

Mark Pecotich Public Comment to American Rescue Plan Act (ARPA) Economic Development Funding Resolution – December 17, 2024

Thank you to the Board of Supervisors and County Staff for advancing this important Resolution to direct ARPA funds toward economic development and business resiliency. Today, I am urging the Board to **establish clear guardrails for ARPA fund use** — ensuring that these dollars are directly tied to actions outlined in the Comprehensive Economic Development Strategy (CEDS), the Recreation Economy for Rural Communities (RERC) Plan, and the Rural Community Assistance Corporation (RCAC) Building Rural Economies (BRE) Program. **Without establishing clear and specific guardrails, there is a risk that these critical funds will be underutilized** when considering past allocations of the PG&E Dixie Recovery funds specifically to Chambers.

I am a former Lost Sierra Chamber of Commerce Board Member that served my two-year term as part of an outstanding, visionary Chamber of Commerce Board – and I will tell you it is the best volunteer Board I have ever served on. Then in mid-2024, I served for short period of time as a Board Member for the Quincy Chamber of Commerce where I joined that Board specifically to support Quincy business resiliency. I was concerned about the loss of many Quincy businesses over the past two years. With my partner, I am a former owner of newer Quincy small business that was unfortunately shuttered in May of this year. In my regular employment, I am responsible for business development for a large national company. Therefore, I do have some experience in this area that has been further informed by talking to many local business owners.

On October 15, I presented to the BOS as part of a local Business Resiliency and Economic Development Subcommittee that included the Indian Valley Innovation Hub (IVIH), the Lost Sierra Chamber of Commerce, and Alliance for Workforce Development – as well as Quincy business owners and former Quincy Chamber Board Members. We presented the Move In Relocation Package and other business support and economic development opportunities. At the conclusion of the presentation, I referenced that the Subcommittee had created a comprehensive list of Business Resiliency and Economic Development Ideas that we were looking to advance in the next 6-12 months for immediate wins. Last Friday, we had our second meeting with County staff and RCAC BRE Program Representatives to advance conversations and these ideas. I am optimistic that these ideas will come to fruition, but their success absolutely requires funding and knowledgeable community leaders willing to put in the work.

The story I am about to share is important to know relative to setting strong guardrails for this funding. While on the Quincy Chamber, I was part of a Board where their longstanding Board Members felt economic development work belonged to other entities. One Board Member told me directly that she did not believe in economic development. Despite multiple efforts by local business owners to join the Quincy Chamber Board and add Business Resiliency and Economic Development topics to their ongoing agenda, it is not the Quincy Chamber's area of focus nor skillset. Therefore, my concern in this circumstance is that funds will go into a CD or savings account collecting interest rather than directly to businesses. Or the funds might be spent on the Quincy Visitor Center space – where they are now spending a portion of their PG&E funds on which is good news. **Yet, ideally these ARPA funds should be spent on specific initiatives to directly support our local businesses' and attract new businesses and entrepreneurs to our area.**

So, I have a recommendation. **If the Board can provide specific direction when adopting the Resolution – and in the Chamber ARPA fund contracts being developed by County staff – that each Chamber's \$45k in economic development funds be tied explicitly to the CEDS Strategy S.5 for Vibrant, Healthy and Resilient Communities, the RERC Goal 4 for Business and Economic Development, and business feedback from our forthcoming RCAC BRE work.** This helps direct funds actively at supporting projects that boost local businesses and get us greatest return on investing these funds.

Businesses will be engaged to help us prioritize the greatest impact first. And we plan to conduct the same economic development engagement with businesses in Chester/Lake Almanor Basin, Portola, and Greenville as we did here in Quincy. **The IVIH, with its close alignment to the Sierra Small Business Development Center who led the CEDS effort for our county, should be the lead entity organizing and engaging Chambers on using these funds – and have these funds tied directly to the economic development opportunities conceptualized from our Subcommittee conversations so far.**

Regarding timing on spending these funds: ideally the Chambers are providing their \$45k of economic development funds into programs by Q1 2025, so we can get going on this important work quickly and implement what we can by the 2025 peak summer season. **Perhaps part of your Resolution should also address the timing of payment into these economic development programs beginning in Q1 2025** so these funds do not sit in bank accounts too long being unspent.

Please strongly consider these recommendations to further strengthen accountability and transparency in how these ARPA business recovery funds are spent. Our community's small businesses are counting on this support to survive and thrive. By focusing on actionable goals and activities linked to the CEDS, the RERC Plan which was developed by local businesses, and the work with upcoming RCAC BRE initiatives, we can activate the funds to create lasting impact. And I believe these might be the first funds the Board would be allocating directly in support of the CEDS that you adopted earlier this year.

More good news is partnership between the Chambers is improving and they continue to meet regularly as a group to discuss combined interests. Together, we can strengthen our local economy, attract new businesses, and do our part to help prevent further business closures in Plumas County.

Thank you.