

Economic Development Strategy

A strategy built on the principle of cultivating an economy, much like nurturing a garden. It focuses on preparing the foundational elements, strengthening infrastructure, supporting the workforce, and growing a customer base, as the soil where economic growth can take root. By fostering collaboration and addressing key challenges, the strategy tends the environment to ensure that businesses and communities can thrive, grow, and sustain themselves over time.

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Groveland/Big Oak Flat	Tuolumne City	
Jamestown	Twain Harte	
Sonora		



INTRODUCTION

Problem Statement

The County of Tuolumne faces fundamental challenges that impede economic growth and limit opportunities for businesses to thrive.

Theory of Change

By following a strategy that addresses these foundational challenges, we can create an environment that supports business initiatives, accelerates economic development, and fosters sustained growth for the County of Tuolumne.

Overall Goal

- Engage the Community: To develop a strategy which incorporates input, priorities, and partnerships from across the community to ensure it reflects local needs and aspirations.
- Create a Thriving Business Environment: Establish an "Economic Gardening" approach to foster
 a supportive, healthy environment that attracts and retains businesses, creates jobs, and
 promotes sustainable economic growth.
- Provide a Clear Vision and Direction: Outlines a unified vision and actionable path forward to guide economic development efforts effectively.
- Addresses Foundational Barriers: Identifies and present solutions to fundamental challenges that hinder economic projects and slow progress.
- **Focus Existing Efforts:** Aligns and amplifies current initiatives throughout the county to maximize impact and efficiency.
- Leverage Data-Driven Policy: Use reliable data and analysis to inform decision-making and ensure the strategy delivers measurable, long-term results.



WHY HAVE A STRATEGY?

Having a strategy is essential for guiding Tuolumne County's economic development efforts effectively. It provides a structured framework for identifying opportunities, addressing challenges, and monitoring progress. Rather than relying on piecemeal or reactive approaches, a strategy enables concerted, focused action, ensuring all initiatives align with a unified vision for growth and improvement. This alignment helps bring together stakeholders—including government, businesses, and residents—around common goals, maximizing the impact of resources and investments. It also allows for a clear discussion of ongoing efforts in the community, highlighting progress and building momentum.

A successful strategy avoids being created in isolation; instead, it draws on the knowledge and experience of those deeply involved in the community. By engaging with residents, business leaders, and local organizations, the plan begins from the ground up rather than being imposed top-down. This inclusive approach ensures the strategy reflects the unique needs and aspirations of the community.

The development process also provides an opportunity to communicate openly with the public about the economic challenges the county faces and foster dialogue about potential solutions. Community meetings held across Tuolumne County are a critical part of this engagement, encouraging collaboration among public-sector entities, private businesses, nonprofits, and educational institutions. These efforts build trust and accountability while fostering partnerships that can drive implementation.

A robust strategy emphasizes the wide-ranging benefits of incremental improvements, recognizing that many small steps can collectively lead to significant economic development. It also encourages champions within the community who can take ownership of action items and drive progress forward.

Through these efforts, the strategy lays the foundation for a more vibrant, sustainable, and inclusive economic future for Tuolumne County.



NARRATIVE

Problem Identified

Economic development strategies often focus on a few large projects, which, while capable of generating income and tax revenue, fail to address the foundational needs of the community. Many traditional approaches prioritize attracting specific industries rather than understanding and resolving the underlying challenges that deter businesses from coming to or thriving in the area. This tendency to aim for large-scale, high-profile "money makers" can overshadow the more critical task of addressing systemic issues that impact the broader economic landscape.

Without a cohesive strategy, economic development efforts can become fragmented, relying on piecemeal solutions that serve as temporary fixes rather than addressing root causes. These efforts often lack a focused, comprehensive approach, leading to improvements that benefit some sectors or areas but fail to create a lasting, holistic impact on the community. Furthermore, when such efforts are undertaken in isolation—without input or alignment with community needs and concerns—they risk being perceived as rushed, poorly conceived, or even unwanted, further undermining their effectiveness.

Tuolumne County faces fundamental challenges that impede economic growth and limit opportunities for businesses to succeed. A thriving economy relies on a variety of interconnected elements, all of which suffer when the basic conditions for economic health are lacking. These basics include adequate revenue or capital, a robust customer base that leverages the area's potential market, and an environment that is attractive and conducive to business operations. This includes factors like ease of doing business, future growth opportunities, and a workforce that can live and endure in the area. Finally, a supportive community is essential to drive and sustain the changes needed to create a vibrant economic environment. Addressing these interconnected challenges is critical for fostering long-term economic growth and resilience in Tuolumne County.



Opportunity

A number of foundational issues have been identified as barriers to economic growth in Tuolumne County. These include a lack of housing which is obtainable in order to support a stable workforce, insufficient childcare options, and inadequate infrastructure such as water, sewer, power, road conditions, and internet to accommodate future construction or expansion. Additionally, the absence of vibrant town centers limits opportunities to encourage commerce, particularly in one of the region's largest industries—tourism. Another critical challenge is fostering a community that trusts and understands the necessity of economic improvements and the efforts being made to achieve them.

To address these challenges, the Tuolumne County Executive Team conducted a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis to assess the assets available and identify the obstacles that must be overcome to improve the overall economic environment. The insights gathered through the SWOT analysis are presented in the methodology and data section.

Community engagement played a vital role in this process. Meetings were held in seven communities across the county, starting with focus groups comprised of individuals heavily involved in local activities, followed by broader community-wide meetings. These sessions provided valuable input and a clearer understanding of community perspectives, which helped shape the development that aligns with the expectations and needs of residents.

Key questions guided the strategy's formation: Why would a business choose to come to and stay in Tuolumne County? How can we make it easier for businesses to thrive here and ensure it makes financial sense? What can be done to simplify the building process and make the area more attractive for development? How can the workforce be supported to live and thrive in the area? Finally, how can we garner community support for these efforts? With these questions in mind and the insights from the SWOT analysis and community meetings, the strategy aims to create a robust framework to overcome existing challenges and drive sustainable economic growth.



Solution

Tuolumne County's economic development strategy focuses on addressing foundational challenges that have long hindered sustainable growth. Recognizing that substantial progress cannot be achieved without first resolving these underlying issues, the proposed approach looks to increase customer base and revenue, develop a more attractive area for both residents and business, support construction, workforce support, and community engagement. Moreover, the strategy emphasizes the importance of aligning these efforts with the needs and concerns of the local population to ensure both effectiveness and community support.

A central concept of this strategy is fostering economic resilience by reinforcing the elements that underpin economic activity. This includes leveraging "value capture" as a key financial mechanism. Value capture refers to a set of strategies that enable the county to generate revenue by capitalizing on the economic benefits of public investments. By recapturing the increased property values and economic activity resulting from these investments, Tuolumne County can fund future growth and create a self-sustaining cycle of development.

The strategy comprises five priorities:

- 1. **Town Center Rejuvenation:** Revitalizing town centers to increase the customer base and tax revenue, attract workforce talent, and make the county more appealing to businesses. Town centers serve as economic and social hubs, providing a foundation to grow from and vibrant community life.
- 2. **Housing:** Expanding housing options to ensure the local workforce has access to residences that are financially feasible. This initiative supports local builders and fosters healthy communities.
- 3. **Childcare:** Increasing access to affordable childcare to enable more residents, including lower-income families, to participate in the workforce. This addresses a key barrier to employment and strengthens the local economy by supporting working families.
- 4. **Infrastructure:** Enhancing critical infrastructure, including water, sewer, power, roads, and internet, to enable construction and support new and existing businesses. These improvements are essential for both residential and commercial growth.
- 5. **Messaging:** Educating the public about the importance of these initiatives, gaining support for necessary changes, and actively engaging residents in the county's economic development efforts. Effective communication fosters trust, collaboration, and a shared vision for the future.



METHODOLOGY

The development of Tuolumne County's Economic Development Strategy was guided by a philosophy centered on community-led, ground-up economic development. Recognizing the importance of addressing the unique history and challenges faced by the county, the approach deliberately avoided a top-down methodology where decisions and initiatives are made without direct community input. Instead, the strategy was shaped by the voices, needs, and perspectives of the residents and businesses, ensuring alignment with local realities and fostering trust in the process.

This inclusive approach was also seen as an opportunity to bring the community on board with the initiative, building support for the strategy and its implementation. To achieve this, two key methods were employed:

- The Economic Development Executive Team: This group provided oversight and guidance from many different groups, leveraging its knowledge and experience to inform the strategy.
- Community Meetings: Meetings were held throughout the county to engage with residents, listen to their concerns, and gather insights into their priorities and perspectives.

Together, these methods worked to develop a strategy that was both informed by local expertise and rooted in the lived experiences of the community, creating a plan that is not only actionable but also widely supported and reflective of Tuolumne County's unique identity and needs.



Economic Development Executive Team

Mission Statement

"We identify opportunities and constraints, foster, and advocate for local economic development through a shared community vision."

The Economic Development Executive Team was established to bring together a diverse group of individuals with varying perspectives and expertise to guide the development of Tuolumne County's Economic Development Strategy. The team met on average twice a month, ensuring a consistent and collaborative approach to addressing the county's economic challenges. Members were invited from a wide array of sectors and industries, including chambers of commerce, business associations, finance, tribal governments, tourism, childcare, workforce development, advocacy groups, state, county, and city government, transportation, building and realty, and education. This broad representation ensured that discussions were informed by the unique needs and insights of different stakeholders.

Methods Used

SWOT Analysis: The team conducted a comprehensive SWOT analysis to evaluate Tuolumne County's strengths, weaknesses, opportunities, and threats. This process allowed the team to identify key assets, such as tourism and natural resources, while also acknowledging challenges like inadequate infrastructure and limited housing which is obtainable. By examining these, the team developed a clear understanding of the county's economic landscape. This analysis provided a starting point for discussions considering our county's unique position.



See **Addendum A** for the SWOT Analysis.

Asking the "Whys": Central to the team's discussions was the practice of asking "Why." By focusing on the root causes of challenges rather than merely addressing symptoms, the team aimed to understand the foundational issues underlying economic barriers. Questions such as



"Why does the barrier exist?" and "Why do people have a certain perception?" provided a structured way to identify actionable solutions grounded in reality.

Action Item Workflow: To formalize the process of developing solutions, the team utilized the Action Item Workflow, which began with clearly defining a problem statement. This was followed by identifying the causes and reasons behind the problem, proposing possible action items, and examining the assumptions tied to these actions, and finally identifying the "levers" that could be used to achieve meaningful change, ensuring that proposed solutions were both targeted and effective.



See **Addendum B** for the Action Item Workflow Template.

Guest Speakers: Guest speakers were regularly invited to share insights on specific topics, such as utilities (including water, sewer, broadband, and energy), state agencies like the California Office of the Small Business Advocate (Go-Biz), and childcare. These presentations provided the team with expert knowledge and broader context, further informing their discussions and recommendations.



Community Meetings

The community meetings were designed to gain a deeper understanding of each community's unique history, characteristics, challenges, and aspirations for the future. These meetings provided a platform for residents and business owners to share their perspectives and contribute to shaping a collective vision for economic development.

Methods Used

For each area, the process began with a focus group composed of individuals deeply involved in community activities. This group provided valuable insights, which were summarized in a draft document capturing the key themes and discussions. Following this, a community-wide meeting was held, open to all, where attendees could provide feedback on the draft or share additional ideas.

During the meetings, participants were asked key questions, including:

- What are the characteristics and values of this community?
- What is your vision for the future of this community?
- What are the challenges to your community's progress?
- What are the needs?
- What is already happening in the community?
- What do you believe will make your vision a reality?

The finalized documents, titled "Local Perspective on Economic Development", served as a record of each community's input and played a critical role in informing the overall economic development strategy. This collaborative process ensured the strategy was rooted in the diverse voices and priorities of Tuolumne County's communities.



See **Addendum C** for each community's "Local Perspective on Economic Development".