

PLUMAS COUNTY BUSINESS & ECONOMIC REPORT

Event Economics

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The bottom line is we would all love to have a big name come to our county to perform, but the economics, for the fairgrounds, doesn't work out. But it can in other circumstances.

The High Sierra Music Festival is an example of what can occur in Plumas County. Just so you know, we have no information as to the business of the Music Festival, but we can certainly draw some conclusions. First and foremost, it is possible to bring in over 10,000 people to Plumas County. It may be inconvenient for a few days for locals, but there is space and infrastructure to accommodate an event that size. Make no mistake, it is the professionalism of the promoters that make that a reality; planning, security, communications, scheduling, sanitation, safety and permitting make the High Sierra Music Festival one of the better run festivals in the country. They have invested in and assembled a staff that knows every aspect of the operation and come back year after year. These points are emphasized to show that it's not just about getting a bunch of people to our county, it's about managing them while they are here for their safety, the local's safety and like any business, create a good reputation to bring customers back every year.

It is well to still point out the obvious; the vast majority of these attendees are not local. The High Sierra Music Festival has an excellent reputation, markets year round across the entire West Coast and has resources

specifically to sell tickets. With all this in place, it's good to know that major events can be held here and people will attend.

Does that mean it makes business sense to have this kind of event? We don't know. We have to assume it has been worth it for many years, but things change. Costs for port-a-potties, insurance, security, and advertising have gone up. Just like any business, event organizers have to constantly assess their

business plans. There has been information released by the festival that they are facing some of these challenges. What does that mean? Like every other business in America, they are probably looking at different ways to do business while still retaining the equity of goodwill they have built up over decades. How about us? What does the Festival mean to us economically speaking?

Obviously, this festival and the annual fair are the biggest special events in Plumas County. The one thing they have in common is the Plumas Sierra County Fairgrounds. For many of us who have grown up in the County, we tend to have a more familial relationship with the fairgrounds. It's where we rode the Zipper for the first time, attended a football game or experienced a first date. We love to play up those emotions when talking about the fairgrounds, but make no mistake, these 62 acres in the center of the Sierra Nevada are an economic powerhouse with a disproportionate impact on our community compared to other fairgrounds. By this we mean, in other communities, their fairgrounds may be one a dozen facilities that can host weddings, memorials, gun shows, dinners and even festivals. In Plumas County, there is nothing comparable to the camping infrastructure, sanitation infrastructure, parking, buildings, multi use facilities that you will find at the fairgrounds. It is for that reason that we are uniquely prepared for anything from a music festival, to a fire camp, to a county fair.

And when these things happen, it absolutely impacts the local economy. About 13 years ago, the California Department of Food and Agriculture assembled an economic impact report of California Fairs, including specific information about the Plumas Sierra County Fair. According to CDFA research, the Plumas Sierra County Fair generates approximately \$6,450,000 in spending activity alone in 2009 and created the equivalent of 79 jobs. In larger markets, these sorts of numbers are a bit more vague as to their impact as opposed to small markets like ours. We know there are not 79 people working in our area just because of the fair. But, what's important is the amount of money being generated, whether it creates jobs or helps pay for a utility bill; it's money being generated that might not be here if there wasn't the fair and other events at the fairgrounds.

Tax revenue is another story to tell; in 2009, the fairgrounds generated an estimated \$95,500 in sales tax, TOT, possessory interest taxes and other fees. That is all plus money to the County since over the past 5 years, the Fairgrounds has generated enough revenue on its own and has not received any general fund money from the County. With oversight and encouragement from Plumas County, other events throughout our county could do the same.

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PLUMAS COUNTY BUSINESS & ECONOMIC REPORT

The Plumas County CEDS...and how it can be used.

Clint Koble-Business Advisor/Sierra SBDC

At first look, the Plumas County CEDS looks like a complicated 83-page document full of graphs, data, narratives, project identification, and much more. How can we make this intricate document work for us?

To begin, The CEDS (Comprehensive Economic Development Strategy) is a research driven, data rich, implementation focused, strategy driven plan for regional economic development. It is a reference, guide, strategy, priority outline, and resource that can be used by many entities in Plumas County for planning, capacity enhancement, infrastructure goals, and grant writing. It gives Plumas County, the City of Portola, and County non-profits the formal recognition and requirements to advocate their goals for the next 5 years through 2027. It is also a living document that will be constantly updated.

Why create a CEDS? To identify and prioritize economic development opportunities.

What are the priorities of the EDA (Economic Development Administration), the Agency that oversees a CEDS and Economic Development Districts?

- Equity Recovery and Resilience Workforce Development
- Manufacturing (production-based industries) Technology-based
- Environmentally Sustainable Development Export & Foreign Investment
- Grants that pursue these priorities will be in a better position for approval. The Indian Valley Innovation HUB's mission, for example, focuses on exports by Plumas County product makers.

What forms of capital does a CEDS aim to increase for its goals:

- Human Capital: Develop an inclusive and equitable workforce.
- Economic Capital: Catalyze economic diversification (See PC Project List)
- Social Capital: Create vibrant, healthy, and resilient communities.
- Natural Capital: Build community resilience through climate adaptation and mitigation efforts.

What Plumas County Profile Data does the CEDS include?

- Age Population Education Age Distribution
- Median Age Per Capita Income Median Home Value Race Distribution
- Poverty Rates Workforce Data by Industries

Employment Trends Unemployment Rates Wage Trends Cost of Living Index

- This data can be used by grant applicants!

What Projects does the CEDS prioritize in Plumas County?

Currently 26 projects that have potential impact across the County. More can be added, and a status report on these projects is taken every quarter for improvement. For example, the Chester Town Center Project is prioritized for advancement.

What are Plumas County's Pain Points? (Ugh! Do we have to cover this??)

- Lack of Diverse Employment Opportunities.
- Declining Population Base. We need to change this!!!
- Housing Shortage and Insurance Issues. Does the CA Fair Plan ring a bell?
- Exposure to Climate Change. How can we adapt and become resilient?
- State and County Budget Challenges. There may be Downstream Impacts!

What are Plumas County's 21 Main Industries listed in the CEDS?

- Agriculture/Forestry Mining Utilities Construction
- Manufacturing Wholesale Trade Retail Trade Information
- Transportation and Warehousing Finance and Insurance
- Real Estate and Rental and Leasing Professional, Scientific and Technical Services Management of Companies and Enterprises Administrative and Support and Waste Management and Remediation Services Educational Services
- Health Care and Social Assistance Arts, Entertainment, and Recreation
- Accommodation and Food Services Other Services (Except Public Administration) Public Administration Unclassified
- The CEDS provides the data of total workers in Plumas County by Industry (Great information for planning and grant writing)
- Unfortunately, the 4th quarter of 2023 saw a negative number (We've got work to do!)

Where are Plumas County's Opportunities?

- In its talented and committed people Emerging CBOs (Community Based Organizations): Sierra Institute, Indian Valley Innovation HUB

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CEDS Explained

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Chambers

- Foundations Other Non-profits World-class Recreation Destination (Connected Communities Program by the Sierra Buttes Trail Stewardship)
- Feather River College Relatively good cost of living Strong Entrepreneurial Sector

What are the CEDS Focus Areas?

Strengths and Opportunities to Leverage: Small Business Support Broadband Expansion Outdoor Recreation Nature-based Solutions

Risks to Mitigate or Manage: Need for Affordable Housing Curation of living-wage jobs Wildfire Threats and Disaster Planning Insurance Costs and Availability

Whether the CEDS sits on a shelf or not, there are many benefits to many entities in Plumas County:

- The CEDS opens the door for grant eligibility from more federal agencies.
- The State of CA is increasingly requiring a CEDS for some of its grants.
- Non-profits can use and refer to the CEDS in their grant applications.
- Projects listed in the CEDS may score higher in grant applications.
- The CEDS has a tremendous source of data and profiles that grant writers can use.
- The CEDS identifies the SWOT Analysis for Plumas County – see complete CEDS document.
- Plumas County is taking a more aggressive approach to writing grants for recovery and economic development purposes. The CEDS comes at a great time for these objectives, and it boosts Plumas County's efforts.
- As mentioned previously, the CEDS can greatly help planning and grant-writing efforts across Plumas County.
- It will enhance more collaboration in regional economic development.

If you want the complete CEDS for review, please contact Clint Koble:
Advisor: Sierra Small Business Development Center:
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**SMALL
BUSINESS
DEVELOPMENT
CENTER**

SIERRA

June Fictitious Name Report

Fictitious names need to be registered with the Plumas County Clerk-Recorder, allowing the filer to conduct business under that name. After the initial filing, the name must be re-registered after 5 years and/or if there is a substantial change of facts relating to the name, i.e.; ownership, address, etc.. These names reflect filings for any reason in the past calendar month.

District 1

Blue Door Cafe - New Filing
Panda Pest Management - New Filing
Lena's Cantina - Re-File

District 2

Yuba Expeditions - Re-File

District 3

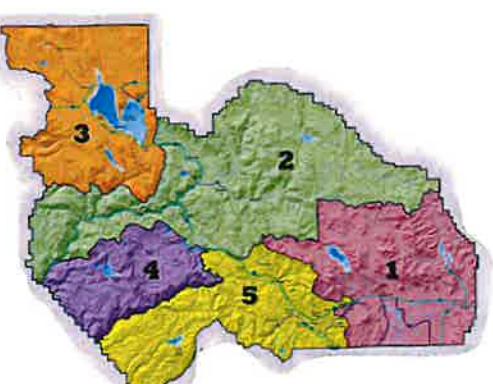
Chef Robert's Taco Bar(Plus Plus) - New Filing
Latitude 40 - New Filing
R&S Cabin "N" Lot Clean Up - Re-File
Sophia Lorraine Artwork - New Filing
Ponderosa Consulting - Re-File
DB Land and Lift - New Filing
Ayoob's Intermountain Hardware - Re-File
Ayoob's Intermountain Power Equipment - Re-File
Chester Paint Center - Re-File
Ayoob's Intermountain Paint Centers - Re-File
IMREM - Re-File
Intermountain Realty - Re-File
Almanor Center for Well Being - New Filing

District 4

A L'Orange - New Filing
Quincy Paint Center - Re-File

District 5

Nana Pearl's Salsa - New Filing
American Valley Animal Hospital - Re-File
Quincy Grocery Outlet - New Filing
Wild Hare Sign Co. - Re-File
Sierra Destination Realty, Inc. - Re-File
My French Affaire - Re-File



PLUMAS

NEW BUSINESSES ★ WILDFIRE ECONOMIC RECOVERY ★ BUSINESS RESOURCES ★ EVENTS ★ OPPORTUNITIES ★ STATISTICS & DATA

BUSINESS & ECONOMIC

JULY 2, 2024

★ REPORT ★

7th EDITION

The Economy of Events

John Steffanic-Plumas Sierra County Fair Manager

The primary function of this bi-monthly newsletter is to seek out and share hard data related to our economy in Plumas County. Many decisions and extensive planning is often based on opinions that are based on....well, opinions. However, without proper data, that's all we are left with; opinions based on personal experience, personal perspectives, favoritism, prejudice, wants and desires.

A perfect example is big name entertainment at the annual Fair. I would wager an overwhelming portion of the population in our county would love to see a major star come and perform. A couple of the most common reasons given to justify this kind of entertainment are: if we got someone really good, we would sell out the grandstand and we used to have big name entertainment all the time. These reasons are usually expressed with complete confidence and sometimes, a bit of irritation that we don't do it already. If only they had the data, they might not be so confident or irritated.

I will share the data in a moment, but to save some time, I want to point out that this exercise is no different as it pertains to every business in Plumas County. You can't let wants and desires drive decisions that can and most probably will run you out of business. There is a reason we don't have a McDonalds in Plumas County. There is a reason we have several Dollar Generals. Each of those businesses use nothing but data to drive their decisions; they know how many people live within a certain distance from their businesses. They know what the average income is of those people, and how many of them are employed, and how many kids are in their families, and how often they eat out or visit a variety store. They have the resources to gather that information, and that's what the Plumas Business and Economic Report aspires to do.

Back to the entertainment at the fair. Most people don't really know how much money it takes to put on a concert or some of the considerations involved. Here are a couple; to bring a top act that is already touring, it's a safe bet their fee will be in the 6 figure range. Then, the promoter(the Fair) is required to provide a stage, sound and lighting that are up to the requirements of the act. This could easily push \$200,000. If your sights were set

on a more modest performer, say a 1990's country act that brings a decent level of recognition, they could range in the \$40,000 to \$50,000 range and their stage, sound and lighting requirements are more realistic, but could still be in the area of \$10,000 to \$15,000. Some of those number may be eye popping, but if you could sell enough tickets, who cares how much it costs?

The Grandstands at the Fairgrounds seats around 3000, maybe more if you had "festival seating", which means people standing in front of the stage. Tickets for someone like Wade Hayes, in a major city, can run around \$200. For smaller venues, the can be as low as \$30 to \$40. Right off the bat, we can see that IF we sold out and grossed \$120,000 (let's figure on \$40 tickets), we would be coming up short as much as \$60,000. If we were able to hire a more reasonably priced act as described above, with a more appropriate priced ticket of \$25, a sell out would yield a gross of \$75,000. There is an opportunity for a little profit there.

Just like a regular business, it's now time to do some gut checking. Use some common sense. Find out some history. Ask some questions. If we invest all our money into this business/concert, will the best case scenario described above happen?

On the busiest days of the Fair, we might have around 2500 people in attendance. If we have our concert, would all 2500 of those people go into the Grandstands, as well as another 500 people? Or some other combination? With the name recognition of a well known act, would people travel to Plumas County to see them? Or would they go to a bigger city where the group may be performing with another well known band, and they could stay in one of the plentiful motel rooms?

History reveals that in the past 15 years the biggest Grandstand event was the rodeo in the grandstands with 780 in attendance. (\$20 per person = \$15,600/Cost of rodeo=\$19,300) History also reveals that even when Reba, Alabama, Johnny Cash and other great stars of the time performed at our fairgrounds, there was never a sell-out. There might have been many more people willing to go, but these acts were priced very reasonably in the era before Garth Brooks.

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