

**The Headwaters Fund  
Grant Fund Application Coversheet**

Date of application: August 19, 2021

Organization Name: Fortuna Chamber of Commerce

Director/CEO: Renee Lindsay

Contact Person Name and Title: Renee Lindsay, President & CEO

Contact Phone: 7253951 Contact Email: ceo@fortunachamber.com

Contact Address: 735 14th St

Total current year organizational budget: \$90,000 # of FTE employees: 1

Summarize the organization's mission (in the space provided):

The Fortuna Chamber is a nonprofit organization that enhances economic growth.

Project title: Retail Recruitment

Please provide a less than 250 word summary of your project which answers the following questions: How will your project lead to improving the local economy and increasing the quality of life for local residents? What exactly are you going to do and for whom? Why is it necessary? What will be accomplished? How will you accomplish this?

See attached.

Amount requested: \$24659 Total project cost: \$107468

Grant timeline: Period covered: 9/1/21 to 9/30/22

Total match amount: \$

Match amount as % of total project budget %

(Required 50% total project match for implementation, 25% of total project for planning)

Cash match: \$ 82,809

Cash match as % of total project budget 77 %

(Required: 25% of total project for implementation, 12% of total project for planning)

In-kind match: \$

In-kind match as % of total project budget %

Number of new FTE jobs created, if funded: 1

Number of FTE jobs retained, if funded (jobs that would otherwise be eliminated): na

Number of permanent, long term, private sector jobs to be created: unknown

Please provide a brief explanation of how job creation/retention numbers were calculated:

One new employee will need to be hired to implement the strategic plan and action items.

Type of project:       Planning       Implementation

Geographic focus of project: Fortuna/ERV

**Which Industry is your project working with (check off all that apply):**

- Diversified Health Care
- Specialty Food, Flowers and Beverages
- Building and Systems Construction
- Investment Support Services
- Management and Innovation Services
- Niche Manufacturing
- Tourism
- Forest Products
- Arts and Culture
- Alternative Agriculture

**Strategy being employed to promote economic development (check off all that apply):**

- Supporting development of pre-permitted commercial space
- Reducing regulatory bottlenecks for business retention or creation
- Supporting economic development infrastructure
- Developing new strategies for economic development
- Providing access to external markets or plugs the economic leaks
- Retaining and growing existing businesses
- Providing workforce training
- Increasing the number of new businesses
- Leveraging future funding or projects
- Reducing poverty by helping people to develop business skills
- Other (describe):

Are any of the following components required, and if so are they in place already? (check off in left column if required, then check of "yes" or "no" for if they are in place already)

- |   |   |  |
|---|---|--|
| <input type="checkbox"/> Building permits             | <input type="checkbox"/> Yes            | <input type="checkbox"/> No            |
| <input checked="" type="checkbox"/> Market research   | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> Legal review                 | <input type="checkbox"/> Yes            | <input type="checkbox"/> No            |
| <input type="checkbox"/> Regulatory approval          | <input type="checkbox"/> Yes            | <input type="checkbox"/> No            |
| <input checked="" type="checkbox"/> Consultants hired | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
| <input checked="" type="checkbox"/> Staff hired       | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |



**The Headwaters Fund Grant Fund Application  
Project Summary  
Fortuna Chamber of Commerce**

The Fortuna Chamber of Commerce, through its Tourism & Marketing Committee, is investing in retail recruitment for Fortuna. Retail Strategies, an Alabama-based firm that specializes in retail recruitment of national retailers, has been hired to conduct a thorough retail market analysis of Fortuna. Using an outside consultant enables us to bring this much-needed service to Fortuna without the costs associated with compiling the data ourselves. After receipt of the market research (~September/October), Fortuna Chamber staff, in cooperation with the City of Fortuna and others, will develop a comprehensive strategic plan for economic development, creating a cohesive message to enable us to tell Fortuna's story to potential businesses and developers. This will include a compilation of the market research into a media kit, marketing collateral, media campaign, comprehensive business directory, "Pitch Book" for potential investors, and business support tools. Fortuna is ripe with opportunity for new business and having a strategic plan in place will allow Fortuna to make informed decisions on future marketing campaigns targeted to developers, entrepreneurs, investors, and business owners.



8/20/21

Ryan Heitz  
Economic Development Specialist  
Headwaters Fund  
headwaters@co.humboldt.ca.us

Dear Ryan,

The Fortuna Chamber of Commerce, a 501(c)(6) nonprofit, is investing in retail recruitment for the city of Fortuna. With partial funding from Measure W (TOT) and the City of Fortuna, we initiated a 3-year contract with Retail Strategies, an Alabama-based firm that specializes in retail recruitment of national retail stores as well as franchise opportunities. Retail Strategies gives cities the opportunity to outsource retail recruitment and receive a tailored strategy to attract new retailers, restaurants, and hotels.

Funding in the amount of \$24,659 is requested for staff acquisition and training, additional computer equipment, overhead costs (e.g., printing, supplies, utilities), translation services, and marketing of the program through targeted advertising and marketing collateral.

**Project name**

Retail Recruitment.

**Project Description**

Retail Strategies will prepare a comprehensive analysis of the retail market within Fortuna which will include:

- Trade area identification
- Retail market analysis
- Gap analysis
- Mobile data collection
- Consumer spending
- Consumer demographics
- Property listings
- Representation at retail conferences

Because of the complexity of the project, we are anticipating a multi-year commitment to create a strategic retail recruitment plan for Fortuna and implementation of that plan.





Understanding where Fortuna's retail market is at currently is required to build a strong foundation for future success. Once we receive the market analysis from Retail Strategies, a full-time economic development coordinator (or similarly titled position) will need to be hired to coordinate between City staff, Chamber staff, and others on the creation of the Strategic Plan, action items, and work product (see below).

### **Scope of Work**

Under the direction of the Economic Development Coordinator, input from City staff, Fortuna Chamber Tourism & Marketing Committee members, FBID staff, and others will be compiled with the market analysis provided by Retail Strategies to create several work products:

- New business start-up guide detailing steps to take to open a business in Fortuna.
- Printed and online business directory.
- "Pitch Book" that highlights Fortuna's market and potential for investment opportunities.
- Detailed building inventory database (e.g., property owner, square footage, features, etc.).
- Wayfinding/streetscape plan.
- Research additional grant funding opportunities for revitalization/beautification projects (power washing, signage, façade/security improvements).
- Marketing materials to help tell Fortuna's story.
- Translated documents for outreach to Limited-English persons.
- Provide business support to new and existing businesses.

### **Project Need**

The City of Fortuna does not currently have an economic development department or full-time staff to adequately undertake a project of this scope. Using an outside consultant enables us to bring this much-needed service to Fortuna without the costs associated with compiling the data ourselves.

Fortuna has approximately 50 vacancies within city limits. Many of these are in our Downtown area and Redwood Village Shopping Center. There are also undeveloped parcels along Riverwalk Drive that the City is in negotiations to purchase from a private party. Fortuna is ripe with opportunity and Retail Strategies will take the guesswork out of the market and will help us get the data we need to make informed decisions on future marketing campaigns targeted to developers, entrepreneurs, investors, and business owners.



## **Risks & Challenges**

The greatest challenge for this project is making sure there is adequate staffing to accomplish the recommendations by Retail Strategies. Without funding to support a new staff position at the Chamber, or a part-time City employee, this project may be less impactful long-term as we will be understaffed in key areas (business support, marketing, advertising, implementation).

## **Measurable Objectives**

Throughout the program, we will encourage partnerships amongst businesses, nonprofits, lenders, community groups, and organizations to develop a sustainable economic development plan with measurable outcomes.

### *Job Creation/Retention*

We anticipate the creation of several hundred jobs with the addition of one large national retailer or a combination of smaller (<100 FTE) retail businesses within the next two years.

### *Capital Investment*

Capital Investment opportunities exist in many undeveloped parcels of land in Fortuna (e.g., Riverwalk Drive, Palco Mill site). Through the program, we will encourage redevelopment of vacant and/or abandoned properties.

### *Business Creation/Growth/Retention*

We anticipate business creation through our partnership with Retail Strategies who will facilitate LOIs with prospective national retailers. After publication of the market analysis and strategic plan, City staff, FBID, and the Chamber can use the data and work product to help tell the story of Fortuna and the retail opportunities available.

## **Work in Progress**

We have had several virtual meetings with Retail Strategies and one in-person meeting in July which was attended by Retail Strategies employees Matt Tate, Director of Business Development, and Christopher Bontrager, VP Recruitment-Western Region, Fortuna Chamber President & CEO Renee Lindsay, City Manager Merritt Perry, City Economic Development Specialist Jenn Brown, and Fortuna Chamber Board Member Melissa Sanderson. Retail Strategies is currently collecting data and will present their preliminary findings in September with the final report expected in October.

## **Organizational Structure & Partners**

The Fortuna Chamber is a non-profit organization governed by a Board of Directors. The Tourism & Marketing Committee is a subcommittee of the Chamber, funded through Measure W, and organized strictly for the marketing and promotion of Fortuna. The T&M Committee has a budget and bank account separate from general Fortuna Chamber funds. The Fortuna Chamber will have overall responsibility for the oversight





and implementation of the project. However, some of the specific strategies and actions recommended by Retail Strategies may be carried out by committee members or City staff. Collaborative partners will include the City of Fortuna and the Fortuna Business Improvement District.

Additional staff from Retail Strategies will be involved in the project, including:

- John Mark Boozer - Retail Development Coordinator, will assist the team with direct outreach to retailers
- Scott Voncannon – COO, will support the implementation team throughout the engagement
- Joe Strauss – VP of Development, will assist with lead generation
- Courtney Hall - CMO, will support the marketing efforts and provide quality control of materials

**Acknowledging Headwaters Fund**

With the acceptance of a grant for this project, we will include the Headwaters Fund logo (or other approved imagery) on all printed materials arising from the market analysis submitted by Retail Strategies or through the project's implementation.

Sincerely,

A handwritten signature in blue ink, which appears to read "Renee Lindsay", is written over the typed name. The signature is fluid and cursive, extending to the right with a long, sweeping tail.

Renee Lindsay  
President & CEO

Project Expense Item	Total Cost (\$)	Requested Amount from Headwaters Grant Fund	Amount from Matching Funds	Source of Matching Funds
<b>Direct Salaries &amp; Wages</b>				
<i>Staff - Econ Dev Coordinator (FT)</i>	\$45,760	\$15,000	\$30,760	Not yet solicited
<i>Chamber President &amp; CEO (PT)</i>	\$6,240	\$0	\$6,240	Fortuna Chamber - committed
<b>Sub-total:</b>	\$52,000	\$15,000	\$37,000	
<b>Benefits &amp; Payroll Taxes</b>	\$6,618	\$3,309	\$3,309	Fortuna Chamber T&M Committee - committed
<b>Consultant &amp; Professional Fees</b>	\$40,000	\$0	\$35,000	Fortuna Chamber T&M Committee - rec'd
			\$5,000	City of Fortuna - received
<b>Translation Services</b>	\$1,000	\$1,000	\$0	
<b>Equipment (laptop, desk, etc.)</b>	\$2,000	\$2,000	\$0	
<b>Multimedia Campaign</b>	\$2,000	\$500	\$1,500	Fortuna Chamber T&M Committee - committed
<b>Marketing Collateral/Media Kits</b>	\$2,000	\$1,000	\$1,000	Fortuna Chamber T&M Committee - committed
<b>Overhead Costs (non-staff related)</b>				
<i>Internet/Phone</i>	\$500	\$500	\$0	
<i>Utilities</i>	\$250	\$250	\$0	
<i>Office Supplies</i>	\$500	\$500	\$0	
<i>In-house copying services</i>	\$600	\$600	\$0	
<b>Sub-total:</b>	\$1,850	\$1,850	\$0	
<b>Overhead Costs as % of Total Project</b>	1.72%			
<b>Total Project Cost</b>	\$107,468	\$24,659	\$82,809	





BOARD OF DIRECTORS  
2021-22

CHAIR OF THE BOARD  
Bailey Davy  
Cornerstone Realty

IMMEDIATE PAST CHAIR  
Kelly Isaacson  
Umpqua Bank

VICE CHAIR OF THE BOARD  
Becky Giacomini

AMBASSADOR CHAIR  
Laura Morris  
Coast Central Credit Union

DIRECTORS

Kim Brown  
Cornerstone Realty

Kristin Chambers  
Sequoia Gas Company

Crystal Lewis  
Crystal Lewis State Farm Insurance

Gary Ogle  
AFLAC North Coast/Gary Ogle Insurance Services

Katy Roe  
Umpqua Bank

Melissa Sanderson  
North Coast Journal

Amber Woodward  
AP Property Management

August 20, 2021

Headwaters Fund  
c/o Ryan Heitz  
825 5<sup>th</sup> Street Suite 112  
Eureka, CA 95501

RE: Letter of Support of the Fortuna Chamber's Grant Application for Retail Recruitment

Dear Mr. Heitz,

The Fortuna Chamber and City of Fortuna have partnered on this project to create economic recovery in Fortuna as we slowly move out of the pandemic. The retail market analysis, outreach to retailers, demographics, and professional expertise in retail recruitment is a much-needed service that Retail Strategies can provide to us. With the continuing surge in Coronavirus cases locally, we are concerned about our existing businesses and their recovery, as well as our ability to attract larger retailers, which could bring hundreds of jobs to the Eel River Valley. If we are unable to stay competitive in our region, it will affect our tax revenue, which could potentially affect many of the public services the City provides its residents. Putting a strategic recruitment plan in place with data collected by Retail Strategies will help us retain the businesses we have, identify areas of opportunity for growth, and potentially increase our employment levels. If this project is funded, it will have a great impact on the future growth and stability of the Fortuna economy.

Sincerely,



Merritt Perry  
City Manager  
City of Fortuna  
621 11th Street  
Fortuna, CA 95540  
(707)725-1410



# FORTUNA BUSINESS IMPROVEMENT DISTRICT

August 17, 2021

Ryan Heitz  
Economic Development Specialist  
Headwaters Fund  
headwaters@co.humboldt.ca.us

Dear Mr. Heitz,

I am writing to express support of the Fortuna Chamber's Retail Recruitment project as it seeks funding for services to enhance Fortuna's retail market. The Fortuna Business Improvement District and Chamber of Commerce have a long history of successful partnership supporting the business community in the Eel River valley.

The project's purpose is to help position Fortuna in the national retail market as a viable and vibrant location to do business in. The data collected by Fortuna Chamber, through Retail Strategies, will provide vital information for City staff, land developers, property owners, and other stakeholders to help facilitate conversations with entrepreneurs and retail businesses looking to relocate to and/or expand their business in Fortuna.

Our community has been struggling to induce healthy development and expansion and to attract and retain small businesses. With the backing of important stakeholders to move forward with a new approach, Fortuna is well positioned to take advantage of the professional training and assessment Retail Strategies can bring to our community.

The Fortuna Business Improvement District is pleased to be a part of this project and looks forward to the market analysis and implementation of the strategies recommended by Retail Strategies over the next 12 months. Our own organization will seek to utilize this data to develop new partnerships between existing Fortuna business owners and new business owners who can be recruited to our community through the work the Chamber is doing with this project.

Sincerely,

A handwritten signature in blue ink that reads "Danny Kelley". The signature is written in a cursive, flowing style.

Danny Kelley  
Interim Executive Director  
Fortuna Business Improvement District

August 18, 2021

Ryan Heitz  
Economic Development Specialist  
Headwaters Fund  
headwaters@co.humboldt.ca.us

Dear Mr. Heitz,

I am writing to express support for the Fortuna Chamber of Commerce's Retail Recruitment project as it seeks funding for services to enhance the City of Fortuna's retail market.

Having seen the great value and potential in Retail Strategies through their partnerships with other cities throughout California, I believe Fortuna will greatly benefit from their professional and technical assistance. As the part-time Economic Development Specialist for the City of Fortuna, and member of the Fortuna Chamber's Tourism & Marketing Committee, I have seen the desperate need for market analysis and a clear strategic plan for economic development. The unrelenting financial impacts of the Covid-19 pandemic requires aggressive and innovative strategies to recruit and retain businesses. Failure to intervene in this time of crisis may result in economic collapse lasting a number of years.

With the contract negotiated by the Fortuna Chamber, our community is aiming to jumpstart economic development in our city. We are confident that with the guidance and meaningful recommendations provided by Retail Strategies, we will be able to identify opportunities, overcome any current roadblocks, and implement sustainable development strategies.

The requested resources would make a significant contribution to our community in building a sustainable business economy, job creation, sales tax revenue for the city, and a vibrant community core. Thank you for your time and consideration.

Sincerely,



Jennifer Brown  
Economic Development Specialist  
City of Fortuna



**Internal Revenue Service**

**Date:** September 27, 2006

FORTUNA CHAMBER OF COMMERCE  
PO BOX 797  
FORTUNA CA 95540-0797 978

**Department of the Treasury**  
**P. O. Box 2508**  
**Cincinnati, OH 45201**

**Person to Contact:**

MS. K. HILSON ID# 31-07340  
Customer Service Representative

**Toll Free Telephone Number:**

877-829-5500

**Federal Identification Number:**

94-1500738

Dear Sir:

This is in response to your request of September 27, 2006 regarding your organization's tax-exempt status.

In June 1971 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(6) of the Internal Revenue Code.

Because your organization is not an organization described in section 170(c) of the Code, donors may not deduct contributions made to your organization. You should advise your contributors to that effect.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



Janna K. Skufca, Director, TE/GE  
Customer Account Services

**FORTUNA CHAMBER - MEASURE W  
FY 2021-22 BUDGET**

		2021-22
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
Reserves	\$	25,000.00
City of Fortuna	\$	5,000.00
Measure W/TOT	\$	60,000.00
<b>Total Income</b>	<b>\$</b>	<b>90,000.00</b>
<b>Expense</b>		
<b>Advertising</b>		
101 Things To Do Magazine	\$	880.00
Advertising Production	\$	2,500.00
Multimedia	\$	5,000.00
Miscellaneous Advertising	\$	2,500.00
<b>Total Advertising</b>	<b>\$</b>	<b>10,880.00</b>
Chamber Office Beautification	\$	500.00
Chamber Reimbursement	\$	15,000.00
Dog Park	\$	276.48
Film Commission	\$	4,500.00
Hwy 101 Redesign	\$	15,000.00
Hwy 101 Sign Land Rental	\$	3,200.00
Postage	\$	1,200.00
<b>Total</b>	<b>\$</b>	<b>39,676.48</b>
 <b>Promotion</b>		
Apple Harvest	\$	1,000.00
AutoXpo	\$	500.00
Certified Displays	\$	3,360.00
Community Projects	\$	3,000.00
Directional Signs	\$	1,500.00
Dog Park Rack Card reprint	\$	750.00
Fortuna Trail Brochure reprint	\$	750.00
Promotion - Other	\$	1,000.00
Retail Strategies	\$	15,000.00
Rodeo	\$	500.00
Visitor & Relocation Guide	\$	8,000.00
<b>Total Promotion</b>	<b>\$</b>	<b>35,360.00</b>
 <b>Website</b>		
Domain Names	\$	75.00
Hosting	\$	2,640.00
Website Maintenance	\$	1,000.00
<b>Total Website</b>	<b>\$</b>	<b>3,715.00</b>
<b>Total Expense</b>	<b>\$</b>	<b>89,631.48</b>
<b>Net</b>	<b>\$</b>	<b>368.52</b>



**The Headwaters Fund Grant Fund Application  
Project Timeline  
Fortuna Chamber of Commerce**

<u>Objective</u>	<u>Expected Completion</u>
Receive market research from Retail Strategies	October 1
Hire Economic Development Coordinator	November 30
Strategic Plan	January 31
Pitch Book for Investors	January 31
Marketing Collateral	February 1
Printed Business Directory	February 15
Business Start-Up Guide	March 1
Building Inventory Database	March 31
Wayfinding/streetscape Plan	April 30