



Introduction

In June 2025, the Economic Development Division met with stakeholders to advance projects developed from industry sector meetings, provided technical assistance to local businesses, held the bi-monthly Sonoma Mendocino Economic Development District (SMEDD) Board meeting, and prepared for the next *Economic Development by Industry* sector meeting. Visit the [Economic Development Division](#) page for more details.

Economic Development by Industry: Upcoming Sector Meetings

Division staff are hosting a series of meetings by industry sector to foster collaboration and create actionable goals for economic sustainability and growth. Four meetings have been held, and industry priorities have been identified. Upcoming meetings for the remainder of the calendar year are as follows:

- Mid-September - Forest Health and Biomass Utilization- Details TBA
- Early November - Arts and Tourism – Details TBA

Economic Development by Industry: Sector Projects

Sector projects have been developed as outcomes of the completed *Economic Development by Industry* meetings. Each project is based on the feedback and input from the public sector meetings. Division staff are working with other County departments, and community partners to move each project forward. Below is a list of current projects. The attached appendix contains more detail for each project.

Agriculture – (Meeting held 7/17/2025)

- Due to the timing of reporting, projects will be included in the next CEO Report

Behavioral Health – (Meeting held 3/3/2025)

- Mendocino College Behavioral Health Internships
- Stipend Structure for County Internships

Cannabis – (Meeting held 3/27/2025)

- Collaborative Marketing w/Tourism, Wine, Arts and Heritage

- Co-Operative Regional Branding
- Appellations
- Microbusiness License Code Updates
- Explore Feasibility for inclusion in the Business Improvement District

Construction and Home Hardening – (Meeting held 5/21/2025)

- Collaboration with Mendocino Fire Safe Council, North Coast Builders Exchange and Mendocino County Office of Education for student education and work experience in home hardening through existing training programs
- Workshop or training for Contractors and construction students
- Support creation of informational or instructional materials, videos and resources in one place for professionals; support distribution of materials through local building departments

Please see attached “Economic Development by Sector Projects” for a more detailed update.

CDBG PI Microenterprise Technical Assistance Grant

The CDBG PI Microenterprise Technical Assistance Grant (\$407,385) has been awarded as of 4/30/2025 and will provide in-house technical support to micro-enterprises. The main objective is to help micro-enterprises overcome the various barriers, especially those related to government regulations, permits, licenses, and other intersections of business and government. Staff are working on a program manual for the program and targeting the Board of Supervisors’ approval at the **September 9th, 2025**, meeting. The program manual is essential for ensuring consistency and compliance by outlining procedures, roles, and regulatory requirements. It also supports transparency, accountability, and effective program implementation throughout the grant’s duration.

Sonoma Economic Development District (SMEDD)

The Sonoma Mendocino Economic Development District is an Economic Development District formed as a Joint Powers Agreement (JPA) with Sonoma County in 2016. It is recognized by the Economic Development Administration (EDA) as an Economic Development District and is responsible for maintaining the Comprehensive Economic Development Strategy (CEDS) for the region. The SMEDD Board of Directors has nine seats: four from each county and one at large. The current Mendocino County Board Members are Tim Karas, Paul Garza, and Craig Schlatter. Anna Shaw was serving on the board, and has recently resigned, leaving an empty seat.

SMEDD held a special board meeting on Friday, June 27th, 2025. An important agenda item was the **Strategic Assessment of SMEDD in Relation to Statewide Regional Planning Efforts**. The purpose of this item was to discuss pivoting regional economic development efforts to align closer with the State’s regional collaboratives by dissolving the SMEDD.

In 2022, the Governor’s Office of Business and Economic Development (GO-Biz) launched the **California Jobs First Initiative** to create bottom-up regional economic development strategies across 13 regional collaboratives. Mendocino County is in the Redwood Region; Sonoma County is in the Bay Area Region. All 13 regional strategies have been approved as CEDS by the EDA, providing local applicants eligibility for EDA funding without the administrative burden of maintaining SMEDD.

However, the long-term sustainability of the California Jobs First regions' CEDS is uncertain, as funding for five-year updates is not guaranteed.

The board discussed whether to direct the District Managers to continue assessing the feasibility and implications of dissolving the Sonoma Mendocino Economic Development District (SMEDD). As an outcome of this item, staff have been directed to:

- Create an analysis of the benefits and drawbacks to dissolving versus keeping the SMEDD.
- Identify the biggest strength of SMEDD – what area could it champion.
- Conduct outreach to cities in both counties to gauge interest in joining the SMEDD.
- Gauge interest from board members in being engaged as a working board versus hiring consultants for all projects.

Any formal recommendations from the District Managers regarding SMEDD's dissolution will be presented to the Boards of Supervisors in both Sonoma and Mendocino Counties. Recommendations will include a proposed pathway for continued regional collaboration.

Round Valley Skatepark Feasibility

In June, division staff met with external stakeholders and internal County departments to explore the feasibility of building a skatepark in Covelo, on property currently leased by the Lions Club. The County is exploring the process of transferring ownership of the property to the Lions Club or another entity that can assume ownership and facilitate construction of a skate park and other recreational amenities.

Environmental Protection Agency (EPA) Grant Applications Status

Submitted Fall of 2024 – Pending Award Announcements – The **EPA Recreation Economy for Rural Communities (RERC)** Grant Program would provide technical assistance from the EPA to support planning efforts that bring community members together to develop an outdoor recreation-based economic growth strategy for Laytonville, Covelo, and Leggett/Piercy. Award announcements are expected **mid to late July 2025**.

Small Business Technical Assistance

Division staff continue to manage the Micro-Enterprise Technical Assistance Grant contracted to WEST Business Development Center, as well as providing in-house technical assistance to local businesses. During the previous quarter, eight hours of technical assistance was provided to six unique clients.

ECONOMIC DEVELOPMENT BY SECTOR PROJECTS

MEETING DATE	SECTOR	SECTOR IDENTIFIED ISSUE OR OPPORTUNITY	PROJECT	LEAD ORGANIZATION	ECON DEV ROLE	ESTIMATED TIMELINE	UPDATES	STATUS	TARGETED OUTCOMES
March 3rd 2025	Behavioral Health	Difficulty recruiting and retaining BH workers at all levels	Mendocino College BH Internships	Econ Dev Division, Mendocino College	Lead	Fall 2025	Mendocino College has been connect to Dr. Jenine Miller. College and Econ Dev to coordinate in person event at beginning of fall semester. Met w/Pamela, Molly and Filemon at Mendocino College 5/28/2025	Coordinating w/college for a fall internship program	Placement of Mendocino College Students in County of Mendocino Behavioral Health Department
March 3rd 2025	Behavioral Health	Lack of access to paid internships in region, affects recruitment and hiring path into F/T employment	Stipend Structure for County Internships	Econ Dev Division	Lead	Spring 2026	Met with CoCo 5/9/2025 regarding feasibility of stipend structure	Scheduling meeting with BH Dept head and CoCo to discuss further	Create a stipend structure for payment to interns, to allow for future grant funding opportunities to pay BH interns on a stipend basis.
March 27th 2025	Cannabis	Desire to build cross-industry partnerships	Collaborative Marketing w/Tourism, Wine Arts and Heritage	Econ Dev is lead - will hand off to partner org after meeting 2 or 3	Lead	Fall 2025 for handoff, fall 2026 for deliverables	Held initial meeting w/MCA, GUTBA, RISE on 6/10/2025. Tentative discussion of in person meeting in September to continue planning/brainstorming	Priorities and projects identified - (1) cannabis tourism market positioning, (2) events for exposure (not consumption), (3) build relationships with Latino and minority communities in cannabis	Support integration of legal cannabis producers and farmers into arts, tourism and wine. Develop cohesive clear market positioning for local cannabis tourism that dispels old bias ('murder mtn') focuses on family/heritage/small farmer/rural living
March 27th 2025	Cannabis	Opportunity to develop regional brand identity around quality, small-farm (organic), heritage cannabis cultivation	Co-Operative or Regional Branding	MCA or GUTBA	Parcipant	Fall/Winter 2026	Tentative discussion of in person meeting in September to continue planning/brainstorming	On hold - Sequential project to above Collaborative Marketing	Increase and support local legal cannabis creating niche market/market differentiation
March 27th 2025	Cannabis	Need for ability to differentiate crops and based on regions and climate backed by a regulatory body designation	Appellations	Origins Council and Agriculture Dept	Watching/participant	In-progress	6/20/2025 - Ag dept will provide update with next couple weeks	Ag dept has been working with Origins Council	Create designated appellations to help build awareness of uniqueness of cannabis grown within Mendocino County
March 27th 2025	Cannabis	Permitting processes are challenging due to different requirements between state and county for microbusiness license. County microbusiness license has limitations/zoning requirements that limits accessibility to permit acquisition.	Microbusiness License Code Updates	GGC, Haschak, PBS, Cannabis Dept	Participant	Will got to BOS September 2025	GGC met 6/25/2025 - PBS reviewed microbusiness license differences between state and county	GGC and PBS to review microbusiness license for alignment with state microbusiness license and permitting requirements	Adapt code/permitting process that allows for a more streamlined process for applicant in state and county permitting. Review requirements of microbusiness license to increase accessibility to licensing in different zoning or w/o residence on property

March 27th 2025	Cannabis	Desire to build cross-industry partnerships	Explore Feasibility for Inclusion in BID	Econ Dev Division	Lead, will transfer to MCTC if possible	Winter 2025	Contacted CoCo 6/11/2025 about feasibility of inclusion	Ask Visit Mendocino to include cannabis in marketing, events and promotion	Cannabis cultivators and/or dispensaries included in BID/MCTC marketing and campaign
May 21st 2025	Construction Home Hardening Fire Mitigation	Emerging industry - there is a lack of trained or knowledgeable workforce. There is a need to educate youth entering in construction jobs on benefits and practices around home hardening.	Collaboration with MFSC, NCBE and MCOE - student education and work in home-hardening	MFSC and MCOE	Participant	Spring 2026	Attended initial meeting 6/5/25 with MFSC (Scott Cratty) Mendocino College (Noel Woodhouse), MCOE (Eric Crawford), NCBE (Natalie Spackmen). NCBE, MCOE and MFSC are coordinating adding home hardening education to next years curriculum	MFSC, MCOE, NCBE are leading coordination for educational events	Create educational and hands-on experience to youth in construction oriented programs to learn home hardening requirements and skills
May 21st 2025	Construction Home Hardening Fire Mitigation	Emerging industry - there is a lack of trained or knowledgeable workforce in the general contracting and trades professions as to regulatory recommendations and insurance requirements	Workshop/training for Contractors and Construction Students	Econ Dev Division	Lead	Fall/Winter 2026	Met w/IBHS 5/15/2025. IBHS, MFSC agreed to participate in workshop/training for home hardening	Work w/contacts from IBHS, MFSC, UCANR, to develop and coordinate a 1-day workshop at Mendocino College. Use CDBG PI Mirco-Enterprise Funding to fund workshop	Educate current and future contractors on home hardening best practices, priority retrofitting, agency resources, insurance requirements. Create a knowledgeable and skill labor force in home hardening
May 21st 2025	Construction Home Hardening Fire Mitigation	Emerging industry - changing regulatory (zone 0) and insurance requirements. There is a need for accessible, up-to-date, and easy to understand information on best practices and potential requirements for home hardening for contractors, tradesman, and homeowners.	Support creation of information or instructional material, videos and resources in one place for professionals. Support distribution of materials through local building departments	MFSC and Econ Dev Division	Participant	Winter 2025	Delivered MFSC materials to Mendocino PBS 6/19/2025. Emailed other cities 6/20/2025 - Ft. Bragg and Willits are on board to have materials in the PBS/Community Development Depts as well. Emailed MFSC 6/21/2025 to arrange to have materials delivered. Emailed CalFire 6/23/2025 inquiring about CalFire materials.	In-process - distribute home hardening best practices materials from MFSC to planning & building offices of local jurisdictions	Gather and/or create content that is available in easy to consume media format, ex video shorts, one page pdfs, with relevant information. Increase awareness of general population focusing on homeowners, contractors to recommendations for home hardening practices. Work collaboratively with PRRM for creation of materials.