

**ECONOMIC DEVELOPMENT STUDY FOR
DONNER SUMMIT**

**Prepared for:
County of Nevada**

**This study was funded by State
Community Development Block Grants Funds**

June 2004

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Section 1

INTRODUCTION

The County of Nevada was awarded a Community Development Block Grant Planning/Technical Assistant grant to study and develop a plan for economic development in the Donner Summit area. The Nevada County Housing and Community Services administered this grant.

This study is intended to serve as a documented baseline of economic development needs of the Donner Summit area and recommended strategies to meet these needs.

The Primary Components of this Economic Development Study include:

- Goals and Approach
- Existing Conditions
- Area Strengths and Weaknesses
- Market Potentials and Local Needs
- Strategic Plan
- Implementation Plan
- Estimated Employment.

Pacific Group was primarily responsible for the management, economic and financial analysis in this report. Synthesis Design Group focused on the issues of land use, infrastructure, planning and design.

Pacific Group and Synthesis Design Group wish to thank the staff of the County of Nevada Department of Housing and Community Services and the Community Development Agency, Planning Department who cooperated in providing information and ideas for this study.

Section 2

STRATEGY APPROACH

GOALS

Based on a review of the goals of the regional economic development corporation (Sierra Economic Development District - SEDD) and discussions with County staff and local residents, the following goals were established to guide the analysis and recommendations in this report:

1. Make Donner Summit a better place to live by providing more services for the local residents.
2. Retain and expand existing businesses, particularly those that offset the current seasonality of the area.
3. Provide additional affordable housing alternatives for the area.
4. Improve and enhance the physical environment of the area.
5. Reinforce the unique character and small town atmosphere of Donner Summit.
6. Capture a larger share of the retail expenditures and tourist expenditures in the area.
7. Provide the infrastructure necessary to accommodate economic development activity.
8. Generate additional jobs in the area, particularly for the Target Income Group (TIG).
9. Encourage land use that will encourage economic development.
10. Utilize and leverage funding from a variety of public and private sources.

PROCESS

The Strategic Plan was developed based on the following steps:

***Donner Summit
Economic Development Study***

1. Attend a kick-off meeting with the County to review goals, discuss the concept and obtain all suggested contacts and relevant background information including any past analysis of the project.
- 2: Prepare an inventory of business and commercial property and vacant land within the Core Area, indicating the street address of each property. Provide the address of each property to the Nevada County Geographic Information Systems Staff for input into the County GIS.
- 3: Prepare a summary of the 2000 Census Data and other selected Economic Indicators for the Summit Area
- 4: Design a brief survey form for local residents. Tabulate and analyze the results of the survey.
- 5: Conduct interviews with individual landowners and business people who have indicated an interest in a development project or a new or expanded business. Interviews were conducted in person at a central location and by phone.
- 6: Prepare a Strengths and Weaknesses assessment.
7. Prepare an overview of market potentials and local needs based on the surveys, interviews, field inspection and the consultant's experience.
8. Prepare an assessment of the infrastructure capacity to accommodate land use needs and recommendations.
9. Identify skill requirements and demand occupations for new employees at the potential new or expanded businesses.
10. Identify the Donner Summit Target Income Group (TIG) Characteristics and Employment Impediments.

Section 3

DEMOGRAPHIC BACKGROUND

This section of the report presents background information on the demographic profile of the area based on the 2000 Census and other Economic Indicators. A map of the regional area is presented in Figure 1. The specific Project Area of focus for this study is shown in Figure 2. (The General Plan Map for Soda Springs can be found in Appendix D of this report.)

The specific geographic area of interest varies depending on the use of the statistics. For example, data on housing trends for the total Eastern County as well as the project area are relevant. On the other hand, when considering the market potential for land uses, a wider market area might be defined. For this reason, some of the statistics presented below apply to the project area or the Eastern County, while others are presented for various market areas. Statistics for the total county are used only when data on more specific areas was not available.

MARKET AREAS

Based on a review of census maps and discussions with County Planning staff and GIS staff, it was concluded that it is not possible to accurately estimate the population of the Project Area because it was not defined in terms of census blocks. The Project Area includes portions of 12-13 different Census blocks, many of which include substantial areas outside of the project area. However, the various relevant market areas, defined in terms of distance bands, provide a more useful gauge the potential and limitations of the area.

The market areas are defined as the five-mile, ten-mile and fifteen mile radii around the center of town. These radii of various sizes are used rather than political jurisdictions such as a County, because of the project area location on the border of Nevada and Placer Counties. There is population in Placer County to the south which should be accounted for when considering the market potential of the area. The five-mile radius would apply for uses that are supported primarily by the local population. The ten-mile radius includes a wider population that would drive farther for certain convenience goods and services. (for example: food service). The fifteen-mile radius includes the town of Truckee and would be relevant for larger developments which could have a regional appeal (such as housing). Figure 3 graphically depicts these three radii on a map of the region. The demographic characteristics of these various areas are described below.

**Figure 1
DONNER SUMMIT REGIONAL AREA**

**Figure 2
DONNER SUMMIT STUDY AREA**

**Figure 3
5-MILE, 10-MILE & 15-MILE RADII AROUND DONNER SUMMIT**

**Table 1
POPULATION CHARACTERISTICS IN THE REGION**

Description	5-Miles	10-Miles	15Miles
Population			
2008 Projection	665	7,737	19,090
2003 Estimate	613	6,665	16,428
2000 Census	581	5,997	14,793
1990 Census	554	3,977	9,581
Growth 2003-2008	8.48%	16.08%	16.20%
Growth 2000-2003	5.51%	11.14%	11.05%
Growth 1990-2000	4.87%	50.79%	54.40%
Households			
2008 Projection	305	3,222	7,388
2003 Estimate	273	2,722	6,298
2000 Census	254	2,421	5,637
1990 Census	215	1,529	3,586
Growth 2003-2008	11.72%	18.37%	17.31%
Growth 2000-2003	7.48%	12.43%	11.73%
Growth 1990-2000	18.14%	58.34%	57.19%
2003 Households by Type*	273	2,722	6,298
Family Households	151	1,692	4,055
Nonfamily Households	122	1,031	2,243
2003 Est. Median Age	41.21	38.19	37.22
2003 Est. Average Age	39.70	37.39	36.34

Source: US Census and Claritas.

POPULATION AND CHARACTERISTICS

Table 1 presents estimates of the population in the region as well as selected characteristics of that population. As shown the permanent resident population in the 5-mile radius is only approximately 613. However, within the 15-mile radius the population is approximate 16,428. Furthermore, growth rates for population in the past ten years have been significantly higher for the larger area including Truckee than for the local area around Donner Summit.

There are no reliable statistics on the seasonal population in the project area. However, there are an estimated 560 seasonal units within the 5-mile radius. Using the average household size of 2.24, would indicate a maximum potential of 1,257 seasonal residents.

Table 2 presents statistics on the educational attainment for the regional population. The statistics are essential the same for all three radii, with approximately 11% having no

high school diploma. However, the percent with a bachelor's degree or higher is 30% in the 5-mile radius but 37% in the area that includes Truckee.

**Table 2
EDUCATIONAL ATTAINMENT IN THE REGION**

Educational Attainment*	5-Miles	%	10-Miles	%	15Miles	%
Less than 9th grade	10	2%	172	4%	429	4%
Some High School, no diploma	40	9%	339	7%	804	7%
High School Graduate (or GED)	110	24%	782	16%	2,018	18%
Some College, no degree	113	25%	1,252	26%	3,025	27%
Associate Degree	42	9%	388	8%	1,019	9%
Bachelor's Degree	78	17%	1,314	28%	2,943	26%
Master's Degree	51	11%	398	8%	761	7%
Professional School Degree	10	2%	109	2%	285	3%
Doctorate Degree	2	0%	20	0%	104	1%
Total	456	100%	4,774	100%	11,388	100%

* Age 25+.

Source: US Census and Claritas.

Table 3 shows that in terms of average household income, there is a significant difference in the areas. The local area has an average household income of \$58,235 while the average household income in the 15-mile radii is \$85,333. Again this reflects the inclusion of Truckee where the preponderance of professional jobs is located.

**Table 3
INCOME CHARACTERISTICS FOR THE REGION**

Household Income	5-Miles	%	10-Miles	%	15-miles	%
Income Less than \$15,000	24	9%	149	5%	331	5%
Income \$15,000 - \$24,999	35	13%	184	7%	360	6%
Income \$25,000 - \$34,999	36	13%	232	9%	600	10%
Income \$35,000 - \$49,999	54	20%	433	16%	885	14%
Income \$50,000 - \$74,999	68	25%	691	25%	1,575	25%
Income \$75,000 - \$99,999	26	10%	431	16%	1,034	16%
Income \$100,000 - \$149,999	19	7%	327	12%	861	14%
Income \$150,000 - \$249,999	8	3%	162	6%	402	6%
Income \$250,000 - \$499,999	3	1%	82	3%	187	3%
Income \$500,000 and more		0%	31	1%	63	1%
Total	273	100%	2,722	100%	6,298	100%
2003 Est. Average Household Income	\$58,235		\$84,041		\$85,333	
2003 Est. Median Household Income	\$46,455		\$63,132		\$65,443	
2003 Est. Per Capita Income	\$26,026		\$34,611		\$32,979	

Source: US Census and Claritas.

Table 4 presents data on the occupations of the employed population in the region.

**Table 4
EMPLOYED POPULATION BY OCCUPATION***

Occupation	5-Miles	%	10-Miles	%	15-Miles	%
Management, Business, and Financial	25	7%	528	13%	1,482	15%
Professional and Related Occupations	85	22%	816	21%	1,816	19%
Service	64	17%	739	19%	1,894	19%
Sales and Office	107	28%	1,047	27%	2,384	24%
Farming, Fishing, and Forestry	3	1%	32	1%	45	0%
Construction, Extraction and Maintenance	65	17%	560	14%	1,410	14%
Production, Transp. and Material Moving	31	8%	201	5%	741	8%
Total	380	100%	3,923	100%	9,772	100%

* Age 16+

Source: US Census and Claritas.

Table 5 presents the average commute time for residents of the region. As would be expected the average commute time for residents in the Donner Summit area is slightly higher than for residents in the region overall.

**Table 5
TRAVEL TIME TO WORK**

Time	5-Miles	%	10-Miles	%	15-Miles	%
Less than 15 Minutes	129	37%	1,495	43%	3,691	42%
15 - 29 Minutes	96	28%	1,205	35%	3,003	35%
30 - 44 Minutes	56	16%	329	10%	1,046	12%
45 - 59 Minutes	39	11%	255	7%	490	6%
60 or more Minutes	27	8%	168	5%	474	5%
Total	346		3,452		8,704	
Average Travel Time to Work	27.13		22.85		23.11	

Source: US Census and Claritas.

BUSINESSES AND EMPLOYMENT

Table 6 presents an estimate of the number of businesses by type in the region. This table shows 19 retail businesses, 10 finance-insurance businesses, and 46 service businesses.

**Table 6
NUMBER OF BUSINESSES BY INDUSTRY**

	5-Miles	10-Miles	15-Miles
Retail Trade	19	233	477
Home Improvement Stores		9	20
General Merchandise Stores		4	5
Food Stores	3	22	38
Auto Dealers and Gas Stations		11	27
Apparel and Accessory Stores	1	21	38
Furniture and Home Furnishings	3	31	65
Eating and Drinking Places	2	47	121
Miscellaneous Retail Stores	10	88	163
Finance-Insurance-Real Estate	10	109	269
Banks, Saving and Lending Institutions		20	34
Securities Brokers and Investments	1	7	15
Insurance Carriers and Agencies	1	14	33
Real Estate-Trust-Holding Co	8	68	187
Services	46	454	966
Hotels and Lodging	4	41	79
Personal Services	4	75	165
Business Services	21	151	330
Motion Picture and Amusement	2	21	76
Health Services	3	59	93
Legal Services		17	47
Education Services		14	26
Social Services	1	21	41
Other Services	11	55	109
Agriculture	2	23	54
Mining			
Construction	19	148	390
Manufacturing	4	25	58
Transp., Communication/Public Utilities	4	30	81
Wholesale Trade	3	31	62
Government		29	53
TOTALS	107	1,082	2,410

Source: US Census and Claritas.

As shown in Table 7, the actual employees represented by these businesses are 526. When all businesses are accounted for, there are an estimated 685 employees in the 5-mile radius. Of course these numbers are considerably larger for the 15-mile radius, which contains 2,410 businesses employing 26,675 persons.

**Table 7
EMPLOYMENT BY INDUSTRY**

	5-Miles	10-Miles	15-Miles
Retail Trade	127	1,743	5,366
Finance-Insurance-Real Estate	27	791	1,639
Services	372	7,867	15,090
Agriculture	12	106	257
Mining	-	-	-
Construction	89	729	1,981
Manufacturing	19	233	391
Transp., Communication/Public Utilities	28	254	821
Wholesale Trade	11	181	483
Government	-	362	647
Daytime Population	685	12,266	26,675
Daytime Population/Businesses	6	11	11
Residential Population	613	6,665	16,428
Residential Population/Businesses	6	6	7

Source: US Census and Claritas.

Seasonal Employment

**Table 8
SEASONAL EMPLOYMENT IN THE TRUCKEE AREA (1)**

	Arts & Recreation	Total Seasonal (2)
July 01	921	4,970
Aug 01	951	5,093
Sept 01	868	4,687
Oct 01	834	4,586
Nov 01	1,392	5,167
Dec 01	1,865	5,807
Jan 02	2,930	6,808
Feb '02	2,829	6,690
March 02	2,714	6,515
April 02	1,883	5,796
May 02	960	4,829
June 02	894	4,999

(1) Town of Truckee, Boreal, Tahoe Donner, Northstar, Sugar Bowl, Squaw Valley, Alpine Meadows, Donner Ski Ranch

(2) Arts and recreation, construction, accommodations and food service.

Source: Truckee Seasonal Worker Housing Study, August 2003 (Draft).

A recent study of Seasonal Worker Housing in the Town of Truckee contains estimates of the seasonal employees in the region. Table 8 summarizes data from this study that indicates that the number of employees in the arts and recreation industries ranges from 834 to 2,930 throughout the year. When all categories of seasonal employment are included the number employed is more consistent throughout the year because the seasonal variations tend to offset each other. (For example ski employees in the winter and construction employment in the summer.)

As shown in Table 9, there are an estimated 2,927 seasonal workers in the region, of whom 1,218 live in Truckee. This same study also contains data on the characteristics of seasonal workers in the region. As shown in Table 9, the preponderance of seasonal workers who live in the area temporarily are under 24 years of age, have incomes under \$15,000 and are students. Information on the housing demand from seasonal workers is presented in the following section of this report.

**Table 9
CHARACTERISTICS OF SEASONAL WORKERS
IN TRUCKEE AREA**

	Temporary	Permanent	Total
Number in Truckee Area			2,927
Number Living in Truckee			1,218
Percent Rent	95%	70%	81%
Percent Own	6%	30%	19%
Age			
Under 24	67%	21%	41%
24-30	22%	37%	30%
Over 30	11%	43%	29%
Student	33%	5%	17%
Annual Income			
Under \$15,000	51%	9%	27%
\$15,000-\$24,999	11%	21%	17%
\$25,000-\$74,999	35%	60%	49%
Over \$75,000	3%	9%	7%
Average Weekly Wage			\$ 333.00
Affordable Rent			\$ 400.00

Source: Truckee Seasonal Worker Housing Study, August 2003 (Draft).

Section 4

EXISTING CONDITIONS

This section of the report evaluates the existing conditions in the project area as well as in the surrounding region. Specifically, the following analyses are included:

- Data on existing housing conditions
- An inventory (and accompanying map) of commercial land in the core area
- An overview assessment of infrastructure
- Identification of significant planning influences.

EXISTING HOUSING

Numerous sources were used to obtain and evaluate data on existing housing conditions in the Donner Summit area. Each of these is discussed below in detail.

Census data for the 95728 Zip Code (Boreal, Soda Springs and Norden) indicated 34 year-round occupied units in 2000.

Table 10 presents pertinent U.S. Census data on the characteristics of the housing stock in the 5-mile, 10-mile and 15-mile radii around Soda Springs. According to this data, there are only 273 housing units in the 5-mile radius that are occupied year-round. Of these, 64% are owner-occupied and 36% are renter occupied. In the 15-mile radius, 73% of the occupied housing is owner-occupied.

The median housing value in the local area is \$193,125, while in the broader area including Truckee, the median value is \$290,742. Of the total 833 housing units in the local area, 753, or 90% are single-family units. The percent of single-family homes is similar throughout the region.

**Table 10
HOUSING CHARACTERISTICS IN THE REGION
(2003 Estimate)**

	5-Miles	%	10-Miles	%	15-Miles	%
Tenure of Occupied Housing Units	273		2,722		6,298	
Owner Occupied	175	64.1%	1,950	71.6%	4,599	73.0%
Renter Occupied	97	35.5%	772	28.4%	1,699	27.0%
Vacant/Seasonal	560		4,847		8,087	
Owner-Occupied Housing Values	175		1,950		4,599	
Value Less than \$20,000	3	1.7%	58	3.0%	135	2.9%
Value \$20,000 - \$39,999	4	2.3%	13	0.7%	64	1.4%
Value \$40,000 - \$59,999	3	1.7%	11	0.6%	47	1.0%
Value \$60,000 - \$79,999	3	1.7%	8	0.4%	23	0.5%
Value \$80,000 - \$99,999	9	5.1%	36	1.9%	82	1.8%
Value \$100,000 - \$149,999	32	18.3%	75	3.9%	145	3.2%
Value \$150,000 - \$199,999	39	22.3%	196	10.1%	495	10.8%
Value \$200,000 - \$299,999	47	26.9%	535	27.4%	1,441	31.3%
Value \$300,000 - \$399,999	18	10.3%	384	19.7%	687	14.9%
Value \$400,000 - \$499,999	10	5.7%	249	12.8%	463	10.1%
Value \$500,000 - \$749,999	6	3.4%	254	13.0%	567	12.3%
Value \$750,000 - \$999,999	1	0.6%	88	4.5%	249	5.4%
Value \$1,000,000 or more	1	0.6%	44	2.3%	200	4.4%
 Median Housing Value	 \$193,125		 \$311,429		 \$290,742	
 Housing by Units in Structure	 833		 7,569		 14,385	
1 Unit Attached	17	2.0%	223	3.0%	529	3.7%
1 Unit Detached	736	88.4%	6,446	85.2%	11,433	79.5%
2 Units	10	1.2%	165	2.2%	400	2.8%
3 to 19 Units	44	5.3%	547	7.2%	1,353	9.4%
20 to 49 Units	4	0.5%	42	0.6%	164	1.1%
50 or More Units		0.0%	10	0.1%	140	1.0%
Mobile Home or Trailer	17	2.0%	130	1.7%	361	2.5%
Boat, RV, Van, etc.	5	0.6%	5	0.1%	6	0.0%
 Median Year Structure Built	 1985		 1994		 1993	

Source: US Census and Claritas, Inc.

Table 11 presents additional detailed data on housing in Eastern Nevada County from the Housing Needs Assessment, Draft Nevada County General Plan. Eastern Nevada County is defined as 18% of census tract 9.0, census tracts 12.01 and 12.02 minus Truckee. Thus none of Placer County is included in this data. However, this table contains some additional data. For example, it indicates that 17% of owners and 19% of renters pay over 30% of income for housing. This compares to 41% of renters and 25% of owners who pay over 30% in Nevada County overall. The data also shows that 58% of the units are studios, or one or two bedroom units.

**Table 11
HOUSING CHARACTERISTICS IN EASTERN NEVADA COUNTY
(2000)**

	Owners	Renters	Total	Percent
Household Size				
1 person	68	27	95	29%
2 persons	99	41	140	42%
3-4 persons	49	25	74	22%
5+ persons	13	10	23	7%
Totals	229	103	332	100%
Household Income				
Less than \$10,000	19	18	37	11%
\$10,001-\$19,999	30	13	43	13%
\$20,000-\$34,999	58	21	79	24%
\$35,000-49,999	41	13	54	16%
\$50,000 or More	80	37	117	35%
	228	102	330	100%
% Paying Over 30% of Income				
Western County	37%	24%		
Eastern County	17%	19%		
Units by Type				
SF Detached			387	82%
SF Attached			4	1%
Multiple 2-4			6	1%
Multiple 5+			13	3%
Mobile Homes			52	11%
Boat, RV, Van			10	2%
Totals			472	100%
Unit Size				
Studio	10	13	23	7%
1-br	51	20	71	22%
2-br	64	31	95	29%
3-br	75	32	107	32%
4+ br	28	6	34	10%
Totals	228	102	330	100%
Tenure				
Occupied	228	102	330	70%
Vacant			143	30%
Totals			473	100%

Source: Housing Needs Assessment, Draft Nevada County General Plan

Table 12 presents information on current rental rates in the Truckee area and for Nevada County overall. As shown rentals rates in Truckee are appreciably higher.

**Table 12
CURRENT RENTAL RATES IN TRUCKEE AND NEVADA COUNTY**

	Truckee	Nevada County
Rental 1-br	\$ 867	\$ 531
Rental 2-br	\$ 1,158	\$ 707
Rental 3-br	\$ 1,527	\$ 983

Source: Applied Survey Research, 2001.

Table 13 presents data from the Donner Summit Public Utility District *Sphere of Influence 1998-2018* report. This information indicates that as of 2003, the Donner Summit PUD was expected to have 700 sewer equivalent dwelling units by 2003. The same report indicates that the District had 181 improved parcels (over \$4,000 value), most of which were located along Old Highway 40. These figures are consistent with the data presented earlier.

**Table 13
SEWER EQUIVALENT DWELLING UNITS
IN DONNER SUMMIT PUBLIC UTILITY DISTRICT**

	1998	2003	2018	Build Out
Donner Summit PUD	638	700	940	1,100
Sierra Lakes County Water District	634	695	860	960
Subtotal	1,272	1,395	1,800	2,060
Possible Annexations	-	50	500	600
Total	1,272	1,445	2,300	2,660

Source: Donner Summit Public Utility District, Sphere of Influence, 1998-2018.

Seasonal Housing

The data in Table 11 above shows that 30% of the units in Eastern Nevada County are vacant or seasonal units. This is higher than for Nevada County overall (17%) but lower than for the 5-mile radius (67%) because of the number of seasonal units in Serene Lakes. Table 14 shows data for the Zip Code 95728, which includes Boreal, Soda Springs and Norden. In this area, the data indicates that 93% of the housing units are seasonal.

**Table 14
HOUSING CHARACTERISTICS IN DONNER SUMMIT (1)**

	Number	%
Occupied-owner	22	5%
Occupied-renter	12	3%
Seasonal/recreation use	442	93%
Vacant	1	0%
Total	477	100%

(1) Zip Code =95728 (Boreal, Soda Springs, Norden.).

Source U.S. Census, 2000.

Table 15 shows that approximately 53% of the housing in Truckee is seasonal housing (second homes). Of these 5,700 units, approximately 23% or 1,300 units are offered as seasonal rentals. On average these units are rented for 32 days per year.

**Table 15
SECOND HOMES RENTED TO VISITORS
(Truckee)**

	Number	Percent
Full Time Residents	5,100	47%
Second Homes Not Rented	4,400	41%
Second Units Rented Out (1)	1,300	12%
Total	10,800	100%

(1) One fourth attempt to rent their second home, on average for 32 days per year.

Source: Truckee Second Home Owners Survey, 1999.

Table 16 presents the number of employee housing units provided at the major ski resorts in the area compared to their estimated employees.

**Table 16
EMPLOYEE HOUSING PROVIDED AT
MAJOR SKI AREAS**

	Number of Employees	Beds/Units Provided
Northstar at Tahoe	250	60 units
Tahoe Donner	250	0
Sugar Bowl	250	145 beds
Squaw Valley	250	0
Boreal Resort	117	0
Alpine Meadows	na	0

Source: Truckee Chamber of Commerce

As shown, only two of the resorts provide any employee housing.

EXISTING LAND USE

There are a modest number of businesses in the core area of Soda Springs. The location and name of these businesses is depicted in Figure 4. Business types are very specifically geared to serving the small resident population and the tourist trade, particularly the winter skiers. With the exception of the small grocery store, there are no general merchandisers in the area.

The businesses are all located between the highway 80 exit and the intersection of Serene Lakes Road and old highway 40. All of the businesses directly front the old highway.

The businesses include the following:

1. Gas Station
2. Restaurant
3. Ski Equipment Rental & Sales
4. PG&E Substation
5. Snow Plow Service
6. Post Office
7. Cafe (out-of business)
8. Grocery
9. Vacation Rental Office
10. Residential Building Specialties
11. Gift and Art/Crafts Store
12. Ski Equipment Rental & Sales

INFRASTRUCTURE ASSESSMENT

The Donner Summit area is served by the Donner Summit Public Utility District. This organization provides fire and ambulance services, sewer collection and treatment, and water treatment and distribution.

The utility district is roughly bounded by the highway 80/old highway 40 exit to the west and by Donner Summit to the east. The north edge of the district extends to Castle peak, while the southern border is generally defined by the Nevada/Placer county line. Of notable exception, the district also includes a portion of Placer County, which lies within the development area of the Sugar Bowl Ski Resort. (The District also has a service contract with Serene Lakes.)

The Summit basis is limited in development by the capacity of the sewer treatment plant. The District defines its capacity on the basis of Sewer Equivalent Dwelling Units (EDU's), which is calculated on the basis of plumbing fixtures and their volume of use, as defined by the Uniform Plumbing code. There are a finite number of EDU's.

At present, no property within the Soda Springs core area can be built upon, as the District is at capacity. There are some "spare" unused EDU's, which were all purchased by Sugar Bowl and "banked" for future use to build mega-cabins at the resort area. As a result, no further development can occur in Soda Springs until such time as the District's treatment plant is either modified or expanded.

The interim manager for the District has indicated that sewage treatment techniques may be changed to allow an increase in capacity by 2005. The current capacity, as listed in a 1998 Sphere of Influence Report is at 1,272 EDU's. The projected build-out for the district, using the sewer treatment plant, beyond the year 2016 is 2,059 EDU's - a 60% increase from current capacity.

The expansion of the wastewater treatment plant is uncertain. As the population in the District is expected to increase, the District may expand its capacity by the use of

“satellite” sewer and water systems - using treated, local ground water and well water for supply and the use of local, common area septic systems for sewer.

At present, the current limitations of the treatment plant prevent any new development, both residential and commercial in the Soda Springs core. It is unlikely that Sugar Bowl will sell back any of its reserved sewer hook-ups. None are available.

SIGNIFICANT PLANNING INFLUENCES

Weather

Of paramount influence on the existing development of the Summit area is the harsh climate the area experiences during the winter months. The immense amount of snow received at the Summit must be planned for - by removal and storage, road maintenance, architectural and site planning design, and dealt with on a daily basis by the individuals who live and work at the top of the mountain.

The winter brings roughly 16, 000 daily visitors to ski at one of the area’s resorts. Virtually all of these visitors leave at the end of the day. Traffic is slow on good days and at a standstill on inclement days. The summer brings some tourism and local resident activity, but the two seasons are widely divided in terms of visitation.

The seasonal nature of the area creates the most significant planning influence. Most businesses cannot survive in the area due to the very modest amount of tourism that presently visits the Summit during the summer, and nearly vanishes in the shoulder months. Economic development of Soda Springs must take into account the strong seasonality of the area. Businesses that can be attracted to the Summit must be attuned to the seasons and serve both winter and summer.

Natural and Man-Made Boundaries

The Soda Springs core area is bounded on the north by Interstate Highway 80 and on the south by the Yuba River and the Southern Pacific Railroad track. The core area extends from the highway exit to the intersection of old highway 40 and Serene Lakes Road.

The core area is very linear in character and closely relates to the old highway - which acts as a single spine connecting the entire core from one end to the other. Parcels to the south of the old highway are bounded by the roadbed and by the Yuba River/railroad tracks. These parcels are shallow in depth, measured perpendicular to the road frontage. Parcels to the north of the old highway have additional depth, but are constrained in some locations by natural topography - there are steep hillsides or large rock outcroppings that preclude building construction.

County General Plan Land Use Designation

Currently, much of the Soda Springs core area is designated by the County General Plan as Highway Commercial. This land use designation appears to be too restrictive of uses that could and should appear in the area. It is recommended that the County change the General Plan Land Use Designation to Neighborhood Commercial. This will allow for

the development of additional neighborhood serving commercial uses and limited mixed-use employment opportunities to be developed within the *Rural Center*.

Section 5

AREA STRENGTHS AND WEAKNESSES

This section of the report evaluates the overall Strengths and Weaknesses of the project area. This evaluation is based on discussions with local residents and business owners, a review of the Resident Survey and Merchant Survey as well as the consultant's field inspection of the area.

STRENGTHS

1. *Historical Name Identity.* The historical events surrounding the Donner party represent one of the best-known events in California history. While the actual tragedy of the Donner Party took place ---miles to the east, the existence of the Donner Pass Road and the usage of the name Donner Summit for the area create an instant identity for most people.

2. *Proximity to I-80.* Interstate 80 is the primary route for inter-state traffic entering and leaving northern California as well as the primary route for regional traffic between Truckee and Reno to the east and Nevada City and Sacramento to the west. It is also the primary access route used by visitors to North Lake Tahoe. The Donner pass Road exit provides direct access to the project area from I-80.

3. *Proximity to Ski Resorts.* Donner Summit is in proximity to five major day-ski areas:

- Sugar Bowl-downhill
- Royal Gorge-cross country
- Boreal Ridge
- Donner Ski Ranch-snow boarding
- Soda Springs-family ski.

These resorts attract a substantial number of day skiers during the winter ski season.

4. *Natural Beauty.* The natural beauty of the area offers an attraction to winter and summer visitors alike. An abundance of wildflowers and mountains and hiking and biking trails, and the Pacific Crest Trail provide recreational amenities for visitors throughout the year. Ice Lakes, located approximately one mile south of the project area, is a popular summer destination for visitors as well as the second homeowners in the Serene Lakes Project. Lake Van Norden, which was located in the project area, was drained in the 1977 when PG&E breached the dam at the west end of the lake.

5. *Rustic Small Town Atmosphere.* One of the most attractive features of Donner Summit that was repeatedly mentioned by the residents was its small town atmosphere. Most residents appreciate living in an area that is surrounded by natural beauty and has avoided the over-development that is common in more urban areas. The laid-back atmosphere and rustic setting is one of the primary reasons that people choose to live in the Donner Summit area. The lack of certain services and amenities, such as mail service, is considered by a large share of the residents to be an asset rather than a detriment to the area.

6. *Proximity to Truckee.* Truckee is a town of 14,000 population that is approximately a 25-minute drive from Soda Springs. The town has an active and attractive downtown with a concentration of shops and restaurants as well as other services. It is a Mecca for tourists and regional residents alike throughout the year. As such it represents an opportunity for Donner Summit to attract additional tourists and to provide needed services for residents and business that locate in Donner Summit.

7. *Proximity to High Income Population-*The second home communities of Serene Lakes and Sugar Bowl include a base of high-income households, which represent a potential market for new services in the area. While this population is relatively small it could be sufficient to provide valuable market support for various shops and services in the area.

WEAKNESSES

1. *Sewer Capacity Constraint.* The Donner Summit PUD provides water, sewer and fire protection to the Soda Springs area. The wastewater treatment and disposal plant is currently at capacity. There are no new EDUs available at the present time. (Rick Dewant of Dewant and Stowell) A study to expand the plant is underway to accommodate existing unserved lots. This expansion is expected to be finished in five years.

2. *Seasonality.* It is the nature of ski resort areas to have significant seasonal variation in visitation. This is certainly true for the Donner Summit area. During the ski season that generally runs from mid-December through April, the major access arterials are overcrowded, particularly on weekends. There is a small increase in attendance during a short summer season of July and August. The shoulder seasons of May and June and September and October are particularly slow with some of the local shops and restaurants closing or operating on limited hours. Until this seasonality pattern can be corrected at least partially it will be difficult to develop additional overnight accommodations.

3. *Lack of Summer Activities.* While there are some limited recreation facilities available in the non-ski season such as hiking and biking trails, there has not been a concerted effort to develop and promote these activities. Even sports rental shops, which are open in the winter, are generally closed during the rest of the year. The closure of Lake Van Norden, as noted above, has contributed to the decline of the area as a summer destination.

4. Limited Local Population Base. Depending on the area considered and the source of the data, it is estimated that there are approximately 833 housing units within five miles of Soda Springs and that approximately only 273 (33%) of these are occupied on a year-round basis. Obviously this represents a very small base of population from which to support typical community services such as pre-school, day care, auto repair, and so forth.

5. Lack of Public Transportation. The existence of a reliable bus service between Donner Summit and Truckee would afford local residents and visitors alike the opportunity to take advantage of the services and amenities in Truckee. While both residents and visitors are attracted by the remote and natural atmosphere of Donner Summit it is also appealing to know one has access to conveniences when they are required.

6. Lack of Local Promotion and Organization. While it is true that there has been only a limited amount of commercial activity in Donner Summit, the ability to enhance and expand this activity is hindered by the lack of an organization. Perhaps such an organization is only feasible if all of the businesses in the area participate, including the large resorts. Probably the biggest issue that such an organization could focus on and affect would be some form of joint promotion for the area.

7. Lack of Community Image. In spite of the Historical Name Identity noted above, the area does not have a clear an appealing image in the mind of the public. To a large extent this can be solved with an appropriate level of signage, including signage on I-80.

8. Limited Opportunity Sites. There are limited properly zoned, undeveloped lots within the project area. However there are several locations where sufficient land could be assembled to accommodate small or medium scale new development

9. Lack of Housing Availability. As shown in the statistics presented in the previous section of this report, there are virtually no vacant units available in the area. Furthermore those units that do become available are expensive. Thus there is a need for affordable housing in the area. Also there is a need for seasonal units, which can accommodate the seasonal workers in the region.

10. Not In My Backyard (NIMBY). Both the interviews and the survey responses indicated that there is a certain contingent in the area that is concerned about how the area develops. There is obvious anxiety that any future development should not negatively affect the assets and natural beauty that attracted visitors and residents alike to the area. Typically there was concern over too much development, expensive “touristy” goods and services and increased traffic and parking problems that can sometime accompany new development.

Section 6

MARKET POTENTIALS AND LOCAL NEEDS

This section of the report provides an overview of the market potentials for various types of land uses and considers the local needs for services based on the survey of residents, interviews conducted in the local area, the field inspections and the consultants' experience.

VISITOR MARKET

There are no reliable statistics on the number of tourist that visit the Donner Summit area each year. However, there are several indicators that are useful. Table 17 indicates that there are approximately 9,200 skiers at the local ski areas on peak Saturdays during the season.

**Table 17
ESTIMATED VISITORS IN THE AREA**

Number of Skiers (Typical Saturday)	
Sugar Bowl	5,000
Donner Ski Lodge	1,200
Soda Springs	1,500
Royal Gorge	1,500
Total	9,200

Source: Various Ski Resorts and Pacific Group.

One of the largest potential sources of tourist business in Donner Summit is from the large amount of traffic along I-80. There are no definitive or authoritative sources on the actual number of tourists in the Donner Summit area. Therefore, tourism volumes must be estimated. This is done by utilizing total traffic estimates in the area and then adjusting for non-discretionary trips (which include commuters and day-to-day activities such as grocery shopping, trips to schools, etc.) This is done by comparing the traffic in the low (normal) month with traffic in the other months. The bulk of the trips above the low month level are assumed to be discretionary (recreational). These trips include recreational trips by both local residents and tourists. Table 18 presents Caltrans traffic count data for the area of I-80 near the Kingvale exit, the closest area where complete current data is available. Based on this analysis, Table 18 estimates that discretionary traffic in the vicinity of Donner Summit on I-80 was approximately 4.3 million persons in the most recent 12-month period.

Table 18
ESTIMATED ANNUAL DISCRETIONARY TRAFFIC ON I-80
(At the Kingvale Exit)

Total Two-Way Traffic (vehicles)	10,427,320
Estimated Base Traffic	7,297,628
Discretionary Traffic	3,129,693
Average Persons per car	2.1
Discretionary Traffic (persons)	6,572,354
Repeat Factor	0.7
One-Way Discretionary Traffic (persons)	4,272,030

Note: Time period shown is October 2002 through September 2003.

Source: Caltrans and Pacific Group.

Based on data from the California Division of Tourism, Table 19 indicates that the amount of transient occupancy tax revenues and total tourism spending has been increasing in Nevada County over the past five years. However, the amount of TOT revenues is relatively small for the unincorporated areas of the County. Truckee is by far the largest generator of TOT revenues in the County.

Table 19
TOURISM INDICATORS IN NEVADA COUNTY
(\$Thousands)

Transient Occupancy Tax	1997	1998	1999	2000	2001	2002
Grass Valley	120	123	130	126	144	131
Nevada City	269	289	349	362	367	412
Truckee	608	711	772	928	979	1030
Unincorporated	280	216	235	230	225	275
Total	1,277	1,339	1,485	1,647	1,715	1,848
Destination Spending	231,000	232,900	251,400	268,700	282,500	
Earnings					\$ 83,200.0	
Employment					5,230	
Percent of Local Employment					10%	
Local Tax Receipts					\$ 4.0	

Source: California Division of Tourism.

Tables 20 and 21 summarize salient characteristics of tourism in the region based on two recent tourism studies for the Truckee area.

**Table 20
TOURISM INDICATORS FOR NORTH LAKE TAHOE**

	Summer	Winter
Visitor Type (1)		
Day Visitor	28%	
Passing Through	5%	
Overnight	66%	
Paid/Unpaid Accommodations		
Rent	68%	73%
Family/Friends	23%	18%
Own	6%	5%
Other	2%	1%
Timeshare	1%	3%
Type of Accommodation (2)		
Hotel/motel	44%	36%
House/Condo	29%	39%
Motel	21%	20%
RV/Campgrounds	3%	1%
B&B	3%	2%
Timeshare	1%	2%
Length of Stay (2)		
1 Night	1%	2%
2 Nights	28%	16%
3 Nights	19%	15%
4 Nights	21%	21%
5-6 Nights	16%	26%
7 or More	14%	21%
Origin of Visitors (2)		
Bay Area	31%	51%
Other California	26%	20%
Other States & Intern'l	43%	29%
Place of Stay (1)		
Day Visitor	28%	
Passing Through	5%	
Truckee, Donner, Northstar	27%	
Lake Tahoe	22%	
Reno Sparks, Carson City	11%	
Other Sierra Destination	7%	
Age		
Under 25	6%	8%
25-34	32%	36%
35-44	31%	33%
45-54	16%	14%
55-64	8%	6%
65+	7%	2%

(1) Truckee Economic Strategy, June 2001.

(2) North Lake Tahoe Visitor Profile Study, 1998

**Table 21
MAIN REASON FOR TRIP TO NORTH LAKE TAHOE**

	Summer	Winter
Ski Trip	--	86%
Other recreation	50%	18%
Rest And Relax	40%	24%
Climate/weather	29%	22%
Sightseeing	27%	--
Beach Activities	27%	--
Water Sports	11%	--
Gamble	10%	17%

Source: North Lake Tahoe Visitor Profile Study, 1998.

- Approximately 66% of visitors stay overnight.
- 68%-73% of overnight visitors rent accommodations.
- In the summer, approximately 31% of visitors are from the S.F. Bay Area.
- 27% of all visitors to the region stay in Truckee, Donner, or Northstar.
- In the summer, 50% mention recreation as a main reason for their trip.
- Per capita expenditures per trip range from \$718 to \$823.
- Traffic, parking, public transportation and beach access were most frequently mentioned as “very important”.

All of the above information indicates that there is a substantial tourism market in Eastern Nevada County. While the strongest time of year is the winter ski area, based on the experience of Truckee and the proximity of Donner Summit to I-80, there appears to be the potential to capture more summer tourists if the appropriate facilities and amenities are offered.

RETAIL POTENTIAL

There are four basic segments that Donner Summit can draw from to support addition retail development:

- Local permanent population
- Skiers
- Seasonal population (second home owners and renters)
- Pass-by tourists.

Every one of these segments is growing and to date has been relatively untapped by Donner Summit businesses.

Table 22 presents data on the retail sales in the region.

**Table 22
RETAIL SALES IN THE REGION**

	5-Miles	10-Miles	15-Miles
Apparel and Accessory Stores	\$333,118	\$3,686,950	\$8,266,679
Automotive Dealers	\$1,212,187	\$11,156,276	\$29,697,923
Automotive and Home Supply Stores	\$125,102	\$1,216,287	\$2,879,005
Drug and Proprietary Stores	\$501,255	\$5,216,232	\$11,939,218
Eating and Drinking Places	\$741,620	\$7,566,183	\$18,715,416
Food Stores	\$1,740,130	\$17,890,195	\$41,559,409
Furniture and Home Furnishings Stores	\$230,539	\$2,487,570	\$5,596,894
Home Appliance, Radio, and T.V. Stores	\$98,673	\$1,017,637	\$2,478,667
Gasoline Service Stations	\$652,253	\$6,433,961	\$15,293,506
General Merchandise/Dept. Stores	\$827,538	\$8,257,702	\$20,017,413
Hardware, Lumber and Garden Stores	\$721,131	\$7,261,434	\$17,294,876
TOTALS	\$7,183,546	\$72,190,427	\$173,739,006
Population	613	7,737	19,090
Sales Per Capita	\$ 11,719	\$ 9,331	\$ 9,101

Source: U.S. Census and Claritas.

As expected the total retail sales in the local area are very limited—approximately \$7.2 million, compared with \$174 million in the 15-mile radius. However, it is interesting to note that the per capita sales in the local area are actually slightly above the average for the region. This is so because of the relative number of businesses in the area that attract expenditures from visitors. This is further reinforced by the following information:

- The Soda Springs Grocery store does approximately 60-70% of its business in ski season.
- Lori’s glass carving and crafts shop indicates that 80% of her business is from cabin renters and pass-through tourists.
- Both the Union 76 gas station and the Summit Restaurant report that the vast majority of their business is from visitors.

The year round population within 15 miles of Donner Summit is estimated at 16,428 and is projected to reach 19,090 by 2008. While most of this population is located in Truckee, the potential exists to attract local shoppers from within this distance if the goods and services offered are competitive and provided in a pleasant atmosphere.

OVERNIGHT ACCOMMODATIONS POTENTIAL

Overnight accommodations are one of the most difficult visitor based facilities to support because generally they require a substantial base of visitors on a year-round basis. The Donner Summit area has a limited supply of overnight accommodations, including those shown in Table 23.

**Table 23
EXISTING OVERNIGHT ACCOMMODATIONS
IN DONNER SUMMIT AREA**

Name	Location	Number of Rooms	Room Rates (1)	
			Winter	Summer
Ice Lakes Lodge	Soda Springs	26	150 - 170	120 - 150
Sugar Bowl Lodge	Norden	28	265 - 450	
Donner Ski Ranch condos	Norden	36 (2)	115 - 290	
Clair Tappaan Dorms	Norden	140 (3)	52	39 **
Always Inn Tahoe	Soda Springs	4	129 - 200	100 - 169 *
Cal Lodge	Norden	42 (3)		35
Rainbow Lodge	Kingvale	32	125 - 165	95 - 145
Cisco Grove RV Park	Cisco Grove	200		20 - 29
Cisco Grove Motel	Cisco Grove	6	75 - 8-	75 - 80

(1) Weekend Rates. Discounts offered for mid-week and off season.

(2) Operated by the condo owners. Can be subdivided into 72 units.

(3) Dorm bed prices are shown. One room is available at \$85.

* Includes breakfast.

** Includes three meals.

Source: Pacific Group Survey of Overnight Accommodations, October 2003.

As expected, the operating experience of these properties reflects the seasonal nature of the local visitor market. As can be seen all of the properties offer considerable discounts during the summer months.

Occupancy rates at the Sugar Bowl Lodge are 95% in the ski season and 15% during the rest of the year. Rainbow Lodge and Ice Lakes Lodge reportedly have similar experience with the units virtually full during winter season but very low occupancy rates during the rest of the year. Thus it will be very difficult to support additional overnight accommodations in the area currently.

However, there are several approaches which could be used to overcome this seasonality problem.

- Develop lodging close to I-80 with good visibility and/or signage.
- Develop flexible units that could be used to accommodate seasonal employees in the ski season and converted to low priced units during the rest of the year.
- Over time develop significant new amenities and activities that will draw sufficient numbers of visitors to support a limited number of new accommodations.

Some of these approaches are considered in the section that presents strategies for development in Donner Summit.

HOUSING POTENTIAL

The number of households living within 15 miles of Soda Springs increased from 3,586 in 1990 to 6,298 in 2003, which represents an annual increase of 209 households.

The Donner Summit Public Utility District *Sphere of Influence, 1998 to 2018*, indicates that there will be an additional 240 EDUs required by 2018.

Including the Serene Lakes County Water District and potential annexations, the report estimates that there could be 855 additional EDUs in the area by 2018.

These statistics are further reinforced by the interviews that were conducted in the area. Several employers (including Sugar Bowl) indicated that there is a shortage of housing for their full-time employees. Others related their own personal experience with the difficulties of finding an available rental unit in the area.

Affordable Housing

According to *The Housing Needs Assessment* from the Draft Nevada County Housing Element 2003 Update:

- 17% of the Eastern County rental households and 19% of owner households are overpaying for housing (over 30% of income).
- In Nevada County, there are very few market rate rental units that are affordable at the very low-income level.
- In Nevada County, only about 15% of for-sale units are available at prices that are affordable to lower-income households.

The Housing Needs Analysis for the Town of Truckee estimates that over the 2000 to 2005 period Truckee would need approximately 605 new units, of which 264 will be needed for low and moderate-income households.

The 2001-2008 Regional Housing Needs Plan (RHNP) fair share allocation for housing needs is shown in Table 24.

**Table 24
RHNP ALLOCATIONS-NEVADA COUNTY
2001-2008**

	Very Low	Low	Moderate	Above	Total
Truckee	324	309	408	704	1,745
Unincorporated	937	885	1,117	1,947	4,885
Total County	1,573	1,490	1,904	3,311	8,278

Source: Sierra Planning Organization.

While future development in Donner Summit will be constrained by sewer capacity, these statistics indicate that there is and will continue to be a strong demand for housing in the area, particularly for the low and moderate income group.

Seasonal Worker Housing

A recent study conducted by the Town of Truckee entitled *Truckee Seasonal Worker Housing Study* estimates a current need for 1,250 units for seasonal workers in Truckee. This includes 750 units for seasonal workers who work outside of Truckee. It also includes 1,000 very-low or low-income units. Since only 42% of the region’s seasonal workers are expected to live in Truckee it can be imputed that an additional 1,700 units for seasonal workers are needed in the region outside of Truckee.

LOCAL RESIDENT NEEDS

The consultants designed a brief survey form for local residents, which focused on:

- The characteristics of the respondents
- Shopping patterns
- Preferences for additional stores in the area
- Preferences for various improvements to the area.

County staff mailed out 275 of these survey forms to residents of the area who were identified based on a list of property owners. In addition the questionnaire was available on the County’s website. In total 25 surveys were returned. Because of the relatively small number of residents and the fact that many of these households are only seasonal residents in the area, the response rate was relatively low. However, the number of responses is considered to be sufficient to provide an indicator on many of the questions. The results of the survey are summarized below.

Table 25 presents the basic characteristics of the responds. The average household size was 2.2 persons. Approximately 52% work full time and 35% are retired. Fifty-five percent of the households earn over \$59,000 per year. Thirty percent of the respondents consider the Donner Summit area as their primary residence.

**Table 25
CHARACTERISTICS OF RESPONDENTS**

	Number	Percent
Number in Household		
1	6.0	26%
2	10.0	43%
3+	7.0	30%
Average	2.2	
Employment		
Full Time	12.0	52%
Part Time	2.0	9%
Seeking Employment		0%
Retired	8.0	35%
Household Income		
under \$17,700	2.0	10%
\$17,701- \$29,499		0%
\$29,500-\$47,199	5	25%
\$47,200-\$59,000	2	10%
\$59,001+	11	55%
Primary Residence		
Donner Summit area	7	30%
Other Bay Area	16	70%

Note: All percents based on number of responses.

Source: *Pacific Group Resident Survey, October 2003.*

Table 26 indicates the towns where the respondents most frequently shop when they are in the Donner Summit area. As expected, Donner Summit is the most frequently used shopping area for only a few people and for only a few goods, such as gasoline, and groceries. By far Truckee was mentioned as the most frequent shopping destination for all types of goods and services (90 mentions) with Reno the second most frequently mentioned (39 mentions).

**Table 26
WHERE MOST FREQUENTLY SHOP
BY TOWN**

Goods	Most Frequently		
	DS Area	Truckee	Reno Area
Gasoline	2	3	1
Groceries-limited	5	7	
Groceries-full	2	7	
Pharmaceuticals		7	1
Apparel-Women's		2	2
Apparel-Childrens		2	
Office/School Supplies		4	3
Building/Home Repair		3	4
Furniture		1	6
Housewares		2	5
Restaurants		8	1
Fast Food. Take Out	1	4	
Toys		1	1
Computers			3
Garden/Nursery		3	1
Auto Supplies		3	2
Speciality items/gifts		5	2
Services			
Hair Salon/Barber		5	1
Dry Cleaning		4	
Shoe Repair		1	1
Auto repair		4	2
Photocopying		3	1
Banking		6	1
Real Estate		4	1
Day Care		1	
Totals	10	90	39
In What City Do you Spend the Most?		6	3

Note: Only shopping in the region was counted.

Source: Pacific Group Resident Survey, October 2003.

Table 27 lists the types of new or expanded stores that residents would like to see in the local area. Restaurants were mentioned most frequently. The only other types of stores that were mentioned more than twice were:

- Groceries
- Hardware
- General Merchandise
- Video Rentals
- Bakery/coffee

**Table 27
TYPE OF STORE OR SERVICE WOULD LIKE TO SEE
IN THE DONNER SUMMIT AREA**

Type	Times Mentioned				Total
	First	Second	Third	Fourth	
Restaurants	6	2	1	1	10
Fast food	1		1		2
Bakery, coffee	1	1		1	3
Grocery	3	1			4
Hardware	2	2			4
General merch	1	1		1	3
Video rental	1		1	1	3
Apartments	1	1			2
Drug store		1	1		2
Sports goods		2			2
Gas station			1		1
Laundry			1		1
Motel			1		1
Shoe repair			1		1
Shuttle			1		1
Recreation Activities		1	1	1	3
Auto repair				1	1
Specialty, gifts			1		1

Source: Pacific Group Resident Survey, October 2003.

- Recreation Activities and related rentals.

Table 28 shows the types of improvements that residents indicated were important to the economic development of the area. Every one of the 13 categories of improvements received some mentions as being Very Important. When weighted scores are assigned to the Very Important and Somewhat Important mentions, three categories receive noticeably higher scores:

- Affordable housing/Apartments
- More shops for locals
- More shops for visitors
- Improvements to Donner Pass Road.

**Table 28
IMPROVEMENTS THAT ARE IMPORTANT
TO HELP THE LOCAL ECONOMY**

Improvement	Times Mentioned		Average Score (1)
	Very Important	Somewhat Important	
Landscaping	4	4	0.52
Lighting	3	4	0.43
More shops for locals	10	3	1.00
More shops for visitors	10	3	1.00
Better signage	4	7	0.65
Design Guidelines	6	2	0.61
Special events	6	6	0.78
Better promotion	7	3	0.74
Affordable housing/Apartments	10	9	1.26
A new hotel	5	5	0.65
Improvements to Donner Pass Rd.	10	4	1.04
Changes to zoning	3	3	0.39
No improvements needed	1	1	0.13

(1) Based on 2 points for Very Important and 1 point for Somewhat Important, and 0 points for Not Important or not rated.

Source: Pacific Group Resident Survey, October 2003.

Table 29 summarizes various comments and suggestions that were offered by the respondents by category. The most common comments and suggestions related to cleaning up the trash along old Donner Highway, making visual and aesthetic improvements and restoring Lake Van Norden.

**Table 29
SUMMARY OF COMMENTS BY RESPONDENTS**

Comment/Suggestion	Number of Mentions
Clean up trash along road	3
Restore the lake	3
Leave alone, too crowded already	2
Need visual and aesthetic improvements	2
Water and sewer fees too high	2
Need trails and walking path along roadway	2
Need local hangout, café	1
Locally owned businesses only, no chains	1
Mail delivery preferred	1
Parking in winter is a problem	1
Lack of community input to the County	1

Source: Pacific Group Resident Survey, October 2003.

Section 7

STRATEGIC PLAN

Based on all of the analyses presented above, the consultants identified five broad strategies for economic development of the area:

- Strategy #1** Land Use Changes
- Strategy #2:** Enhance Community Image
- Strategy #3:** Infrastructure and Focal Point Development
- Strategy #4:** Improve Organization and Promotion.
- Strategy #5:** Business Attraction and Retention

Under each of these strategies, specific tasks are recommended to support the strategy. Each of these strategies and tasks are described in detail below. The costs, funding sources and time schedule for the actions are presented in subsequent sections of this report.

STRATEGY #1: LAND USE CHANGES AND OPPORTUNITY SITES

This strategy focuses on two areas:

- General land use changes that are recommended in the Donner Summit area
- Specific Opportunity sites for each major land use type under consideration.

Task 1.1: Land Use Changes

A conscious, directed change in the intensity and type of land uses in the Soda Springs core area will be the primary method by which positive community values and strengths can be preserved and enhanced. It appears that without change, this area will continue to decrease its viability - the limited variety of goods and services offered will continue to shrink, any remaining sense of community will vanish, and the area will be fully reduced to a wayside that skiers will only pass through on their way to the larger resorts.

The strategy of inducing land use changes is to create a stronger community for the local residents. It is vitally important (and possible) to do so, while maintaining the rural, undeveloped nature of the area. Too much development and unplanned development are both harmful changes and can be avoided with intelligent planning.

Increased land use intensity is where there is an increased concentration or density of uses in one area. Change of land use involves the transformation of previous uses to other uses in order to strengthen or concentrate positive land uses and also to remove certain

land uses that are in conflict with other uses. An example of this might be to change several residential lots to commercial use. These lots may no longer be of optimal use as housing due to their proximity to a commercial center.

Land use changes recommended include:

- Allowance for mixed use retail/residential buildings.
- Increase of sites devoted to commercial uses - retail sales of goods and services, particularly a retail core area
- Re-introduction of seasonal tourism lodging
- Creation of affordable housing for both ski resort employees and for permanent residents
- Removal of "Highway Commercial" General Plan Land Use Designation to provide for more community supportive services. Neighborhood commercial designation would enable greater use of service and commercial uses within the area.

Task 1.2: Incorporate Higher Density Mixed Use Development for Zoning in Soda Springs Rural Center

The market area can be combined with housing to create a greater density of use and an economy of scale from a project financing standpoint. The state provides favorable financing for the creation of affordable housing through several block grant programs. Some of the project costs, such as architectural and engineering fees, site development costs, infrastructure development, and some specific building costs can be shared with the affordable housing program financing. In this way, the cost of building a retailing center can be partially defrayed.

Additionally, the inclusion of housing as a part of the retail complex will have two major benefits. First, the housing will increase the mass of the complex, imparting a sense of scale and density that establishes the market center as the focal point for the entire community. Secondly, inhabitants of the housing portion of the site form a ready market for the goods and services offered by the market - thus increasing the merchant's viability.

The downtown core area could be a site for this type of housing. Other sites near this area would also be viable. Much is dependent upon property acquisition and public financing.

Task 1.3: Retail Core Opportunity Sites

It is recommended that in the Soda Springs core, a new commercial area be developed near the existing commercial buildings. By doing so, the commercial density is increased, and a greater sense of place is established. The existing Soda Springs grocery store, located along old highway 40, forms the nucleus of a "downtown" for the community. Adjacent to this store is the post office, a sometimes-open cafe, and a real estate rental office. Located across the street from this building a small, but surprisingly

upscale gift/ art shop and a small new commercial building that sell residential building products on a limited basis.

There are two other areas of commercial use. The first is the cluster of two buildings located at the intersection of old highway 40 and Serene Lakes Road: these two buildings are entirely devoted to the ski trade, selling and renting ski equipment of about 4 months of the year / otherwise they are entirely closed. This area is devoted almost exclusively to serving the ski hill at Soda Springs.

The second commercial node is located at the intersection of highway 80 and old highway 40. This is comprised of a gas station and a restaurant/ski rental shop located in the west end of a once active motel. The motel use has been co-opted by Sugar Bowl to serve as a bunkhouse for low-income ski resort employees.

Neither the gas station area nor the ski hill retail area lends themselves as sites for increased commercial activity. The gas station area is too far removed from the central area of Soda Springs and appears to derive the majority of its business from the highway, rather than from the residents. (By default of being the only gas and food in the area, these two businesses also gain a share of local patronage - however the amount of local business is not enough to sustain their operations.)

What remains is the potential to add to and enhance the commercial core centered about the existing grocery store. Thus it is recommended that a retail core be encouraged to develop at the vacant lot, located west and across old highway 40 from the existing grocery store. This site has several advantages:

- It is vacant
- It is large enough to accommodate a reasonably-sized commercial center
- It is adjacent to the main road and thus highly visible
- It is centrally located in the community
- Its proximity to the grocery and post office will strengthen its patronage and that of the grocery.

Task 1.4: Lodging Opportunity Sites

Given the above limited occupancy, traditional motel development does not seem viable at this time. Lodging can, however, be provided - if it will take a different form. What appears to be potentially viable is the development of simple, Spartan lodging that is geared towards the non-ski season visitor. This lodging differs from the tri-lodge accommodations in that, instead of providing shelter in a dorm setting, the new lodging would provide individual, private rooms for recreation tourists. The new lodging would be very basic, in order to be affordable to build and maintain.

There are several sites in the Donner Summit basin that appear to be appropriate for lodging. Development of these individual sites is dependent upon the interest and ability

of individual property owners to do so, and upon the County's ability to encourage such development - through sponsorship of project financing and planning.

The Beacon Hill Site-This site is located along the old highway, east of the grocery store and west of the intersection with Serene Lakes Road. The site is vacant and of sufficient size to accommodate a medium size lodging and/or mixed-use lodging/affordable housing complex.

The Village Site-Located within the existing road and residential lot platting, a small lodging facility could be constructed that would flank the Yuba River, behind the Donner Summit Lodge. This site would be accessed via the existing roads that serve individual residences in a subdivision that is sparsely developed. Given the low impact usage that an off-season lodge would produce, this site amongst the residential lots appears to be compatible. The amount of traffic it would generate would be minimal.

The Core Area-The housing located above the retail spaces at the Market site could be used for tourist lodging during the non-winter months. During the winter these same facilities could house ski resort employees.

Task 1.5: Affordable Housing Opportunity Sites

Eastern Basin-The eastern end of the basin near the summit is too congested with ski resort uses to yield any viable housing sites. It appears that any buildable area within the Sugar Bowl complex will most likely be used for large high-priced residential units.

From the Summit to Soda Springs-There may be some housing sites in the middle area, located between the summit and Soda Springs. These sites are relatively small and are constrained by the natural terrain. Possible sites to the south of the old highway are steep, sloping down into the floor of the basin towards Lake Van Norden. Sites north of the main road are also steep and rocky. However, small clusters of worker housing may be possible.

The Core Area-Finally, the area within the concentration of residences and commercial uses in Soda Springs could be used for affordable housing. This area appears to provide the greatest potential for development for a variety of reasons. First, the concentration of retail (restaurant, post office, grocery) in the area will serve the employee needs. Secondly, as housing in the Soda Springs core area is located along the highway, the employee housing can be served by public transit shuttle that would link to the resort areas. Many of the ski resort employees do not have vehicles and are dependent upon shuttle service or fellow employees to get to their places of employment.

STRATEGY # 2 COMMUNITY IMAGE ENHANCEMENT

The overall impression of the Soda Springs area is that the community appears worn out and run down. There are several pockets of maintained, upscale facilities, such as the condominiums at the Serene Lakes Road intersection and the commercial building located across the street from the grocery. Serene Lakes and Sugar Bowl residential developments also provide better quality and better appearing developments - but they are isolated and do not relate to Soda Springs due to their distance of separation.

Currently, Soda Springs is not special. The town offers no reason for people to get off of the highway. The core area of Soda Springs and much of the development along the road leading to the summit area appears blighted. Some of the negative characteristics are:

- Large, empty parking lots
- Run down buildings
- Visual clutter, junk in front of houses
- Unattractive signage
- Donner Summit Lodge appears run down
- Chaotic storefront at grocery store/post office complex
- Empty building lots

Generally, blighted areas have difficulty attracting patrons and cannot readily entice new businesses to locate within their boundaries, as long as the physical appearance of the area is poor. Soda Springs will, like many other communities, have a long struggle to overcome lack of businesses if it continues to maintain such a negative public image. In order to regain its economic health, the physical appearance of Soda Springs' core area must be revitalized, as part of an integrated strategy of land use changes, community image enhancement and focal point development.

Approach

One of the key strategies to attracting new business development and investment in the community is a sound, attractive and achievable plan for physical upgrades. Often the revitalization process involves both private property improvements and public sector enhancements. Often it is the public sector, led by government innovators with a vision for the future that takes the lead in creating a better business environment. Private business and property owners will, in most instances, not make physical improvements or reinvest in their real property unless they can clearly see that they will benefit financially. It is up to government to show them the way.

The primary methods of implementing physical revitalization recommended for the Donner Summit area are as follows:

- Landscaping - along the old highway
- Developing pedestrian access (and safety)

- New and better signage
- Facade improvements
- Community beautification efforts

Task 2.1: Landscaping

One of the most noticeable aspects of the old highway area, starting immediately from the highway 80 off-ramp, is that the scene along the edges of the road are chaotic and unsightly. There are a wide variety of building types, no particular pattern of development (as if it was totally unplanned), and the roadside edges are ill defined and confusing.

In large part, the road edge is defined by the necessity to remove and store immense quantities of snow in the wintertime. The snowplows have to be able to push banks of snow to stockpile areas from the road, in order to keep things open for the resorts. As these storage areas are often located immediately adjacent to and directly accessible from the old highway, the roadside appearance is that of a bombed out environment. The paving, if any, often continues past the road edge onto the snow storage areas - creating many empty areas that resemble parking lots devoid of cars in the summer.

Additionally, any landscaping improvements along the road must satisfy two critical conditions: First, new landscaping must be able to survive the harsh conditions of the Donner Summit winter and the abuse wrought by the snow plowing/throwing operation. Secondly, street-plantings should be very respectful of the Sierran environment -they should not be foreign in character to the rustic mountain setting.

Recommendations

Beginning at the off-ramp / gas station area and extending to the old highway 40 / Serene Lakes Road intersection, a street edge planting program is recommended. Creating a special roadside treatment will provide several benefits:

- A visual linkage between the highway entrance and the core area
- Screening of unsightly parking lot / snow storage areas
- Visual unification of a disparate collection of styles of residences lining the old highway establishes the core area as a special zone
- Creates an emphasis and special character for Soda Springs and the Soda Springs ski hill
- Increases pedestrian safety at the road edge.

Specific techniques for landscaping would involve careful attention to planting selection, location and spacing of plantings, and coordination of the landscaping to be compatible with adjoining uses.

It is recommended that more remote, or visually screened areas be found for snow storage. Currently, using empty lots immediately adjacent to the roadway creates a very unsightly condition in the non-winter months. It looks as if the area is abandoned.

Plant trees that are unique and different from the typical forest trees that surround the area. Trees should be planted in clusters / not in a regularly spaced patten that would be more appropriate in an urban setting. Protect the trees at their base with placement of large boulders - to act as buffers from the snowplows.

Install streetlights that are rustic and rural in character. Streetlights can also be installed in an irregular manner, rather than establishing a uniform spacing of lighting. It is more important to light the key intersections and use lighting to establish focal points within the core area.

The area in front of the Donner Summit Lodge deserves a special treatment. The lodge is large, imposing and run down. Given its current use as a bunkhouse for low wage ski resort employees, there is virtually no incentive for the property owner to improve its appearance or to conduct anything beyond minimal maintenance. The front of the lodge will, over time, continue to become more unsightly. It is strongly recommended that tree planting and a ground level screening be installed along the road edge to screen and soften the negative visual impact of this imposing structure - which is the first thing the visitor sees upon entering the basin.

Task 2.2: Pedestrian Access

There is a need to provide pedestrian pathways along side of the existing old highway. At present there are no safe or defined walking routes in the Soda Springs area. Automobile traffic is heavy and dangerous in the winter / in the summer the traffic is lighter but achieves dangerous speed.

Creating the ability to walk from the gas station/restaurant/employee housing area to the grocery store and market center, or beyond can be achieved with a minimum of investment. Creating a safe walk will promote patronage of the core area by people who are parked at the highway entrance area. Currently, pedestrians are discouraged from walking from the highway entrance to the core area because there is no pathway and waking along the shoulder of the road is unsafe, having no buffer from traffic.

Establishing a car free, walking area at the core of Soda Springs would encourage tourist patronage of the area. A pedestrian zone would increase visitation and visitation time, thus increasing sales. Parking for this area should be divorced from the walking area, and hopefully screened from view as well.

Recommendations

Construct a walking path extending from the Donner Summit Lodge area to the grocery store. This path should be located on the north side of the old highway.

The pedestrian path should be designed in concert with installation of street trees, rock buffers and street lighting. The path should be constructed of asphalt or decomposed granite, rather than concrete. The path should appear informal and not urban in character.

The existing bridge (located immediately east of the Donner Summit Lodge) appears to be too narrow to accommodate a walking path within the existing confines of the bridge abutments. It is recommended that a new pedestrian walkway be attached to the outboard side of the bridge, spanning the Yuba River at the north side of the bridge.

Pedestrian walkway can also be used as a buffer in front of the Lodge, as a portion of the effort used to visually screen the Lodge from view from the roadway.

Task 2.3: Signage

Currently, existing signage at Donner Summit provides little value for the area or its businesses. Signs are missing where they could benefit the tourist, providing virtually no information as to what is available to the visitor in terms of natural attractions or of commercial interest. What signs that do exist are, for the most part, are uninspired.

Interesting and attractive signage is a cost effective technique that will provide significant community image enhancement. It involves two efforts: removal of existing bad signs, and installation of new good signs.

Enhancement Strategies

Gateway-Establishing a powerful gateway treatment that attracts, welcomes and orients the highway visitor is very strongly recommended.

The components of a gateway would include a visually noticeable icon that can be readily seen from the eastbound highway 80 lanes. This icon, not necessarily a sign, should be large enough to establish itself as important and should be very unique. The gateway icon should compel the curious traveler to exit and inform the remainder that they have arrived at a very special place.

Located below this icon / sign / tower / structure would be an informational device. Most often a kiosk is used to display static messages as to what the visitor may encounter further along the old highway. (See Task 4.2 below for more information.) The gateway is also the ideal location to provide centralized parking for the vanpool ski travelers. Shuttle service to the gateway is a must.

The gateway should also be the starting location of special landscape treatment that will extend along the road to the core commercial area.

Street Signs-Uniquely designed street signs can be used effectively to establish a special character for the area. Rather than the typical flat metal sign fastened to the top of a steel post, new street signs of an unusual nature can be used.

Some creative ideas would be to use objects atop poles as signs, such as street names stenciled on old saw blades, old skis, old shovels, etc. Posts can take the form of double poles, rock bases, and other forms that will survive the attacks of the snowplow.

Commercial Signs-One significant area of potential improvement would be to replace existing commercial signage with much more attractive signs.

New signs could be created to follow a specific design theme that would be unique to the Donner Summit area. The commercial signs could relate in design to uniquely designed street signs and may also relate to the gateway treatment.

Commercial signs could take the form of very graphic objects, describing in iconographic form the specific type of goods or services that the commercial establishment is offering. If the graphics were coordinated from one business to the next, the overall impact would be to create an identifiable, discernible and positive image for the area.

Back-lit signs should be avoided wherever possible. They are not attractive and detract from the image that is being sought. Front-lit signs that are incorporated into the architecture are the preferred treatment.

Task 2.4: Facade Improvements

What few commercial buildings exist along the old highway are in generally poor appearance. The overall impact is that the area appears to be failing.

A County sponsored facade improvement program would help immensely. The County could sponsor such a program, providing financial assistance to commercial property and business owners. Funding sources could come from Program Income via a Revolving Loan Program, individual block grants or similar devices. (See task 5.2 below.)

Many other rural California communities have been using a commercial facade improvement program to good advantage. Often, if one or two individual property owners begin the program and fix up their buildings, the program gains momentum, as other property owners see the positive results that can be achieved.

Although there are many variations on funding structure, most typically communities offer a mix of outright grants (in the form of rebates given at the completion of construction), combined with low-interest loans. It is also important to offer up-front free design services from building design professionals that are well versed in facade design. This is an important element that helps assure that the overall image is upgraded.

The County has a set of design guidelines for construction in the mountainous areas of the County. Use of these guidelines is recommended.

Task 2.5: Beautification Program

One of the cornerstones of this Economic Development Strategy is the overall promotion of Donner Summit as a small, rural community in which living and raising one's children is satisfying and desirable. Reinforcement of this idea over an extended period should not be limited to the commercial area alone.

While a full realization of the goal will rely greatly upon the individual actions of many residents, the County and the Coordinating committee can assist by continued efforts to beautify the community, whenever an opportunity presents itself.

Some examples of community-based efforts are as follows:

A Street Tree Planting Program-Planting within the residential neighborhoods and along the old highway in front of vacant parcels can be an effective and inexpensive method of enhancing community image. Vacant lots and empty, open parking areas can be softened.

Community Clean-up Days-Clean-up days can help in raising resident awareness of the visual quality of the community surrounding the Summit, and help families to get around to the clean-up and removal of clutter that they would otherwise ignore or continue to put off. Clean-up events, sometimes coupled with neighborhood block parties, are an excellent way for neighborhoods to gain pride and take ownership of their immediate environment.

Community Park-Creation of one or more small common use community parks provide good opportunities for building and strengthening a sense of community. These parks can be established on what would be otherwise marginal use, vacant parcels, and do not need to be large or contain fancy amenities. Constructed by and for the residents, some containing children's play equipment or paved courts, small neighborhood parks have been built throughout the state with much success.

STRATEGY #3: FOCAL POINT DEVELOPMENT

This strategy is based on the goal of emphasizing and building on Donner Summit's small town character and the community's goal of avoiding strip development along Old Donner Pass Road.

There are several strategies which would provide overall community benefit in terms of alleviation of traffic impacts, increased convenience of shopping and recreating, and an increase in tourism during the summer months (as well as providing an enjoyable place for the locals). Specifically the tasks that are recommended for this strategy include:

- Task 3.1: Central Parking
- Task 3.2: Shuttle Service
- Task 3.3: Downtown Core

- Task 3.4: Affordable Housing Initiatives
- Task 3.5: Visitor Activity Center.

Each of these strategies involves intervention by the County and possible other governmental entities to implement ideas that fall outside of the private sector's ability to achieve. Some of the strategies help alleviate winter problems and others may reduce the seasonality of the area.

Task 3.1: Central Parking Concept

One recommendation that will help reduce wintertime traffic congestion on old highway 40 is to provide centralized parking areas that are served by shuttle bus.

For many years the area at the summit, near Donner Ski Ranch and Sugar Bowl have been heavily impacted by the thousands of skiers that tend to arrive and depart the mountain in a short span of time. Ski commute traffic congestion combined with some drivers that are more than challenged by winter driving often leads to roadway snarls that block everyone's ability to leave for hours. Once the r single road that leaves the mountain is cleared, most people are more than anxious to leave and few are interested in staying for a meal or to shop in Soda Springs.

In addition to alleviating some of the traffic congestion, centralized parking, served by bus shuttle, can be used as a strategy to encourage more business patronage in Soda Springs.

Establishing central parking areas would not eliminate or substitute for the majority of car usage. Most individuals travel to the slopes individually or in small groups or couples. Centralized parking would predominantly serve groups that arrive in vans or busses. As a central staging area, individual skiers can disperse by shuttle bus to the variety of ski areas at the Summit. This flexible arrangement will also eliminate some traffic, as some ski parties use one car to drive from place to place to retrieve all of the passengers at the end of the day.

In order for central parking areas to be effective at reducing traffic problems, they are best located at the beginning of the summit basin as it connects to highway 80. Parking could be provided in the area near the Donner Summit Lodge, to the north of the old highway. Snow that is normally stored in this area should be located elsewhere to create a larger parking area.

Additional central parking areas can be developed further east along the old highway. These parking areas would be smaller than the Lodge site, but would remain useful, as they would be served by the shuttle service.

Task 3.2: Shuttle Service

Wintertime public transit, if run intelligently, for the convenience of the skiing customer, rather than for the convenience of the ski resorts, would be most beneficial.

A bus shuttle should serve all of the ski resorts, central parking, and the commercial area of Soda Springs. A combination of “express runs”, serving only the most popular destinations (Sugar Bowl & Donner Ski Ranch), and “local runs” serving all of the areas with more frequent stops should be used.

Usually skiers do not wish to leave their mountain resort during the middle of the day to shop or to have a meal outside of the resort. Given the high cost of lift tickets, most skiers will stay close to the ski runs in order to maximize their lift ticket investment. However, some mixed groups may include non-skiers who are simply accompanying the group to relax these individuals would be prime patrons for the bus shuttle service to off-resort shopping.

Task 3.3: Establish Downtown Core

Given the linear nature of development along old highway 40 and the site constraints of steep topography to the north of the highway and the buildable limits of the railroad right-of-way to the south of the road, it appears very unlikely that there will be a “downtown” in the more traditional sense of the word for Soda Springs. However, a small commercial core can be reestablished about the area near the grocery

As the vast majority of visitors to the Donner Summit area arrive in the winter for day use skiing, there is a long off-season for the area. July and August comprise the strongest visitation. The “shoulder months of April-June and September-November receive limited tourist and recreational visits. Retailing and lodging suffer viability due to this seasonal use of the area. At present only minimal retailing survives. The patrons of the ski resorts located to the east of Soda Springs generally do not stop at Soda Springs during their daily migration from the Valley to the slopes - there is little to offer them. The number of summer visitors is small.

Traditional fixed “bricks and mortar” style retailing appears to be infeasible. Given the absence of visitors for many months of the year and small number of permanent, year-round residents, the establishment of permanent retail stores does not seem viable - there is not enough population or visitation to support normal retailing. Capital investment in site development and buildings to house stores and service providers cannot be repaid from the weak market.

What is needed is to create a retail environment that is responsive to the seasonal nature of the area. It is proposed that this new retail core be created on a permanent, year-round basis - but that its merchants are seasonal. Different businesses, which operate on an intermittent basis, can use a portion of the retail complex during their optimum sales time

and then vacate, leaving the retail space for other businesses to come in and serve, in turn, their seasonal patrons.

The concept involves having a permanent site to house impermanent merchants and service providers. The concept is centuries old: its roots date to the middle east and China, where market centers operate to this day on a year-round basis with an ever-changing array of merchants. In this country, the farmers market is a similar example.

Specific examples of retailers that could utilize this type of flexible space in a market-mercado-bazaar facility include:

- bicycle rental store
- kayak rental store
- tourist gift store
- local crafts store
- nature / interpretive center
- photography exhibit
- ice cream / sandwich store
- specialty food store: bread, jams, tea, chocolates, etc.
- mountaineering equipment store.

A coffee house or a small cafe can provide an anchor business for the complex and remain in operation throughout the year. The owner / operator of the coffee house can double as the property manager for the complex, scheduling and renting out retail spaces.

The retail or market center has the potential to succeed if it is able to attract merchants that offer goods beyond the norm. Highway 80 tourists must have a reason to slow down and pull off the main drag - the offering of an unusual experience at the Soda Springs Mercado can provide this compelling reason.

The Soda Springs Market is envisioned as a one and two-story complex of small-scale buildings, oriented about a central plaza or gathering place. The Market should be located on the vacant site across from the grocery and is oriented to face south to Old Highway 40.

Flexible use retail space, of varying size and description, would be located at the ground level of the complex. The retail space could be constructed of fairly minimal elements and provide basic shelter and security. Common bathrooms, shared by all of the retailers, would be an economical solution compared to individual facilities.

A central plaza would form a strong unifying element for the design. This plaza could serve as a place for outdoor dining, a meeting place, a performance space (here goes the snake charmers again!), and, perhaps very importantly, as a place that the community could relate to as its community center or heart. During the summer and temperate months this space could be very pleasant to spend time in.

Parking for the Market would be located in adjoining areas - designed so as not to intrude on the pedestrian oriented complex or its residential neighbors.

Task 3.4: Affordable Housing

The need for affordable housing throughout the County and in the Donner Summit area was described earlier in this report. This will continue to be a difficult problem in the area because of the growing population, continuing escalation in housing and rental prices and the lack of available developable land. As is true throughout the County, the economic development of the Donner Summit area depends to some extent on the availability of affordable housing.

This report recommends a strategy initiative to address this issue. The County should undertake a series of steps that could help to provide some additional affordable housing in the area.

- Change the zoning regulations to allow for higher-density mixed-use buildings within Soda Springs Rural Center to provide housing units over commercial buildings at a higher density than the current 4 units per acre.
- Identify sites that are currently zoned commercial but which are developable as residential sites, particularly rental housing.
- Assist major employers in the area to develop flexible housing that can be used to house seasonal employees in the winter and can be operated as visitor rooms (either hostel style or motel style) during the rest of the year.
- Identify all available funding sources and disseminate information about these programs to local property owners and developers who might be interested in developing affordable housing in the area.
- Augment public transportation in the area to provide more convenient transportation between Donner Summit and the major employment center of Truckee.
- Coordinate with other local jurisdictions, particularly the Town of Truckee, in the planning for affordable housing in the area.
- Incorporate small housing facilities in the overall design of the Market in the downtown core area. These accommodations would be used on a seasonal basis - during the winter months they could be used for ski resort employee housing; during the remainder of the year, these housing units could serve tourists visiting the area who seek simple accommodations.

Task 3.5: Visitor Activity Center

Alpine Skills International operated a Mountaineering School in Donner Summit for 18 years. Their operation included overnight accommodations for up to 70 people. Three years ago they sold their building to Sugar Bowl for the Sugar Bowl Ski Academy and moved their operation to Truckee. They have an office and classroom in Truckee but still meet their classes at the trailhead in Donner Summit. They believe the area is ideal for this activity because it is the only place to get to the top of the Pass and because of its proximity to the Pacific Coast Trail.

Alpine Skills International also owns a site adjacent to its old location, which is zoned recreation. They indicated they would consider developing a year-round facility where they could offer:

- Overnight accommodations in a chalet
- Backcountry ski lessons and tours
- Mountain climbing activities
- Equipment rentals for hiking and biking
- Interpretive hikes
- Other related activities.

Such an activity center would offer an appealing recreational opportunity for visitors and potential would generate economic impacts through the overnight guests. Such a program would probably require a coordinated effort with the county including many of the strategies recommended in this report regarding assistance to the business, joint promotional efforts, clean-up of the physical environment and so forth.

STRATEGY # 4 ORGANIZATION AND PROMOTION

One of the most important strategic steps to be taken to achieve a successful economic development effort is to establish appropriate organizational structures and promotional efforts. There are many options for organizing the effort, but the approach should reflect the character and resources of the community. In general these organizations will be responsible for organizing the resources of the community to compete successfully for an additional share of the market.

The goal of the organizational and promotional framework is to involve as many components of the community as possible: property owners, merchants, government, investors and concerned individuals. Multiple organizations might be needed over time and they must be coordinated into an overall framework to work toward the common goal of revitalization of Donner Summit.

The Organization and Promotion tasks listed below are described in detail on the following pages:

- Task 4.1 Community Organization
- Task 4.2 Advertising and Promotion
- Task 4.3 Highway Signage
- Task 4.4: Highway 40 Scenic and Historic Designation
- Task 4.5: Promote Special Events

Task 4.1: Community Organization

Donner Summit is a small community with limited resources. Therefore the organization structure for economic development will need to be efficient. We recommend that several steps be taken.

Work with Economic Resource Council or Sierra economic development Department as the primary liaison between the County and the community on economic development issues. The primary function would be to direct inquiries to the proper channels in the County and to follow-up. It is anticipated that an existing staff person would do this. This issues covered could include:

- Planning (including construction and zoning)
- Economic Development
- Business Retention and Attraction
- Capital Improvement Program
- Coordination with Placer County

Second, an effort should be made to establish an ad hoc Historic/Economic Development Coordinating Committee among the local businesses. This should include not only the smaller business in the area but also the large resorts including Sugar Bowl, Royal Gorge, Donner Ski Ranch, Boreal and Ice Lakes Lodge. In addition the Donner Summit PUD should be an important member of this team. In the past there has been limited cooperation among these entities. The Coordinating Committee could meet periodically to discuss issues of mutual concern and to plan coordinated efforts in various areas. This would also help to address the perception by some of the local businesses and residents that Eastern Nevada County is not given sufficient attention by the County. This Economic Development Strategy could guide the efforts of this organization. Some of the communication among this group could be accomplished through emails and/or a newsletter, rather than in person meetings.

The areas where the Coordinating Committee could provide assistance include:

- A central point for identifying at risk businesses
- Assistance in preparing marketing and promotional material
- Assistance in identifying and recruiting new businesses
- Assistance in preparing grant applications
- Assistance in seeking special designations for the area
- Acting as liaison to the local community
- Assistance in planning special events.

Finally, depending on the success of this group, it could eventually evolve into a formal organization in the form of a Merchant's Association, a Business Improvement District, a Chamber of Commerce or a non-profit economic development corporation. At that point various subcommittees could be established to cover each of the strategies outlined in this report.

Task 4.2: Advertising and Promotion

Donner Summit should establish a long-term program of advertising and promotion. The primary goal of this program should be to:

- Establish the unique identity of the area in the minds of regional population and visitors alike. (Identity branding.)

- Reinforce the existing winter ski season
- Introduce the market to Donner Summit’s activities in other seasons
- Promote existing lodging and other businesses
- Stimulate summer visitors and activities-hiking, camping, hostel

There are almost an unlimited number of ways to promote Donner Summit—its history, its skiing, its special events, etc. The unique appeal of the area for skiing should be emphasized, including: less traffic, its location closer to the S. F. Bay area than Tahoe, and its family-orientation.

Specific techniques could include:

Identity Brochures-such a brochure could provide background information on Donner Summit as a place to live, work and play. This could be a simple brochure with color pictures of the area. The brochure could be suitable for handouts at individual businesses, at an information kiosk, and as a promotional mailer for various businesses.

The purpose of this brochure is to increase regional awareness of the area. The broader goal is to attract visitors and new residents to support current and future businesses.

This same brochure could also include information on specific attractions in the area from ski resorts, to restaurants, shops, and sports equipment rentals. A small useable map could also be included. These could be included in the brochure or added as separate inserts.

Identity Advertising-can be a useful adjunct to other promotional techniques. However, it can also be expensive and its use will be limited initially. Following demonstrable physical improvements within the Donner Summit area, a small advertisement could be placed in selected regional papers and magazines (e.g.: *Comstock’s*, *Sacramento*, *Sunset*, etc.) This would also be a good time to seek to place various press accounts of the improvements and development activities in Donner Summit. Also the Economic Development Committee might arrange for individual businesses that advertise regionally to make positive references to “historic” Donner Summit. Those that advertise locally could emphasize a “buy-local” theme.

Donner Summit Web Site-This site could feature background demographics, photos of the area, description of available site, County contacts, current plans for the area and information on incentives and programs, as well as information for visitors relating to accommodations and special events. It should be directly linked to the County web site and it should be referenced in all advertising and marketing materials.

Information Center-A small but easily identifiable information center should be established. This could be a small structure or space in an existing structure or simply an information kiosk—preferably with interactive capabilities. It should be located as close as practical to the entryway to the area from I-80. This information center will serve a variety of functions including the following:

- City Identity Statement
- Reinforcement of the areas focal points
- Support of the historic character of the area
- Provide Information on local events, businesses and attractions.
- A map of the area including major attractions.

It should allow for easy access and parking for several cars. Landscaping should be used to enhance the appearance of the center. Most important is that the kiosk be designed and constructed to positively support the small town, rural character that is a major focus of the economic development plan.

Task 4.3: Highway Signage

Caltrans has a Service Sign Program that will provide signage for businesses. Generic signs indicating campgrounds, lodging, fuel or food can be put up for free. Individual business names and logos can be put up for a \$900 front-end cost plus an annual fee of \$700. The Summit restaurant has requested such a sign that is scheduled to be installed soon. Once a core of active business are established in the area Caltrans should be contacted to provide the appropriate signage.

Task 4.4: Highway 40 Scenic and Historic Designation

Caltrans has a Scenic Highway Program. In order to qualify the highway must be a County road. The application process takes six months to a year. The application must include a Resolution of Intent by the local jurisdiction. The local jurisdiction must establish a corridor protection program that involves five elements. Some of the issues are land use compatibility, local sign ordinance (billboards are prohibited), architectural guidelines, set backs, and the like. Currently the Scenic Highway 20 ends at the terminus with I-80 at Yuba Gap. A short distance to the east Highway 40 begins at Cisco Grove and continues through Donner Summit on to Truckee. Preliminary discussions indicated that an Historic Highway 40 could be established to tie in with this existing scenic highway.

There is also an active national non-profit organization called the Lincoln Highway Association, which promotes the history of Highway 40 across the country. There is an active chapter in California. In addition there is a for-profit organization called the Historic U.S. 40 Club that offers businesses the opportunity to sponsor historic designations along Highway 40.

The US. National Park Service has a Heritage Corridor Program that is active on the east coast. This program requires recognition by Congress and it includes some funding for planning and promotion. To date no highways in California have been qualified for this program, although there have been some efforts to establish such recognition for parts of Highway 49.

Finally there are the California Register of Historic Places and the National Register of Historic Places, both of which have sections of highways listed. Being on one of these registers can open up opportunities to participate in other related programs and promotional efforts, including funding through the Transportation Enhancement Act (TEA). We recommend that the Coordinating Committee pursue one or more of the designations mentioned above.

Task 4.5: Promote Special Events

One of the most effective and cost effective means to promote a commercial area is special events. Such events encourage new customers to visit the location and put the community in its best light. They also encourage local citizens participation and stimulate community pride. Several special events are already held in the area, including:

- Motorcycle Days-a weekend with 9,500 in attendance
- Bicycle Race-80 contestants per day
- Sugar Bowl Music Festival (Labor Day weekend)
- Fireman's BBQ
- Bear Valley Music Festival.

There are many other types of special events that could work well in Donner Summit, such as:

- Farmer's Market
- Outdoor Concerts-building on the experience of Sugar Bowl
- Arts and Crafts Shows-The owner of a local arts and crafts shop has suggested cooperating with artists and craftsman in Truckee to sponsor an event in Donner Summit. One major advantage of Donner Summit as a location for such an event is its location along I-80.
- Beautification Parties, where residents participate in planting, clean-up and a community picnic
- Historically themed events, focusing on the history of the area in the westward immigration and during the Gold Rush era, as well as the history of the Old Lincoln Highway, the first transcontinental highway.

STRATEGY # 5 BUSINESS ATTRACTION AND RETENTION

One of the most important functions of an Economic development Strategy is to increase the number and quality of commercial businesses in the area. This can be accomplished both by attracting new businesses and by maintaining and enhancing existing businesses.

As described in task 4.1, there will be a County staff person designated as the primary liaison with the community and will interact with the community regarding the issue of business retention and attraction. However, because of the limited resources available for this effort, the Economic Development Coordinating Committee will also need to take an active role in this effort.

The primary tasks recommended for business retention and attractions are:

- Task 5.1 Business Retention
- Task 5.2 Establish a Revolving Loan Fund (RLF)
- Task 5.3 Identify and Recruit New Businesses
- Task 5.4 Identify and Prepare Key Sites
- Task 5.5 Solicit Developers for Anchor Sites.

Each of these tasks is described in more detail below.

Task 5.1: Business Retention

The most effective tool for business retention is communication. This enables the local jurisdiction (in this case the County) to identify businesses that are at risk of closing or leaving the area and to identify potential problems before they get out of hand.

In the rush to attract new businesses, many communities forget to take steps to retain their existing businesses. In some instances “business retention” may mean relocating a business within the area. It is greatly more cost effective to retain an existing business than to attract a new one. The steps required to retain an existing business can be relatively simple. The first step is simply to establish an open door policy and let local businesses know that the County’s interest in their problems and in keeping their business in the area. This can be accomplished through various means:

- Questionnaires to local businesses. This process has begun as a result of this study.
- Direct interviews with key businesses. This also has been begun through this study.
- Group meetings. This will be achieved if the Coordinating Committee is established.

It is important to realize that a satisfied existing business is the best promotion and ambassador a town can have when seeking to attract new businesses. Any potential prospect will surely contact local businesses regarding the business and development environment in the local community.

When commercial spaces become available it will be useful to initiate a recruitment effort. Initially business recruitment efforts are likely to be informal. As sites become available, the local brokerage community will seek to find tenants. Existing businesses will also join in this effort. This is an area where the Coordinating Committee can be most useful by using its contacts in the business community to identify potential tenants and business for the area. The County and the Donner Summit PUD should consider if there are any incentives that can be offered to new business that move into the area. These might include employee training programs, affordable housing programs, fast track permitting, reduced fees, density bonuses, technical assistance and the like.

The other tools available for business retention include those described elsewhere in this section:

- Ongoing promotion and advertising
- Establishing a Revolving Loan Fund
- Identification of key sites.

Task 5.2: Establish a Revolving Loan Fund (RLF)

A Revolving Loan Fund (RLF) is one of the most effective means to attract and retain businesses. The availability of low-interest loans makes it easier for entrepreneurs to develop new facilities and expand business operations in the local community.

Such loan funds can be relatively cost effective for the community because the initial funds are available from various public sources. (See more details in Section 8 below.) These programs are self-sustaining since they cover their own costs. The funds can be reused after each loan is paid back. In some cases an RLF program offers some assistance to local businesses either through the Small Business Administration (SBA) or through a small fund setup to retain consultants on a per diem basis.

The County is in the process of establishing a CDBG funded Micro-Enterprise Fund to provide funding for training plus \$100,000 (for Nevada Co.) for loans in Nevada County. The maximum loan amount will be for \$25,000.

The Sierra Economic Development Department (SEDD) administers an SBA Micro Loan RLF for its seven county region. Currently there is \$200,000 available for loans in the region. However they could also administer any loan funds that are obtained for an RLF in Eastern Nevada County.

Task 5.3: Identify and Recruit New Businesses

Based on the Resident Survey responses in this report, certain key needs have been identified for the area. These include:

- Restaurants
- Groceries
- Hardware
- General Merchandise
- Video Rentals
- Bakery/coffee
- Recreation Activities and related rentals.

These types of business are a good starting point for attracting new business to the area. They should be the initial focus of the recruitment effort. The recruitment effort should utilize all of the resources available to the County including those recommended in this report:

- Contact with local businesses
- Identity brochures
- Advertising

- Broker relations and contact
- The County's web site
- Direct mailings
- Attendance at Trade Shows.

Obviously, the level of effort in these areas will depend upon the commitment and participation of both County staff and local businesses through the Coordinating Committee. In addition it might be possible to expand the role of the Nevada County Economic Resource Council (ERC) to include communities in Eastern Nevada County. However, their current staff is limited and this would probably require additional funding for ERC.

Task 5.4: Identify and Prepare Key Sites

Based on the analysis and recommendations in this report, the County and the Coordinating committee should identify a list of key sites with development potential in the area. Every effort should be made to identify and remove any impediments to development for these key sites including such issues as: zoning, permits, availability, etc.

The County, in cooperation with local brokers and landowners, should facilitate preparation of an inventory and map of properties available for sale or development. Where additional planning and/or approvals are required for a site this should be clearly noted. Such a resource could be made available through brokers, area chambers of commerce, and the County's web page.

Task 5.5: Solicit Developer for Anchor Site

The Retail Core site Donner Summit presents a unique development opportunity to strengthen the area's commercial base. A quality development at this prominent location near the town's gateway from I-80 would provide a strong anchor for Donner Summit. Because of its strategic importance, the site should be reserved for a use or uses which have a strong potential to draw residents, visitors and shoppers to the center of Donner Summit. Such uses would include shops, restaurants and lodging.

The following criteria should be considered in the selection of the anchor development:

- The development should have a strong orientation to Donner Pass Highway.
- The architectural design and signage of the project should reflect a small town, rural character
- Adequate parking should be located nearby.

Once this site is available, the following steps should be undertaken to solicit a developer:

- Pre-identify potential developers
- Prepare a solicitation package containing background information, requirements of the development, and potential funding assistance and incentives.

- Solicit developers
- Select developer and/or tenants
- Review and refine developer/tenant improvement plans
- Monitor the projects development.

Other sites in the area which are considered key and should be reviewed and monitored to determine the actions necessary to make them available for development include:

- Beacon Hill site
- The Village site
- North of Serene Lakes Road intersection.

Section 8

IMPLEMENTATION PLAN

This section of the report presents an Implementation Plan for the Economic Development Strategy, divided into four basic components:

- Estimated Public Sector Costs
- Time Schedule
- Potential Funding Sources
- Roles and Responsibilities.

Each of these components of the Implementation Plan is described in more detail below.

SUMMARY OF PUBLIC SECTOR COSTS

Table 30 presents a summary of the potential public sector costs for the Donner Summit Economic development Strategy. The estimates are order of magnitude estimates. A more detailed breakdown of the cost estimates is presented in Appendix B of this report.

Many of the strategies will require only some staff time for oversight of the program. Several other strategies are actually an extension or refocusing of existing County efforts. In summary there are six strategies (in the early years) that will likely require some level of public participation:

- 2.1 Landscaping
- 2.2 Pedestrian Access
- 2.3 Gateway Signage
- 2.4 Façade Improvement Design Assistance
- 2.5 Community Park.

The total public cost for these tasks is estimated to be \$ \$325,980 in the first four years. This figure includes \$58,000 cost for streetlights.

In addition, there are five other strategies that do not require public sector participation but where such participation is encouraged if funding is available.

- 2.3 Commercial Signs
- 2.4 Façade Construction
- 2.5 Tree Planting
- 3.5 Visitor Activity Center Planning
- 4.2 Advertising and Promotion.

**Donner Summit
Economic Development Study**

**Table 30
SUMMARY OF STRATEGIES AND PUBLIC COSTS FOR
DONNER SUMMIT ECONOMIC DEVELOPMENT**

<i>Strategy/Task</i>		Public Sector Cost Estimate	Phase I	Phase II	Phase III
			Year 1	Year 2-4	Year 5-8
1.0 LAND USE CHANGES AND OPPORTUNITY SITES					
1.1	Land Use Changes	Oversight	X		
1.2	Incorporate Mixed Use Development	Oversight	X		
1.3	Retail Core Opportunity Sites	Oversight	X		
1.4	Lodging Opportunity Sites	Oversight	X		
1.5	Affordable Housing Opportunity Sites	Oversight	X		
2.0 COMMUNITY IMAGE ENHANCEMENT					
2.1	Landscaping-Phase II	179,000		X	
	Landscaping-Phase III	118,000			X
2.2	Pedestrian Access	83,400		X	X
2.3	Signage				
	Gateway	31,500	X		
	Street Signs	4,080		X	
	Commercial Signs	12,600	*	X	
2.4	Façade Improvements				
	Design	28,000		X	
	Construction Assistance	64,000	*	X	
2.5	Beautification Program				
	Tree Planting	39,000		X	
	Community Park	55,200		X	
3.0 FOCAL POINT DEVELOPMENT					
3.1	Central Parking	180,000			X
3.2	Shuttle Service	Oversight		X	
3.3	Establish Downtown Core	Plan/Solicit		X	
3.4	Affordable Housing Initiatives				
	Rezone/identify sites	Oversight	X		
	Funding Assistance	As available		X	
	Coordinate with Truckee & Resorts	Oversight	X		
3.5	Visitor Activity Center (Private Sector)				
	Planning Assistance	35,000	X		
4.0 ORGANIZATION AND PROMOTION					
4.1	Community Organization	Oversight	X		
4.2	Advertising and Promotion	20,000		X	
4.3	Highway Signage	Oversight	X		
4.4	Highway 40 Scenic and Historic Designation	Oversight	X		
4.5	Promote Special Events	Oversight	X		
5.0 BUSINESS ATTRACTION AND RETENTION					
5.1	Business Retention (Surveys, interviews)	Existing Efforts	X		
5.2	Establish a Revolving Loan Fund	Existing Efforts	X		
5.3	Identify and Recruit New Businesses	Existing Efforts		X	
5.4	Identify and Approve Key Sites	Planning		X	
5.5	Solicit Developer for Anchor Site	Solicit Developer		X	

* Indicates a target for funding assistance to the private sector, not a requirement.

The total costs of these tasks would be \$170,600. This figure includes \$58,000 for streetlights.

Finally there are two projects that can be postponed until later phases of the strategy:

- 2.1 Landscaping-Phase III
- 3.1 Central Parking

These tasks could require up to \$298,000 in public funds.

TIME SCHEDULE

Table 30 also indicates the suggested Phase for each strategy:

- Phase I is Year 1
- Phase II is Year 2-4.
- Phase II is year 5 through 8.

As can be seen, many strategies can be initiated in the next year and virtually all of the strategies can be initiated over the next four years. Several tasks that would require significant public sector investment can be postponed to Phase III in future years. This phasing schedule was developed based on various considerations such as the need for the task in the early years, the potential for success, and the availability of funding.

POTENTIAL FUNDING SOURCES

Table 31 presents the potential funding sources that can be pursued for each strategy where some public sector investment is anticipated. The abbreviation codes that are show in Table 31 are further defined in Appendix C to this report. There are several important points to be kept in mind with regard to all of these funding sources:

- Many sources require that a specific number of jobs be created at certain levels of funding.
- Many funding sources are specifically aimed at existing businesses.
- Many sources may require a matching contribution from the county or from the private sector.

Thus there is a need to continually monitor the various potential funding sources regarding the guidelines and the availability of new rounds of funding.

Many of these funding programs are undergoing constant changes in their rules and guidelines. In some cases this means that even the participating lenders are not familiar with the current rules and must be guided through the process. The funding sources shown in table 31 are intended as suggestions. Obviously, an effort will need to be made to seek out and apply for various grants and loans as each strategy is implemented. At that time further contact with each funding source will be necessary.

**Table 31
SUMMARY OF STRATEGIES AND PUBLIC COSTS FOR
DONNER SUMMIT ECONOMIC DEVELOPMENT**

<i>Strategy/Task</i>	Public Sector Cost Estimate	Potential Funding Sources			
1.0 LAND USE CHANGES AND OPPORTUNITY SITES					
1.1 Land Use Changes	Oversight				
1.2 Incorporate Mixed Use Development	Oversight				
1.3 Retail Core Opportunity Sites	Oversight				
1.4 Lodging Opportunity Sites	Oversight				
1.5 Affordable Housing Opportunity Sites	Oversight				
2.0 COMMUNITY IMAGE ENHANCEMENT					
2.1 Landscaping	319,000		ASSESS	CPR	DEV-EX
2.2 Pedestrian Access	83,400		EEM	TEA	TDA
2.3 Signage					
Gateway	31,500		TEA	FND	ASSESS
Street Signs	4,080		CIP	TOT	
Commercial Signs	12,600	*	SEDD-BL	C-RLF	
2.4 Façade Improvements					
Design	28,000		CDBG	SEDD-BL	
Construction Assistance	64,000	*	NPS	DEV-EX	
2.5 Beautification Program					
Tree Planting	39,000	*	CDF	USFS-R	DEV-F
Community Park	55,200		DPR	PB	CPR
3.0 FOCAL POINT DEVELOPMENT					
3.1 Central Parking	180,000		CDBG	NPS	DEV-F
3.2 Shuttle Service	Oversight				
3.3 Establish Downtown Core	Plan/Solicit				
3.4 Affordable Housing Initiatives					
Rezone/identify sites	Oversight				
Funding Assistance	As available		HUD	FHA	HOME
Coordinate with Truckee & Resorts	Oversight				
3.5 Visitor Activity Center (Private Sector)					
Planning Assistance	35,000	*	CDBG	ESDA-RB	
4.0 ORGANIZATION AND PROMOTION					
4.1 Community Organization	Oversight				
4.2 Advertising and Promotion	20,000	*	TOT	FND	ERC
4.3 Highway Signage	Oversight				
4.4 Highway 40 Scenic and Historic Designation	Oversight				
4.5 Promote Special Events	Oversight				
5.0 BUSINESS ATTRACTION AND RETENTION					
5.1 Business Retention (Surveys, interviews)	Existing Efforts				
5.2 Establish a Revolving Loan Fund	Existing Efforts				
5.3 Identify and Recruit New Businesses	Existing Efforts				
5.4 Identify and Approve Key Sites	Planning				
5.5 Solicit Developer for Anchor Site	Solicit Devel.				

* Indicates a target for funding assistance to the private sector, not a requirement.

It is important to realize that not every task in a strategy can be funded from immediately identifiable sources. However these tasks are still important to the long term strategy and should be initiated when public or private resources allow.

Finally it is important to realize that many of the most important tasks in a strategy do not require significant outside funding but can be accomplished with existing staff or community volunteers. Frequently the use of consultants can be covered by planning and technical assistance grants.

ROLES AND RESPONSIBILITIES

Table 32 shows the various potential participants in each strategy task and indicates who should have primary and secondary roles. Obviously these roles will evolve over time. The table is intended only as a guideline for assigning responsibilities for the initial efforts.

The primary potential participants in the Economic Development Strategy are:

- County Planning (PLAN)
- County HCS (HCS)
- Donner Summit PUD (DSPUD)
- Historic/Economic Development Coordinating Committee (HEDCC)
- Nevada County Economic Resource Council (ERC)
- Sierra Economic Development District (SEDD)
- Major Employers (EMPL)
- Developers/Property owners (DEV).

In general, Table 32 indicates that the responsibility for the various strategies should be shared among all of the stakeholders. County staff will be responsible for tasks that require government oversight. To the greatest extent possible, the Historic and Economic Development Coordinating Committee should be responsible for certain tasks. In addition, certain strategies will require participation by the major employers in the area and property owners seeking to develop their property.

In summary, the successful implementation of the Economic Development strategy will require a concerted and coordinated effort among all the parties interested in improving the quality of life and the economic well being of the Donner Summit community.

**Table 32
RESPONSIBILITIES FOR
DONNER SUMMIT ECONOMIC DEVELOPMENT**

<i>Strategy/Task</i>		Responsibility		
		Primary	Secondary	
1.0	LAND USE CHANGES AND OPPORTUNITY SITES			
1.1	Land Use Changes	PLAN	HCS	
1.2	Incorporate Mixed Use Development	PLAN	HCS	
1.3	Retail Core Opportunity Sites	PLAN	HCS	
1.4	Lodging Opportunity Sites	PLAN	HCS	
1.5	Affordable Housing Opportunity Sites	HCS		
2.0	COMMUNITY IMAGE ENHANCEMENT			
2.1	Landscaping	HCS	HEDCC	
2.2	Pedestrian Access	HCS	HEDCC	
2.3	Signage			
	Gateway	HCS	HEDCC	
	Street Signs	HCS	HEDCC	
	Commercial Signs	HCS	EMPL	
2.4	Façade Improvements			
	Design	PLAN	EMPL	
	Construction Assistance	PLAN		
2.5	Beautification Program			
	Tree Planting	HEDCC	PLAN	EMPL
	Community Park	HCS	HEDCC	
3.0	FOCAL POINT DEVELOPMENT			
3.1	Central Parking	PLAN		
3.2	Shuttle Service	EMPL	PLAN	
3.3	Establish Downtown Core	PLAN	HEDCC	DEV
3.4	Affordable Housing Initiatives			
	Rezone/identify sites	HCS	PLAN	DEV
	Funding Assistance	HCS		
	Coordinate with Truckee & Resorts	HCS	PLAN	
3.5	Visitor Activity Center (Private Sector)			
	Planning Assistance	PLAN	HCS	
	Funding Assistance	HCS		
4.0	ORGANIZATION AND PROMOTION			
4.1	Community Organization	HEDCC	HCS	
4.2	Advertising and Promotion	HEDCC	EMPL	
4.3	Highway Signage	HEDCC	PLAN	
4.4	Highway 40 Scenic and Historic Designation	HEDCC	PLAN	
4.5	Promote Special Events	HEDCC	EMPL	
5.0	BUSINESS ATTRACTION AND RETENTION			
5.1	Business Retention (Surveys, interviews)	HEDCC	ERC	
5.2	Establish a Revolving Loan Fund	HCS	SEDD	
5.3	Identify and Recruit New Businesses	HEDCC	ERC	
5.4	Identify and Approve Key Sites	PLAN	DEV	
5.5	Solicit Developer for Anchor Site	HCS	HEDCC	ERC

ESTIMATED EMPLOYMENT AND TIG EMPLOYMENT

Table 33 shows the projected new development and employment for the various projects included in the Donner Summit Economic Development Strategy. As can be seen, it is estimated that overall, the Economic Development Strategy will produce approximately 118 new jobs. These estimates are based on standards for employment in each industry, adjusted to reflect the specific types of projects planned for Donner Summit and the market potential for these developments. It should also be noted that these figures include only jobs directly attributable to the specific tasks in the strategy. There will in all likelihood be other jobs created indirectly as the general appeal of the area attracts additional business and tourism activity over time.

**Table 33
ESTIMATED TOTAL EMPLOYMENT FROM ECONOMIC STRATEGY**

Project/Strategy	Estimated Development	Sq Ft. per Employee	Estimated Employment
Downtown Core (Market/Plaza)	15,000 sq ft	600	25
Visitor Activity Center	12,000 sq ft	950	13
Special Events	4 events		12 (1)
Business Retention (3 businesses)	12,000 sq ft	600	20
Lodging (25 rooms)	25 rooms		18 (2)
Key Sites-new businesses	18,000 sq ft	600	30
Total			118

(1) Full time equivalents.

(2) Estimated at 0.7 employees per room.

Source: ULI Dollars and Cents of Shopping Centers and Pacific Group

Table 34 presents a summary of the occupational distribution for various industries based on data from EDD Occupational Surveys.

**Table 34
DISTRIBUTION OF OCCUPATION BY CATEGORY
FOR MAJOR STRATEGY PROJECTS**

Project/Strategy	Managers	Prof. Tech	Jobs in Targeted Occupations				TIG Total
			Sales	Clerical	Service	Production	
Downtown Core	3%	5%	61%	14%	15%	1%	91%
Visitor Activity Center	4%	14%	10%	10%	63%	0%	83%
Special Events	4%	14%	10%	10%	63%	0%	83%
Business Retention (3)	7%	30%	6%	21%	29%	7%	63%
Lodging (25 rooms)	5%	3%	3%	18%	70%	2%	93%
Key Sites-new businesses	4%	8%	31%	13%	39%	5%	89%

Source: California EDD, Occupation Profiles for Industries and Pacific Group

This information is used in Table 35 to estimate the number of jobs in each occupation category for each project in the Economic Development Strategy.

**Table 35
ESTIMATED TOTAL EMPLOYMENT FROM ECONOMIC STRATEGY**

Project/Strategy	Total Employees	Managers	Prof. Tech	Jobs in Targeted Occupations				
				Sales	Clerical	Service	Production	TIG Total
Downtown Core	25	0.9	1.4	15.4	3.5	3.6	0.2	22.8
Visitor Activity Center	13	0.5	1.8	1.3	1.2	8.2	0.0	10.8
Special Events	12	0.4	1.6	1.2	1.2	7.6	0.0	9.9
Business Retention (3)	20	1.4	5.9	1.2	4.2	5.8	1.4	12.6
Lodging (25 rooms)	18	0.8	0.5	0.5	3.3	12.6	0.4	16.7
Key Sites-new businesses	30	1.1	2.3	9.4	3.9	11.7	1.6	26.7
Totals	118	5.1	13.5	28.9	17.4	49.5	3.6	99.4

Source: California Occupation Survey, EDD and Pacific Group

Table 35 also estimates job opportunities that are likely to be available to the skill level of low-moderate income persons. The Target Income Group (TIG) is the low to moderate-income group that is the focus of CDBG grants. Persons in this Target Income Group often have limited job skills and/or work experience. The jobs that are most likely to be filled by low and moderate-income workers are in the sales, clerical, service and production categories. These jobs are most likely to have entry level jobs where on the job training can occur.

Using this approach, Table 35 estimates that of the total jobs, 99 jobs are likely to fall into occupational categories most likely to benefit workers in the Target Income Group.

**Appendix Table B-1
PRELIMINARY PUBLIC SECTOR COST ESTIMATE
DONNER SUMMIT ECONOMIC DEVELOPMENT STRATEGY**

2.1 Landscaping

Screen Snow Storage Areas

Prep	500 lf x 4 ft wide x 2 ft deep x \$2.50/cf	\$10,000
Shrubs	500 lf x 1.5/lf x \$45/plant	\$33,750
Mulch	500 lf x 4 ft x \$6.50/sf	<u>\$13,000</u>
		\$ 56,750

Planting Strip

1300 lf @ 2.5 ft wide	x \$70/lf	\$ 91,000
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Streetlights

clusters of about 4 each		
20 total x \$5500/ea		\$110,000
Distribution	20 x 25 ft ea x \$15/lf	<u>\$ 7,500</u>
		\$117,500

Donner Summit Lodge Trees & Screening

Screening	400 lf x \$115/lf x 50% County Cost	\$ 23,000
Trees	400 lf / 1 tree per 20 ft = 20 trees x \$390	<u>\$ 7,800</u>
		\$ 30,800

Total: Phase 1	50% of Snow Screen	\$ 28,375
	100% Planting Strip	\$ 91,000
	50% Streetlights	<u>\$ 58,750</u>
		\$179,125

Total: Phase 2	50% of Snow Screen	\$ 28,375
	50% Streetlights	\$ 58,750
	Donner Summit Lodge	<u>\$ 30,800</u>
		\$117,925

2.2 Pedestrian Access

Walking Path (D. Summit Lodge to Grocery)

Prep	1700 lf x 5 ft wide x 8 in deep = 5610 cu ft x \$0.40/cu ft	\$ 2200
Base	1700 lf x 5 ft wide x \$1.80	\$15,300
Surface	1700 lf x 5 ft wide x \$1.40/sf	<u>\$11,900</u>
		\$29,400

Path at Bridge

Ped Bridge	100 lf x 5 ft wide x \$90/sf	\$45,000
Foundations	2 x 6 ft wide x 18 in thick x 20 ft high = 360 cu ft x \$25/cu ft	<u>\$ 9000</u>
		\$54,000

Total:		\$83,400
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2.3	Signage		
	<u>Gateway</u>		
	Icon Tower		\$20,000
	Kiosk		\$ 2500
	Information Stand		\$ 4000
	Utility Hookups		<u>\$ 5000</u>
	Total: Gateway		\$ 31,500
	 <u>Street Signs</u>		
	Rock Base	\$250	
	Post	\$ 80	
	Sign	\$180	
	Total: Street Signs	8 x \$510 each	\$ 4080
	 <u>Commercial Signs</u>		
	Signs	12 X \$750 each	\$ 9000
	Lights	12 x 2 per sign x \$150 ea	<u>\$ 3600</u>
	Total: Commercial Signs		\$ 12,600
2.4	Facade Improvements		
	<u>Design</u>		
	8 facades x \$3500 avg		\$ 28,000
	Total: Design		\$ 28,000
	<u>Construction Assistance</u>		
	8 facades x 50% grant of \$8000 ea		\$ 64,000
	Total: Construction Assistance		\$ 64,000
2.5	Beautification Program		
	<u>Tree Planting</u>		
	Excavation	100 x 1 cu yd x \$65/cu yd	\$ 6500
	Soil Prep	100 x 1 cu yd x \$45	\$ 4500
	Delivery	100 x \$40	\$ 4000
	Guying	100 x \$60	\$
	6000		
	Trees	100 x \$180	<u>\$ 18,000</u>
	Total: Tree Planting		\$ 39,000
	 <u>Community Park</u>		
	1 acre park for sports & picnic/sitting		
	Clear & Grub	1 acre x \$6000	\$ 6000
	Rototill	1 acre x 1 ft = 1600 cy yd x \$4	\$ 6400
	Sod	3/4 acre x \$3200/acre	\$ 2400
	Rocks		\$ 1000

*Donner Summit
Economic Development Study*

Trees	40 x \$390	\$ 15,600
Benches	8 x \$900	\$ 7200
Trash Receptacles	8 x \$950	\$ 7600
Playground Equip		<u>\$ 10,000</u>
Total:	Community Park	\$ 55,200
3.1	Central Parking	
	3 lots @100 cars ea x \$600/car	<u>\$ 180,000</u>
Total:	Central Parking	\$ 180,000

Source: Synthesis Design Group

**Table C-1
ABBREVIATIONS USED IN FUNDING SOURCE TABLE**

Abbrev.	Funding Source
CDBG	CDBG-Economic Development
CDBG	CDBG-General Allocation
CDBG	CDBG-P/TA
PB	State Park Bonds
DPR	DPR-Murray-Hayden Program, etc
TEA	TEA funds
GT	Gas Tax
TDA	TDA (1/4 cent sales tax)
STIP	STIP/RSTP
EEM	EEM-Envir. Enhance. & Mitig.
CIB	Calif Infrastructure and ED Bank
USDA-RD	USDA Rural Development
USDA-RB	USDA-Rural Bus. Enterp. Funds
EDA	EDA-construction grants
CDF	CDF-Urban Trees
USFS-R	USFS-ReLeaf
USFS-CA	USFS-Community Action Plans
NPS	NPS-Heritage Tourism
HUD-108	HUD-Section 108 Loan Program
SEDD-CL	SEDD-Community Loans
SEDD-BL	SEDD-Business Loans
SEDD-ML	SEDD-Micro Loan Program
CGF	County General Funds
CIP	County CIP
CPR	County Parks & Rec funds
TOT	Transient Occupany taxes
DEV-EX	Development Exactions
DEV-F	Development Fees
C-RLF	County Micro-Enterprise RLF
ASSESS	Assessment District bonds
ERC	Nevada Co. ERC
FND	Foundations (Gund, Acorn, etc)
	HOUSING RELATED
HUD-8	HUD-Section 8 Rental Assist
HUD-108	HUD-Section 108 Loan Program
FHA	FHA-523-Self-Help
FHLB	FHLB-Affordable Hous. Prog.
USDA-RD	USDA Rural Development
USDA-RHS	USDA RHS
HCS-RL	County. HCS-Housing Rehab Loans
HOME	HOME-Calif. HCD
C-HELP	CHFA-HELP
STBOND	State housing bond issue
MRB	SF-MRBs/MF-MRBs
BMR	BMR units or in lieu fees
NONP	Non-Profit Housing Corps.
RLF	RFLs (various)

**Table C-2
FUNDING SOURCE ABBREVIATIONS IN ALPHABETICAL ORDER**

Abbrev.	Funding Source
ASSESS	Assessment District bonds
CDBG	CDBG-Economic Development
CDBG	CDBG-General Allocation
CDBG	CDBG-P/TA
CDF	CDF-Urban Trees
CGF	County General Funds
CIB	Calif Infrastructure and ED Bank
CIP	County CIP
CPR	County Parks & Rec funds
C-RLF	County Micro-Enterprise RLF
DEV-EX	Development Exactions
DEV-F	Development Fees
DPR	DPR-Murray-Hayden Program, etc
EDA	EDA-construction grants
EEM	EEM-Envir. Enhance. & Mitig.
ERC	Nevada Co. ERC
FND	Foundations (Gund, Acorn, etc)
GT	Gas Tax
HUD-108	HUD-Section 108 Loan Program
NPS	NPS-Heritage Tourism
PB	State Park Bonds
SEDD-BL	SEDD-Business Loans
SEDD-CL	SEDD-Community Loans
SEDD-ML	SEDD-Micro Loan Program
STIP	STIP/RSTP
TDA	TDA (1/4 cent sales tax)
TEA	TEA funds
TOT	Transient Occupancy taxes
USDA-RB	USDA-Rural Bus. Enterp. Funds
USDA-RD	USDA Rural Development
USFS-CA	USFS-Community Action Plans
USFS-R	USFS-ReLeaf
	HOUSING RELATED
BMR	BMR units or in lieu fees
C-HELP	CHFA-HELP
FHA	FHA-523-Self-Help
FHLB	FHLB-Affordable Hous. Prog.
HCS-RL	County. HCS-Housing Rehab Loans
HOME	HOME-Calif. HCD
HUD-108	HUD-Section 108 Loan Program
HUD-8	HUD-Section 8 Rental Assist
MRB	SF-MRBs/MF-MRBs
NONP	Non-Profit Housing Corps.
RLF	RLFs (various)
STBOND	State housing bond issue
USDA-RD	USDA Rural Development
USDA-RHS	USDA RHS