

2018 MAMMOTH LAKES & MONO COUNTY BUSINESS RETENTION AND EXPANSION SURVEY EXECUTIVE SUMMARY

KEY FINDINGS:

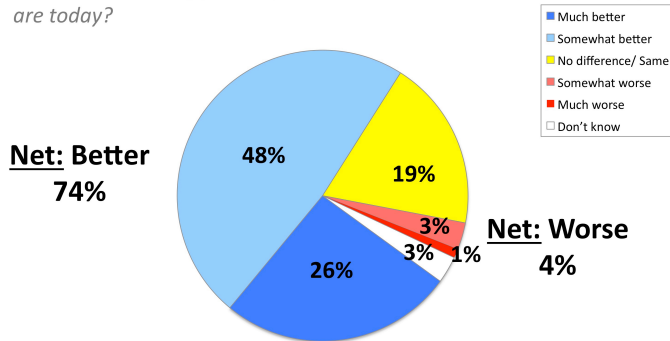
- *Local businesses are optimistic about business conditions in Mammoth Lakes & Mono County, and rate the area positively as a location for their business.*
- *Tourism marketing is an important local strength where businesses say they are well served. There is room for improving business leaders' understanding of their high speed internet options.*
- *Many area amenities are rated highly, but availability of affordable housing is a key workforce challenge.*

Local Businesses Are Optimistic About Their Future in Mammoth Lakes & Mono County

Businesses are optimistic about business conditions looking ahead to the next few years. While this survey did not address their current assessment of business conditions, this level of optimism typically indicates that businesses are experiencing a successful cycle and expect it to continue and improve. Seventy-four percent of businesses are optimistic about future business conditions while only 4% take a pessimistic view. Further evidence that local businesses are enjoying stable conditions is found in average employment numbers, which are essentially even across this year, the previous year, and expectations for next year, with a mean of about 36 employees across all businesses each year.

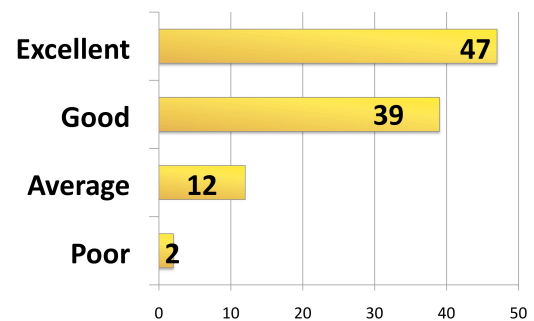
Business Conditions

Two years from now, do you think business conditions in Mammoth Lakes/Mono County for you will be better, worse or the same as they are today?



Business Location

How would you rate Mammoth Lakes/Mono County as a location for your business?



Furthermore, 47% say the area is an excellent location for their business, while another 39% rate the area as “good.” Forty-six percent plan to continue operating at their current location, while another 21% plan to expand in their location. While several businesses are considering various options for expanding or relocating, only 2% are considering relocating outside of the area.

This study includes a diverse range of businesses, with 39% located in Mammoth Lakes and 61% in the broader areas of Mono County. Of the businesses interviewed for this survey, 30% are lodging, 18% are restaurants, coffee shops,

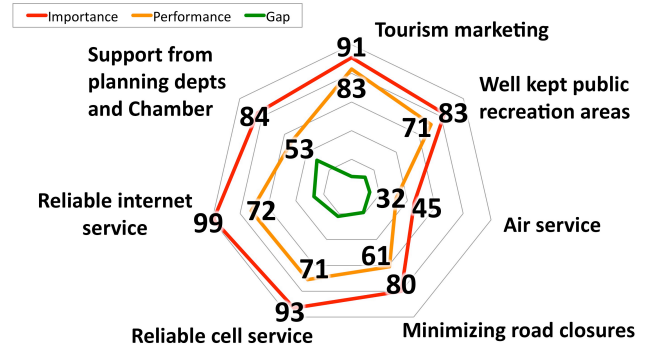
or breweries, and professional services and retail establishments each comprise 11%. Two thirds operate year round, with nearly half (47%) of mean sales accrued during Summer.

Tourism Marketing is an Important Strength of the Area

In this region where 64% say their business is driven by visitors, it is no surprise that 91% consider tourism marketing important to their business. This is also the area businesses feel they are being best served, with 83% saying their needs are currently well met in this critical arena. Maintenance of public areas, air service in and out of the area, and minimizing road closures are also areas where ratings of performance are reflective of relative importance (the chart at right shows each topic ranked by the gap between importance and performance, beginning with the smallest gap clockwise from top). Air service is more important for businesses located in the town of Mammoth Lakes than those outside of town.

Importance/Performance

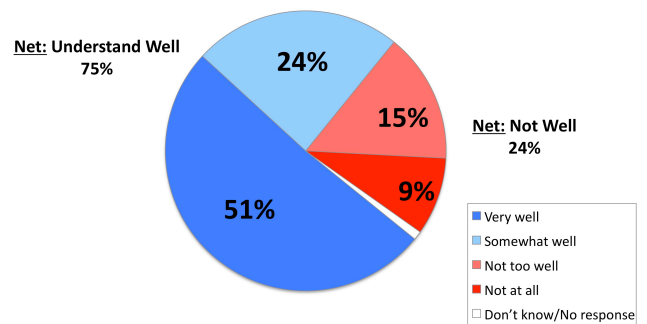
How important are each of the following to your business? And how well are your business' needs currently being met in each of these areas?



However the survey also shows some gaps in terms of the importance of various topics compared to how well their needs are being met. Reliable internet service is cited as the most important issue by 99%, and another 74% say it is critical to their business growth to be able to offer high quality internet access to guests and customers, while just 72% say their needs are currently being well met (28% say their needs are not well served in this area). A lack of understanding may be to blame—while 75% say they understand their options for high speed internet connectivity, only half of local businesses surveyed understand them very well and about one-quarter feel they do not understand their internet options well at all. Similarly, reliable cell service is important to 93% of businesses, while 71% say their needs are well met in this arena (27% not well served). Businesses are furthermore divided over how well the area's overall technology and internet infrastructure meets their growth plan needs, with 25% saying very well, 40% somewhat well, and 27% not too well or not at all.

Internet Options

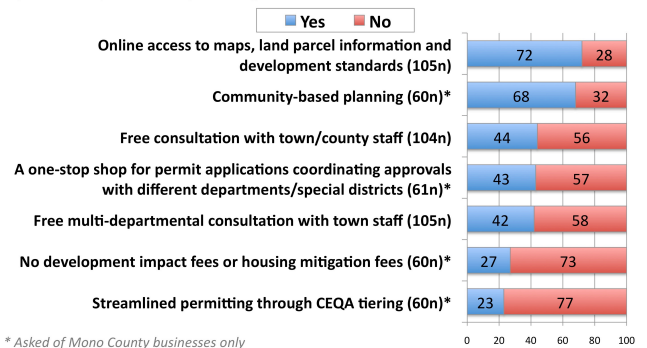
How well do you understand the options you have in Mono County for high speed internet connectivity?



The greatest gap however is between the percentage rating support from town or county planning boards and the Chamber as important (84%), and the percentage who feel their needs are well met in this area (53%). Again, a lack of understanding may be partly to blame. While the vast majority (89%) are aware that the County is responsible for enforcing many state regulations, there is a significant lack of awareness of many services provided by the town and county planning departments (see chart at right). In particular, 56% were unaware that free consultation with town staff is available, and only 24% have taken advantage of this service. Increasing awareness of these programs may significantly improve experiences with the aspects of the interaction receiving the highest number of unfavorable ratings, both of which have to do with receiving clear and understandable information. Only two thirds of respondents had contact with the town or county planning departments in the past three years, and the majority of those interactions were regarding building permits (50%) or potential projects (39%).

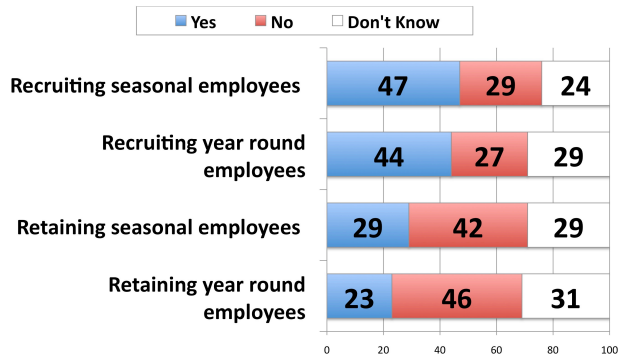
Planning Services

Are you aware that the Mono County and Mammoth Lakes community development departments provide the following services?



Workforce Issues

Does your business have difficulty...



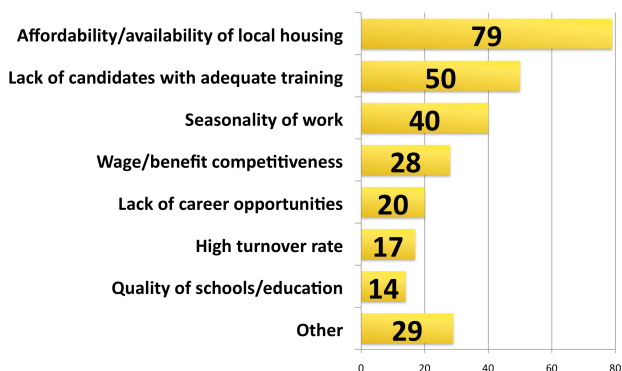
While businesses look forward with optimism, they also express some key needs, especially around recruitment. Almost half of businesses surveyed (47%) report difficulty recruiting seasonal employees, and 44% have difficulty recruiting year round employees. Retention is less problematic, but still over a quarter have difficulty retaining seasonal employees and 23% have difficulty with retention of year round employees. Those reporting seasonal staffing difficulties have the hardest time in April, although April through September are challenging.

Housing is seen as the greatest barrier to workforce maintenance, with 79% attributing affordability or availability of housing as a barrier. Fifty percent also mention

a lack of candidates with adequate training, while 40% admit to the seasonal nature of the work is a barrier. Housing is most critical for seasonal front-line employees, mentioned by 62%, however nearly as many (59%) mention housing for year round frontline employees. Thirty-eight percent of businesses surveyed attempt to address this by offering some employee housing, but only 34% of those say the amount their business can provide is adequate.

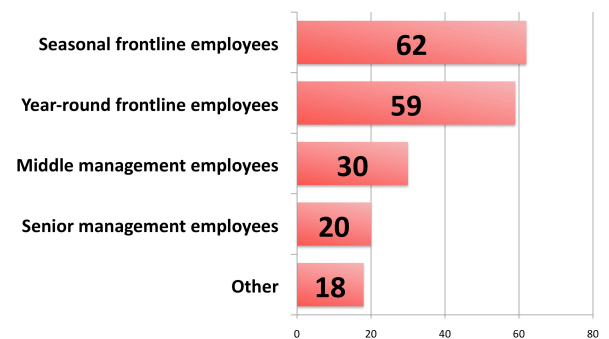
Workforce Barriers

Which of the following are the greatest barriers to maintaining your workforce?



Employee Housing

Which type of your employees have the most critical need for housing?



When it comes to training, customer service skills are the greatest need (56%), followed by basic workforce skills such as communication, punctuality, and teamwork (37%), professionalism (32%), management/leadership (31%), sales/marketing (30%), and computer skills (28%). Most management roles are being filled from within (69%), and 72% of businesses consider their management staff to be fairly well equipped with what they need to be successful. Sixty-one percent however say they would be likely to use management training or mentoring programs if available (33% *very* likely). Similarly, 78% say their frontline or customer service staff is well equipped for success, however 64% say their business would be likely to take advantage of training in this department (40% *very* likely). A combination of in-person and online training is preferable (37%) compared to just in-person (33%) or online-only (18%). Only 31% of businesses are aware of any of Mono County's workforce services or subsidized employment/training programs.

Workforce Training

Which of the following types of training does your business need most?



Local Business Leaders Rate Many Area Amenities Highly

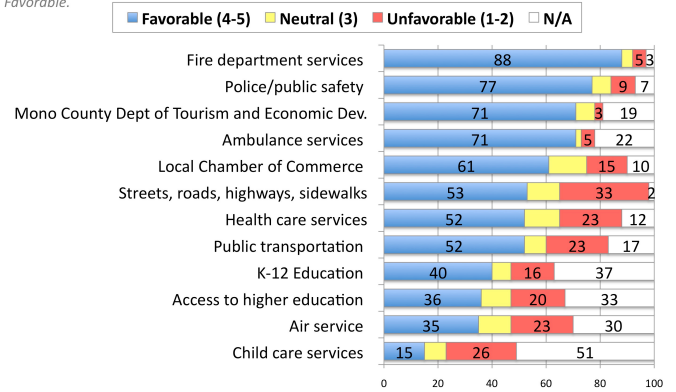
Businesses leaders give the local community high scores for many community services and amenities. The top-rated community features are fire (88%) and police (77%) services, followed the county Department of Tourism and Economic Development and ambulance services, at 71% each. Several other features receive high marks from majorities of local businesses, including the local Chamber (61%), roads and highways (53%), health care services (52%), and public transportation services (52%).

Perhaps reflecting the fact that much of the business in the area is driven by tourism, business owners are unable to rate some community features that did not apply to them individually but may be important to residents and their potential workforce. These include K-12 education, access to higher education, and childcare services. Familiarity with air service is also limited.

When asked specifically how local government, the economic development agencies, or the Chamber can support and foster future local economic growth, the key issue respondents return to by a wide margin is the availability and affordability of local housing. Other important responses include reducing taxes, continuing to invest in tourism amenities, and streamlining more collaborative permitting processes.

Community Amenities

How have your experiences been with the following community services/amenities from Unfavorable to Favorable.



METHODOLOGY

This survey of business leaders and owners was conducted among 132 businesses in Mammoth Lakes and Mono County. Interviews were conducted by volunteers in Spring/Summer 2018. Businesses were not randomly selected for participation but were identified by committee to represent the broader sample of businesses in the area. The survey was sponsored and conducted by the Mammoth Lakes Chamber of Commerce and Mono County, who would like to thank the businesses who contributed to the survey. Data was tabulated and reported by Long Research Consultants, LLC. For more information about this study or the many programs and services offered to local businesses by the town or county, please contact:

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