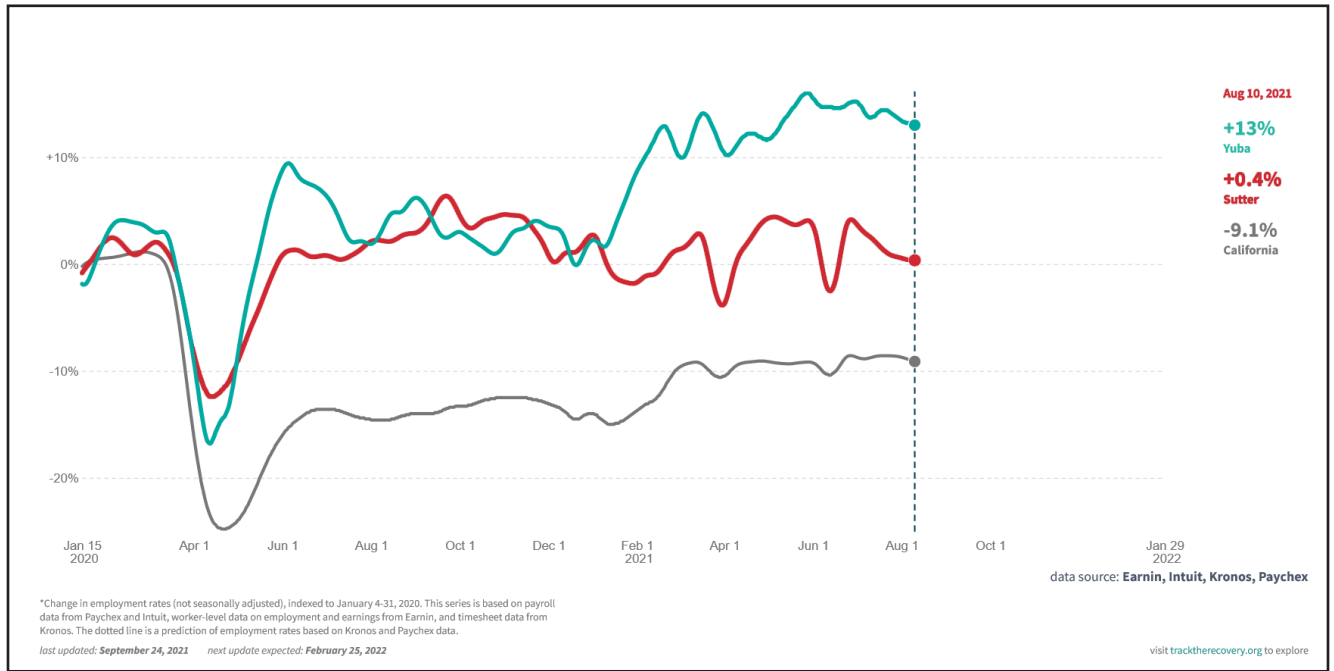
Much of the inflow within the region was primarily within California, particularly the urban areas of Southern California (Los Angeles, Orange, San Bernadino and Riverside Counties). The top destinations for those moving out of state were Texas, Florida, Arizona, Nevada, New York, and Washington.

The most notable trend is the income levels associated with relocation. In Sutter County, low-income cumulative balance for 2021 is a 2.0 percent increase while higher income cumulative total shows a -2.5 percent change. For Yuba County, the opposite trend has occurred with an increase of higher income residents of 10.5 percent and a decrease of lower income residents of -9.3 percent.

Considering the inflow and outflow patterns of locations, the data suggests that incoming residents are bringing a higher level of income while lower income residents are showing more mobility. This also suggests the lack of affordability fo housing within the region.

Employment Tracking

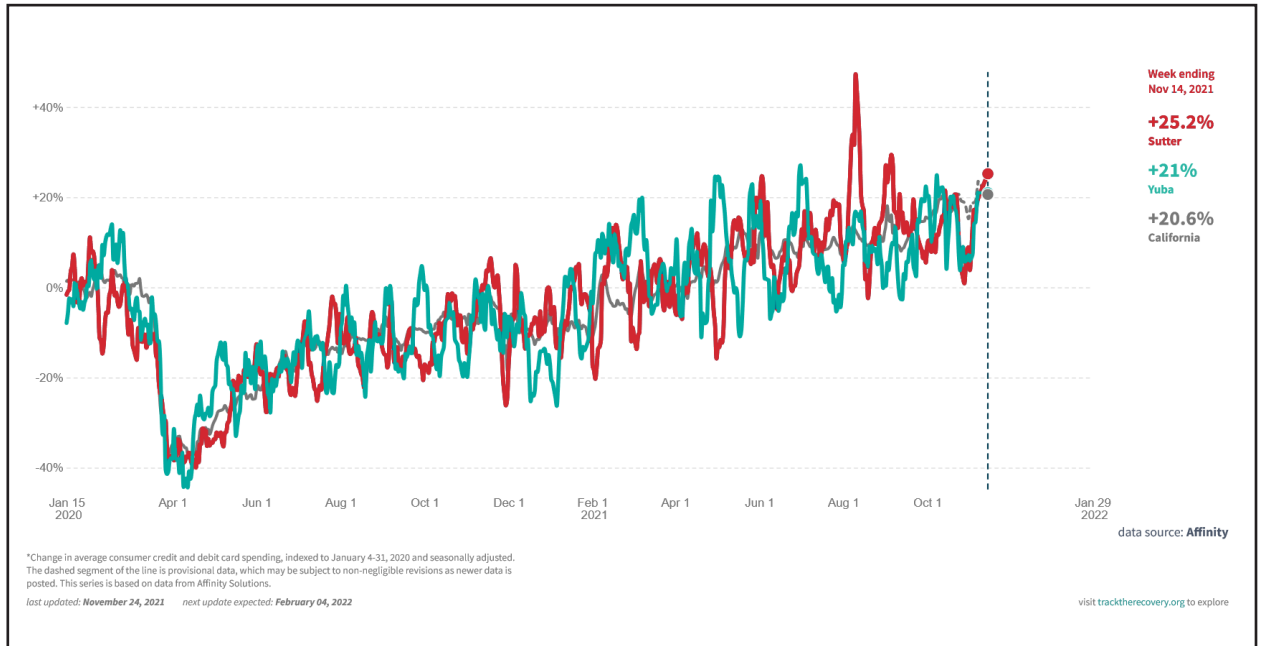
Employment tracking for the Yuba-Sutter region demonstrates both a higher number of “essential” workers in the region as well as a more rapid recovery than California as a whole.



As of August 10, 2021, Yuba County employment had increased by 13% from January 2020 and Sutter County employment is up .4%. The trend lines also suggest workers returned to work at a much higher pace than their counterparts in other parts of California. Sutter County showed slight declines in employment level that differed from the overall state trend suggesting that local employment changes and/or localized virus outbreaks may have impacted employment for an abbreviated period.

Consumer Spending

Consumer spending increased in both counties compared to January 2020, with Sutter County showing a significant increase in consumer spending, tracking higher than pre-pandemic levels. Tracking data indicates that consumer spending is likely to continue throughout the remainder of the year.



Changes in consumer spending and business patterns can provide opportunity for new entrepreneurs to enter the market, particularly those who may relocate to a more rural area for remote work and desire to invest in a local business or start a new one.

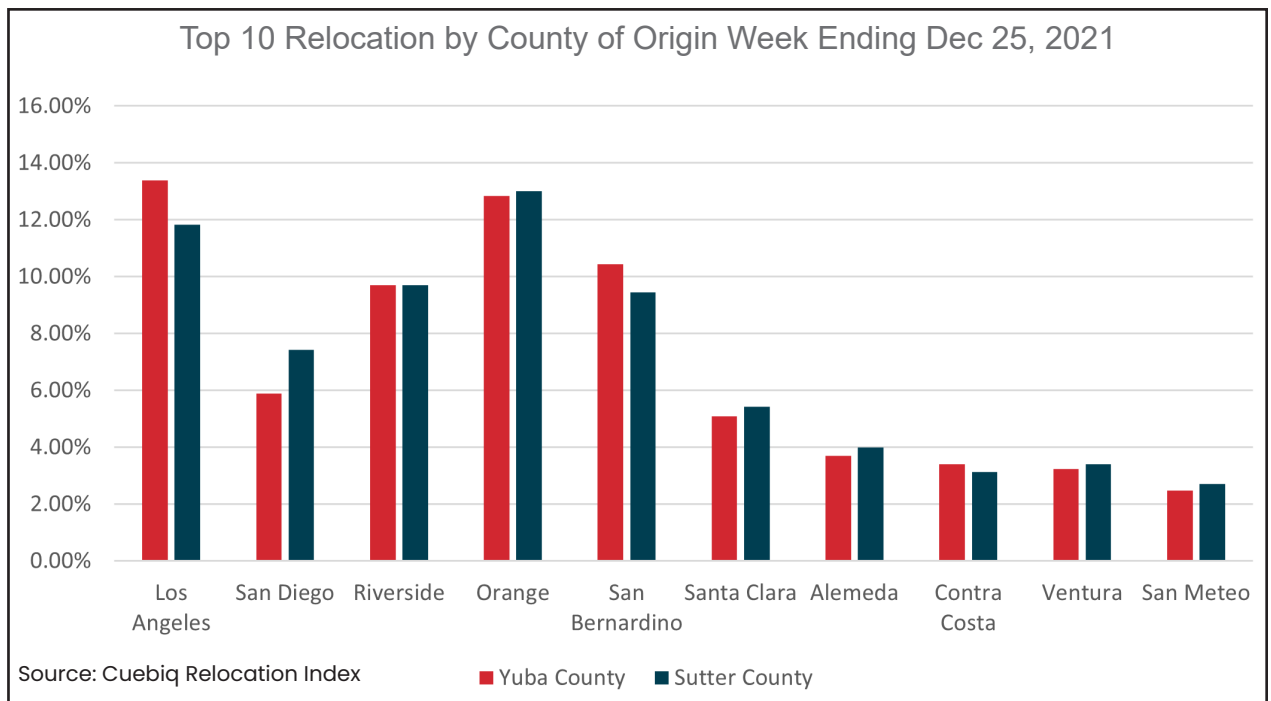
Key Findings

The Yuba-Sutter region, while suffering through the effects of the impact like other communities, demonstrates some degree of economic resilience particularly from a recovery perspective. However, the analysis suggests that both opportunities and challenges exist for the retention, creation, and attraction of businesses as well as for the workers they will employ.

- Mobility patterns suggest that a degree of remote workforce continues within the region. Studies suggest that many employers will likely provide this type of option indefinitely.

- ▶ Relocation patterns suggest that influx of new residents is more likely to occur with individuals seeking a rural location for remote work. This can bring higher than average incomes to the area.
- ▶ Housing affordability, a known challenge for the region, may continue to be enhanced by the relocation patterns, particularly as higher incomes maintain higher prices.
- ▶ The influx of remote workers may increase the competitiveness of the region for new businesses and spur entrepreneurial development within the region as well.

The following chart details where people are from who move into the region yields some surprising results—more are coming from southern California than one would think: The majority are from Los Angeles, Orange, Riverside, and San Diego counties. Further analysis may yield key reasons that YSEDC can utilize to recruit targeted skilled and/or knowledge workers into the Yuba-Sutter region.



This page intentionally left blank



Attachment 3 – Regional Conditions

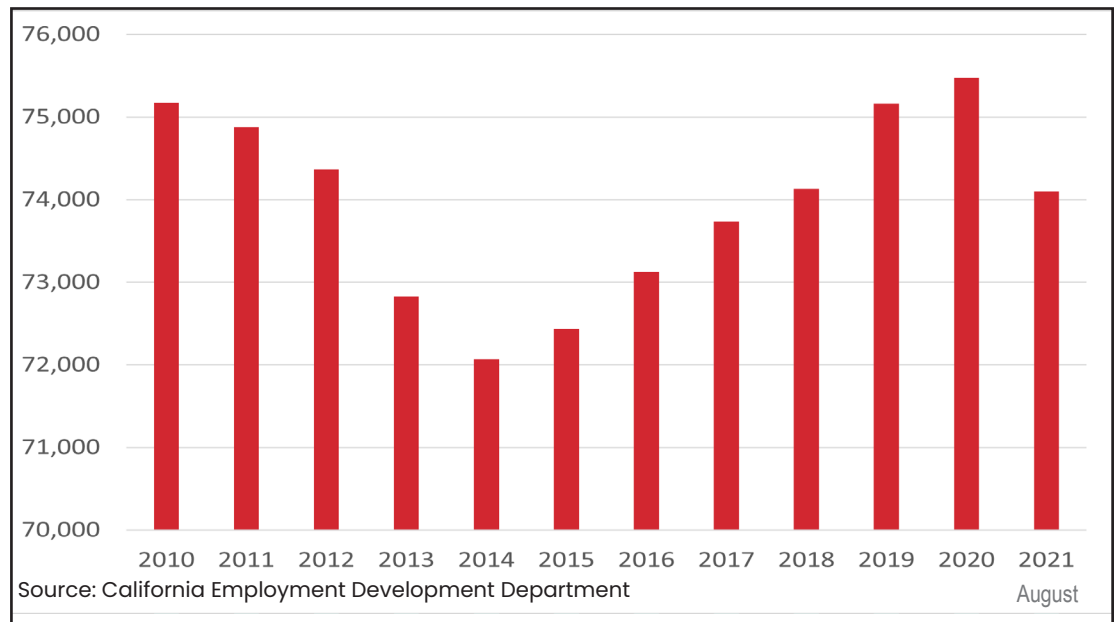
The Regional Conditions Update provides general demographic information that is available based on most recent census data. The update includes recent EDA economic distress criteria for the region and for applicable census tracts. Given the focus on housing affordability, housing data and trends information is also included. The workforce mobility analysis provides more detailed information on relocation data and is cross referenced accordingly.

YSEDC completed an adjustment to the 2020-25 Comprehensive Economic Development Strategy (CEDS) in early 2021. The adjustment provided year end data for 2020 in the areas of labor force, unemployment, per capita income, average wages, establishments, and gross domestic product. Therefore, this section provides a year-to-date adjustment of the data for evaluative purposes recognizing that annual updates will be provided when year-end data becomes available.



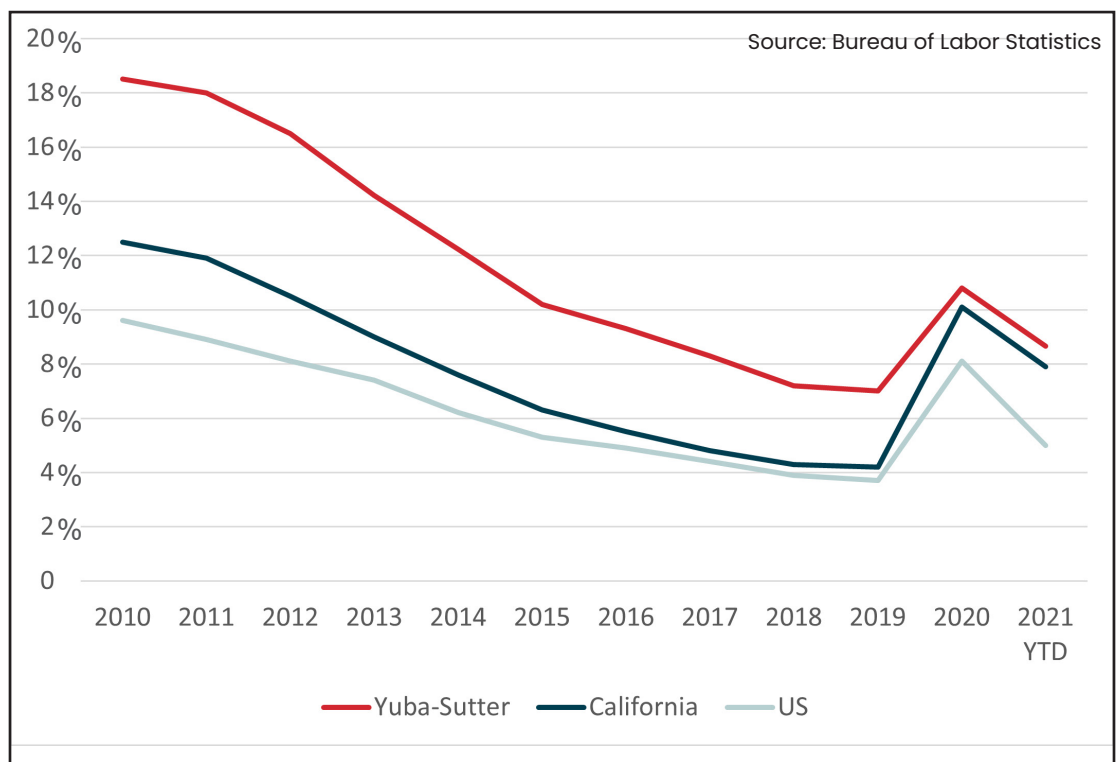
Labor Force

The labor force rebounded during the initial ramp-up following business closures and stay-home orders. As the economy reopened, the labor force returned to its pre-pandemic trends. In 2021, the labor force is slightly behind 2020, tracking 1,300 less jobs than the prior year with four months remaining in the year.



Unemployment Rate

Historically, the unemployment rate in the Yuba-Sutter region has tracked higher than the state and national average. The pandemic-caused increases in unemployment were sharper on a statewide basis than the region and contributed to the traditional gap difference between the state and regional average. The YTD data indicates a continued downward trend.



Quarterly Census of Employment and Wages

Second quarter 2021 data shows a decrease of 104 establishments from the 5,251 reported in the 2020 CEDS update. This may be caused by businesses not returning to operation following the pandemic, moving from the area, or are otherwise not reporting activity. As third and fourth quarter data is reported, the average number of establishments may return to pre-pandemic numbers, which shows a steady increase in establishments from quarter to quarter.

	Number of establishments	Average weekly wage	12-month percent change in average weekly wage	12-month change in average weekly wage
Sutter County	3,624	\$876	5.7%	\$47
Yuba County	1,731	\$1,084	3.1%	\$33

Average wages for both counties show increases over the 12 months (2Q 2020 to 2Q 2021). Annual increases in minimum wages account for some increases while other increases may be necessitated from premium or higher wages paid to incentivize people back to work.

Economic Distress Criteria

The EDA outlines the data requirements (§301.3(a)(1)) to demonstrate economic distress levels in a region and/or community. Likewise, EDA provides the data requirement sources to demonstrate economic distress levels (§301.3(a)(1)). Based on these standards, the following represents the most recent data for regional economic distress criteria.

Yuba-Sutter Region Economic Distress Criteria			
	Yuba-Sutter	U.S.	Threshold Calculation
24-month Average Unemployment Rate (BLS) period ending August 2021	9.47%	6.56%	+2.91%
2019 Per Capita Income (ACS)	\$26,580	\$34,103	77.9%
2019 Per Capita Personal Income (BEA)	\$45,782	\$56,940	81%

Data for economic distress criteria at the census tract level demonstrate the disparity of unemployment and per-capita income throughout the region. For purposes of calculation at the census tract level, 5-year ACS data is used as 24-month rolling average data is not available at the census tract level, and consequently accounting for the difference in the region and US data between the two charts

	2019 Unemployment Rate (5-Year ACS)	Threshold Calculation	2019 Per Capita Money Income (5-year ACS)	Threshold Calculation
Yuba-Sutter Region	7.8	2.5	\$26,478	77.6
U.S.	5.3	0	\$34,103	100
Sutter CA Tract 0501.01	5.7	0.4	\$21,507	63.1
Sutter CA Tract 0501.02	9	3.7	\$18,724	54.9
Sutter CA Tract 0502.01	12.2	6.9	\$21,851	64.1
Sutter CA Tract 0502.02	17.4	12.1	\$17,804	52.2
Sutter CA Tract 0503.01	11.2	5.9	\$32,812	96.2
Sutter CA Tract 0503.02	12.2	6.9	\$18,539	54.4
Sutter CA Tract 0504.01	6.5	1.2	\$29,179	85.6
Sutter CA Tract 0504.02	8.1	2.8	\$34,667	101.6
Sutter CA Tract 0504.03	6.7	1.4	\$29,998	88
Sutter CA Tract 0505.01	10.8	5.5	\$23,233	68.1
Sutter CA Tract 0505.03	4.6	-0.7	\$28,385	83.2
Sutter CA Tract 0505.04	10	4.7	\$27,594	80.9
Sutter CA Tract 0506.01	4.3	-1	\$35,523	104.2
Sutter CA Tract 0506.03	7	1.7	\$40,869	119.8
Sutter CA Tract 0506.04	7.3	2	\$33,829	99.2
Sutter CA Tract 0507.01	3.7	-1.6	\$25,079	73.5
Sutter CA Tract 0507.02	9.3	4	\$22,508	66
Sutter CA Tract 0508.00	7.9	2.6	\$32,284	94.7
Sutter CA Tract 0509.00	4.2	-1.1	\$27,218	79.8
Sutter CA Tract 0510.00	11	5.7	\$33,836	99.2
Yuba CA Tract 0401.00	7.3	2	\$23,722	69.6
Yuba CA Tract 0402.00	6.6	1.3	\$22,419	65.7
Yuba CA Tract 0403.01	14.5	9.2	\$16,100	47.2
Yuba CA Tract 0403.02	12.7	7.4	\$12,416	36.4
Yuba CA Tract 0403.03	6.4	1.1	\$24,553	72
Yuba CA Tract 0404.00	10.9	5.6	\$13,743	40.3
Yuba CA Tract 0405.00	13.8	8.5	\$16,856	49.4
Yuba CA Tract 0406.00	7.4	2.1	\$22,367	65.6
Yuba CA Tract 0407.00	4.7	-0.6	\$29,604	86.8
Yuba CA Tract 0408.00	8.2	2.9	\$37,146	108.9
Yuba CA Tract 0409.01	6.3	1	\$26,429	77.5
Yuba CA Tract 0409.02	3.4	-1.9	\$21,545	63.2
Yuba CA Tract 0410.00	4.1	-1.2	\$39,634	116.2
Yuba CA Tract 0411,00	3.4	-1.9	\$30,121	88.3



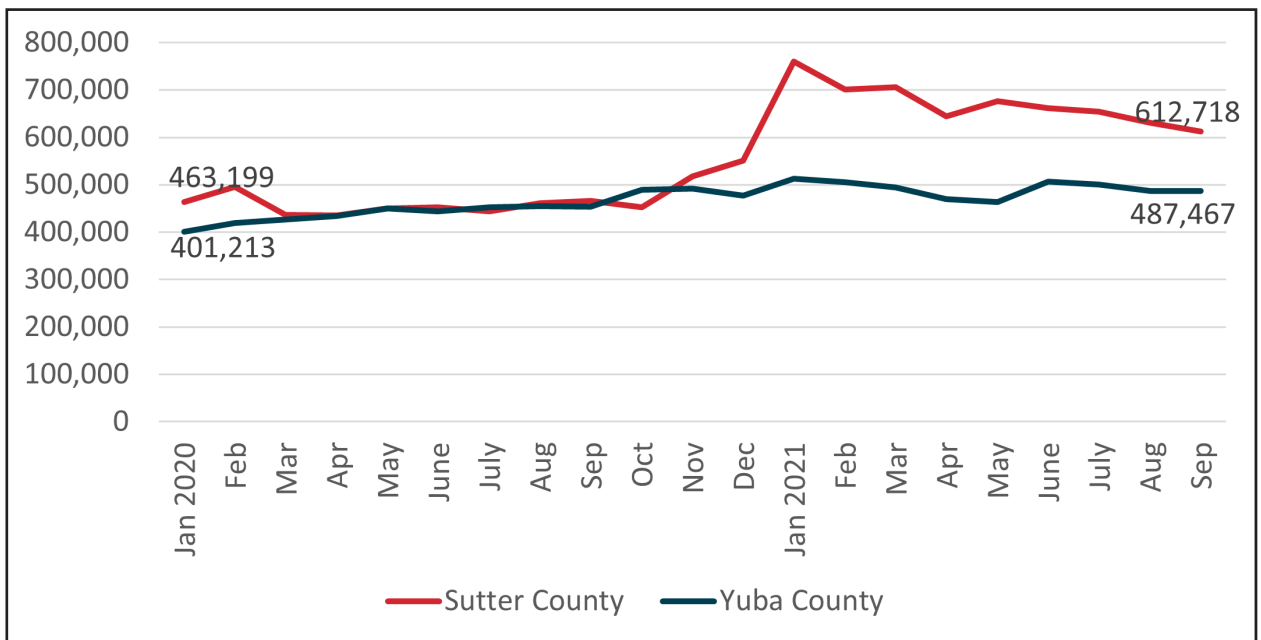
Attachment 4 – Housing and Homeless Analysis

The insights analysis indicated that housing, particularly as it relates to affordability and availability, is a significant challenge in the region. The following analysis provides the necessary data to demonstrate the challenge and provide context for recommendations.

Average List Prices

The average list prices increased from the onset of the pandemic in January 2020 to the most recent data in September 2021.

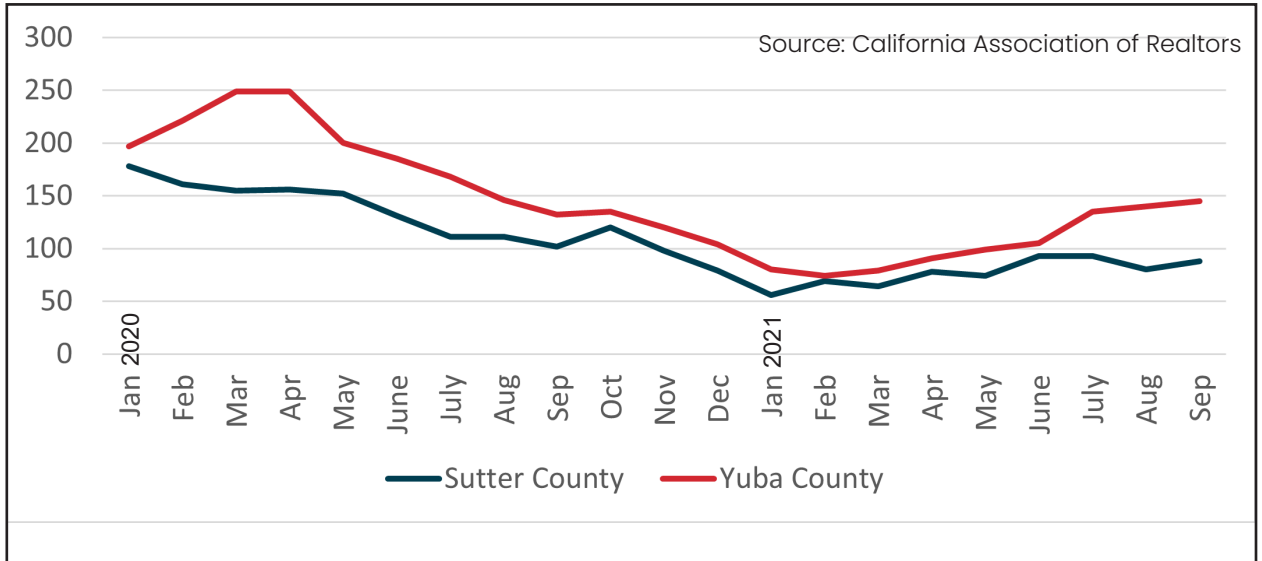
Average list prices in Sutter County took a sharp increase at the beginning of 2021 to more than \$700,000 before settling on a downward trend during the summer months. Yuba County showed a steady increase in listing prices throughout the analysis period.



Source: California Association of Realtors

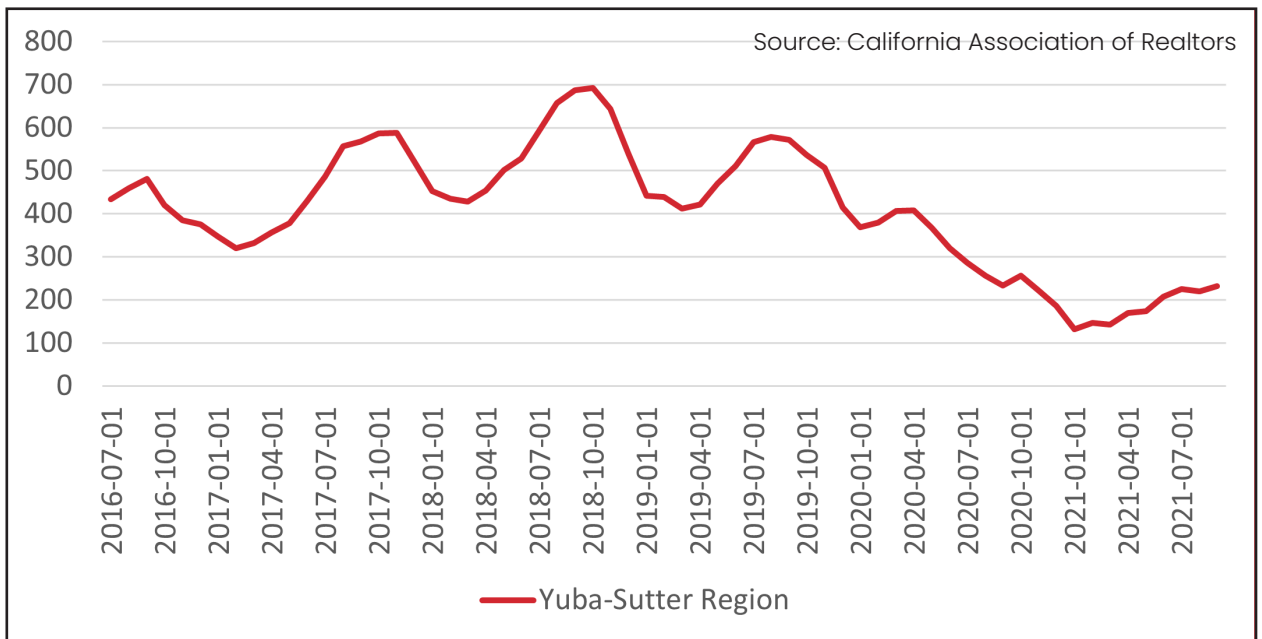
Average Listing Count

The peak increase in listings occurred in mid-spring of 2020 and decreased until spring 2021 where listings again increased in both counties. However, the total number of average listings remain below the averages for 2020. The winter months will likely result in lower numbers of new listings compared to the prior year.



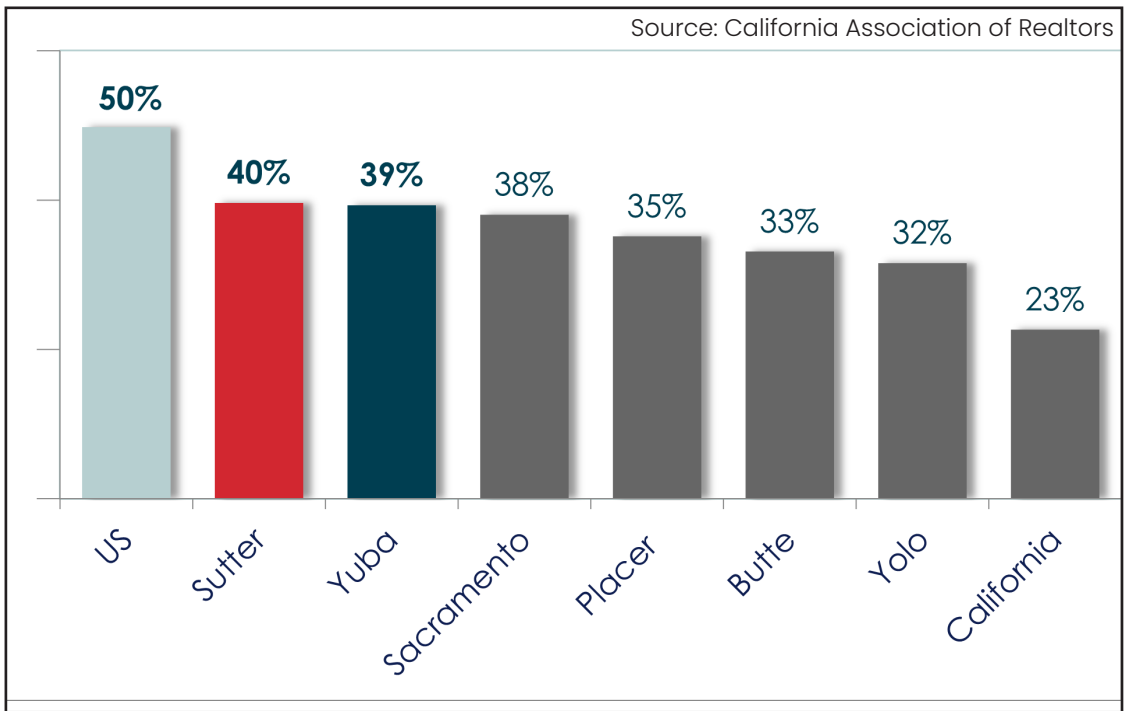
Housing Inventory

Housing inventory follows similar year over year trends, with typical decrease in the fall. However, the 2021 trend shows that inventory is trending toward an increase in the overall inventory in the short term.



Housing Affordability

In the Yuba-Sutter region, 40 percent of the population can purchase a median-priced home, significantly higher than the statewide average as well as surrounding counties. The more urban areas, such as Los Angeles, Riverside and Orange counties have affordability indexes between 17 and 22 percent, strongly suggesting that the influx of homebuyers from these areas into the Yuba-Sutter region is driven in part by the region's affordability. Likewise, as the mobility analysis suggests, these may be remote workers that are able to work from home or satellite office thereby increasing the local salary base in the region.



Implementation of SB 9

California has a severe shortage of middle-income housing, or small (fewer than 10 homes) multi-family housing developments near jobs and transit; the lack of such housing is driving the displacement and severe rent burden of Californians across the state. The problem: it is illegal to build middle-income housing in over 70 percent of the state.

SB 9 would legalize this middle-income housing by adopting best practices from housing experts at the University of California Los Angeles. It will also help California respond to historic job loss in the construction sector and a 45-percent decrease in home construction due to COVID-19.

SB 9 makes three critical changes to state law:

- ▶ It allows homeowners in most areas around the state to divide their property into two lots, thereby increasing opportunities for homeownership in their neighborhood
- ▶ It allows two homes to be built on each of those lots, with the effect of legalizing fourplexes in areas that previously only allowed one home.
- ▶ SB 9 contains important protections against the displacement of existing tenants.

Presuming that SB 9 takes effect as scheduled on January 1, 2022, local jurisdictions should consider a proactive approach to address the implementation of duplex and lot-splits that the legislation authorizes. The following considerations would be:

- ▶ **Develop pre-approved Accessory Dwelling Units (ADU) Plans:** Jurisdictions could create a pre-approved set of ADU plans that would be made available to applicants of different sizes, configurations, and design character. This would save applicants money but also allow for compliance with the permitted ADU's meeting the character and standards of the jurisdiction since SB 9 provides for ministerial approval of these projects.
- ▶ **Development Impact Fee Assessment Program:** Local jurisdictions, in addition to updating fees based on the potential ADU's, could create a development fee estimator tool that would allow for potential developers to determine the fees when considering new housing or ADU's.

Affordable Housing Trust Funds

Jurisdictions might consider using ARPA or other funding sources to provide as matching funds for the state Local Housing Trust Fund. These funds can be used to incentivize and support development of affordable housing projects within the communities.



Attachment 5 – Community Capitals Assessment

A community capitals assessment looks at seven forms of capital that a community can identify and invest in over the long term to create sustainable development. These different capitals interact with each other in many ways, and a lack of investment in one can have detrimental effects across the remaining six. Similarly, these capitals can be leveraged, relying more heavily on those that are more readily available and making targeted investments in one to support all others.

Sustainable and thriving communities are those that pay attention to all the different capitals in their economic development and sustainability efforts. These communities are attuned to the ways in which the various capitals interact with each other and use this framing not only to analyze investments, but also to identify key partners.



Understanding Community Capitals

Natural Capital	Natural capital includes natural resources and the environment. For example, water, soil, and shade. Policies should focus on increasing access to natural resources and prevent depletion.
Cultural Capital	Cultural capital includes local knowledge, customary practices, and values. Policies should focus on increasing self-efficacy in support of community action and on recognizing the ways in which local values and practices can support resilience.
Human Capital	Human capital includes skills, education, health, intelligence, and abilities. Policies should focus on increasing access to skills building, training and education; as well as providing support for the health and wellbeing of the community members that collectively make up the human capital.
Social Capital	Social capital is based upon the networks of interactions, both within groups and across different communities. Social capital is built on trust and reciprocity. Policies should focus on supporting existing social networks and facilitating access to social capital.
Political Capital	Political capital is based upon the ability to influence the distribution of resources and decision making, based upon power, voice, and connections. Policies should focus on building local political capital, while expanding opportunities to participate for marginalized communities.
Financial Capital	Financial capital includes access to financial resources, including tax revenues, savings, and debt capital; as well as promoting entrepreneurship and strengthening local economies. Policies should focus on expanding access to financial capital.
Built Capital	Built capital includes buildings and infrastructure. Policies should focus on ensuring access to infrastructure, adequate maintenance, and resilience.

The community capitals assessment was conducted via a thorough review of existing documents, interviews, and stakeholder meetings. The results of the community capitals assessment are shown in the following table. A brief overview of the most pertinent factors for each capital is shown, including opportunities and policies that can build upon those opportunities.

Community Capitals			
	Current Context	Opportunities	Policy
Natural	Abundant water supply	<ul style="list-style-type: none"> • Power generation • Recreation and tourism • Habitat for waterfowl and fish • Irrigation for agriculture 	<ul style="list-style-type: none"> • Policies should balance support for water-based recreation with habitat restoration
Natural	Agriculture industry is a large employer contributing the greatest amount to the GDP	<ul style="list-style-type: none"> • Increased opportunities for ag-related tourism • Opportunities to recruit ag-related business creation and/or attraction 	<ul style="list-style-type: none"> • Target recruitment efforts to value-added processing • Work with ag leadership to implement farm-to-fork
Natural	Recreational opportunities are abundant	<ul style="list-style-type: none"> • Increased opportunities for tourism • Opportunities for supporting business growth (hotels, restaurants, etc.) 	<ul style="list-style-type: none"> • Support value added tourism including eco-and-experiential and ag tourism
Natural	Wildfire and smoke, a major concern	<ul style="list-style-type: none"> • Forest management offers opportunities for training and workforce development 	<ul style="list-style-type: none"> • Advocate for better forest management practices • Establish Forest Health and Water Management education programs
Natural	Capitalize on local events; Swan Festival and Peach Festival	<ul style="list-style-type: none"> • Increased tourism • Increased sales tax revenue • Increase sense of place/community • Build knowledge worker interest in locating in the region • Consider additional events to draw people 	<ul style="list-style-type: none"> • Support growth of these events. Market them outside Yuba-Sutter • Integrate workforce recruitment strategies

	Current Context	Opportunities	Policies
Natural	Temperate Weather	<ul style="list-style-type: none"> • Attract aviation businesses (few “no-fly” days) to airport, drawing on Beale talent • Tout weather as a way to recruit talent 	<ul style="list-style-type: none"> • Actively market to aviation businesses • Recruit talent using weather as an advantage
Cultural	Historic downtowns	<ul style="list-style-type: none"> • Revitalize downtown areas to increase retail spending resulting in higher sales tax generation and a more vibrant environment • Create and tell compelling stories about Yuba City, Marysville, and the counties to entice both tourists and potential residents • Use revitalization financial tools based on potential increase in tax revenues 	<ul style="list-style-type: none"> • Encourage property owners to invest in their properties. • Encourage business owners to consider longer operating hours. • Provide resources to downtown business owners, including marketing materials.
Cultural	Local Events: Bok Kai Festival, Sikh Parade, Marysville Stampede, Home & Garden Show, Taco Festival, Christmas Stroll, Summer Stroll, etc.	<ul style="list-style-type: none"> • Increased tourism • Increased sales tax revenue • Increased sense of place/ community • Use to recruit knowledge/ creative workers 	<ul style="list-style-type: none"> • Support growth of these events. Market to areas outside Yuba-Sutter
Human	Talent attraction and development	<ul style="list-style-type: none"> • Workforce development should be strategic, anticipating both current and future skills needed • All-encompassing: Skilled trades, coding, professional bachelorette/advance degree, specific skills for current and future needs 	<ul style="list-style-type: none"> • A widespread collaborative approach to education and training is essential • Focus on high-demand skill. • Develop university–industry partnerships
Human	Strong community participation in times of crisis.	<ul style="list-style-type: none"> • Advocate widespread local CBO support. • Encourage participation from youth and younger adults 	<ul style="list-style-type: none"> • Assist CBOs with networking with each other and with the business community

	Current Context	Opportunities	Policies
Human	Increased access to specialty health services is needed	<ul style="list-style-type: none"> • Telehealth opportunities can increase local access • Target additional medical facilities 	<ul style="list-style-type: none"> • Policies that increase access to telehealth • Adopt policies to attract additional medical capacity
Social	Coordination between businesses and residents is needed in order to build relationships between business owners and the larger community	<ul style="list-style-type: none"> • Community building efforts can bring together business owners and residents around shared goals, such as revitalizing downtown areas 	<ul style="list-style-type: none"> • Pursue place-based initiatives combining arts, community building, and business promotion
Social	Language barriers can prevent access to resources and services. Homelessness is a major problem.	<ul style="list-style-type: none"> • Increase marketing in Spanish, Punjabi and Hmong • Study and implement best practices to address homelessness 	<ul style="list-style-type: none"> • Language access should be a component of all policies • Implement policies based on national best practices
Political	Protect and utilize Yuba Water Agency, the Yuba Airport, and Beale AFB to strengthen the regional economy	<ul style="list-style-type: none"> • Support YWA’s University Research Center initiative in partnership with Beale AFB. • Develop strategies to improve housing and education options for Beale AFB personnel. 	<ul style="list-style-type: none"> • Provide policies to support University Research Center • Develop housing & public-school funding initiatives
Financial	Many smaller businesses have a lack of financial acumen and do not have adequate plans for disaster survival	<ul style="list-style-type: none"> • Offer more workshops and training on financial basics—proper recordkeeping and financial reporting, human resources • Develop initiative to stimulate business continuity planning 	<ul style="list-style-type: none"> • Create financial training incentive policies • Develop policies to reward businesses for creating continuity strategies

	Current Context	Opportunities	Policies
Financial	Industry diversification is needed	<ul style="list-style-type: none"> • Complement existing industry clusters with support industries • Use Yuba-Sutter’s rural attributes to attract innovative entrepreneurs 	<ul style="list-style-type: none"> • Policies for recruitment of support industries. • Policies to support incubators/accelerators
Built	Modernize and expand infrastructure	<ul style="list-style-type: none"> • Identify infrastructure priorities and plan for implementation 	<ul style="list-style-type: none"> • Create policies to facilitate public private partnerships
Built	Housing for all income levels is lacking	<ul style="list-style-type: none"> • Increase housing stock <ul style="list-style-type: none"> ◊ Affordable housing ◊ Market rate housing 	<ul style="list-style-type: none"> • Identify policies that promote the development of all housing classes
Built	Lack of available properties for industrial growth	<ul style="list-style-type: none"> • Inventory appropriately zoned properties for industrial development and assist willing owners in development • Provide impact-based incentives for creation of industrial parks and sites 	<ul style="list-style-type: none"> • Identify opportunities to develop industrial areas, and to incentive resilient development through permitting mechanisms and tax credits

The community capitals play a role in addressing all the issues identified within the Insights Report.

Concerns Identified and the associated Community Capitals							
	Workforce Development and Retention	Affordable Housing	Homelessness	Business Recruitment and Retention	Infrastructure	Healthcare	Recreation and Quality of Life
Natural	X				X		X
Cultural	X						X
Human	X	X	X			X	
Social		X	X			X	X
Political		X	X				
Financial	X		X	X			
Built		X	X		X	X	

Priority opportunities are those that leverage the greatest number of capitals. The top opportunities are:

- ▶ Policies that leverage natural resources for both ecosystem management and economic development, creating opportunities to increase opportunities for entrepreneurship while strengthening social and human capital through recreational opportunities.
- ▶ Policies that capitalize upon existing partnerships and relationships in support of community needs such as commercial development and the creation of affordable housing, both diversifying the economic base and increasing housing opportunities to attract a workforce.
- ▶ Policies that build relationships between business owners, residents, and government through placemaking initiatives that can revitalize downtown areas and promote tourism

This page intentionally left blank

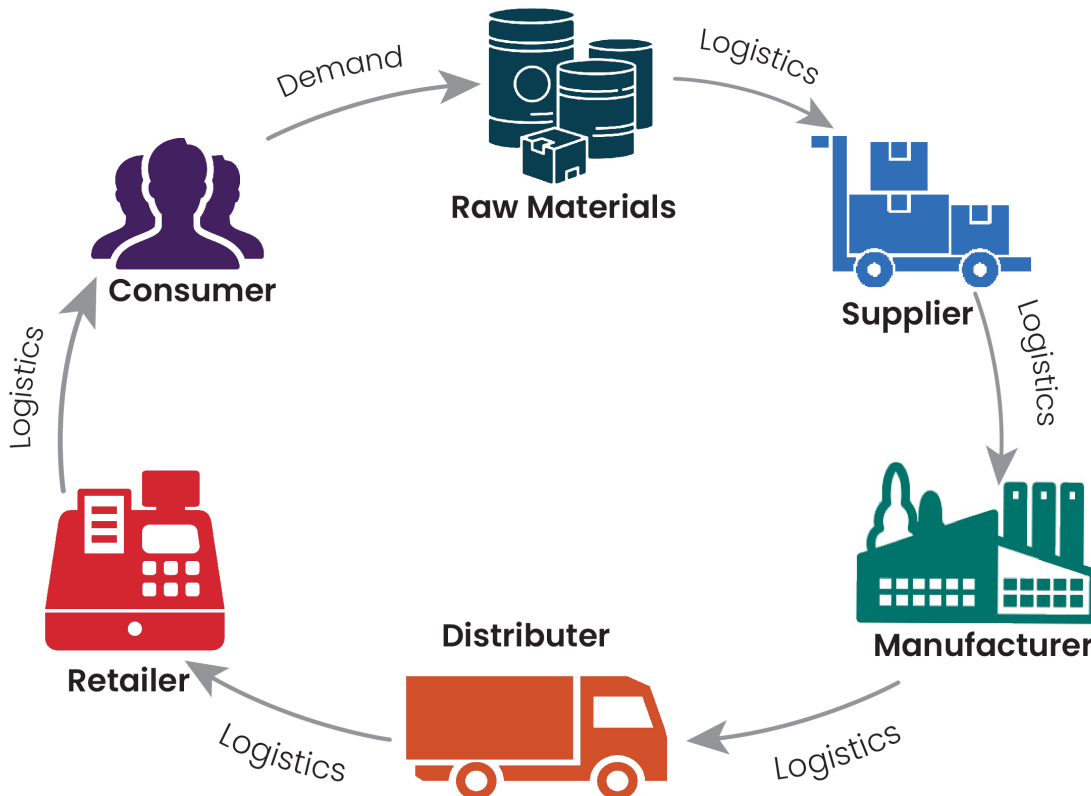


Attachment 6 - Supply Chain Analysis

As the global economy moves toward recovery from COVID-19, and as purchasing trends have moved significantly toward online purchasing and home delivery, along with continued increases in number and intensity of natural disasters, supply chains have been pushed beyond capacity.

In Yuba-Sutter, this has deeply affected agricultural production, a mainstay of the region, and led to shortages in other industries, not to mention retail, hospitality, and services. This issue is not unique to Yuba-Sutter.

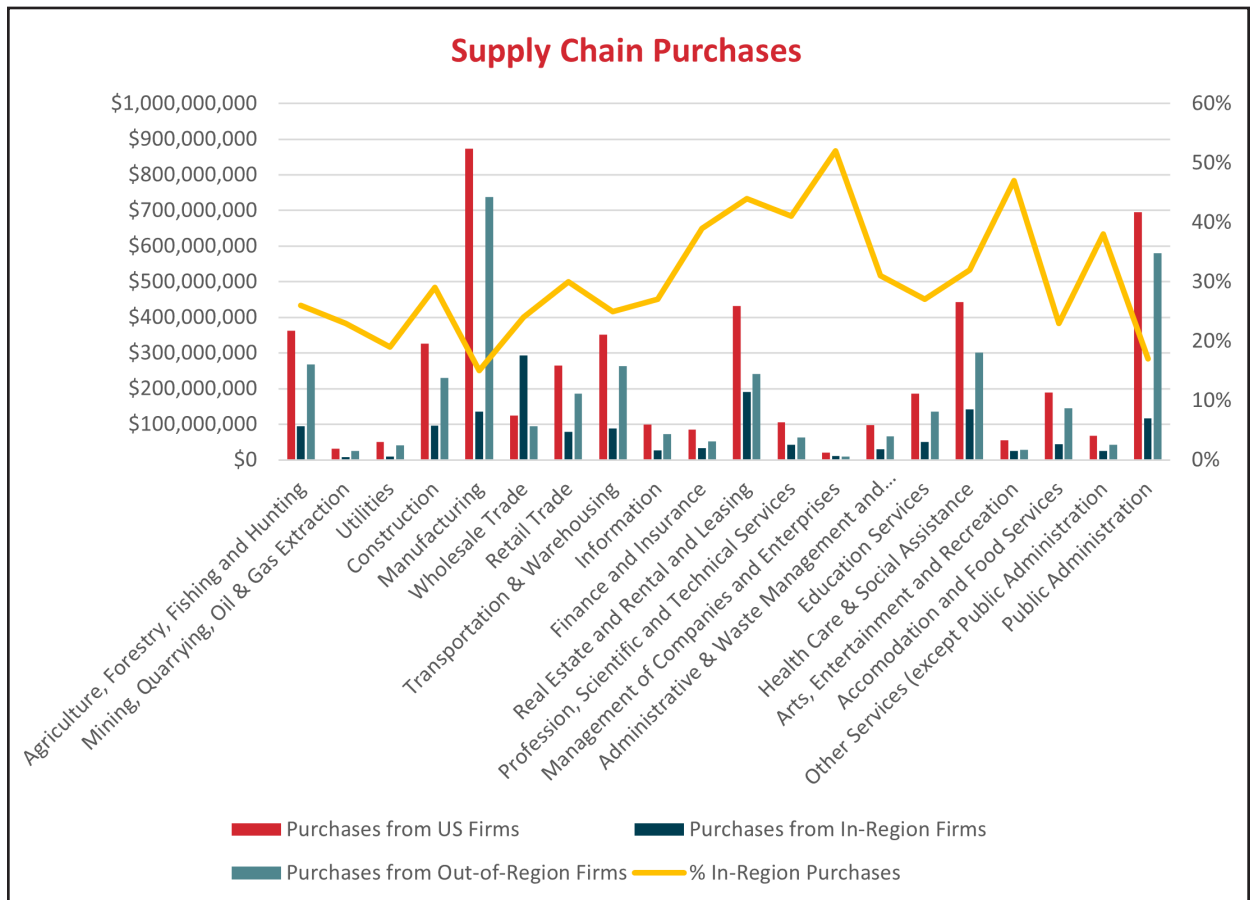
Worldwide, supply chains are stretched beyond their capacity, and supply chain resilience has become one of the top issues in the global economy. A search on Google for supply chain resilience 2021 yielded 54.7 million results. However, every country, state/province, and region are unique in how they are being affected, and how they can more effectively deal with this systemic issue. This analysis looks at the specific supply chain, logistics, and distribution challenges in Yuba-Sutter, and provides potential actions to address them.



Supply Chains are complex. There are multiple constituent groups, suppliers of either raw or finished materials, the organization that produces/assembles/sells the product, and customers. For each, four elements must be considered; inbound delivery, source, make, outbound delivery, plus the tricky component of returns.

The complexity of the system is a root element of the current crisis, along with substantial shifts in how people view work, generational issues, and enormous pent-up demand. Particularly acute are transportation bottlenecks, capacity of distribution channels such as ports, and ongoing struggles of companies moving from in-person sales to virtual shopping for retail and movement of materials for companies.

In October of 2021, the Yuba-Sutter Business Consortium conducted a business walk survey in Yuba City and Live Oak. 64% of the businesses indicated that they had been negatively impacted by the pandemic. Many of the issues most businesses faced, such as reduction of customers, business and employees, businesses generally had found new ways to respond and seemingly were on the road to recovery when the survey was conducted. However, when asked about the current challenges facing their operations, supply chain issues



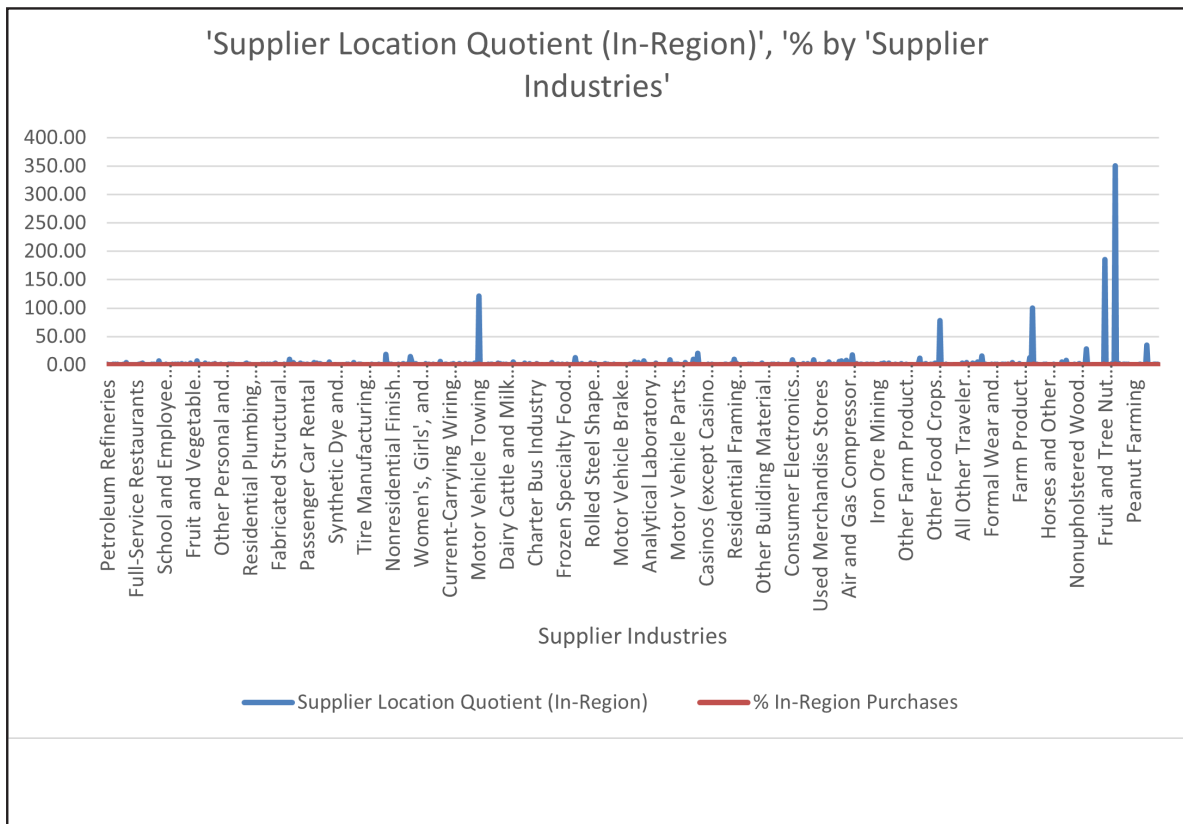
Source: JobsEQ

were one of the top items among the businesses. Accessing supplies and goods for consumers as well as for those that assemble products, the supply chain challenges facing the Yuba-Sutter region are more impactful given the propensity of smaller businesses within the region. Several businesses noted the increased prices in materials and supplies which exasperate the problem from both an operational and sales perspective. If the supply chain improves but does so with increased prices, a negative result may continue in the short term.

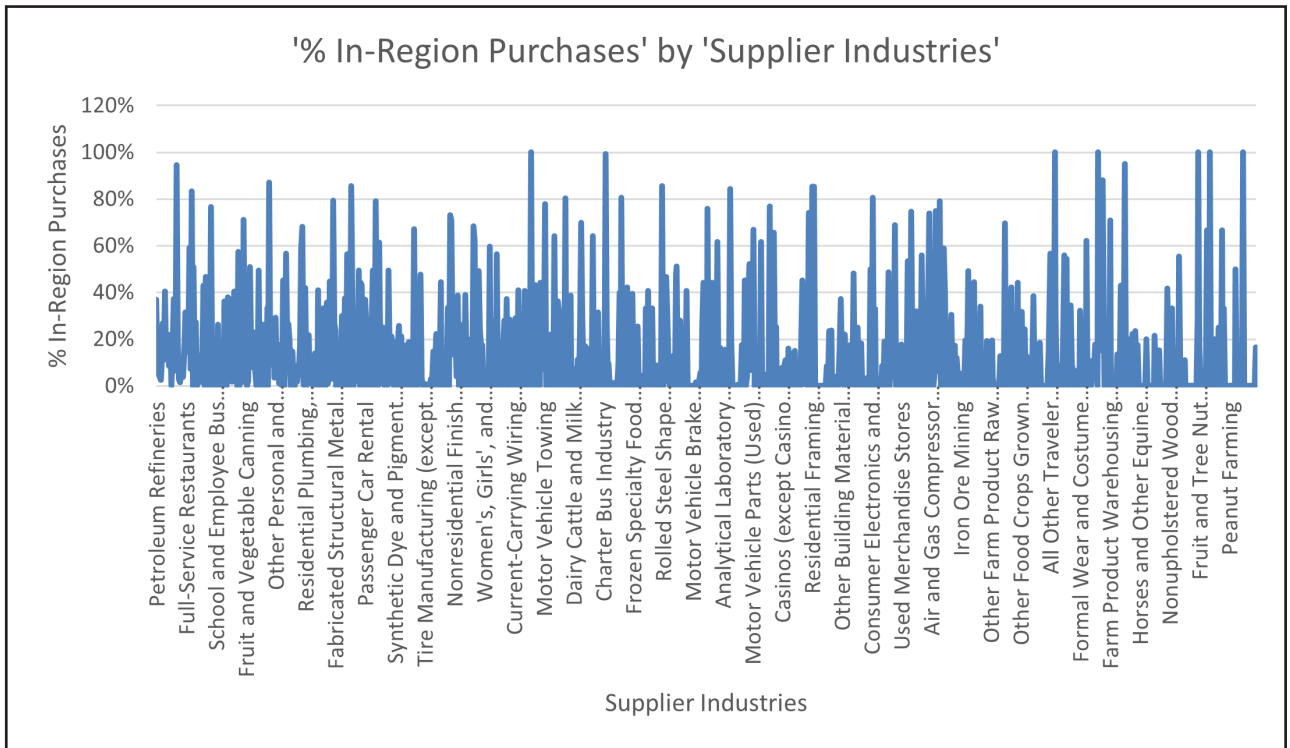
Supply Chain Dependencies

An analysis of supply chain gaps provided by YSEDC, found in the appendix reveals significant dependencies on outside providers of goods and services.

Particularly lacking, given the economic base, are both goods and services along with their average shortfall based on location quotients at the 6-digit NAICS level.: The following critical sectors, combining NAICS codes from the date provided within sectors, have a supply chain gap in a combination of number of firms and percentage of in region purchases. The location quotient (number of firms in the region compared to the national average in each location) of suppliers, and the percentage of in-region purchases by supplier industries. This is a clear indicator of gaps between what is being bought for resale within the region.



Particularly lacking, given the economic base, are both goods and services along with their average shortfall based on location quotients at the 6-digit NAICS level.: The following critical sectors, combining NAICS codes from the date provided within sectors, have a supply chain gap in a combination of number of firms and percentage of in region purchases. The location quotient (number of firms in the region compared to the national average in each location) of suppliers, and the percentage of in-region purchases by supplier industries. This a clear indicator of gaps between what is being bought for resale within the region.



The next chart shows the gap in percentage terms between in-region and outside purchases. These gaps represent both a challenge and an opportunity. Indeed, the challenge is also the source of opportunity. These gaps can be used as powerful reasons for companies in those sectors to locate in Yuba-Sutter. In business recruitment, there are few more compelling cases for firms to establish a new facility than a local customer base. These firms can also take advantage of being near a major city that could provide multiple opportunities beyond the base of business in Yuba-Sutter.

Collaboration for More Efficient Supply Chains

The challenges facing supply chains globally and, in the Yuba,-Sutter region are too large for many firms to face alone. The crisis has spurred a dramatic increase in collaboration among firms, even competitors, to address these issues. The Industrial Asset Management Council (IAMC) recently mentioned

this trend in its October 2021 email newsletter, stating:

“Rising fuel prices are pushing companies to share warehouses and transportation networks with competing firms, and the outcome can be good for both. An example now in the news involves the U.S. and Italian chocolatiers Hershey Company and Ferrero Group. The Hershey Co. entered an alliance with The Ferrero Group in North America through a joint warehousing, transportation, and distribution initiative. This alliance is part of Hershey’s ongoing efforts to improve supply chain efficiency. The arrangement is known as collaborative logistics, which is achieved when two or more companies form partnerships and/or work with value chain partners (customers, suppliers, carriers and increasingly competitors) to optimize transportation operations. This kind of business alliance has other positive aspects: it increases operational sustainability, reduces carbon footprint and cuts vehicular congestion in urban areas.”

In addition, collaboration between local, state, and federal transportation agencies and private logistics, distribution, and transportation representatives has proven to increase the effectiveness and resilience of supply chain transportation. Such an initiative was created in Louisiana after floods shut down the state’s entire commercial transportation system and caused significant disruptions to multiple supply chains. The mission of the Louisiana Supply Chain and Transportation Council is to provide primary and secondary research and analysis and advocate for investments to make the transportation and supply chain system more resilient and effective.

This effort has been recognized nationally and built widespread support for improvements to make the state’s transportation system more effective, and through a legislative resolution is now the official advisory group to the Louisiana Legislature. This model could be replicated at the regional level, focusing on eliminating bottleneck through both improvements to existing roads/bridges and new construction such as bypasses.

Using Data and Artificial Intelligence to increase Visibility and Develop Solutions

“Extreme weather events, changing geopolitical conditions, access to raw materials and environmental impacts all posed significant risks even before the pandemic. To build resilient and sustainable supply chains going forward, we must holistically account for all of these factors.”

Machine learning and artificial intelligence (ML and AI) are considered critical for both resilience and sustainability. In many supplies chain models, raw materials are eventually translated to waste. They also rely on fragile networks that can be crippled if one link in the chain falters. Using a circular economy approach, where waste is repurposed as inputs to alternative products, to both reduce

waste and increase output, both of which are critical in the current supply chain crisis.

Supply chains need access to comprehensive data to provide visibility and intelligence throughout the entire process from raw materials to finished goods. This includes three core processes:

- ▶ **Design:** Designing the supply chain network to include everything from all materials, ingredients, and components to packaging materials, to production processes, transportation modes and routes, and return processes is essential. Comprehensive visibility and data from many sources is critical, AI and ML can provide that visibility through providing comprehensive data from beginning to end.
- ▶ **Monitoring:** Companies must see far beyond their direct suppliers to fully understand and address challenges across their supplier networks. Track and trace requires a network of companies all sharing information. Blockchain can help provide secure, real-time connectivity and visibility throughout their supplier supply chains. See more on Blockchain in the next section of this report.
- ▶ **Execution:** Uniting data from many sources so that decisions can be made holistically and applying ML to data to enable faster and better actions. Data processing and interpretation are critical, and AI/ML algorithms can enable better monitoring of risk, sustainability, and reliability.

Achieving these objectives will require development of a digital supply chain, a duplicate of the physical supply chain, to help see and understand the underlying relationships in order to model and access changes and prepare for natural disasters or other disruptions. Once the digital twin is created, it can be simulated under different disruptions and hazards to see how different actions may minimize those disruptions and hazards.

A blockchain is a growing list of records, called blocks, which are linked together using cryptography. Each block contains a cryptographic hash of the previous block, a timestamp, and transaction data (generally represented as a Merkle tree). The timestamp proves that the transaction data existed when the block was published in order to get into its hash. As blocks each contain information about the block previous to it, they form a chain, with each additional block reinforcing the ones before it. Therefore, blockchains are resistant to modification of their data because once recorded, the data in any given block cannot be altered retroactively without altering all subsequent blocks.

This system provides trusted and secured data and can synchronize processes through agreement on rules by all parties, a system called Operational Interoperability. In Yuba-Sutter's situation, bringing Blockchain to critical industry supply chains can provide the visibility and accountability necessary to make

them more effective, more sustainable, and more resilient.

Recommendations

Based on the analysis, three recommendations should be implemented as a part of the overall Pandemic Recovery and Resilience action agenda:

- ▶ Update the dependency analysis and use that information to prepare a “pitch deck” for specific supplier companies to recruit them to the region. The pitch should include both opportunities within the region, plus additional potential opportunities in the Greater Sacramento MSA.
- ▶ Form a regional Supply Chain and Transportation Public-Private network. This network could either be limited to Yuba and Sutter counties, or with the lead of YSEDC, could include Greater Sacramento region. The Louisiana Supply Chain and Transportation Council can serve as a best practice blueprint, and Council leadership has agreed to provide advice and counsel if requested.
- ▶ Prepare an analysis of implementing AI, ML, and Blockchain in regional supply chains to provide more visibility, accountability, performance, and sustainability. Blockchain provides an opportunity to make supply chains transparent and accountable, which can provide advance insight into potential bottlenecks, disruptions, and interruptions for a variety of reasons.

These three actions alone will not solve the global supply chain crisis, but they may help the region better adapt to current, and future, supply chain disruptions. This, as a companion to efforts in closing current gaps, can position the region as a proactive, forward-thinking place to either expand or locate.



This page intentionally left blank



Hospital Utilization Analysis in Yuba and Sutter Counties

The primary hospital in the Yuba-Sutter region is Adventist Health + Rideout located in Marysville. Annually in October/November, hospitals in California report their prior year utilization to the California Office of Statewide Health Planning and Development. Based on the data, Adventist Health was over 100% utilization in 2020 in their licensed medical/surgical beds, perinatal beds and in their intensive care unit (ICU).

With the onset of the pandemic at the beginning of 2020, the usage data is not surprising. However, while it may be considered an outlier, comparing prior year data demonstrates there is a need for more hospital beds in the region.

In 2019, the hospital reported 73% utilization for medical/surgical, 99% for perinatal and 73% for ICU. However, the year prior 2018, the hospital reported 100% usage in all three categories. The data reporting parameters were different in 2017; however, the hospital reported 100% usage in both medical/surgical and ICU (note perinatal data was not reported in 2017 and number of beds for medical/surgical was lower).

Adventist Health		2020		2019		2018		2017	
	# Beds	Usage Days	% Usage	Usage Days	% Usage	Usage Days	% Usage	Usage Days	% Usage
Medical Surgical	179	65,514	100.3%	47,572	72.8%	65,335	100.0%	54,385	100%
Perinatal	12	4,392	100.3%	4,343	99.2%	4,380	100.0%	n/r	n/r
ICU	24	8,784	100.3%	6,380	72.8%	8,760	100.0%	8,760	100%
Newborn Nursery	40	2,196	15.0%	684	4.7%	2,190	15.0%	2,039	14%

Preventable Hospitalizations

Let's Get Healthy California has set a target rate of 727 preventable hospitalizations per 100,000 people. Preventable hospitalizations are medical conditions such as diabetes and hypertension for which healthy living, diet, exercise, and preventive medical care can reduce hospitalizations. The most recent data (2018) indicates that Yuba County has 1,693 per 100,000 and Sutter County has 1,424 per 100,000. While trends indicate that the region is reducing preventable hospitalizations from prior years, it is still well above the targeted goals. With the aging population, the increased need for hospitalization for other conditions are likely to continue.

Summary

The region is faced with a demonstrated need for increased health care facilities. Adventist Health's Blue Zone initiative can help the region achieve a dual goal, reducing hospitalizations by increasing community well-being, thereby lessening the pressure to increase hospital capacity.

Adventist Health Blue Zone Initiative

Adventist Health, a significant healthcare company in California, is the owner of the only medical center in Yuba and Sutter counties. As a part of its' pledge of corporate responsibility, Adventist contracted with a consulting firm that has developed a system to improve the health and well-being of residents. The system, termed Blue Zone, aims to encourage lifestyle changes and increasing health maintenance through a series of strategies focused on productivity and economic well-being. The initiative is outcome based, with measurement along five areas: 1. Social Cohesion, 2. Financial well-being, 3. Longevity, 4. Physical health, and 5. Community

Blue Zone is a transformational effort—focused on well-being, which is more than just health. It includes policies, places, and individuals, including life at home. The program, however, does not pursue longevity, as longevity is an outcome of all other components. The ultimate goal is to empower people everywhere to live a longer and more impactful life. This is accomplished through the "Power 9":

1. Move naturally throughout the day
2. Reduce stress-laugh more-and be mindful, especially when it comes to children
3. Move to plant-based diets, not necessarily vegan, but plant-based/vegetarian
4. Less isolation—more friends in the "life radius"—20 miles
5. Policies surrounding addiction to de-stigmatize and provide real help

6. Better spaces, better environments in which to eat, work, and play
7. Alignment of values between employers and employees and work friendships
8. Schools with better friendships and environments, peer-to-peer learning
9. Identifying a purpose-volunteerism in the community

Implementing the Blue Zone Power 9 and other elements is a 3–5-year process. Adventist local CEO, Rick Rawson confirmed the corporate commitment to fund and lead this process and emphasized two points; first that the community must own this, Adventist will support it but it will not succeed without community ownership, and that this is at its heart an economic development effort: and secondly health and well-being are two sides of the same coin, people who are healthy and happy are more productive.

There is also an active network of Blue Zone communities who share best practices and support each other. Yuba-Sutter will be invited to become active in the network. There is a certification process for people who commit to lead Blue Zone community efforts, and the region is committed to obtain certification. For YSEDC, this effort is another tool that can show prospective industry that the region is initiative-taking, forward-thinking, and is committed to helping its citizens be healthier, happier, and more productive.



Yuba-Sutter Region Pandemic & Disaster Economic Recovery and Resilience Plan

This report was prepared by the International Sustainable Resilience Center, Inc., a 501c3 nonprofit dedicated to increasing economic resilience in communities worldwide. ISRC brings expertise in disaster resilience and economic development together to help local and regional economies become more resistant to disasters of all types.

This report may be relied upon by Yuba-Sutter Economic Development District for the purpose set out in the scope of work for the EDA CARES Act Supplemental Award.



YUBA-SUTTER ECONOMIC DEVELOPMENT CORPORATION