



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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COUNCIL WORKSHOP
August 9, 2005

Honorable Mayor and
Members of the City Council

Subject: Economic Development Strategy and Five-Year Work Plan

Location/Council District: Citywide/All

Recommendation:

Offer feedback and comments following staff and consultant presentations on the process and objectives related to an updated Economic Development Department Strategy and Five-Year Work plan.

Contact: Tom Zeidner, Senior Project Manager, (916) 808-7223

Presenters: Wendy Saunders, Economic Development Director; Jim Golub, ICF Consulting; Dave Zehnder, Economic and Planning Systems

Department: Economic Development Department

Division: Downtown and Citywide

Organization No: 4451/4453

Summary:

Upon reestablishment of Economic Development as a separate department in 2004, the City Manager directed the Economic Development Department to prepare a revised Economic Development Strategy. In a planning conference held in January of 2005, the City Council set a three-year strategic goal to "Expand economic development throughout the City" with some specific objectives identified. On March 29, 2005 the Economic Development staff presented a report relating the Council's objectives to the planned Economic Development Strategy process. To accomplish the Council's new objectives, and to achieve a necessary broad level of support, it was recognized that an expanded public outreach process and additional expertise was necessary. This report describes the expanded process to develop the Economic Development Strategy and a five-year work plan for the Economic Development Department.

Committee/Commission Action: None.

Background Information:

An Economic Development Strategy Framework was adopted by the City Council in 2000 with the intent of establishing the City's economic development priorities over a

five-year period. As that period has now elapsed, Economic Development staff is in the process of preparing an updated Economic Development Strategy. The City Council also recently set a three-year strategic goal to spread economic development throughout the City. The process described below is aimed at accomplishing both directives with input from a diverse group of interests. The goal is to complete the updated Economic Development Strategy and five-year work plan by the end of the current year so the products can be available in time to be included in the Economic Development Element of the General Plan and the FY 2007 budget process. A steering committee for the effort has been established that includes representatives from Long-Range Planning, City Treasurer's Office, Finance Department, Sacramento Housing and Redevelopment Agency and the Sacramento Area Commerce and Trade Organization.

The Economic Development Strategy Process

A broad and efficient outreach and strategy development process covering the topics and seeking input from key interest groups and the general public is currently underway. A team of consultants and staff have completed individual interviews with all of the members of the City Council to discuss economic development issues and priorities. A background report describing existing economic conditions and issues and current City economic development strategies and activities has been prepared to provide background information to those involved in the process.

On August 9, 2005, the first of three focus group meetings will be conducted with City staff, SHRA staff, commercial corridor representatives and local area business association directors. The process continues in late August with two additional focus groups meetings. One will concentrate on the professional economic development, business attraction and business assistance community. The other will engage major business sectors, major employers and the real estate development community. In addition, key informant interviews have been and will continue to be held throughout the process. Input from these focus group meetings and the interviews will be used to refine existing strategies, as well as develop new ones.

Once the strategic plan is in near-final form, a series of three geographic area meetings (north, central and south) will be held to present the draft strategies to the community for review and feedback. Staff and the consultants will work with the Council offices and other stakeholders identified throughout the process to identify key invitees for the meetings. The geographic area meetings will also be advertised and open to the public. In addition to the public outreach meetings, a website will be maintained so those interested in the process can view the background report, the input and feedback from the various meetings and review the draft strategy and work plan prior to Council adoption. It is anticipated that the recommended Economic Development Strategy will be brought forward to the Council in November 2005 for adoption.

Economic Development Principles and Best Practices

The consultant team is preparing materials on economic development principles and best practices used in other successful cities. This information will be used to focus the strategy development efforts and will be summarized at the various outreach meetings and available on the project website.

Financial Considerations:

The project will be completed with the help of two consulting firms coordinated by staff: Economic and Planning Systems (EPS), which is also engaged in the General Plan update, and ICF Consulting. EPS will provide research and background information and coordinate the public outreach process and final document preparation. ICF is providing additional research and information on key economic development principles and best practices in other cities. ICF will make informational presentations and help facilitate the six outreach meetings. Funds for both contracts were previously allocated in the FY2005.

Environmental Considerations:

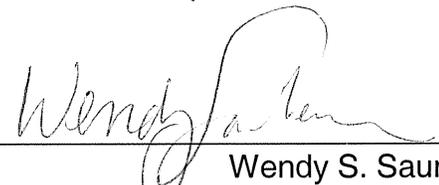
The Economic Development Strategy and Five-Year Work Plan will not be subject to CEQA as an activity that will not result in a direct or reasonably foreseeable indirect physical change in the environment per CEQA Guidelines Section 15060 (c) (2). Any actual project that could result from the implementation of the strategy and plan will be subject to the environmental review process.

Policy Considerations:

The Economic Development Strategy is being prepared in response to the three-year strategic goal of the City Council to spread economic development throughout the City and to update a strategy framework adopted in 2000.

Emerging Small Business Development (ESBD):

No goods or services are being purchased as part of the workshop.

Approved by: 
Wendy S. Saunders
Economic Development Director

Recommendation Approved:


ROBERT P. THOMAS
City Manager

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POWERPOINT PRESENTATION

To be delivered on Monday
August 1, 2005