



# **BEAR RIVER BAND**

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## **of the rohnerville rancheria**

# **COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY**



**April  
2024**

Presented By



**POINTS**  
CONSULTING

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# Executive Summary & CEDS Background

The Bear River Band of Rohnerville Rancheria Comprehensive Economic Development Committee, with the support of Points Consulting LLC, have developed the Bear River Band Comprehensive Economic Development Strategy (CEDS) to guide economic development for the Tribes over the next 5 years. The Committee's priority goals for the Tribes in the coming years are those related to workforce, land use, internal collaboration, and wellness.

A CEDS is a planning tool developed by the U.S. Economic Development Administration (EDA) to assist regional economic development, promote economic resilience, encourage action from both private and public sections and allows Tribes to be eligible for EDA opportunity funds. Funding through the EDA can be used for planning, infrastructure projects, and forming programs that foster economic development. The strategy incorporates quantitative data related to both households and businesses, input from residents gathered via town hall events, and an electronic community survey.

The CEDS will aid Bear River Band leaders navigate challenging economic times and build a future economy that is more robust and resilient to disruption. The CEDS serves as a justifiable foundation for funding opportunities, provides a roadmap for promoting economic resilience, and encourages action from both public and private sector leaders.



## Vision Statement

*The vision of the Bear River Band of Rohnerville Rancheria is shaping a secure, healthy future by responsibly exercising sovereignty, investing in our people, refining and evolving as a tribal organization, and preserving and revitalizing our culture while serving the best interests of all people.*



This CEDS strategy includes the following sections:

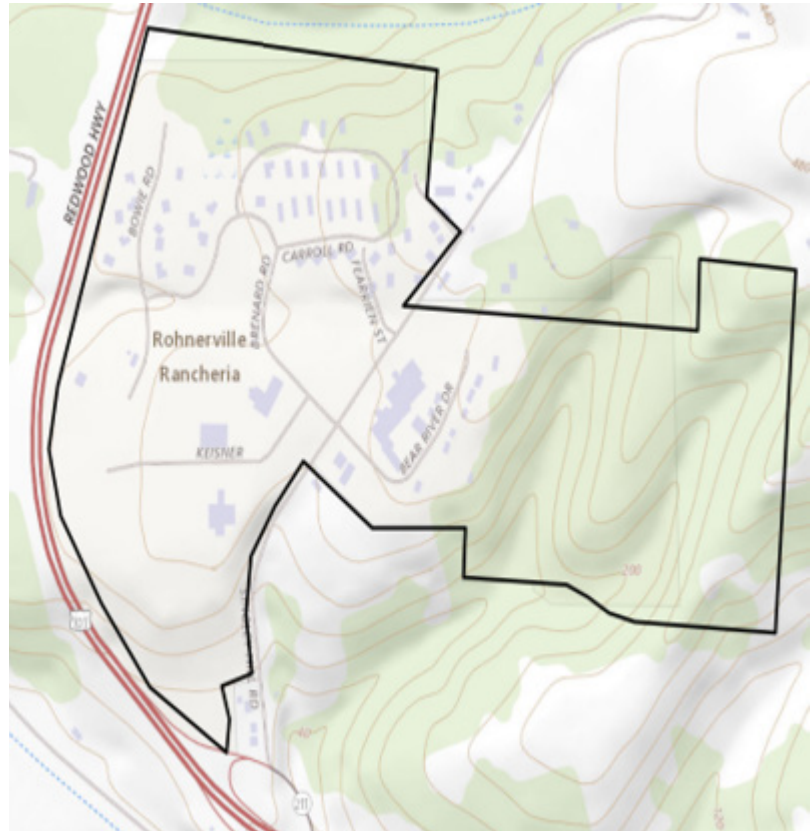
- Summary Background
- Regional Highlights
- Strengths, Weaknesses, Opportunities & Threats (SWOT) Analysis
- Economic Resiliency
- Strategic Direction & Action Plan
- Evaluation Framework
- Appendices

# Summary Background

## Regional & Organizational Background

The Bear River Band of the Rohnerville Rancheria base is located near Loleta, CA on a 173-acre parcel. The Bear River Band tribal members are those of Wiyot, Bear River and Mattole ancestry while other tribes such as Hoopa, Yurok and Tolowa are included by way of marriage or interrelationships. There are currently 664 enrolled members, 367 of which are 18 years old or older and the remaining 297 are under 18 years. The Tribe was originally established in 1920 with the original Rancheria located in Rohnerville, now known as Fortuna, in Humboldt County. By 1958 Bear River Band and 34 other California tribes were terminated via an act of congress termed the Rancheria Act. Afterwards in December 1983, the Bear River Band with 16 other California tribes, through a class action lawsuit, Tillie-Hardwick case, regained recognition from the federal government. However, despite the recognition the Tribe was not provided compensation for the land, resources, culture, rights, and resources that were seized.

**Figure 1: Bear River Band of the Rohnerville Rancheria Reservation**



## Socioeconomic Overview

In most communities in the United States, analysts rely upon a combination of data sources from state and federal statistical organizations. Common sources at the federal level include the US Census Bureau and the Housing and Urban Development (HUD), among others. Tribal areas are a challenge to survey accurately due to a combination inadequate and culturally based federal data collection policies and practices, of tribal communities' mistrust of government agencies, non-traditional employment and residential patterns, and other cultural differences. For these reasons, these standard means of data collection have historically proven to be inaccurate.

Points Consulting (PC) also relies upon several other proprietary sources, as well as the community survey conducted as a component of this analysis in order to arrive at the data presented here. These socioeconomic data are a key component that allows us to paint a picture of the characteristics of the population on the Rancheria, which are essential to understand when developing a regional economic development strategy.

Tables and figures that are labeled as "Bear River Band" are data pulled using ESRI Business Analyst (Esri BA), a Geographic Information System (GIS) tool that provides data for site evaluation, demographic analysis, trade area market analysis, and other economic information. Esri BA draws from a combination of public and private data sources, including data collected via their internal surveys conducted by their demographers and economists, which allows the platform to have up to date information.

The brown outlined region shown in Figure 2 is the Bear River Band of the Rohnerville Rancheria. In the same figure the black outlined area is labeled as “Block Group Region” in comparative tables and figures, which consists of identified statistical divisions of census tracts that are within 25-to-30-minute driving distance from the Rancheria. The project team along with the guidance of the CEDS Committee identified that many of the Bear River Band members, employees, and residents may travel to work or to their primary residence within roughly 30 minutes or less from the Rancheria.

### Demographics of the Bear River Band

The Bear River Band currently has over 660 enrolled tribal members, however most of the members do not reside on or near the Rancheria or within Humboldt County. Based off current data supplied by ESRI, the Bear River Band as of 2022 has an estimated total residential population of 213 within the Rancheria. It is important to note that individuals of Native descent and those without Native descent reside on tribal lands.

Nationally, an increasing number of people are identifying as American Indian and Alaska Native (AIAN). Between 2000 and 2010, the AIAN cohort increased 27% at the national level. Many tribal areas are adjacent to urban and micropolitan centers and, in some areas, reservations have been fully encircled by urban population centers. AIAN populations living in counties adjacent to reservations and rancherias tend to fare better in terms of income and, at times, poverty statistics.

Table 1 outlines the basic demographic details for the Bear River Band, and Figure 3 displays the breakdown of the population by gender and age group. The distribution of non-AIAN is predominant in the Rancheria whereas identified AIAN are nearly

**Figure 2: Bear River Band and Block Group Region**



**Table 1: Bear River Band Demographics**

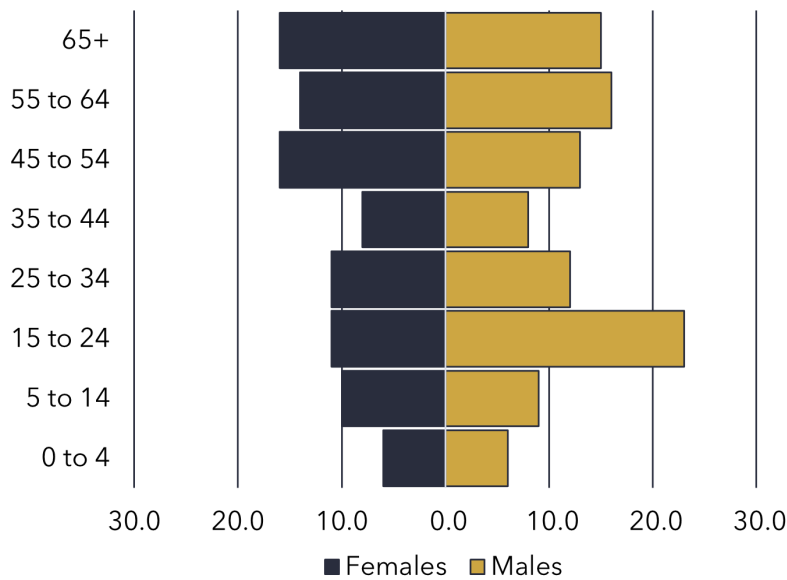
Race/Ethnicity	Population	Share
White alone	147	69.0%
Two or more races	26	12.2%
Some Other Race alone	11	5.2%
Native Hawaiian and Other Pacific Islander alone	0	0.0
Black or African American alone	2	0.9%
Asian alone	2	0.9%
Hispanic or Latino	26	12.3%
<b>Total AIAN</b>	<b>25</b>	<b>11.7%</b>
<b>Total Non-AIAN</b>	<b>188</b>	<b>88.3%</b>
<b>Total Population</b>	<b>213</b>	<b>100.0%</b>

Source: ESRI Business Analyst, 2023

an eighth of the remaining demographic group. The largest number of individuals living on the Rancheria are males who are between the ages of 15 to 24 years old. This means the current number of individuals entering the workforce will be primarily male. While females living on the Rancheria are either 45 to 54 years old or are 65 years or older.

## Population Characteristics

**Figure 3: Bear River Band Population by Age Range**



Source: ESRI Business Analyst, 2023

**Table 2: Bear River Band Educational Attainment - Population 25 years and Older, 2022**

Group	Number	Percentage
Less than high school diploma	9	5.7%
High school graduate, GED, or equivalent	31	19.5%
Some college, or associate degree	69	43.4%
Bachelor's degree or higher	50	31.4%

Source: ESRI Business Analyst, 2023

### Educational Attainment

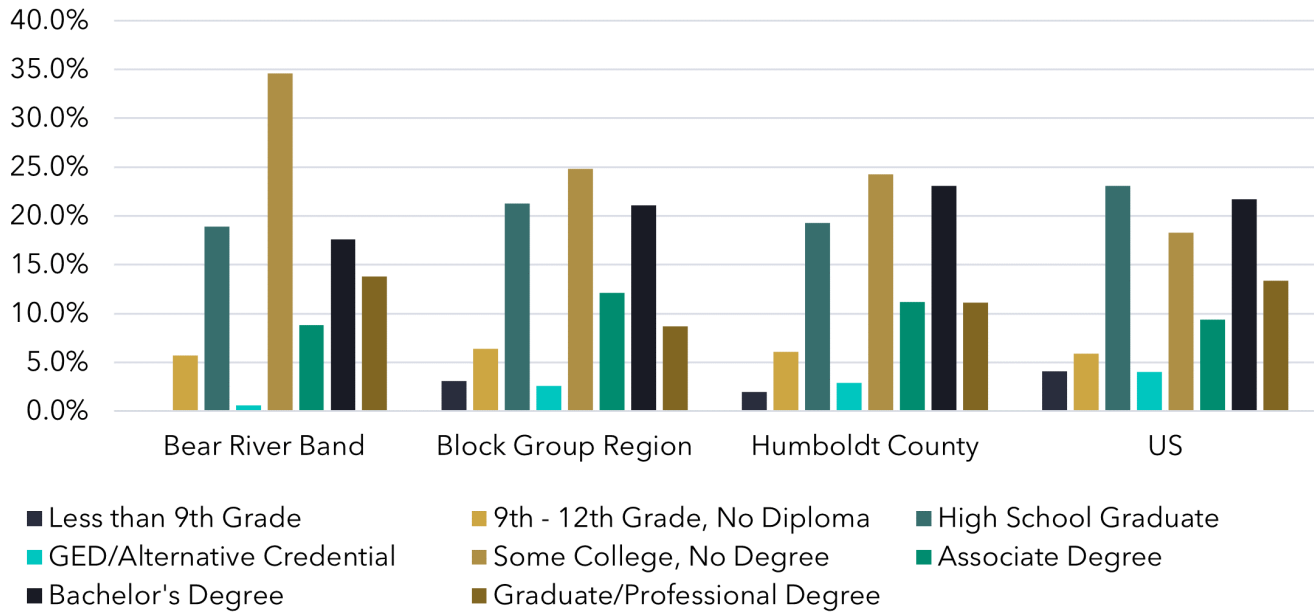
Nearly half of residents on the Rancheria aged 25 and over fall into the category of “some college education or associate degree” (43%) while those who pursue a bachelor’s or higher are more than 30% of the population. Furthermore, the level of GED/ Alternative Credential attainment in the Rancheria is the lowest compared to the other regions. Which is revealing that students are not dropping out of high school despite that studies have shown high school dropout rates for AIAN population in the US are typically the highest out of all races (9.6%).<sup>1</sup>

Educational attainment is important to note because it is integral to good economic development outcomes. In fact, economic research shows that education plays a vital role in increasing labor productivity, contributing anywhere from 13 to 30 percent of the total productivity increase. In essence, this means that investments in education (human capital) are comparable to investments in financial capital or equipment in terms of how they boost economic growth.<sup>2</sup>

1 Imed Bouchrika, “High School Dropout Rate Is Decreasing but Race, Income & Disability Issues Persist”, Research.com, 2023 [https://research.com/education/high-school-dropout-rate#:~:text=Dropout%20Rate%20by%20Race&text=The%20rates%2C%20however%2C%20remain%20high,%25%20\(NCES%2C%202021\)](https://research.com/education/high-school-dropout-rate#:~:text=Dropout%20Rate%20by%20Race&text=The%20rates%2C%20however%2C%20remain%20high,%25%20(NCES%2C%202021))

2 Gary S. Becker, “Human Capital: A Theoretical and Empirical Analysis with Special Reference to Education”, 1994.

**Figure 4: Educational Attainment Comparison, 2022**



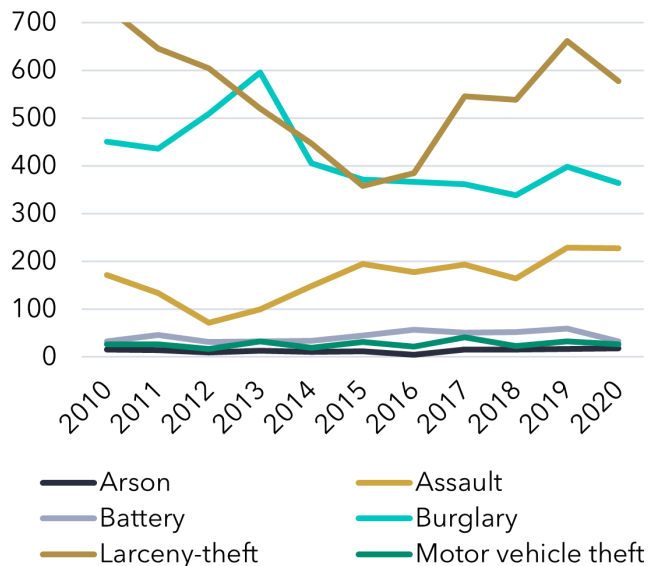
Source: ESRI Business Analyst, 2023

**Crime**

Criminal activity can reduce current and future economic productivity and generally negatively impact community morale. Research has shown that individuals that come from low-income backgrounds are more prone to committing crimes and are also more likely to be the victims of it.<sup>3</sup> Additionally, a report from the National Congress of American Indians states that Indian reservations face violent crime rates that are 2.5 times higher than the national rate, with some reservations seeing that rate rise as high as 20 times the national rate of violence.<sup>4</sup>

Figure 6 on the following page displays the aggregated number of crimes reported from the Bear River Police Department from January 2020 to August 2022. Over the years, controlled substance crimes were the most reported crimes within the Rancheria. Compared to Figure 5, Bear River has a lower reported number of thefts whereas Humboldt County theft, specifically larceny and burglary, has been the highest reported crime over the last decade.

**Figure 5: Annual Crime Breakdown by Type in the Humboldt County**

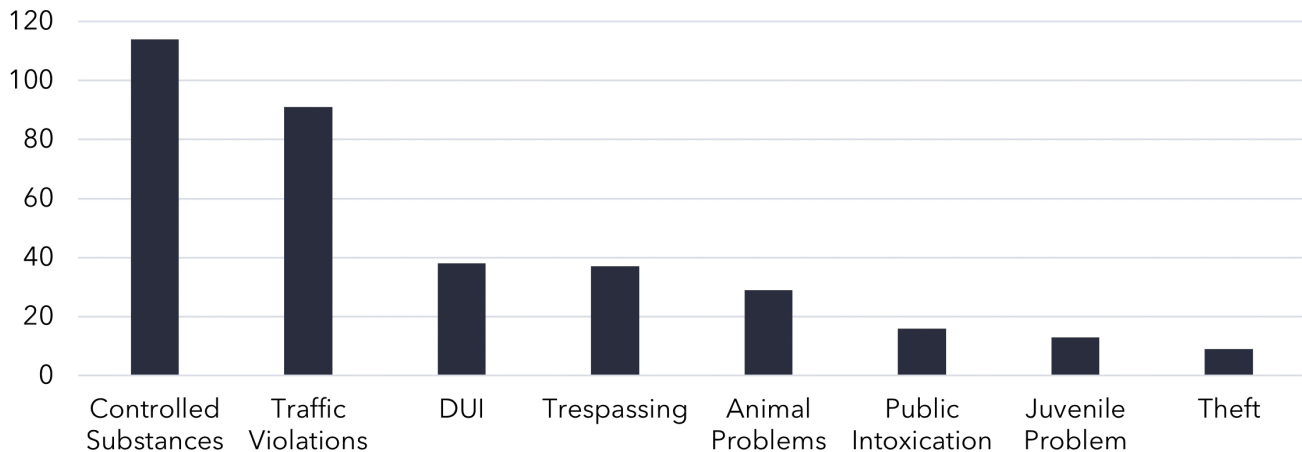


Source: Federal Bureau of Investigation (FBI) Crime Data Explorer, National Incident-Based Reporting System (NIBRS), 2021

3 A. Sethi et al. "The Relationship between Crime and Socioeconomic Status", ArcGIS StoryMaps, <https://storymaps.arcgis.com/stories/b5ab6df3741649c4bcc0a5fbd9e3b45b>

4 "Background on Tribal Justice & Law Enforcement", National Congress of American Indians, 2011 [https://www.ncai.org/attachments/PolicyPaper\\_AbDtrAjPdZqsCFZiPiORyUiOSZqZrAPgxWxVKAJGBfXcDdmgrUC\\_Background%20on%20Tribal%20Justice%20and%20Law%20Enforcement\\_NOV.pdf](https://www.ncai.org/attachments/PolicyPaper_AbDtrAjPdZqsCFZiPiORyUiOSZqZrAPgxWxVKAJGBfXcDdmgrUC_Background%20on%20Tribal%20Justice%20and%20Law%20Enforcement_NOV.pdf)

**Figure 6: Bear River Band Police Department Case Log 2020-2022**



Source: Communication with Bear River Band of Rohnerville Rancheria Police Department, 2023

Substance abuse is a pressing concern often associated with poverty and low-income populations. While a definitive cause-and-effect relationship between poverty and drug abuse has not been established, studies suggest that substance abuse problems are more prevalent in low-income communities.<sup>5</sup> American Indian and Alaska Native communities, in particular, experience alarmingly high rates of substance abuse compared to other ethnic groups in the United States.<sup>6</sup> In fact, AIANs have the highest rates of alcohol, marijuana, cocaine, and hallucinogen abuse rates in the nation.<sup>7</sup>

### Financial Characteristics

According to US Census data, Native Americans in all reservations have the highest rate of poverty among all minority groups in America, with 25.4% of the population under the poverty threshold, as compared to 12.6% of Americans overall.<sup>8</sup> With a jobless rate that peaked at 28.6% during the pandemic, AIANs have been one of the most harshly impacted sectors of the population due to COVID-19. However, the disparity between Native Americans and the rest of the population in unemployment and poverty numbers existed before the pandemic. Out of the 300 or so Native American reservations in the US, very few have consistently well-functioning economies, which forces residents to have to travel outside of the reservation to access stores, banks, jobs, and higher education institutions.<sup>9</sup> However, because of the proximity of the City of Eureka to the Bear River Band, small businesses and entrepreneurs have greater access to a larger market and client base. Additionally, the short proximity to Eureka can serve to provide more job opportunities and other resources to tribal members, which can help to support the local economy on the Rancheria.

5 "How Does Addiction Impact Low-Income Americans?", Addiction Center, <https://www.addictioncenter.com/addiction/low-income-americans/>

6 Michael Kaliszewski, "Alcohol and Drug Abuse Among Native Americans", American Addiction Centers, 2022 <https://americanaddictioncenters.org/rehab-guide/addiction-statistics/native-americans>

7 D. Dickerson et al., "American Indians/Alaska Natives and Substance Abuse Treatment Outcomes: Positive Signs and Continuing Challenges", National Library of Medicine, J Addict Dis., 2011

8 Dedrick Asante-Muhammad et al., "Racial Wealth Snapshot: Native Americans", NCRC, 2022, <https://ncrc.org/racial-wealth-snapshot-native-americans/#:~:text=Poverty%20Rates,rate%20among%20all%20minority%20groups>

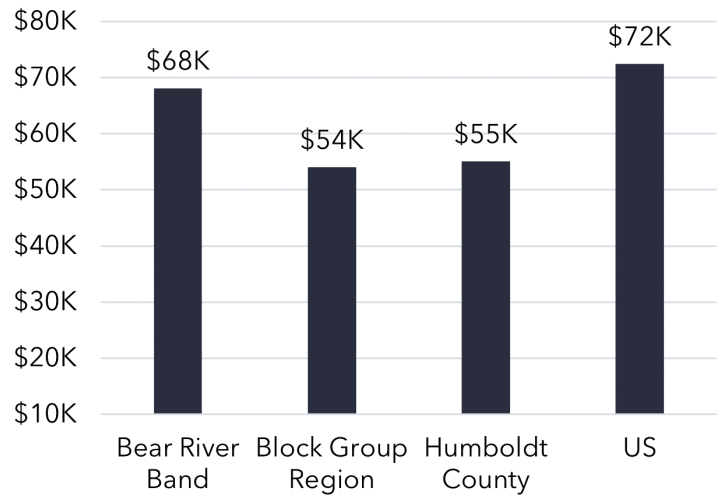
9 Robert J. Miller, "Establishing Economies on Indian Reservations", The Regulatory Review, 2021, <https://www.theregreview.org/2021/04/08/miller-establishing-economies-indian-reservations/#:~:text=Few%20of%20the%20300%20Indian,%2C%20higher%20education%2C%20and%20jobs>



To obtain a better understanding of the financial health of Bear River Band households, it is essential to look at metrics such as median income and expenditures. Figure 7 shows a comparison of median household incomes by region. The Bear River Band has a median household income of \$68K, which is nearly a fifth higher than the county (\$55K) and of the block group (\$54K). Figure 8 illustrates the distribution of household income among various ranges by region. The Bear River Band has the largest share of households that earn a median income of \$35K to \$75K compared to the identified block group, county, and the nation. On the other hand, the Bear River Band has the smallest number of households with median income of less than \$15K compared to the other regions, whereas Humboldt County has the highest number of households making less than \$15K. However, it is worth noting that the median income for enrolled tribal members on the rancheria may differ from the median income reported for the outlined rancheria area.

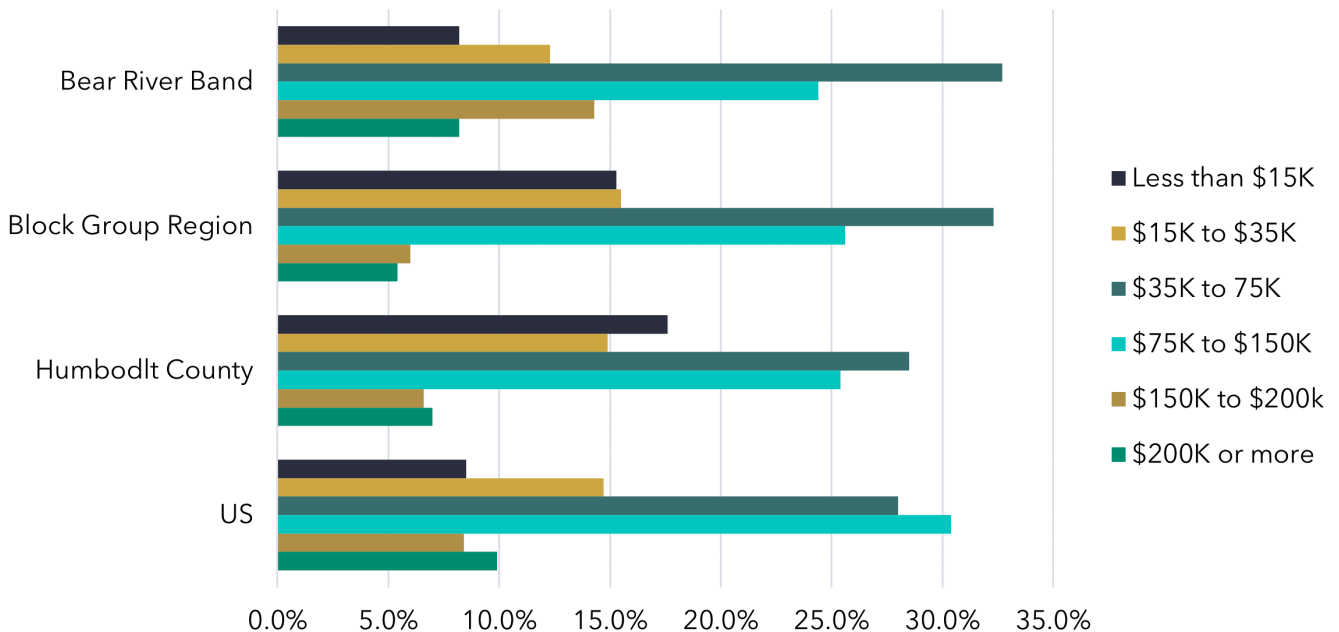
These higher income households can be critical players in the economic development landscape of the Reservation. Their experience, knowledge and capital can be leveraged to help Native business owners who aspire for similar economic success.

**Figure 7: Median Household Income, 2022**



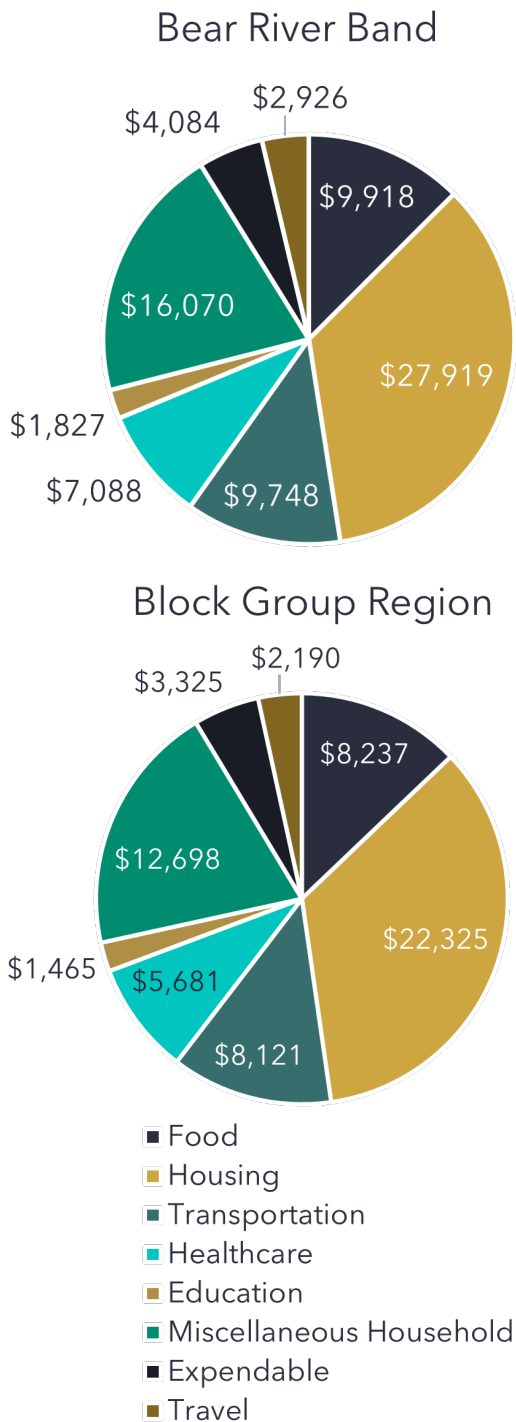
Source: ESRI Business Analyst, 2023

**Figure 8: Household Income Distribution**



Source: ESRI Business Analyst, 2023

**Figure 9: Comparison of Average Monthly Expenditures, 2022**



Source: Esri Business Analyst, 2022

Figure 9 shows a comparison of the average monthly expenditures for Bear River Band households and the Block Group Region. On average, monthly expenditures for Bear River Band households are about \$15K higher than those of the Block Group. The largest expenditure for both geographies is housing—with Bear River Band households spending a monthly average of around \$5,600 over what the block group spends—followed by miscellaneous household spending.<sup>10</sup>

In terms of disposable income—or after-tax income—most of the Bear River Band households have disposable income levels between \$35K to \$50K, which is around \$25K less than the Block Group Region and \$30K less than most households at the state level. There remains a wide gap between the highest household disposable incomes and the lowest household disposable income, which is worth noting. Additionally, Humboldt County has the highest in number of households having less than \$15k compared to the other regions and Bear River Band has the lowest percent of households in this disposable income group.

**Table 3: Households by Annual Disposable Income, 2022**

Annual Disp. Income	Bear River Band	Block Group Region	Humboldt County	US
<\$15,000	8.2%	15.3%	17.6%	9.8%
\$15,000-\$24,999	8.2%	7.8%	7.0%	8.8%
\$25,000-\$34,999	4.1%	7.7%	7.9%	9.3%
\$35,000-\$49,999	18.4%	14.8%	13.4%	13.7%
\$50,000-\$74,999	14.3%	17.5%	15.1%	19.5%
\$75,000-\$99,999	12.2%	12.2%	11.6%	12.1%
\$100,000-\$149,999	12.2%	13.4%	13.8%	16.4%
\$150,000-\$199,999	14.3%	6.0%	6.6%	5.4%
\$200,000+	8.2%	5.4%	7.0%	5.0%

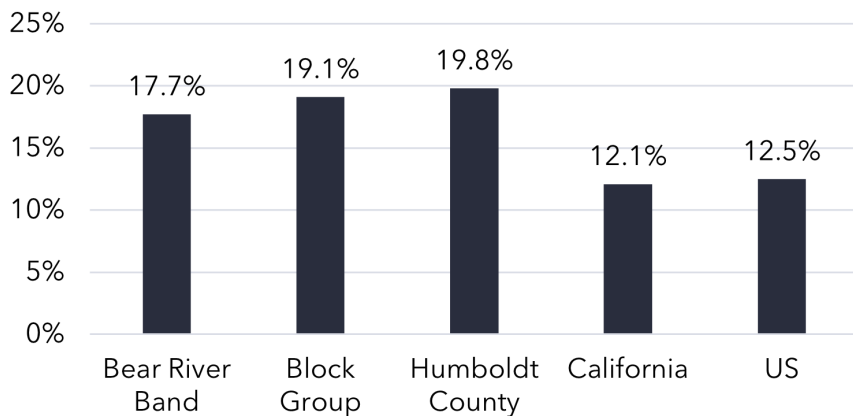
Source: Esri Business Analyst, 2022

<sup>10</sup> Miscellaneous household expenditures include apparel and services, personal care products, funeral expenses, legal fees, banking service charges, accounting fees, credit card membership fees, shopping club membership fees, support payments, life insurance, and pensions and social security.

## Poverty

In addition to the fact that it is difficult to find accurate data on Tribal areas, poverty can be a fickle metric to deal with because methods used by the federal government often rely on outdated measurements. In fact, the US Census Bureau's Official Poverty Measure is based on household income and is set at three times the cost of a minimum food diet in 1963, then adjusted for inflation and household size.<sup>11</sup> Poverty thresholds for 2022 range from \$14,880 for one person to \$60,300 for nine or more people. PC used the average household size for the Bear River Band of the Rohnerville Rancheria (4.2) and the Block Group Region (2.37) via Esri to reach a poverty level estimate for the Tribe. Based on the Census Bureau's range, the poverty threshold is \$31,062 for Bear River and \$20,521 for the Block Group. After using Esri's income cohort groupings, PC found about 17.7% of Bear River to be in poverty, along with about 19.1% within the Block Group as shown in Figure 10. Although both the state and US have smaller poverty rates, the Bear River Band has a smaller percentage of those in poverty compared to the block group and county.

**Figure 10: Percent of Population in Poverty, 2022**

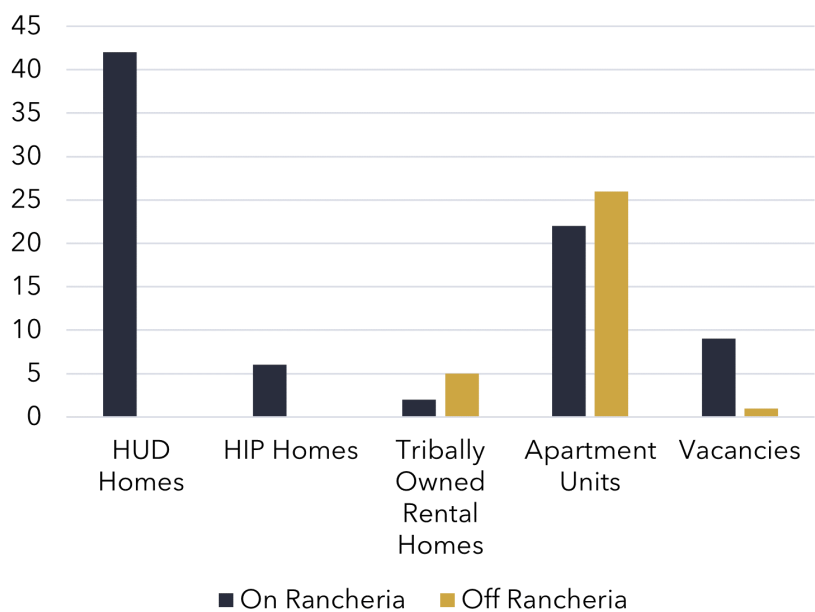


Source: US Census Bureau and PC using Esri BA, 2022.

## Housing

Tribal areas face some of the toughest challenges in regard to housing needs when looking at national-level statistics. The combination of relatively low incomes and purchasing power, as well as infrastructure maintenance issues make affording and upkeeping homes fairly difficult for tribal residents.<sup>12</sup> These barriers are also evident in the Rancheria's housing stock, with many of the homes being HUD (HUD homes), which are generally priced low in order to make them more affordable compared to typical market rate properties. These homes are residential properties acquired by HUD due to foreclosures, where the department becomes the owner in order to then sell the property. Figure 11 shows a detailed breakdown of housing on the Rancheria.

**Figure 11: Housing Breakdown of Bear River Band**



Source: Bear River Band Administration Department, 2023.

11 The University of Wisconsin - Madison, Institute for Research on Poverty, "How Is Poverty Measured?" <https://www.irp.wisc.edu/resources/how-is-poverty-measured/#:~:text=The%20Census%20Bureau%20determines%20poverty,and%20adjusted%20for%20family%20size.>

12 National Low Income Housing Coalition, "Native American Housing", <https://nlihc.org/explore-issues/policy-priorities/native-american-housing.>

There are also a number of apartment units the Tribe owns both on and off the Rancheria, with some units being vacant as they await approval from the Housing Board. There are also a handful of Housing Improvement Program (HIP) homes in the Rancheria. These are homes that were in some way grant funded via the Bureau of Indian Affairs (BIA), which provide funds for repairs, renovations, replacement home construction, as well as down payment assistance.

**Table 4: Status of Housing Units for Bear River Band**

	Vacancies	Waiting Rehabilitation	In Ranking Process	Waiting Board Approval
On Rancheria	9	1	2	6
Off Rancheria	1	-	-	-
<b>Total</b>	<b>10</b>	<b>1</b>	<b>2</b>	<b>6</b>

Source: Bear River Band Administration Department, 2023.

## Economic Overview

Economic estimates on tribal communities are difficult, due to the lack of comprehensive data collection and reporting. However, the Federal Reserve Bank of Minneapolis (Minneapolis FED) has collected data on labor market conditions for Native American peoples that provides big picture insights into the economy of tribal people in the United States. Contrariwise, the Minneapolis FED currently does not collect or portray data for Native American people on Rancheria or Trust Land. Although this data is beneficial to members on recognized Reservations it is limiting for other Tribes and Nations, such as Bear River Band, to review their economy both presently and historically.

While employment is consistently lower and unemployment higher in AIANs than all individuals in United States, the last ten years show positive trends for Native Americans. From 2014 to 2023, employment has increased 2.2% and unemployment decreased by 5.9%.<sup>13</sup> Beyond employment, Southern Oklahoma State University notes that in recent years, Native American communities have attained better access to education and improved infrastructure.<sup>14</sup> Furthermore, in 2022, billions of dollars were invested in grants and programs to improve tribal access to broadband.<sup>15</sup> Overall, AIAN people in the United States have seen their economic conditions improve substantially in the past decade.

It is also important to consider the industry context of the larger area in which the tribe is situated. Table 5 shows employment by industry in the Rancheria and each industry's Location Quotient (LQ). The LQ is a ratio that compares the concentration of a specific industry's employment in a particular area to the national level. It provides a metric for evaluating the prevalence of jobs in a region for a given industry, relative to the same industry across the entire US. For instance, an LQ of 1 for a specific industry in a region indicates that the proportion of employment in that sector is similar to that of the US as a whole. If the LQ is greater than 1, then the number of jobs in that industry in the region is higher than the national level, and vice versa. Although, given the sparseness of data points, some LQs might not be representative of the employment condition in the Rancheria and the comparative advantages the larger cities and regions the "Block Group Region" possesses.

As the table shows, the highest employed industry on the Rancheria is classified under construction, followed by retail trade and public administration. Public administration classification includes jobs in federal, state, and local government. Industry which are higher than the national level, indicated

13 Federal Reserve Bank of Minnesota, Native American Labor Market Dashboard, <https://www.minneapolisfed.org/indiancountry/resources/native-american-labor-market-dashboard>.

14 Southeastern Oklahoma State University, *Improving Economic Development for Tribes*, <https://online.se.edu/articles/mba/improving-economic-development-for-tribes.aspx>, accessed March 3, 2023.

15 Ibid.

by the LQ, are construction, public administration, arts/entertainment/recreation, and agriculture/forestry/fishing. While the Block Group Region the top employed industries are health care/social assistance, retail trade, and other services (excluding public administration), which are services that can include equipment repairs, religious activities, grantmaking, personal care, etc.

**Table 5: Bear River Band Employment by Industry, 2023**

Industry	Employment '23	% of Employment	National %	LQ
Construction	16	21.1%	7.0%	3.04
Retail Trade	11	14.5%	10.4%	1.41
Public Administration	11	14.5%	4.8%	3.13
Professional/Scientific/Tech	8	10.5%	8.6%	1.24
Health Care/Social Assistance	6	7.9%	13.6%	0.59
Arts/Entertainment/Recreation	5	6.6%	2.2%	3.05
Manufacturing	4	5.3%	10.0%	0.53
Admin/Support/Waste Management	4	5.3%	4.4%	1.2
Educational Services	4	5.3%	9.2%	0.58
Agriculture/Forestry/Fishing	3	3.9%	1.1%	3.64
Other Services (Excluding Public)	2	2.6%	4.7%	0.57
Transportation/Warehousing	1	1.3%	5.5%	0.24
Real Estate/Rental/Leasing	1	1.3%	1.8%	0.72
Mining/Quarrying/Oil & Gas	0	0.0%	0.4%	0.00
Wholesale Trade	0	0.0%	1.9%	0.00
Utilities	0	0.0%	0.8%	0.00
Information	0	0.0%	1.9%	0.00
Finance/Insurance	0	0.0%	5.0%	0.00
Management of Companies	0	0.0%	0.1%	0.00
Accommodation/Food Services	0	0.0%	6.7%	0.00
<b>Total</b>	<b>76</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>

Source: Esri Business Analyst, 2023.

**Table 6: Block Group Region Employment by Industry, 2023**

Industry	Employment '23	% of Employment	National %	LQ
Agriculture/Forestry/Fishing	1,216	4.3%	1.1%	3.91
Other Services (Excluding Public)	2,294	0.1%	0.4%	1.72
Public Administration	2,194	7.1%	7.0%	1.66
Information	674	6.0%	10.0%	1.26
Retail Trade	3,692	1.4%	1.9%	1.25
Arts/Entertainment/Recreation	744	13.0%	10.4%	1.18
Real Estate/Rental/Leasing	604	3.3%	5.5%	1.17
Construction	1,999	0.8%	0.8%	1.01
Health Care/Social Assistance	3,919	2.4%	1.9%	1.01
Utilities	230	3.5%	5.0%	1.00
Management of Companies	42	2.1%	1.8%	1.00

Admin/Support/Waste Management	1,132	6.3%	8.6%	0.91
Accommodation/Food Services	1,681	0.1%	0.1%	0.88
Educational Services	2,051	4.0%	4.4%	0.78
Wholesale Trade	401	7.2%	9.2%	0.74
Professional/Scientific/Tech	1,789	13.8%	13.6%	0.73
Finance/Insurance	995	2.6%	2.2%	0.70
Manufacturing	1,705	5.9%	6.7%	0.60
Transportation/Warehousing	927	8.1%	4.7%	0.60
Mining/Quarrying/Oil & Gas	18	7.8%	4.8%	0.25
<b>Total</b>	<b>28,307</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>

Source: Esri Business Analyst, 2023.

Photos from PC's on-site tour, 2023.



# Economic Development Timeline



## 2005 - Bear River Casino

The Bear River Band built its first enterprise to bring in economic growth and expansion on the Rancheria

## 2012 - Bear River Hotel

The Bear River Casino expanded the facility to accommodate the addition of a hotel which provided a increase of local jobs and opportunities for further enterprise expansion



## 2014 - Bear River CEDS

Bear River Band developed their first CEDS report to begin the outlined process of addressing Goals & Actions of the Tribe for the next 5 years. Additionally, acquired a digital build board and developed a Strategic Energy Plan. The following year a Foods Survey was conducted for the Tribe



## 2016 - Bear River Recreation Center

Construction of the Bear River Recreation Center on the Rancheria as the Tribes next enterprise



## 2019 - Bear River Family Entertainment Center

The fourth enterprise, the Family Entertainment Center (FEC), for the Bear River Band was built. During this time a Community Survey and Healthy Families Survey were administered



## 2020 & 2021 - Energy Options Analysis Project

During peak years of COVID-19 pandemic, Bear River Band conducted an energy analysis for renewable energy use. Multiple surveys were organized during these years such as, Organizational Survey, Cultural Survey, and Funding Needs Survey



## 2023 - Development Plans

The Bear River Band assessed the capability to expand the FEC through a Feasibility Study Expansion, as well as began the process of a department oriented Strategic Plan, and a Comprehensive Economic Development Strategy (CEDS)



## 2024 - Future Planning

The Bear River Band will be finalizing multiple economic and community development plans such as an updated CEDS report, Strategic Plan, and Master Plan. Future projects and developments will be created through these plans



# Regional Highlights

## Key Industry Clusters

Through data analysis and conversations with the Steering Committee, the project team compiled a short list of industry clusters which could help facilitate economic prosperity and resiliency over the next five years. Some of the opportunities incumbent within these industries are addressed in more detail in the following narrative:

- Arts, Entertainment, & Recreation
- Hemp & Cannabis
- Tobacco & Flavored Vapes
- Construction

## Arts, Entertainment, & Recreation

Whether via statistical agencies or industry associations, national level industry research is often conducted based on the North American Industrial Classification System (NAICS). The closest approximate industries to Bear River Casino and Resort are NAICS 71329: Lotteries & Native American Casinos and NAICS 72112: Casino Hotels. The key differences between these two industries include that Casino Hotels are engaged in short-term lodging with hotels on the premises and that Lotteries & Native American Casinos include the lottery side of gaming. While the Lotteries & Native American Casinos industry has grown faster than the Casino Hotels industry, both are projected to grow in the future.

A unique feature of these industries is the high competition and high barriers to entry. For Casino Hotels specifically, there is a restriction on the number of operators and government regulation. Combined with the restrictions and government regulation, high start-up costs deter new casinos from entering the market. If a small- to medium-sized hotel were to enter the market area the casino would continue to do well. The one notable draw-back to the Casino industry is that spending at Casinos is cyclical; in other words, Casinos suffer reduced business at times of economic downturn. For this reason, it is particularly important for management to continue diversifying the entertainment options available at the Casino.

The casino currently employs around 270 staff members, including multiple employment opportunities in a variety of departments such as Gaming, Food and Beverage, and Guest Accommodations to name a few. The facility also provides staff with paid time off, floating holidays, insurance (medical, dental, and vision), a 401K with employer match, and much more. Employment growth and development will continue to grow for this industry for Bear River and maintain a primary revenue source for the Tribe.

**Table 7: Key National Trends for the Lotteries & Native American Casinos and Casino Hotels Industries**

Factor	Lotteries & Native American Casinos	Casino Hotels
Annual Revenue Growth Rate (5-Yr)	30.9%	(1.2%)
National Annual Revenue	\$169.6 Billion	\$80.9 Billion
Average % of Expenses toward Wages	6.7%	27.9%
Average Profit Margin in 2021	26.6%	49.7%
Life Cycle Stage	Mature	Mature
Dependence on Disposable Income	Medium	Medium
Capital Intensity	High	Medium
Barriers to Entry	High	High
Competition Level	High	High

Source: IBISWorld: 71329 "Lotteries & Native American Casinos in the US" & 72112 "Casino Hotels in the US".



Recreation, especially sports, is a high-traffic and supported industry on the Reservation. The Bear River Recreation Center holds many opportunities for the community to take advantage of. In fact, the Recreation Center has six basket ball hoops with a full-length court in a state-of-the-art basketball gymnasium, along with the Bear River Sports Complex, and a full-service fitness center. A few recent events that have been held at the Recreation center include

**Table 8: Key National Trends for the Sports Coaching Industry**

Factor	Sports Coaching
Annual Revenue Growth Rate (5-Yr)	19.6%
National Annual Revenue	\$14.9 Billion
Average % of Expenses toward Wages	32.1%
Average Profit Margin in 2021	24.8%
Life Cycle Stage	Mature
Dependence on Disposable Income	High
Capital Intensity	Low
Barriers to Entry	Low
Competition Level	High

Source: IBISWorld: 61162 "Sports Coaching in the US".

the Humboldt Bay Pickleball Tournament and a basketball camp coached by Damond Edwards, Sacramento State Hall of Fame head coach and former coach of the Harlem Globetrotters.<sup>16</sup> In addition to these events, the Sports Complex was upgraded in 2020 to synthetic turf so the community can use it year-round for baseball, softball, and soccer events.<sup>17</sup>

Supported by evidence of the recent basketball camp and plethora of available sports to the community, the Sports Coaching industry is an opportunity for employment and earnings. A large portion of the sports coaching market is young students with the desire to train for sports. The under 18 years of age demographic makes up 17.5% of the population on the Reservation, showing the potential for the industry. Revenue in the industry has grown almost 20% in the last five years<sup>18</sup>. Low capital intensity and low barriers to entry make it easy for coaches to enter the market. Sports also offer a great way for youth to become more invested in the community.

## Hemp & Cannabis

Since the passage of Proposition 64 in 2016, commercial cultivation and distribution of cannabis has been legal in California. For the fourth quarter of 2022, the State brought in \$128.4 million in excise tax revenues while the sale of cannabis brought in \$120.1 million.<sup>19</sup> However, some counties restrain the commercialization of cannabis and hemp to the minimum allowable by state standards.

Humboldt County is a part of the Emerald Triangle, a group of three California counties that have historic ties to cannabis dating back to the 1960s. Humboldt County also happens to be one of the least restrictive counties in the area regarding commercial cannabis operations. In order to operate a commercial cannabis business, members of the unincorporated county need only apply for a permit with the Planning and Building Department. In the fourth quarter of 2022, there were \$8.4 million of taxable cannabis sales in the county, which shows the opportunity the industry presents.<sup>20</sup> To make the industry more enticing, the Humboldt County Board of Supervisors approved a resolution to suspend the county excise tax of cannabis for tax years 2023 and 2024. Additionally, Project Trellis was established by the county to offer micro-grants and equity grants to those hoping to take

16 Bear River Recreation Center, <https://www.bearriverrecreationcenter.com/>.

17 Shaw Sports Turf, "Bear River Band Sports Complex Completes Installation of Shaw Sports Turf," <https://www.shawsportsturf.com/resources/news-blog/bear-river-band-sports-complex-completes-installat/>.

18 IbisWorld, "61162 Sports Coaching in the US".

19 California Department of Tax and Fee Administration, Cannabis Tax Revenues, <https://www.cdtfa.ca.gov/dataportal/dataset.htm?url=CannabisTaxRevenues>.

20 California Department of Tax and Fee Administration, Cannabis Sales by County, <https://www.cdtfa.ca.gov/dataportal/dataset.htm?url=CannabisSalesByCounty>.

advantage of the commercialization of cannabis.<sup>21</sup>

The Tribe would not be alone in entering the cannabis industry, as it is becoming more common for cannabis stores to be owned by tribes. In fact, there are currently 44 tribal-owned cannabis retailers in eight states.<sup>22</sup> While Washington ranks number one in terms of tribal-owned stores with 19, California is home to five which points to some success in the state for tribes.

Some caution should be exercised, though. Touted as a measure that would increase tax revenue and increase property values from cultivation licenses, the legalization in Humboldt County and statewide has become a threat to local producers. The passage of Proposition 64 significantly grew the market size of cannabis, increasing the availability. The increase in supply has reduced the price of cannabis, leading to a decrease of 8% in California commercial sales in 2022.<sup>23</sup> Many businesses have had to lay off workers, while other local growers have sold their farms and moved to cities where it is easier to obtain licenses. Because of the ambiguity of our findings, it is recommended that the Tribe do a separate feasibility study on whether or not it should enter the cannabis industry.

## **Tobacco & Flavored Vapes**

From the Tobacco Traders and cultural significance of tobacco, the Tribe has an interest in the tobacco & flavored vape industry. Much has happened within this industry within the last decade, such as federal government regulation and a boom in the market. To put this into context, flavored e-cigarettes represented 41.3% of US retail store e-cigarette unit sales in December of 2022, an increase from 29.2% in January of 2020.<sup>24</sup> During this same period, e-cigarette sales rose about 47%.

The Federal Drug Administration (FDA) announced that it would prohibit the sales of sweet and fruit-flavored e-cigarettes pre-filled pods in January of 2020. In response to this regulation, disposable e-cigarettes now account for 51.8% of total unit sales of e-cigarettes, as of December 2022. This is more than double the share disposable e-cigarettes had in January of 2022 (24.7%). Despite the federal regulation, the market shows a persistent demand for flavored vapes.

In total, the e-cigarette industry is worth around \$8.2 billion. The industry is still growing as well, considering unique vaping products on the market have increased from 453 to 2,023 from June 2021 to June 2022.<sup>25</sup> Additionally, California state law SB 793 prohibits tobacco retailers from selling flavored tobacco products including e-cigarettes, putting the Tribe in a position to fill a rising demand because of its sovereignty.

## **Construction**

Construction is the largest industry in employment terms within the area of Bear River. It is also one of the largest in percentage terms compared to the US, being three times more concentrated than the nation at 21.1% of employment. Construction is also indicated as a key industry based upon the

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21 Humboldt County Economic Development Division, Project Trellis, <https://www.gohumco.com/195/Project-Trellis>.

22 Matthew Klas, "Opinion: Native American cannabis businesses spread across United States," <https://mjbizdaily.com/native-american-cannabis-businesses-spread-across-united-states/>.

23 Alexei Koseff, "Emerald Triangle communities were built on cannabis. Legalization has pushed them to the brink," <https://calmatters.org/politics/2023/02/emerald-triangle-cannabis-communities/>.

24 Stefan Sykes, "Flavored e-cigarette sales are booming despite federal crackdown," <https://www.cnbc.com/2023/06/22/flavored-e-cigarette-sales-usage-up-among-youths-.html#:~:text=Flavored%20e%2Dcigarette%20sales%20are%20booming%20despite%20federal%20crackdown,-Published%20Thu%2C%20Jun&text=E%2Dcigarette%20unit%20sales%20rose,and%20marketing%20for%20tobacco%20products>.

25 Liz Szabo, "Sales of e-cigs packed with nicotine soar as regulators try to crack down," <https://www.nbcnews.com/health/health-news/sales-e-cigs-packed-nicotine-soar-regulators-try-crack-rcna90222>.

opportunity in the area surrounding Bear River. In the Census Block Group, there are roughly 2,000 workers in the industry, along with over 5,000 in Humboldt County. Detailed in Table 9, both regions also boast percentage of total employment numbers higher than the national average.

**Table 9: Construction Employment Metrics, 2023**

Region	Employment '23	% of Employment	LQ
Bear River Band	16	21.1%	3.04
Block Group	1,999	7.1%	1.01
Humboldt County	5,341	8.6%	1.23

Source: Esri Business Analyst, 2023

To add more context to the opportunity in this industry, Esri estimates there are 25 private construction firms in the block groups immediately surrounding Bear River. There are also over 300 in Humboldt County. Future projects done for the Tribe and in the area have the opportunity to be completed by these firms. An example of such projects may be sustainable energy projects to meet the Tribe’s goal of energy sustainability.

**T.E.R.O.**

The Tribal Employment Rights Office (TERO) could be established to prevent employment related discrimination against American Indians and to maximize utilization of Indian workers in all employment opportunities in its jurisdiction. Additionally, TERO code is intended to give preference in employment and training to American Indians and to ensure the Indian workforce in TERO jurisdiction are equipped to enter the workforce and maintain employment of their choosing. The code could be set to apply to all contractors who perform construction work within a certain dollar range. Contractors also may be required to sign compliance agreements, which include Native American hiring goals and on-the-job training hours, if applicable.

The Confederated Tribes of the Umatilla India Reservation (CTUIR) serves as an example of a quality TERO. One of TERO’s duties for CTUIR is to review on-the-job training hours for tribal apprenticeship programs. Review and monitoring of training helps ensure on-the-job training takes place, thus ensuring tribal members become skilled to stay employed. Materials that TERO offers to assist contractors include a list of qualified Native American referrals of various trades and varying skill levels. Services and programs offered by TERO may include:

- Conducting trainings, such as a CAT simulator, to be able to operate heavy machinery.
- Offering pre-apprenticeship programs, such as pre-apprenticeship construction training or pre-apprenticeship carpentry training.
- Assisting contractors by providing qualified Native American referrals.
- Offering a directory of Certified Indian Owned Businesses.
- Offering workshops for contractors to become TERO certified as Indian Owned Businesses.

Planning and project studies are the first steps for economic development. When the time comes to construct or update facilities, having certified and available workers locally is crucial to project completions, while providing employment opportunities for the workers.

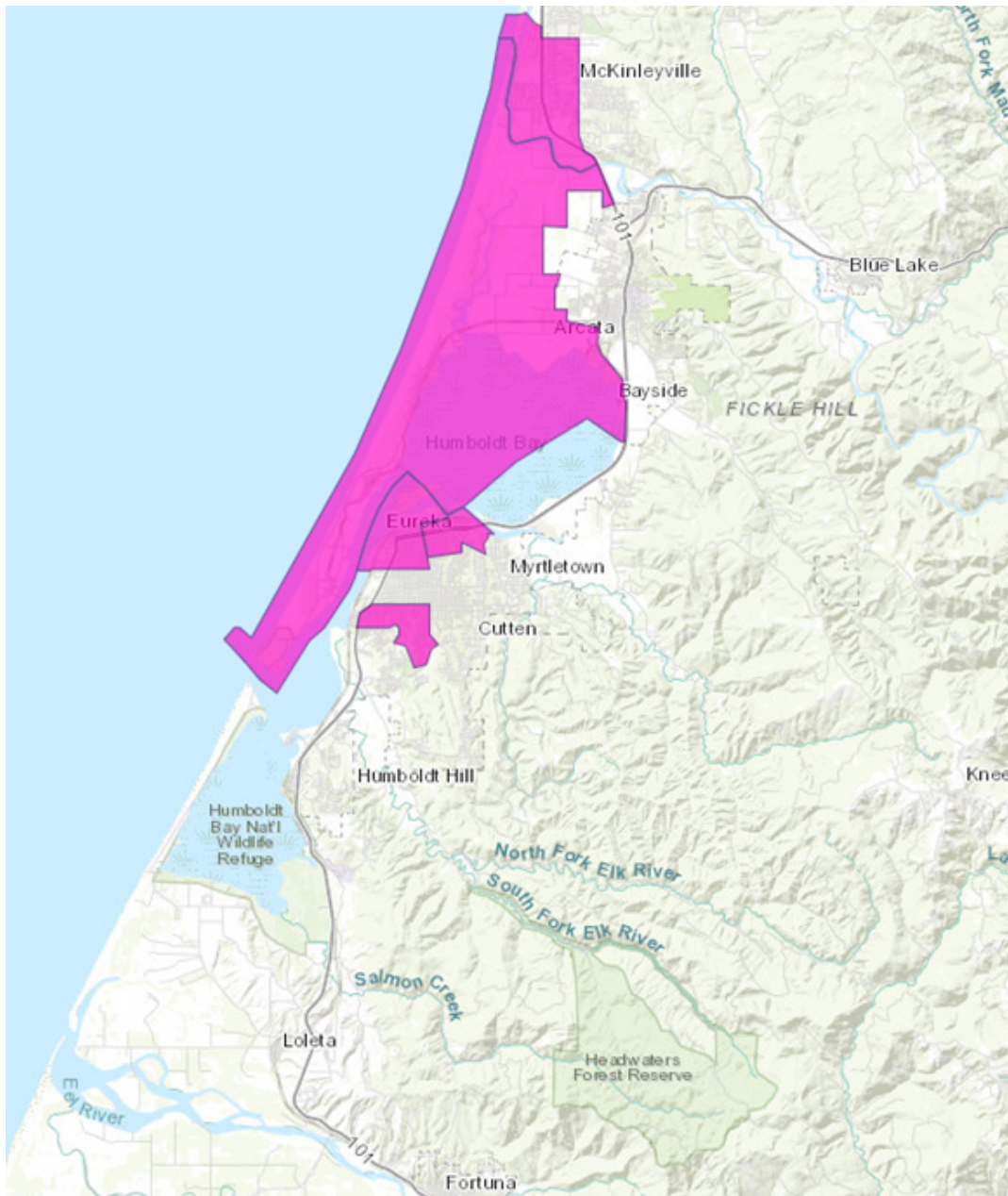
**Opportunity Zones**

Opportunity Zones (OZs) were created via the Tax Cuts & Jobs Act of 2017 as a method for encouraging business and real estate investment in designated low-income areas across the United States. In particular, the program provides individuals who owe capital gains taxes the prospect of investing those funds in Qualified Opportunity Funds (QOFs), which provide investors with tax benefits. In short, QOFs allow investors to defer existing capital gains taxes by up to 10 years, reduce their tax burden on further capital gains appreciation, and help spur development within economically disadvantaged areas.

Opportunity Zones are significant for tribes as existing policies that are designed to attract investment to them have been largely unsuccessful, such as the Native American Housing Assistance

and Self-Determination Act of 1996 (NAHASDA). The Urban Institute conducted a study of housing needs in tribal areas in 2017 and determined frequently reported barriers to investment. Which included lack of interest from other organizations, lack of availability of programs, political tensions, administrative constraints, and differing priorities.<sup>26</sup> However, OZs will differ from previous programs based on the combination of tax incentives, eligibility period, and flexibility. In total, 30% of eligible census tracts on tribal lands were picked to be designated as OZs. Tribes will be able to leverage fewer complex rules and regulations of OZs to create economic prosperity, as they have gained 20+ years of experience working with past development programs, such as NAHASDA. However, for the Bear River Band the nearest OZ is located in Eureka, as indicated in Figure 12. Although distance from the OZ to the Rancheria is less than 30 minutes away. The proximity to the OZ can be leveraged for the Tribe to facilitate small business and enterprise expansion, such as the Tobacco Traders.

**Figure 12: Nearest Opportunity Zone for the Bear River Band**

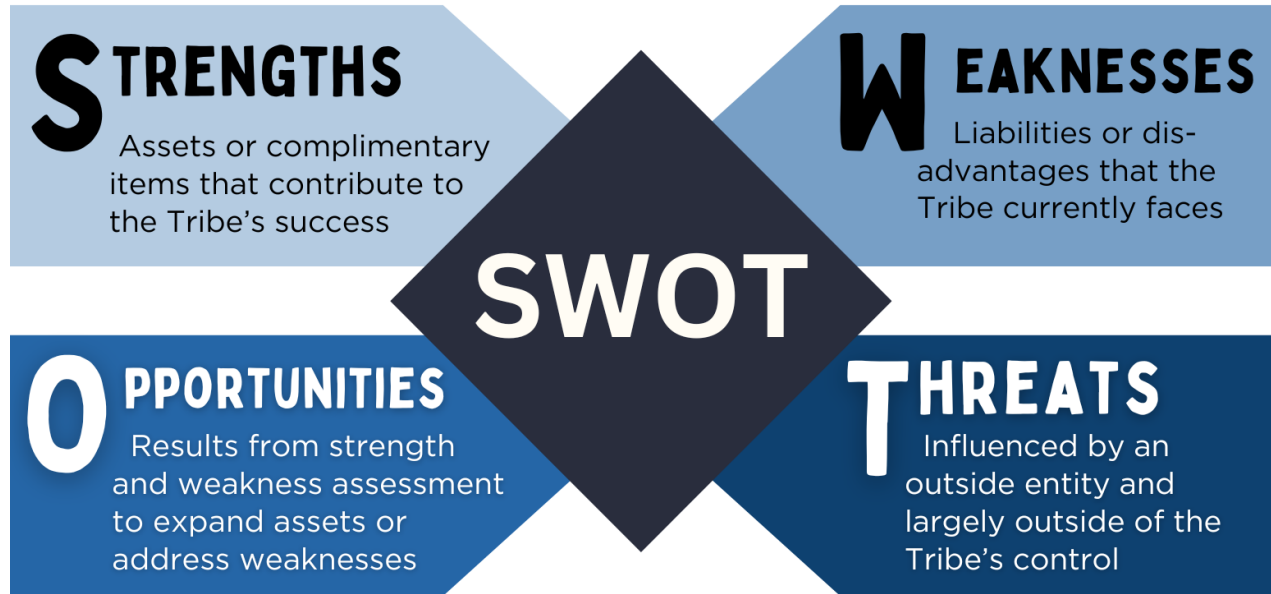


Source: Map of Opportunity Zones, [https://opportunityzones.hud.gov/resources/map\\_2023](https://opportunityzones.hud.gov/resources/map_2023).

26 Nancy M. Pindus, "Why Opportunity Zones are important for Indian Country," <https://www.urban.org/urban-wire/why-opportunity-zones-are-important-indian-country>.

# SWOT Analysis

A SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis is a strategic planning tool which provides guidance for businesses, organizations, and other entities and a comprehensive understanding of their current situation.



## STRENGTHS

- Capacity of casino to have lodging and restaurants on the Rancheria
- Most robust casino compared to other local tribes
- Catering department to use for events
- Proximity to US 101 (also one of the borders of the Rancheria)
- Humboldt County - outdoor opportunities (e.g.: tourism, hunting, etc.)
- Financially planning and practices- no debt, maintaining savings and distributing revenue so they can continue to invest
- Commercial real estate investments, 6 outside of the County (eg. Sacramento and Rocklin)
- Intergovernmental relationship with the state, exceptionally strong
- Partnering with state on co-management of lands (CA Fish and Wildlife, Child Welfare, others)
- Tribal Nation Grant Fund (TNGF) code- ability to launch and develop projects much faster and access to capital
- Stable and moderate climate
- Grants- TEDC grant that is ongoing (also Dept of Energy and Dept of Interior)



- Regulatory opportunity and effect of being a sovereign nation (state has no or little jurisdiction), particularly a strong point in a high regulatory state
- Regulatory restrictions- cannot restrict national commerce for Tribes
- Natural Resources: coast, Redwoods, Six Rivers basin
- Competitive wages for the region
- Access to federal funding, in general

## WEAKNESSES



- No independent tax codes
- Revenue dependent on gaming (and thereby dependence on disposal income and economic cycles)
- Current housing costs and crisis
- Seasonality of tourism
- Limited public transit access (two bus stops with an uphill walk)
- Walkability/bikability for getting to/from the Tribe is limited
- One dimensional supply chain (only highway, no port and no rail access)
- Higher cost, in general, in the County and region due to supply chains
- Limited retail availability without leaving tribal lands
- Itinerant and homeless populations unusually large
- Land availability (they are running out of land); very little left for housing

## OPPORTUNITIES

- Could have customized vacation packages (lodging plus hunting or ecotourism)
- Marketing fishing (steelhead and halibut) and other natural resources-based tourism
- Expanding economic diversity
- Could develop own tax code (section 18 code), so they can exercise taxes on their own properties (e.g. sales and excise taxes), which other regional municipalities cannot do
- Capturing shoulder season traffic (fishermen could come in winter where there is no fishing elsewhere)
- Surrounding lands (100 acres) under application which could be brought under tribal trust
- Convert all existing owned lands into trust status
- Improved housing availability

- Cannabis industry (federal government cannot penalize tribes for utilizing cannabis), plus increases in industry growth and consumption
- Could develop cannabis tax for dispensaries even for off-site facilities
- Medical facilities (counter-cyclical b/c more people go on public healthcare during downturns)
- Offshore wind project (8.3K jobs), with hub in Eureka and associated impacts (coming next 4-5 years)
- Potential for port expansion following wind project- tourism, recreation, and industrial development
- Leadership (and members) interest in more balanced and consistent revenue streams

## THREATS

- Natural disasters: forest fires and flooding, and air quality and supply chain effects
- Cannabis industry legalization has resulted in a less cash-rich environment.
- Crime and drug use, and associated property crime
- Operational cost and overhead of casino is ever present, even when tourism is down

## Economic Resiliency

Economic resiliency refers to the ability of a regional economy to cope with hardship. According to the EDA, economic resiliency includes the following three attributes: the ability to recover quickly from a shock, the ability to withstand a shock, and the ability to avoid the shock altogether.<sup>27</sup> Many of these characteristics arise from local institutions, businesses, and neighborhoods along with coordinated region-level planning. Building economic resilience into a regional economy requires the ability to anticipate risk, evaluate how that risk can impact key economic assets, and build a responsive capacity, all activities that can be facilitated through regional CEDS planning.

<sup>27</sup> US Economic Development Administration, "Economic Resilience," <https://www.eda.gov/grant-resources/comprehensive-economic-development-strategy/content/economic-resilience>.

# Strategic Direction & Action Plan

The Strategic Direction & Action Plan is the most critical aspect of a CEDS plan. It accounts for the socioeconomic, community, and external factors uncovered during the SWOT analysis and aligns those factors with specific strategies and actions that community leaders can address. These Goals and Objectives are consistent the community's vision for economic prosperity. Ideally, over the next five years, community leaders will be able to return to these Goals and Objectives in order to measure performance of the community. At its core, the Strategic Direction & Action Plan answers the two fundamental questions:

- *"Where do we want to go as a community?"* and
- *"How are we going to get there?"*

## Goals & Action Plan

### Goal 1: Enhancing Continuing Education and Workforce Development

- Improvement of mentorship and continuing education functions for jobs within the Tribe such as, elements of training leaders in how mentor young professionals, inclusion of a budget for professional development (conferences, online courses, scholarships, etc.), and to build an infrastructure around it so people know exactly how to access the funds
- Promote education to tribal members on rights and sovereignty (could be seminars from external experts)
- Establish Tribal Employment Rights Ordinances (T.E.R.O) program within the Rancheria
- Assist Human Resources & Tribal Compliance department to facilitate resume and job coaching as a resource to help tribal members on developing resumes/cover letters, interviewing skills, etc.
- Develop an internal tribal agency with department leadership to communicate and bridge siloed projects and needs
- Establish cross-training amongst entry and mid-level department personnel

### Goal 2: Economic Development Planning

- Determine key industry partnership and events that will expand network and opportunities for economic development with other California tribes, native owned corporations, and state government agencies
- Determine how to direct revenues from outside commercial real estate revenue into economic development promoting facilities locally (such as a Professional/Business Center, Coworking Space, or series of for-rent flex space buildings)
- Explore opportunity for hosting baseball/softball tournaments using existing turf facilities
- Develop own tax code so excise taxes can be issued for certain products or services (particularly those consumed by transients/visitors to the casino)
- Conduct feasibility study and survey of existing casino customers on events, programs and associated activities that would complement the casino and lead to sustained and non-cyclical tourist traffic (e.g.: fishing expeditions, concerts and special events, etc.)



### Goal 3: Land Use and Best Practices

- Provide map to tribal members and interested economic development partners on land ownership and categorization (trust, fee simple, tribal trust, etc.)
- Identify aspiring entrepreneurs who could fill gaps for in-demand products and services that are currently going outside of the community (such as fitness, food service, retail)
- Survey community on top priorities for housing (market rate rentals, subsidized rentals, single-family owner-occupied, senior housing, various density levels, etc.)
- Determine whether to utilize opportunities for flavored vaping on the BRR reservation and determine which outlets would sell such products
- Develop 20-year plan for which additional strategic lands in proximity to BRR lands that could be acquired, and determine which will be used for commercial, industrial, and residential purposes, including those which can be leased to private parties which will remain in trust



### Goal 4: Cultural and Internal Collaboration Development

- Survey younger tribal members (using relevant social media tools such as Snap Chat, Instagram, etc.) on what events and ceremonies would be most interesting for them to participate in
- Provide classes on key skills for BRR culture such as basket-making, song dance and regalia, traditional cooking classes, etc.
- Improve BRR website to become a central location for critical information (such as organization charts, summary of departments and programs, and opportunities for community engagement)
- Explore how to increase utilizing tribe specific social media platforms (such as Rave)

### Goal 5: Promoting Wellness

- Determine key stakeholders, nonprofit organizations, and partnering Tribes to facilitate mental and behavioral health resources and programs for Tribal members
- Assess current member workforce challenges with Human Resources, Tribal Court, and Public Works departments to determine critical needs
- Improve walkability and bikability for residents between residential and commercial areas in Loleta and surrounding areas, include educational campaigns on importance of active lifestyles
- Support local programs and services which promote healthy and sustainable living, such as a community garden which include the tribes first foods

# Evaluation Framework

The Evaluation Framework component of a CEDS defines the standards by which Strategic Direction & Action Plan progress will be measured over the next five years. Each CEDS Annual Update will report progress according to these metrics. Whereas the Strategic Direction & Action Plan focuses on where the regional economy will go and how it will get there, the Evaluation Framework focuses on the key questions:

- *“How are we doing?”* and
- *“What can we do better?”*

A few points of clarification are necessary in relation to the Evaluation Framework. While some performance measures are strongly quantitative, others are more focused on development or improvement of a qualitative feature. Some performance measures are to be reviewed annually while others will require a longer duration of time to complete. The duration of performance measurement is indicated in parenthesis following each topic. Lastly, performance measures are aligned with each of the six Goals presented in the Strategic Direction & Action Plan section.

## Goal 1: Enhancing Continuing Education and Workforce Development

- Improvement of mentorship and continuing education functions for jobs within the Tribe such as, elements of training leaders in how mentor young professionals, inclusion of a budget for professional development, and to build an infrastructure around it so people know exactly how to access the funds from the implementation of the State of Small Business Credit Initiative (SSBCI) grant **(1 year)**
- Promote education to tribal members on rights and sovereignty **(as needed)**
- Establish Tribal Employment Rights Ordinances (T.E.R.O) program within the Rancheria **(2 years)**
- Implement an organizational wide workforce development program which includes resources to help tribal members on developing resumes/cover letters, interviewing skills, etc. **(1 year)**
- Develop an internal tribal agency with department leadership to communicate and bridge siloed projects and needs **(2 years)**
- Establish cross-training amongst entry and mid-level department personnel **(as needed)**

## Goal 2: Economic Development Planning

- Determine key industry partnership and events that will expand network and opportunities for economic development with other California tribes, native owned corporations, and state government agencies **(3 years)**
- Determine how to direct revenues from outside commercial real estate revenue into economic development promoting facilities locally (such as a Professional/Business Center, Coworking Space, or series of for-rent flex space buildings) **(3 to 4 years)**
- Explore opportunity for hosting baseball/softball tournaments using existing turf facilities in partnership with College of the Redwoods **(2 years)**

- Develop own tax code so excise taxes can be issued for certain products or services (particularly those consumed by transients/visitors to the casino) **(1 to 2 years)**
- Conduct feasibility study and survey of existing casino customers on events, programs and associated activities that would complement the casino and lead to sustained and non-cyclical tourist traffic (e.g.: fishing expeditions, concerts and special events, etc.) **(2 years)**

### Goal 3: Land Use and Best Practices

- Provide maps to tribal members and interested economic development partners on land ownership and categorization (trust, fee simple, tribal trust, etc.) **(6 months to 1 year)**
- Identify aspiring entrepreneurs who could fill gaps for in-demand products and services that are currently going outside of the community (such as fitness, food service, retail) **(3 years)**
- Survey community on top priorities for housing (market rate rentals, subsidized rentals, single-family owner-occupied, senior housing, various density levels, etc.) **(1 year)**
- Determine whether to utilize opportunities for flavored vaping on the BRR reservation and determine which outlets would sell such products **(2 years)**
- Develop 20-year plan for which additional strategic lands in proximity to BRR lands that could be acquired, and determine which will be used for commercial, industrial and residential purposes, including those which can be leased to private parties which will remain in trust **(4 years)**



### Goal 4: Cultural and Internal Collaboration Development

- Survey younger tribal members (using relevant social media tools such as Snap Chat, Instagram, etc.) on what events and ceremonies would be most interesting for them to participate in **(2 years)**
- Provide classes on key skills for BRR culture such as basket-making, song dance and regalia, traditional cooking classes, etc. **(3 years)**
- Improve BRR website to become a central location for critical information (such as organization charts, summary of departments and programs, and opportunities for community engagement) **(1 year)**
- Explore utilizing tribe specific social media platforms **(1 year)**

### Goal 5: Promoting Wellness

- Determine key stakeholders, nonprofit organizations, and partnering Tribes to facilitate mental and behavioral health resources and programs for Tribal members **(3 years)**
- Assess current member workforce challenges with Human Resources, Tribal Court, and Public Works departments to determine critical needs **(1 to 2 years)**
- Improve walkability and bikability for residents between residential and commercial areas in Loleta and surrounding areas. **(3 to 4 years)**
- Support healthy sustainable living (such as community gardens which include First foods) events, programs, and educational campaigns for residents and members **(as needed)**

## Appendix A: CEDS Strategy Committee

- ▶ *Adam Frank – Comprehensive Planning Director*
- ▶ *Wendell Freeman Jr. – Tribal Administrator*
- ▶ *Brittany Gonzales – Executive Secretary*
- ▶ *Frances Donald – Grants Analyst*
- ▶ *Derek Bowman – Council Member-at-Large*
- ▶ *Earl Moon – Council Treasurer*
- ▶ *Crystal Bowman – Child Support Program Manager*
- ▶ *Al Federas – Finance Director*

## Appendix B: Community Survey Summary

Points Consulting and the Bear River Band CEDS Committee conducted a community survey within the Bear River Band community between July and September of 2023. A total of 210 unique responses were collected both via paper and electronic surveys. Of these respondents, 21% are noted to be enrolled tribal members living on the Rancheria, 16% are enrolled members living off the Rancheria and 17% are non-native working on the Rancheria. Responses were collected through a number of channels such as the Bear River Band newsletter, Facebook pages and ads, and utilizing the Rave app.

The survey included a mix of both fixed response questions (e.g., multiple choice, selection and scaled responses), and open-ended questions. Please note that tables that contain "Average Score" which translates textual responses into a quantitative score (e.g., Strongly Agree = 5, Agree = 4, etc.). This allows the project team to compare and rank the interest levels for each concept. PC also utilized a thematic coding method to group open-ended responses into categories that are largely similar.

### Survey Findings

The Community Survey received 210 responses, and 131 were qualified for the survey analysis which contained responses from tribal members, employees, residents and community members of the Bear River Band.

#### **Strengths**

When asked to identify their communities' biggest strengths, numerous topics were identified including sense of community, sovereignty, culture, available programs to members and resiliency.

#### **Weaknesses**

When asked to identify their communities' biggest weaknesses, residents zeroed in on topics such as educational and recreational opportunities, tribal communication, community and environmental issues, and supportive services.

#### **Opportunities**

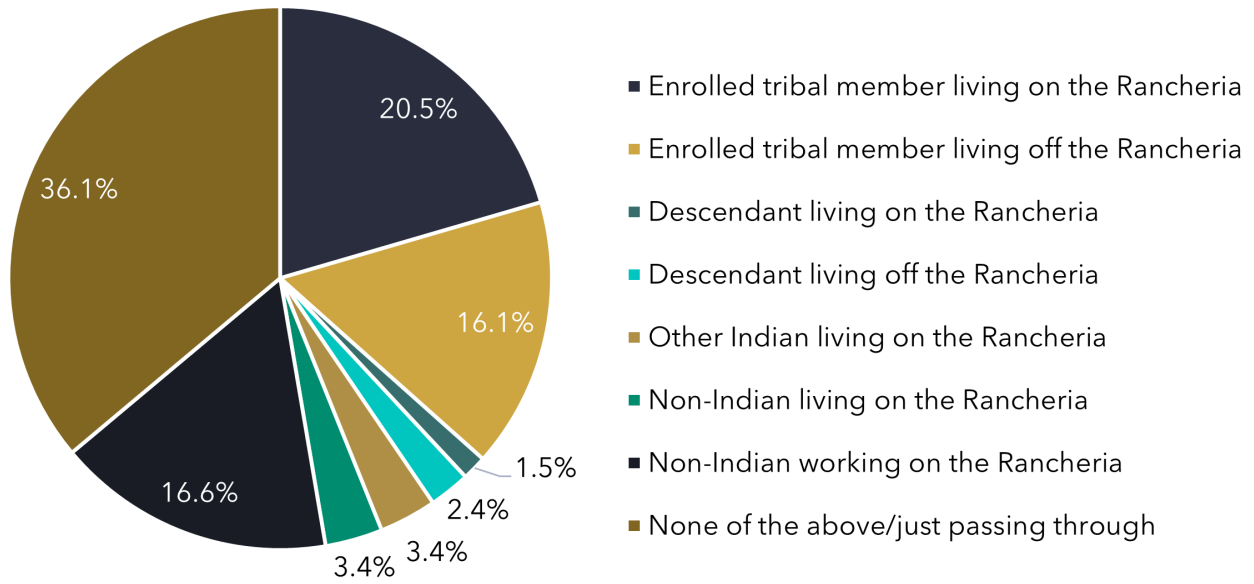
When asked to identify their communities' opportunities residents and members indicated subjects such as infrastructure updates, variety of workforce opportunities, education, and recreational events and activities.

#### **Threats**

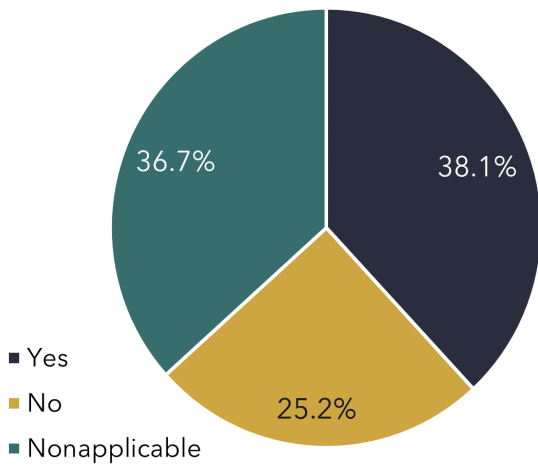
When asked to identify their communities' most concerning threats the community identified areas for example State politics, accountability, drug abuse and crime, and future investments.

## Survey Responses

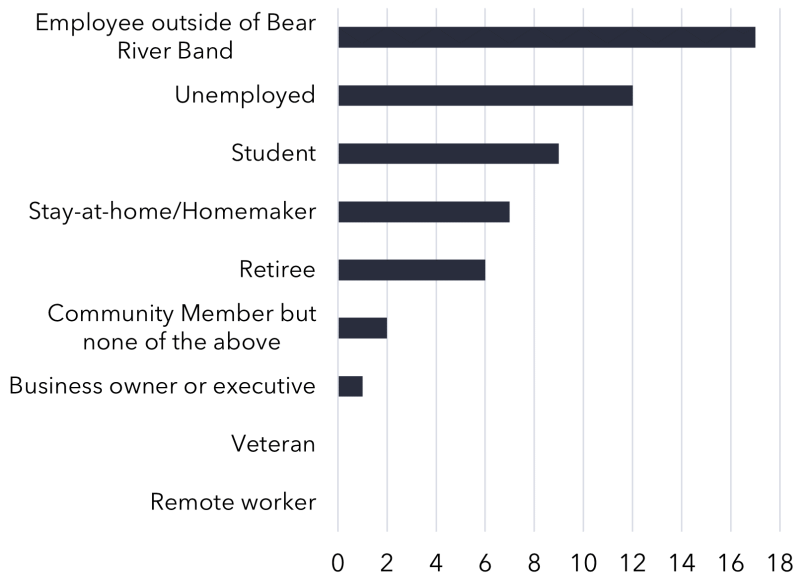
**Figure 13: Are you an enrolled member of the Bear River Band and/or live on the Rancheria?**



**Figure 14: Do you work for the Bear River Band?**



**Figure 15: What is your current work situation?**  
(If respondents do not work for the Bear River Band)

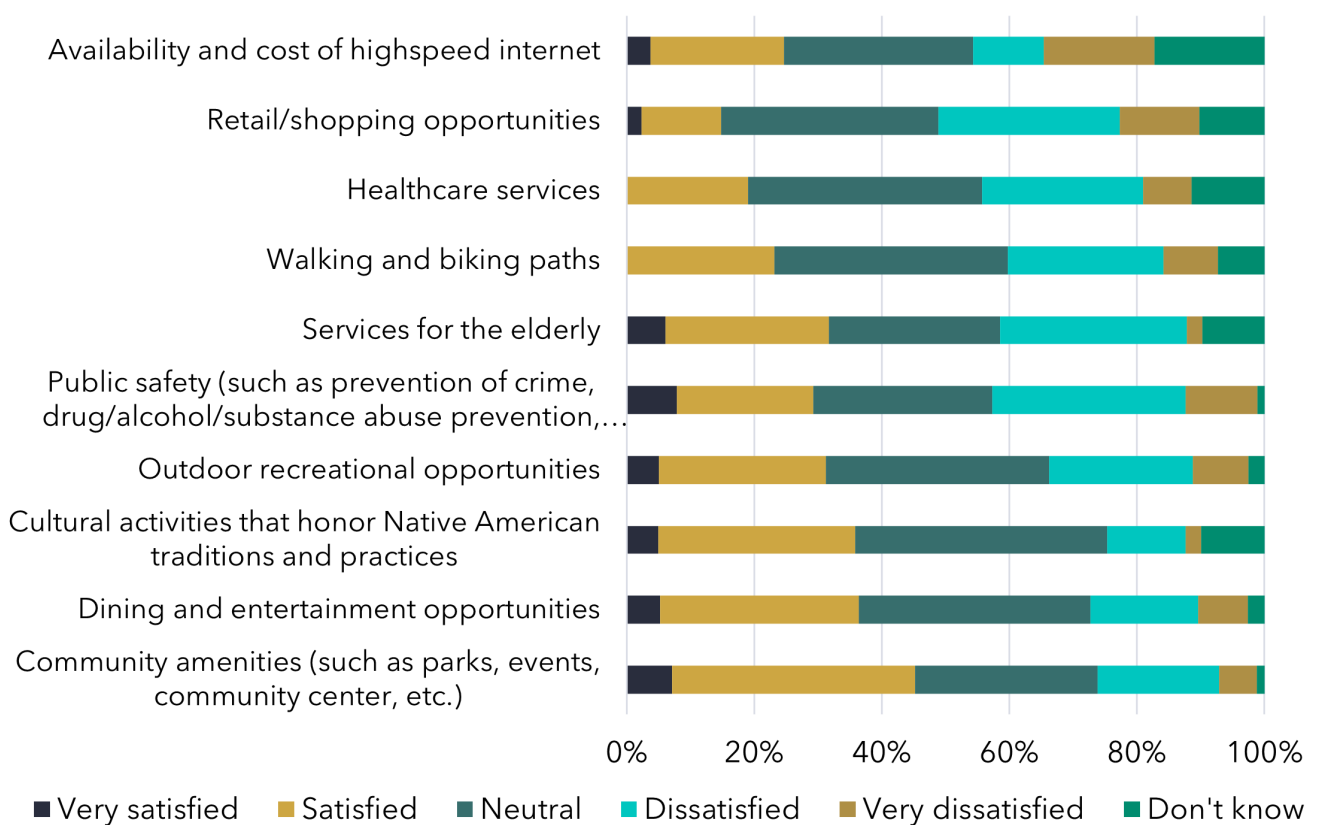


**Table 10: How satisfied are you with the following issues in the Bear River Community?**

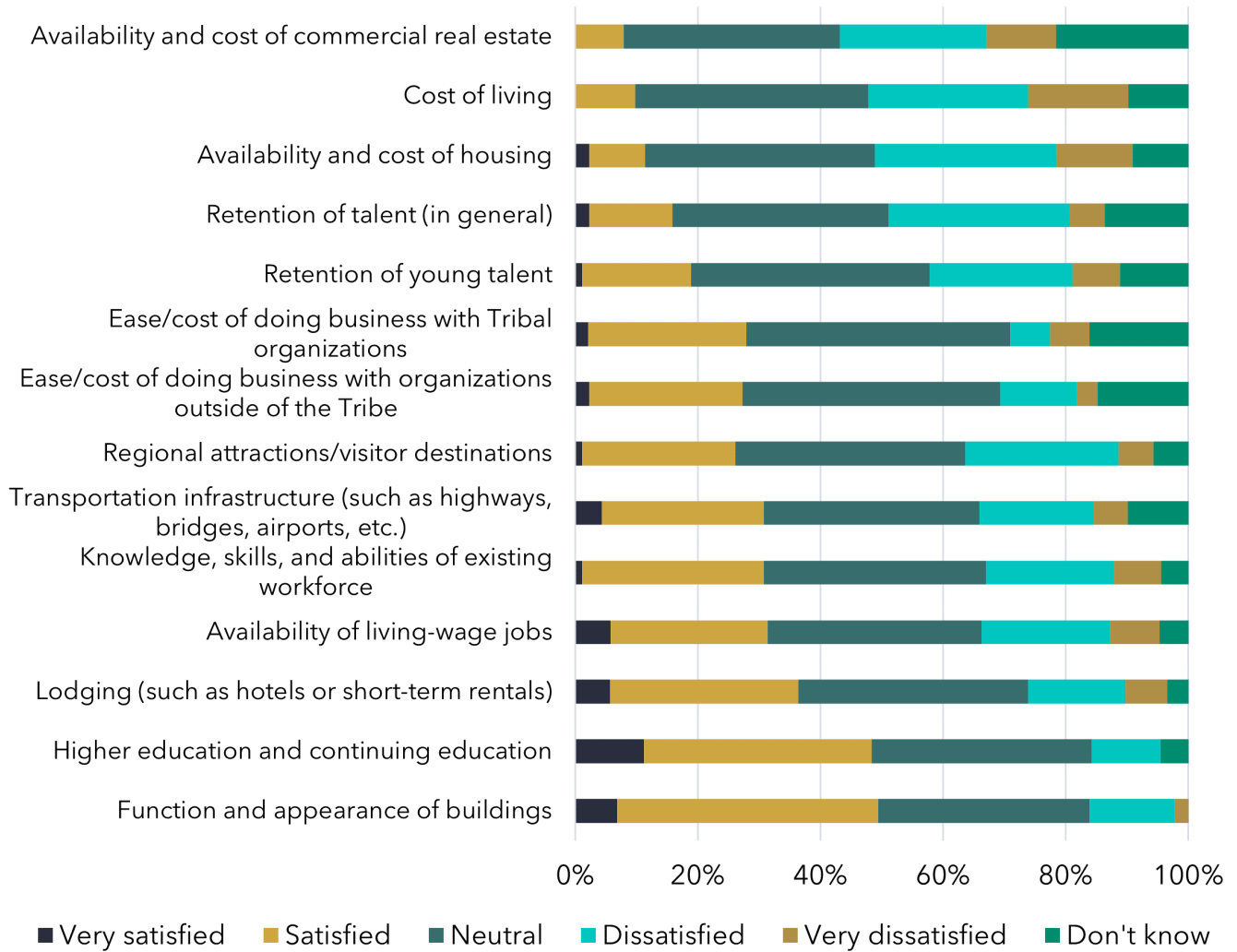
Category	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied	Don't know
Community amenities (such as parks, events, community center, etc.)	6	32	24	16	5	1
Dining and entertainment opportunities	4	24	28	13	6	2

Cultural activities that honor Native American traditions and practices	4	25	32	10	2	8
Outdoor recreational opportunities	4	21	28	18	7	2
Public safety (such as prevention of crime, drug/alcohol/substance abuse prevention, etc.)	7	19	25	27	10	1
Services for the elderly	5	21	22	24	2	8
Walking and biking paths	0	19	30	20	7	6
Healthcare services	0	15	29	20	6	9
Retail/shopping opportunities	2	11	30	25	11	9
Availability and cost of highspeed internet	3	17	24	9	14	14

**Figure 16: How satisfied are you with the following issues in the Bear River Community?**



**Figure 17: How satisfied are you with the following economic factors in the Bear River Band community?**



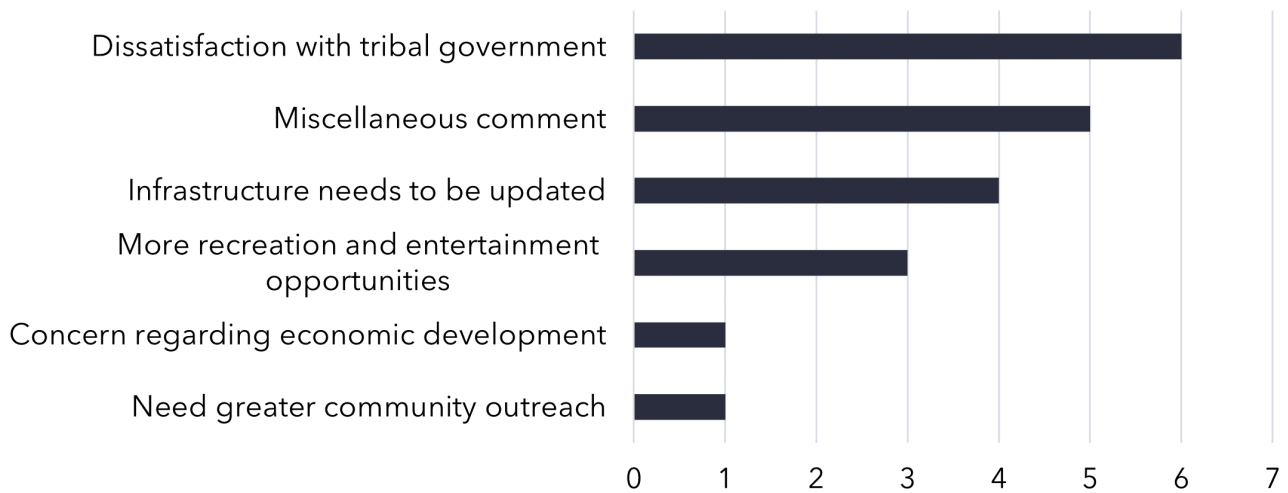
**Table 11: How satisfied are you with the following economic factors in the Bear River Band community?**

Category	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied	Don't know
Function and appearance of buildings	6	37	30	12	2	0
Higher education and continuing education	10	33	32	10	0	4
Lodging (such as hotels or short-term rentals)	5	27	33	14	6	3
Availability of living-wage jobs	5	22	30	18	7	4
Knowledge, skills, and abilities of existing workforce	1	27	33	19	7	4

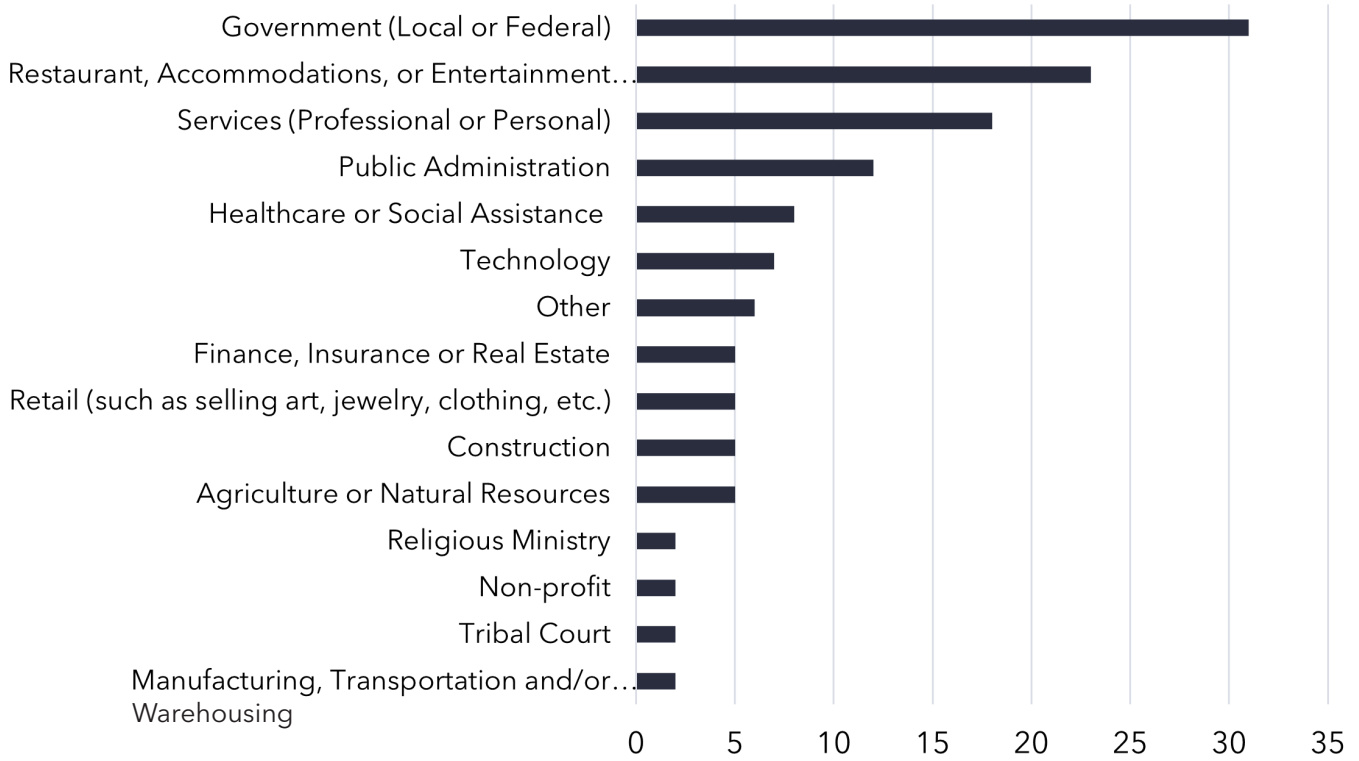


Transportation infrastructure (such as highways, bridges, airports, etc.)	4	24	32	17	5	9
Regional attractions/visitor destinations	1	22	33	22	5	5
Ease/cost of doing business with organizations outside of the Tribe	2	22	37	11	3	13
Ease/cost of doing business with Tribal organizations	2	24	40	6	6	15
Retention of young talent	1	16	35	21	7	10
Retention of talent (in general)	2	12	31	26	5	12
Availability and cost of housing	2	8	33	26	11	8
Cost of living	0	9	35	24	15	9
Availability and cost of commercial real estate	0	7	31	21	10	19

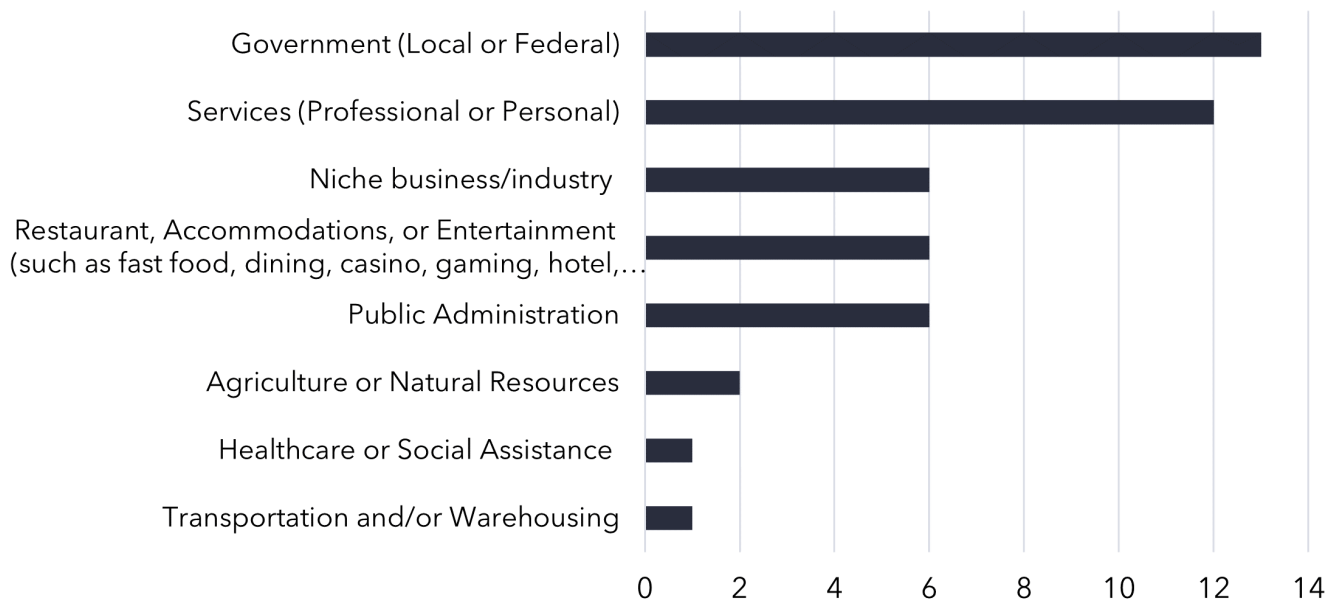
**Figure 18: Coded Responses: If you wish to provide a short explanation or comment on your satisfaction/dissatisfaction(s) from the previous question:**



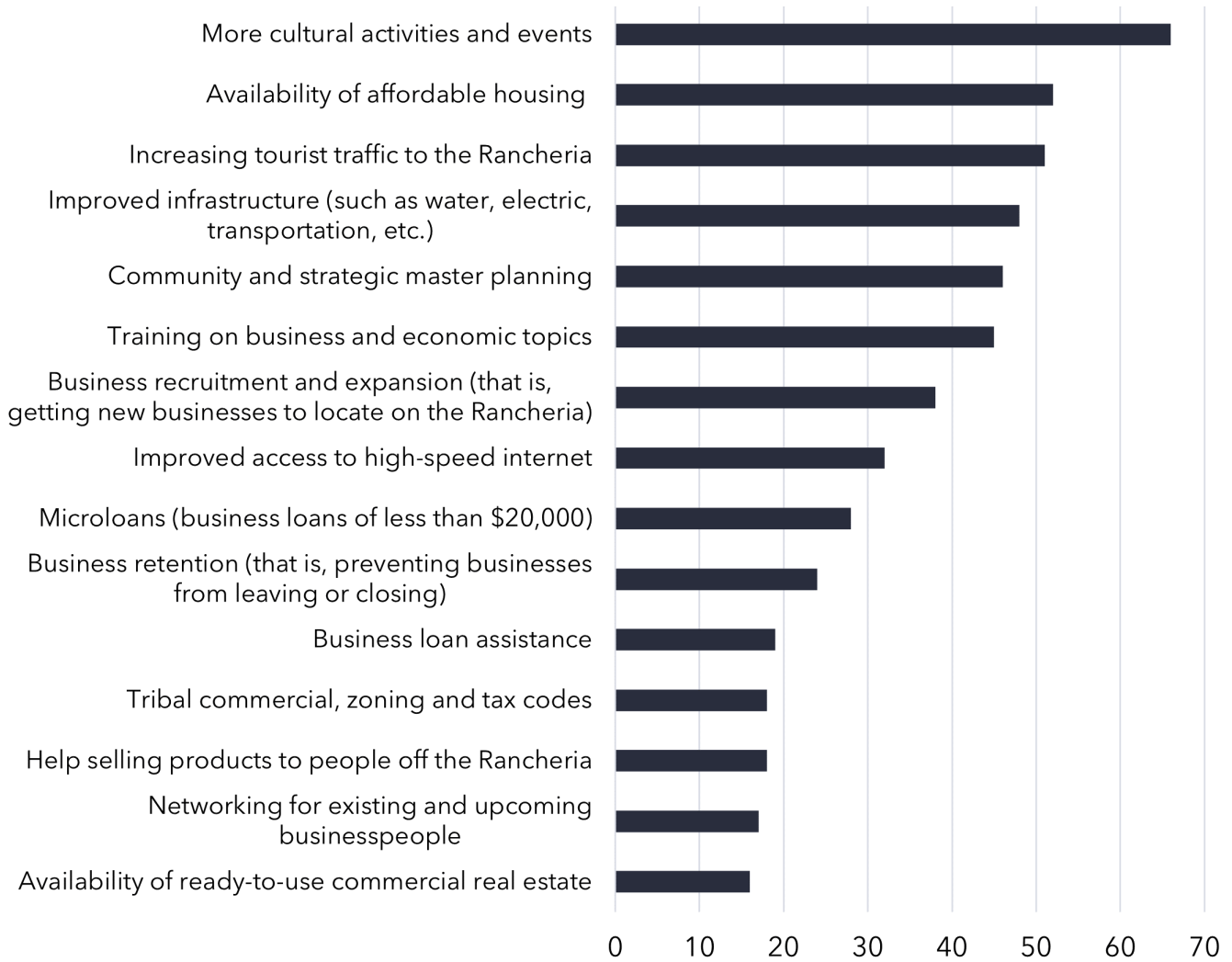
**Figure 19: If you are working, what kind of business are you involved in?**



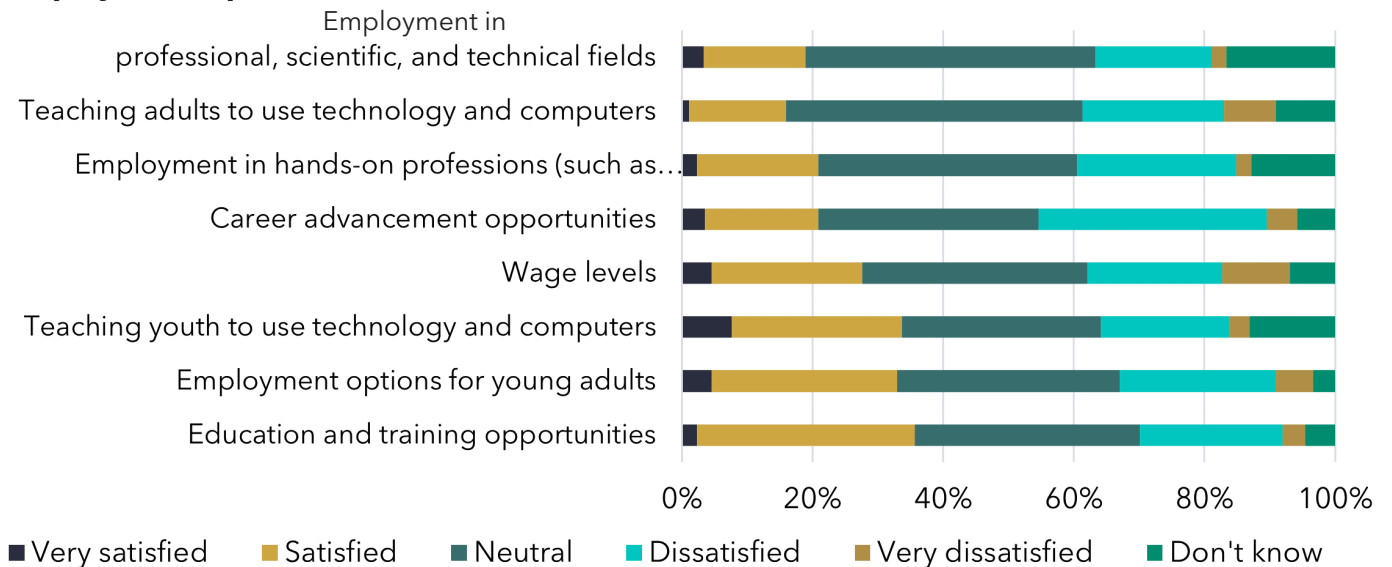
**Figure 20: Coded Responses: What kind of business are you involved in? (Other):**



**Figure 21: What economic development activities does the Bear River Band community need most within the next 5 years?**



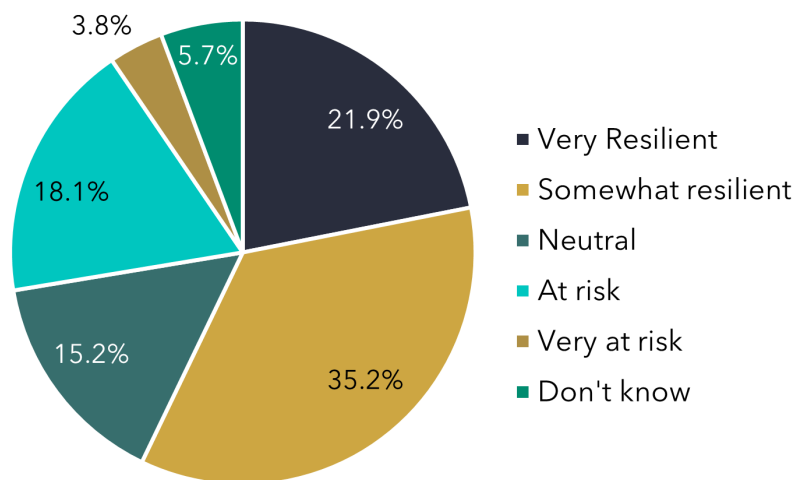
**Figure 22: How satisfied are you with the Bear River Band community related to wage and employment topics?**



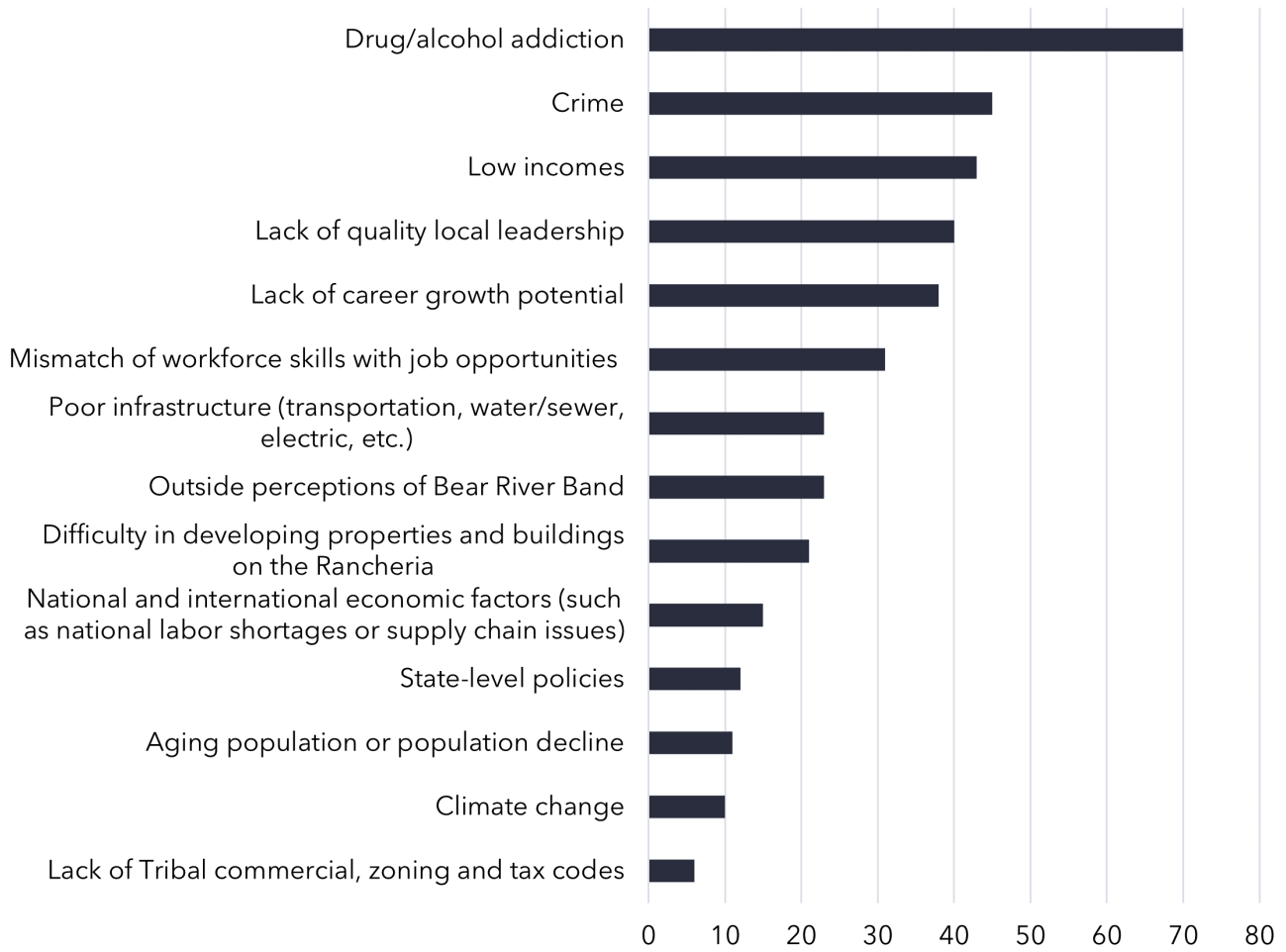
**Table 12: How satisfied are you with the Bear River Band community related to wage and employment topics?**

Category	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied	Don't know
Education and training opportunities	2	29	30	19	3	4
Employment options for young adults	4	25	30	21	5	3
Teaching youth to use technology and computers	7	24	28	18	3	12
Wage levels	4	20	30	18	9	6
Career advancement opportunities	3	15	29	30	4	5
Employment in hands-on professions (such as agriculture, manufacturing, maintenance/repair, etc.)	2	16	34	21	2	11
Teaching adults to use technology and computers	1	13	40	19	7	8
Employment in professional, scientific, and technical fields	3	14	40	16	2	15

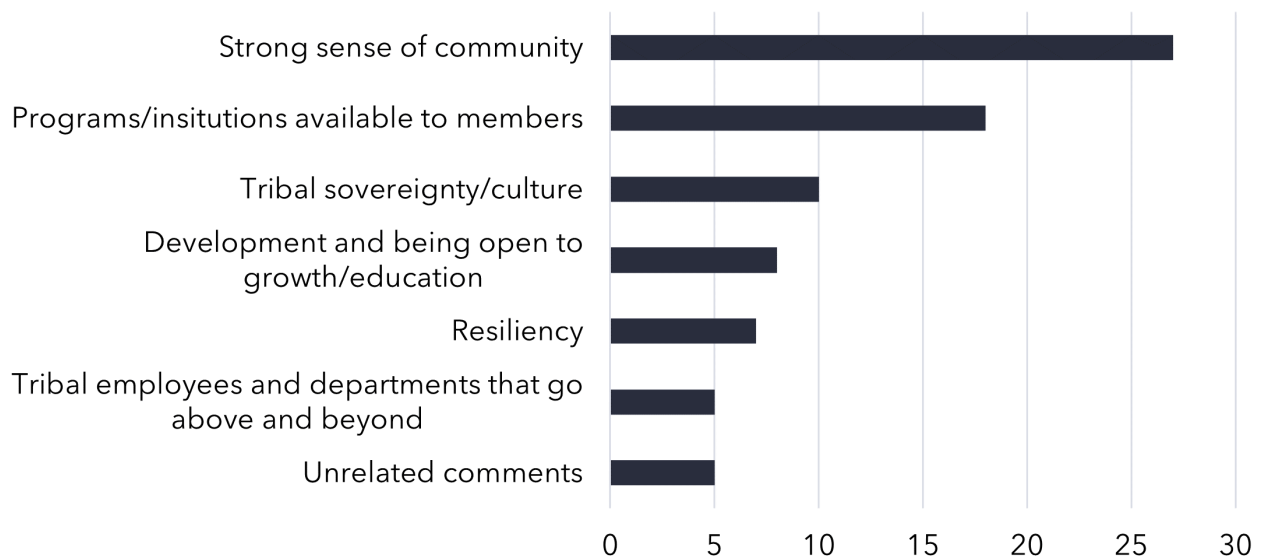
**Figure 23: How resilient do you consider the Bear River Band community to be?**



**Figure 24: What are the biggest threats to the Bear River Band community's resiliency?**



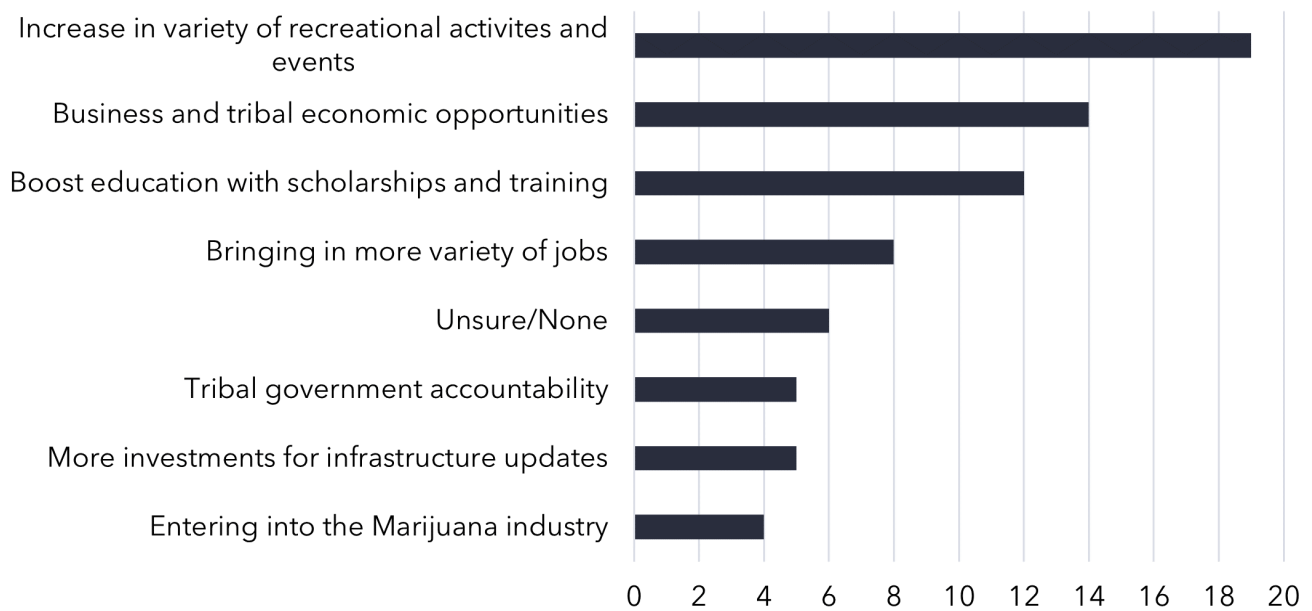
**Figure 25: Coded Responses: Strengths are assets that strengthen the Bear River Band community and members. Please list a strength of the Bear River Band:**



**Figure 26: Coded Responses: Weaknesses are existing issues that limit success for the Bear River Band community and members. Please list a weakness of the Bear River Band:**



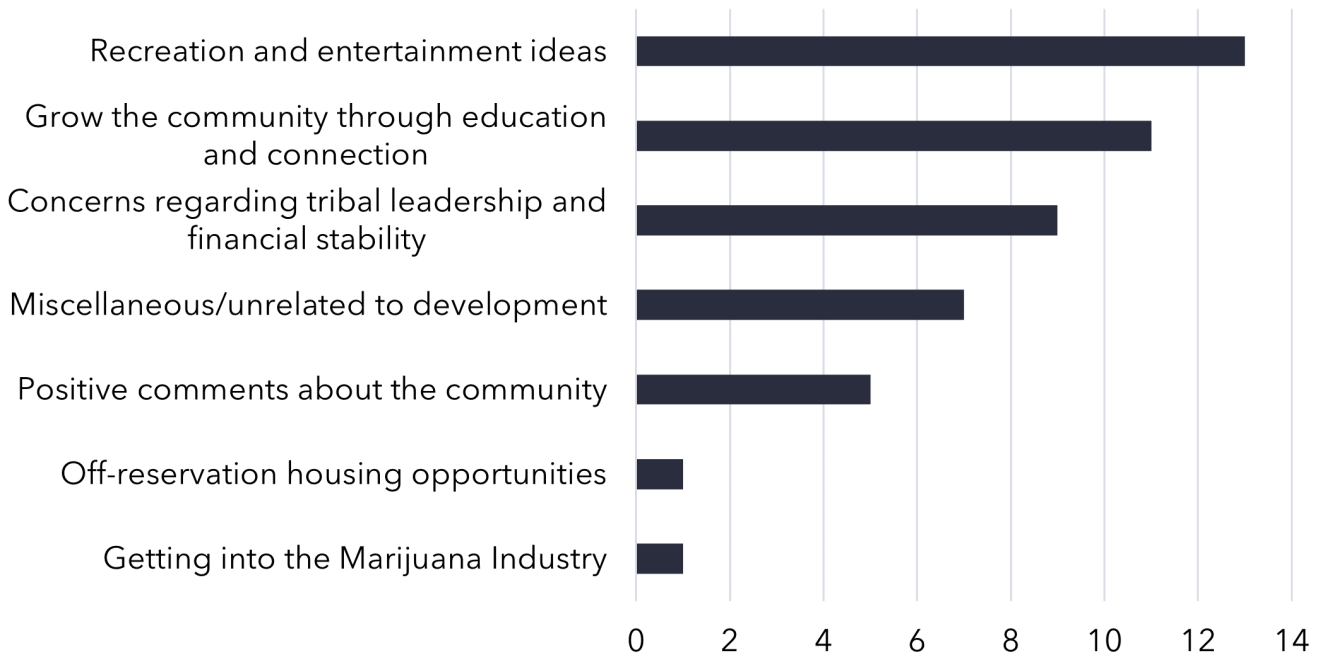
**Figure 27: Coded Responses: Opportunities are current or future possibilities for the Bear River Band community and members. Please list an opportunity for the Bear River Band:**



**Figure 28: Coded Responses: Threats are current or future possibilities that could harm the Bear River Band community and members. Please list a threat to the Bear River Band:**



**Figure 29: Coded Responses: Do you have other thoughts about the Bear River Band community and/or economic development potential that you would like to share?**



## Appendix C: Detailed Data

**Table 13: Where Workers Live Who are Employed in the Bear River Band Block Group**

City/Place	Count	Share
Eureka, CA	5,454	25.4%
Fortuna, CA	1,947	9.1%
McKinleyville CDP, CA	1,868	8.7%
Arcata, CA	1,688	7.9%
Myrtle town, CA	969	4.5%
Humboldt Hill CDP, CA	736	3.4%
Cutten CDP, CA	712	3.3%
Pine Hills CDP, CA	634	3.0%
Bayview CDP, CA	575	2.7%
Rio Dell, CA	373	1.7%
All Other Locations	6,485	30.2%

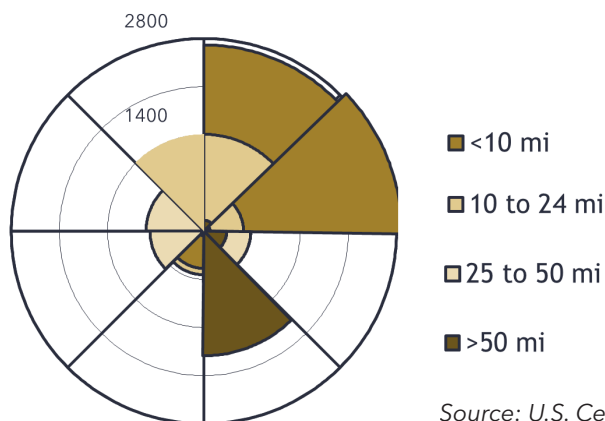
Source: U.S. Census Bureau, On-the-Map, 2020

**Table 14: Where Workers are Employed who Live in the Bear River Band Block Group**

City/Place	Count	Share
Eureka city, CA	7,145	44.5%
Arcata city, CA	1,849	11.5%
Fortuna city, CA	942	5.9%
Myrtle town CDP, CA	571	3.6%
Humboldt Hill CDP, CA	434	2.7%
McKinleyville CDP, CA	397	2.5%
Cutten CDP, CA	285	1.8%
Sacramento city, CA	164	1.0%
Redding city, CA	139	0.9%
Ferndale city, CA	115	0.7%
All Other Locations	4,006	25.0%

Source: U.S. Census Bureau, On-the-Map, 2020

**Figure 30: Distance and Direction of Commute for Workers**



Source: U.S. Census Bureau, On-the-Map, 2020



# Appendix D: Background and Literature Review

## Northern California Indian Development Council (NCIDC) 2020–2021 Community Action Plan

The California Department of Community Services and Development contracts with the Northern California Indian Development Council (NCIDC) to provide Community Service Block Grant (CSBG) programs to Indians within a designated service area. This CSBG service area currently includes 57 counties and 102 reservations and rancherias in California.<sup>28</sup> The services provided aim to assist low-income, homeless, migrant or seasonal farm workers, and elderly individuals and families by removing obstacles and solving problems prohibiting self-sufficiency. The NCIDC Community Action Plan (CAP), submitted in 2019, served to establish plans, goals, and priorities for delivering CSBG services throughout 2020-2021 to those most affected by poverty in the Del Norte, Humboldt, Siskiyou, and Trinity Counties.<sup>29</sup>



Humboldt, Del Norte, Siskiyou, and Trinity County are rural counties with large swaths of land and a smattering of national and state parks, many remote regions, and few large cities. The three California Tribes with the greatest member enrollment in 2018 for this area were Yurok, Karuk, and Hoopa, totaling 6,202, 3,749, and 3,393 members respectively. Bear River Band of the Rohnerville Rancheria also lies in this area and contributed to the region's estimated total of over 19,500 American Indian individuals quantified by the 2017 American Community Survey used by the CAP.

The community survey for the project sported 62 questions concerning demographics and community/economic needs, garnering 303 completed responses. Between the survey, public council meetings, in-person interviews, and analysis of public records such as federal and state census data, the CAP confirmed and assigned high priority to the following community needs integral to CSBG's mission:

- Job Training
- Job Placement
- Emergency Services
- Youth Services
- Community Health and Wellness
- Housing
- Recovery Programs
- Child Care
- Culture
- Victim Assistance
- Health

The overall economic well-being of the Native American population in the region was found to be generally worse than that of other ethnicities nearly everywhere, being particularly worse for Native Americans in Tribal areas than for Native Americans residing in other parts of the country. All Reservations and Rancherias in the service area were designated "pockets of poverty" by the California Department of Community Services and Development at the time of the CAP's publication. Nevertheless, though Native American poverty rates were still calculated to be as high as 49.8% in certain areas at the time, overall well-being had improved with more general poverty rates declining from prior years to 23.2% in Del Norte, 20.8% in Humboldt, 20.7% in Siskiyou, and 19.9% in Trinity by 2017.

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28 NCIDC Website: <https://ncidc.com/statewide-operations/csbg>.

29 NCIDC 2020-2021 Community Action Plan: [https://www.ncidc.org/sites/default/files/documents/import/agency\\_info/NCIDC\\_2020-2021\\_CAP.pdf](https://www.ncidc.org/sites/default/files/documents/import/agency_info/NCIDC_2020-2021_CAP.pdf).

## **Bear River Band Food Survey**

Bear River Band conducted a survey in August of 2015, mustering 63 responses. The survey assessed perspectives on food security and quality, with 35% of respondents reporting difficulty collecting enough food for their families. The survey further unearthed the following key results:

- CalFresh (food stamps/EBT), school lunches or breakfasts, and Women, Infants, and Children (WIC) made up the top three federal, state, county, or Tribal food assistance programs used to acquire food among respondents
- 49% of respondents reported consuming fruits and vegetables 2-3 times per day, followed by 23% reporting eating them once per day
- The number of respondents that drink soda or juice 2-3 times per day nearly equaled those who rarely or never drink soda or juice, clocking in at 24% and 25% of respondents respectively
- While 29% of respondents reported never eating due to stress, this paled in comparison to the total number of respondents that ate due to stress at least once per day (47%), with many doing so even more frequently
- Overwhelmingly the largest factor contributing to decreased fruit or vegetable consumption was cost (49%), followed by preparation time and forgetting to buy them (24% each)
- Though most respondents responded 'yes' to having enough fruits and vegetables (72%) even more expressed interest in having more (95%)

Potential options to amass more fruits and vegetables in the community included a Tribal Farmer's Market or Community Garden, both of which were met with a majority of favorable responses. However, the Farmer's Market option was preferred to the Tribal Community Garden option by 3% of respondents.

## **Bear River 2019 Community Needs Survey**

The Bear River Band 2019 Community Needs survey accumulated 60 responses from Tribal members, 70% of which were in the 25-54 year old age bracket. 50% of respondents lived in their own home. While 7% of respondents lived alone and 12% with one other person, over 50% of respondents had a household size of 5+ members. The housing needs program that respondents would have liked to see offered by the Tribe most was geared toward making home repairs and/or maintenance, followed by assistance procuring low interest rate loans.

## **Bear River Organization Survey, 2020**

In 2020, Bear River Band conducted an organizational survey to assess how the organization itself could improve in the eyes of its employees. The survey enabled employees to voice their opinions on subjects such as strengths of their department, current procedures, governing documents, systems, resources, planning, and inconsistencies. While many voiced needs for improvements in several areas, there is a general sense of positivity as 91.6% of respondents said they agree or strongly agree that their department makes progress on its goals. The survey ended with 12 responses, and some common responses included:

- The need to update governing documents, such as the constitution, along with policies and procedures.
- The need for more training and better communication for the membership.
- The fact that not all employees are treated equally.
- The need for better community involvement.
- The need for better emergency operations planning.

## **BRB Coordinated Economic Development Strategy, 2014**

The Bear River Band (BRB) Tribal Council approved the creation of a Coordinated Economic Development Strategy, along with a consultant and a CEDS committee to complete the strategy in November 2013. The CEDS was completed using prior studies, such as the County CEDS approved in 2013 and the 2011 TedNET strategy, along with BLS data for the County and census tract 108, and data available from BRB.

The 2014 CEDS determined that BRB has developed a successful micro-economy on the Rancheria, and within the past decade BRB built a casino, gas station/mini-mart, and a hotel. Infrastructure is the most important short-term problem impacting economic growth and development for the tribe. At the time, wastewater infrastructure was underbuilt, and capacity needed to be increased to accommodate expected housing needs and business development. The lack of comprehensive, or uniform, zoning ordinances and tax codes was another short-term issue. Previous planning was in place to address this issue, and the CEDS committee recommended an assessment of competing regulatory environments in the surrounding area in order to properly attract businesses to the Rancheria.

In 2014, BRB had a relatively young population with nearly half of its members being under the age of 17. Recommendations were made for strategic investments in social and education programs to provide an acceptable level of government services to the population. The consultant noted that emphasizing education will be important for the young population in order for them to become self-sufficient and not fall into poverty.

Regional problems identified in the CEDS include the nearest major metropolitan area, San Francisco, being a 6-hour drive South and needing to drive three hours East to the I-5 corridor. California State Highways 101 and 209 formed the primary transportation infrastructure, but at the time did not accommodate common-size trucks for moving goods. To address this issue, infrastructure projects were underway to build standard highway access. Additionally, there are aging docks and loading equipment in Humboldt Bay which increase costs, thus limiting the potential for the shipping and cruise ship industries. Railroad access to the national rail system was cut in the late 1990s due to storm damage. The regional airport supports one commercial airline flying all flights through San Francisco, which increases costs, delays, and travel time.

Industries of opportunity identified in the 2007 Humboldt County Workforce Investment Board include the diversified healthcare, specialty agriculture, food & beverages, building & systems construction maintenance, investment support services, management & innovation services, and niche manufacturing.

The 2014 CEDS described a substantial underground marijuana industry as an "elephant" in the regional economy with no reliable source of data. Citing a 2010 master's thesis, there was approximately \$416 million of spending unaccounted for in Humboldt County and estimates of around \$1 billion of marijuana being grown there as well. Problems identified from this underground industry include attracting people away from higher education and entry-level jobs, removing people from the workforce, increasing fire danger, and decreasing the availability of households, among others. It should also be noted that cannabis was legalized for adults in California in 2016 but is still illegal federally which limits what economic development entities could fund potential future projects that include marijuana.

The consultant noted that the Humboldt County economy is considered significant in the Redwood Region, but not within the context of global, national, and state economies. A point of interest for the County is that it possesses a deep-water port. This represents a potential advantage to the county in combination with how the movement of freight originating in California is expected to quadruple over the next 25 years (2013 California State Rail Plan).

The consultant reviewed the TEDNet Strategy and indicated that northern California Tribes have made strides in solidifying their economies to become important players in the regional economies. The Northern California Tribes are involved in regional joint power authorities and other decision-

making bodies concerned with regulation and use of energy resources, public lands, transportation systems, and water and/or natural resources. A persistent issue facing tribes all over the nation is long-term poverty, and the northern California Tribes are no exception to that trend. Only BRB and two other Tribal communities had median family incomes that compared favorably to their respective county during the time of the 2014 CEDS. The TEDNet section of the CEDS reviewed percentage of employment by industry on all tribal lands and recommended that northern California Tribes should put emphasis on hospitality/tourism and land stewardship industries.

Comparisons were made between Census Tract 108 and Humboldt County levels overall to analyze information on poverty, unemployment, employment by industry, and relative income rates. The analysis resulted in recommendations of focusing on lowering unemployment rates and raising median income through provision of more highly skilled jobs in new business ventures.

Goals and objectives for BRB were also outlined in this report. The main goals include having BRB expand economic diversity and sphere of economic influence. The tribe has mandated its efforts in economic development to be focused on diversification to become less reliant on the single industry of gaming. The CEDS committee recommended pursuing an investment strategy that includes partnering with the regional business community to create jobs, developing a tribal business incubator to promote entrepreneurship, and investing into extra-regional business ventures.

Additionally, a questionnaire was developed from Humboldt County's economic development strategy which was aimed at gathering public comment. Comments were gathered on topics that included, but not limited to tribe-to-tribe trade, vertical/horizontal integration in supply/support of the casino, education, health care, the marijuana industry, and tribally owned businesses. The responses were then tabulated for review.

Suggested projects and a plan of action were also included in the CEDS, but there was no distinct timeframe for these projects. Some suggested projects include infrastructure development, health and wellness center, and educational program, job training, real estate investment, and having a business park on reservation. The plan of action included expanding the wastewater treatment capacity for infrastructure improvements, the development of formal zoning ordinances to create a competitive regulatory environment, a diversified investment strategy of short-, medium-, and long-term investments, and the development of a business incubator to address the strong public demand for a place to locate start-up businesses.

## **BRB Energy Options Analysis Project, 2020**

The US Department of Energy, Office of Indian Energy Policy and Programs awarded the Bear River Band of Rohnerville Rancheria (BRB) a grant to consider renewable energy projects moving forward that align with their long term strategic vision of "zero net annual utility energy consumption." The report was completed by the Schatz Energy Research Center (SERC) and Humboldt State University.

An assessment project conducted by Redwood Energy prior to SERC's energy options report estimated residential energy consumption of BRB is about 279,300 kWh. This prior assessment also found a total average energy use of 4,700,000 kWh for all commercial facilities with the Casino and Hotel accounting for 71% of energy use. New projects that were proposed at the time of the energy options report were estimated to have an energy use of around 2,300,000 kWh per year.

In 2015, there was a solar photovoltaic and wind energy system installed at the Tish-Non Community Center, and operational data for 2017 showed the renewable energy system could generate about a quarter of the building's annual electricity load.

SERC performed an initial renewable energy resource assessment, focusing on solar and wind. For solar power, there were 9 potential locations identified for solar energy projects, shown in table 4. Based on the results from the load management assessment, if all of the sites were developed for solar energy production, then the energy generated could potentially offset about 62% of total projected energy use for 2020. For wind power, SERC relied on a 2016 study done by Humboldt State University. The study concluded with the recommendation of a 100kW turbine located near the wastewater treatment plant.

Demand side management opportunities were developed as a part of the energy options analysis report as well. Here, SERC reviewed an energy audit done by Redwood Energy in 2016, which concluded with the recommendations of upgrading electrical appliances to more efficient models and converting gas-powered appliances to electrical appliances. More takeaways from the audit review included the casino accounting for approximately 80% of the entire energy consumption at the rancheria, and the uninterrupted power supply to the slot machines making up about 70% of the casino's energy load. SERC determined that the casino HVAC systems and uninterrupted power supplies for the slot machines stand out as potential energy-savings and fuel-switching opportunities. Retrofitting the casino with new HVAC systems would increase the casino's energy load but would prevent 86.5 metric tons of greenhouse gas emissions from entering the environment.

The report also included a renewable energy integration readiness assessment. This included requesting and reviewing utility and site electrical infrastructure documentation, reviewing the potential renewable energy systems proposed earlier in the report, and identifying options for the appropriate point of interconnection (POI) for each proposed renewable energy project. Additionally, SERC obtained feedback from the Strategic Vision Advisory Committee.

Key tribal members offered feedback to SERC resulting in three main energy options. Energy Option 1 is a solar photovoltaic system on the hillside by the community center. This is a 400-kWDC ground-mounted system connected to the utility grid that would offset energy use at the wastewater treatment plant and the family entertainment center. Energy Option 2 is a microgrid at the Pump & Play. This project would be capable of supplying facility loads during grid outages. Energy Option 3 is implementing a rooftop photovoltaic system and multiple solar carports connected to the casino or utility grid to offset the casino energy use. SERC also proposed using the NEM2A system, where a single customer has multiple energy meters on the same property, or on adjacent or contiguous properties to use renewable generation and receive financial credit on the electrical bills for any surplus energy fed back to their utility.

Ultimately, the energy options analysis report included recommendations from SERC. The first recommendation was to consider expanding the size of Energy Option 1 by including the photovoltaic system planned for the recreation center. The next recommendation is to submit a pre-application report request to obtain information on utilizing NEM2A utility systems. The third recommendation was to conduct a detailed feasibility study for the three energy options.

## **Bear River Family Entertainment Center Expansion Feasibility Study, 2022**

In 2022, KlasRobinson QED completed a feasibility study on the potential expansion of the Bear River Family Entertainment Center. Their study evaluated the site and surrounding area to determine the suitability for the development including accessibility, transportation infrastructure, proximity to supporting development, and other issues affecting the appeal of the facility. An evaluation of economic and demographic information for the immediate and broader market area, along with analysis of the impact of existing and potential competitors for the project were conducted. Additionally, they made estimates of utilization the project would be likely to achieve during the first five years of operation, and projections of cash flows for the first five years.

The report completed an overview of regional characteristics, with a focus on segmenting the area by those who live within a 15-, 30-, and 60-minute drive from the entertainment center. The regional characteristics were mainly focused on data from Claritas, an economic forecasting firm. Highlights from the data include that there are over 122,000 people living within an hour drive of the entertainment center, and nearly 27,000 people living within a 15-minute drive. The population in the area has also been growing significantly slower than the national average. Average household income was also included, showing that the closest segment to the entertainment center earns less than the national average and those who live within an hour of the entertainment center. Additionally, Humboldt County recorded \$405.6 million in destination travel spending in 2021, which was an increase of 68.4% from the pandemic year. However, this number was still about 10% lower than 2019.

To determine the feasibility of the project, the competitive environment needed to be assessed. Competition was determined to come from numerous outdoor attractions and activities, such as mini golf. IBISWorld data in the reports were used to summarize the family entertainment center industry and the bowling industry. The assessment included summarizing similar family entertainment centers and bowling at Indian casinos. Potential area competitors within a 50-mile radius were also determined, those being three bowling/arcade centers and a mini golf facility north of Eureka. With limited entertainment centers in the area, it was determined that direct competition is low and unlikely to increase significantly during the next five years.

To achieve greater detail for the expansion, facility assumptions were included based on the existing operations. Assumptions include, but are not limited to, the current recreational facilities, observing how the facility did financially before and after the pandemic, comparing the facility to trends in tourist-oriented businesses as a whole, along with staffing shortages and issues. Ultimately, an expansion of 9,000 to 10,000 square feet was recommended. The expansion should offer new components of:

- One competitive virtual reality first-person shooter game allowing 2-4-person competition.
- Two virtual reality/sports simulator games, such as a golf simulator.
- A four-lane axe throwing area.
- A children's ball pit play area.
- An indoor bounce castle.
- Four additional party rooms.
- A bocce ball pit.
- Four billiard tables.
- At least 1,000 square feet of additional cold and dry storage convenient to the food & beverage operations.

The study concluded with financial analysis and projections for the expansion project. Revenue streams included are bowling, arcade & laser tag, axe throwing, VR/sports simulators, and food & beverage. The projected top contributors to revenue are bowling and food & beverage. The analysis also showed projected operating expenses coming from cost of sales, payroll & related, marketing, facilities, and other operating. The projected return on investment (ROI) in years 1-5 are 4.9%, 6.4%, 7.3%, 7.4%, and 7.6%. Three scenarios were also completed to show potential shocks and how they would affect the ROI. The scenarios were a 10% reduction in revenue, a 10% increase in expenses, and a 10% increase in project costs. Ultimately, each scenario also showed the expansion would have positive ROIs.

# About Points Consulting

At Points Consulting (PC) we believe in the power of peoples' interests, passions, and behaviors to shape the world around us. Now more than ever, people are the primary factor in the success of businesses, organizations and communities. Our work is focused not only on how people impact communities and organizations, but how to align their potential to create more successful outcomes for all. We partner with private and public entities on projects such as feasibility studies, economic impact studies, and strategic planning. In summary, at Points Consulting we believe in "Improving Economies. Optimizing Workforce."

PC was founded in 2019 and since that time has completed many projects both regional and national in focus. Firm President, Brian Points, has worked in the public/ private management consulting industry for the past 14+ years focusing on research projects, in general, and feasibility studies, in particular. In past roles he has managed many projects funded by federal agencies including the USDA, the DoD, and the EDA



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