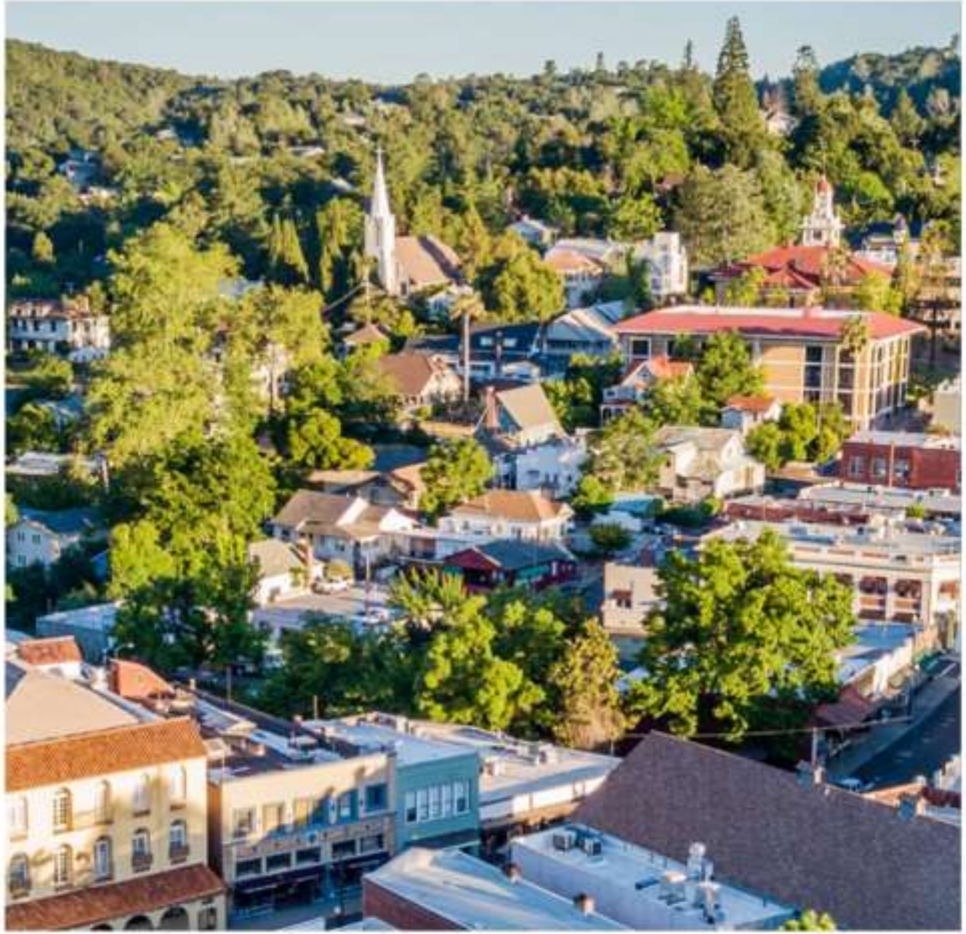
STRATEGIC ECONOMIC DEVELOPMENT UPDATE - CITY OF SONORA

A plan to transform Sonora into a regional lifestyle and retail destination



GUIDING SONORA'S ECONOMIC FUTURE

WORK INITIATED THROUGH COUNCIL-APPROVED ECONOMIC DEVELOPMENT RFP

GOAL: DEVELOP STRATEGY TO STRENGTHEN SONORA'S ECONOMY AND QUALITY OF LIFE

FOCUS: BUSINESS ATTRACTION, RETAIL RETENTION, SITE ACTIVATION, AND LONG-TERM VISION

CITY OVERVIEW

Population

~5,000 (City), ~55,000 (Regional Trade Area)

Daily Transient Population Increase

+25,000 people

Median Household Income

$62,621

Education Level

30.2% with a Bachelor's Degree or Higher

Top Economic Sectors

Government, Retail, Tourism

WHY THIS WORK MATTERS

Long-term community members — deeply invested in Sonora's future

Leakage in retail and visitor spending means lost local jobs and service revenue

We have a narrow window to shape growth proactively — or risk being shaped by it

Sonora's economic development efforts are essential for retaining long-term residents, addressing revenue leakage, and proactively shaping the city's future growth.

WHAT WE HAVE DONE SO FAR

- Surveyed Residents and Businesses
- Key stakeholder interviews
- Sites assessed across downtown, Sanguinetti, Mono Way and Childs Road
- Benchmarked peer cities

By conducting comprehensive research and analysis, the City of Sonora has laid the groundwork for a strategic economic development plan that will guide the city's growth and transformation.

WHAT WE HEARD

475 Respondents

76% Live in Sonora

67% 10+ Years

Desire for better retail, family-friendly dining, and more local activity options

Top mentions: Trader Joe's, REI, In-N-Out, Chipotle

94% Supportive for growth — but only if it fits Sonora's character

The community has clearly expressed a desire for a more diverse and vibrant retail, dining, and activity landscape, while emphasizing the importance of preserving Sonora's distinctive character.

WHAT THE DATA SHOWS

Metric	Value
Annual Retail Leakage	$30M+
TOT Revenue Seasonality	Peaks in July, dips sharply in February
Peer City Performance	Outperform Sonora
Renter-Occupied Housing	Over 50% with rising rents outpacing wage growth
Median Age	Over 45

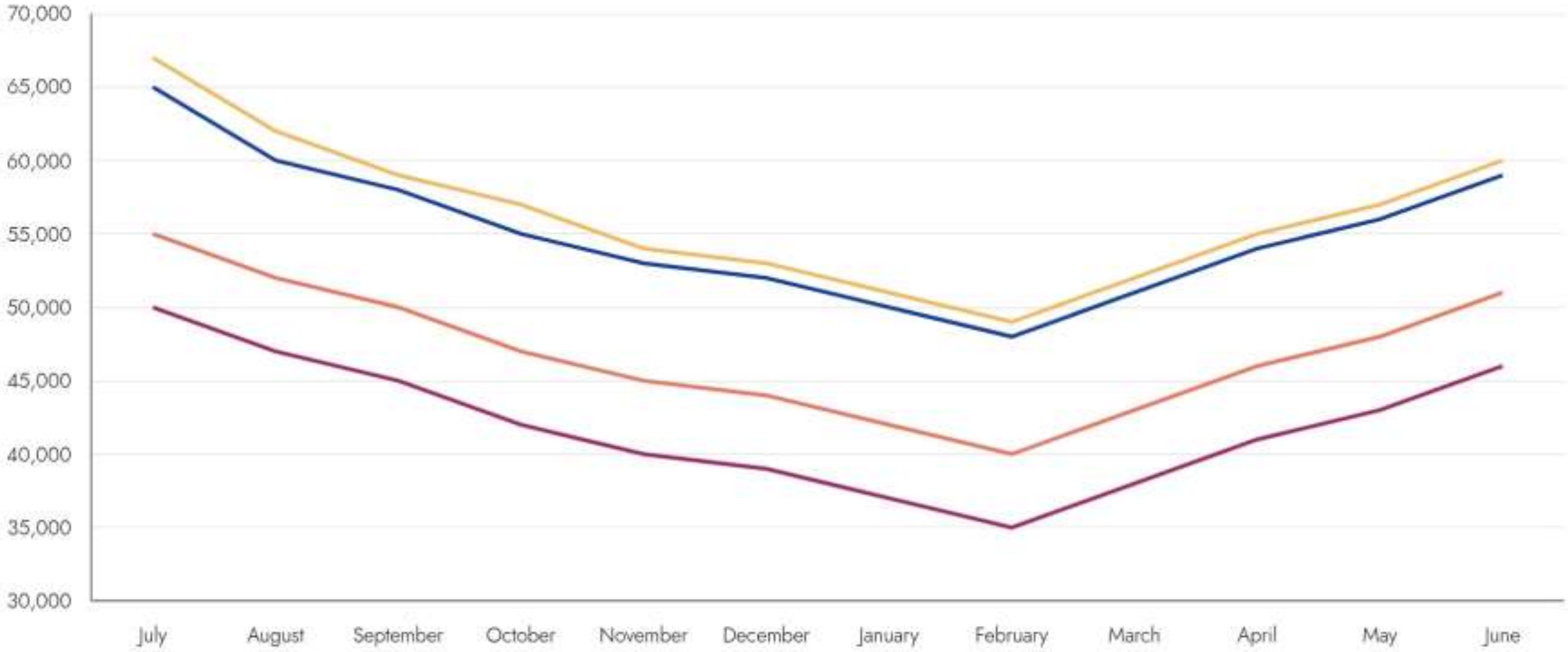
*City of Sonora Economic Development Data

SONORA REVENUE TRENDS

Revenue Type	2024/25 (Projected)	2023/24	2022/23	2021/22	2020/21
Sales Tax (Incl. Measure Y)	$7,852,000	$8,321,392	$6,366,783	$5,843,336	$5,433,288
Transient Occupancy Tax (TOT)	$628,800	$702,269	$682,409	$559,545	$518,126
Property Tax	$1,479,600	$1,457,028	$1,205,042	$1,154,730	$1,123,091
Business Licenses Issued	1,070	1,126	1,049	1,115	1,108

*This data was provided in the prompt.

TOT BREAKDOWN BY MONTH AND FISCAL YEAR



*TOT Breakdown table

HOUSING MARKET SNAPSHOT

Median home value (2023 ACS): $379,300

Median gross rent: $1,000–$1,200/month

Homeownership rate: 41%,

Renter rate: 59%

Vacancy rate: 8.5%

New housing units added, 2013–2023: ~68 units%

PEER MARKET HOUSING DATA

City	Median Home Value	Median Age	% Owner-Occupied
Sonora	$379,300	38.2	41
Angels Camp	$444,400	54.1	64
Nevada City	$607,300	49.4	45
Grass Valley	$458,400	50	40

*Source: U.S. Census Bureau, American Community Survey (2019 data)

PEER CITY KEY METRICS

City (County)	Population (Year)	Weekday Influx	TOT Revenue (Year)
Sonora (Tuolumne Co.)	5,067 (2023)	~22,000–25,000	$503,312 (12% TOT) (2021)
Angels Camp (Calaveras Co.)	3,542 (2023)	~8,000–10,000 (county fair, weekends)	$1,308,455 (10% TOT) (2021)
Nevada City (Nevada Co.)	~3,100 (2020)	~8,000+ (weekday govt + tourists)	$487,965 (10% TOT) (2021)
Big Bear Lake (San Bernardino Co.)	5,046 (2020)	100,000+ (winter & summer weekends)	$11,045,573 (8% TOT) (2021)

*Data from mymotherlode.com, sonoraca.com, sco.ca.gov, en.wikipedia.org

REPOSITIONING SONORA'S ECONOMIC NICHE

Sonora's identity: rooted in Gold Rush heritage — and that's a strength.

New opportunity: become a regional lifestyle and retail destination.

It's not about abandoning history — it's about expanding who we serve.

Sonora may need to expand thoughtfully beyond current boundaries.

THE COST OF DOING NOTHING

- Inaction in economic development can have significant consequences for the City of Sonora.
- Revenue shrinkage will constrain essential services, amenities, and staffing, while vacant storefronts can hurt community confidence and make new investment harder to attract.
- However, Sonora has the vision, data, and community support to drive proactive change.

BALANCING BIG BOX AND MOM-AND-POP STORES FOR SONORA'S ECONOMIC HEALTH

Sonora's economic health relies on a balance between big-box stores and local mom-and-pop businesses. Big-box stores provide a significant portion of the city's sales tax revenue, which funds essential public services. Simultaneously, small, independent businesses shape Sonora's downtown character, foster community connections, and promote walkability.

WHO WE'RE TARGETING: LOW-HANGING FRUIT VS. LONG SHOTS

Low-Hanging Fruit

Businesses we can realistically attract now, such as Fast Food, Grocery Outlet expansion, boutique hotels, and scaling up successful local brands.

Medium-Term Potential

In-N-Out, Hobby Lobby, regional health or fitness providers, likely with modest site upgrades or proof of sustained demand.

Long Shots (But Not Impossible)

Trader Joe's, Target, Whole Foods — brands with strict requirements. These become possible if we build momentum, increase traffic capture, and position Sonora as a true regional hub.

WHERE WE CAN INVEST NOW

Sanguinetti Triangle:

Large parcel, anchored, ideal for fast-casual or mid-sized retail.

Downtown Sonora:

High charm, walkability, strong fit for experiential or boutique retail.

Childs Road:

Long-term potential for health, service, or mixed-use investment.

Mono Way:

High Visibility, close to highway, suitable for hospitality.

THE OPPORTUNITY TO GROW

1 Sonora must thoughtfully consider expansion beyond its current boundaries.

2 Planning now preserves options later.

NEXT STEPS

Develop and launch a business outreach plan

Create a detailed Economic Development Strategic Plan by Dec 2025

Guide growth through 2030 with community and Council alignment

By focusing on these key next steps, Sonora can proactively shape its economic future, attract new businesses, and enhance the quality of life for its residents.

STRATEGIC ECONOMIC DEVELOPMENT UPDATE - CITY OF SONORA

The City of Sonora is poised to embark on a strategic economic development plan that builds on its rich Gold Rush heritage while transforming the city into a regional lifestyle and retail destination. By addressing key data points, balancing the needs of large and small businesses, and targeting specific investment opportunities, Sonora can proactively shape its growth and ensure long-term prosperity for its residents.