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Title: Planning and Building Department, Economic Development Division, recommending the Board:
1) Receive a presentation from Barry Broome, President and CEO for Greater Sacramento Economic Council on achievements and the County's return on investment for Fiscal Year (FY) 2019-20; and
2) Provide direction to Staff on renewal of an Agreement with Greater Sacramento Economic Council for FY 2020-21 in an amount not to exceed \$63,252.
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FUNDING: N/A

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - ROI and Agreement, 2. B - GSEC Presentation, 3. C - Community ROI Model Overview

Date	Ver.	Action By	Action	Result
6/23/2020	1	Board of Supervisors	Approved	Pass

Planning and Building Department, Economic Development Division, recommending the Board:
1) Receive a presentation from Barry Broome, President and CEO for Greater Sacramento Economic Council on achievements and the County's return on investment for Fiscal Year (FY) 2019-20; and
2) Provide direction to Staff on renewal of an Agreement with Greater Sacramento Economic Council for FY 2020-21 in an amount not to exceed \$63,252.

FUNDING: N/A

DISCUSSION / BACKGROUND

The Greater Sacramento Economic Council (GSEC), is a public-private partnership for growth strategies in the Capital Region of California. The organization spearheads community-led direction to retain, attract, grow, and scale new businesses, develop advanced industries, and create jobs and investment throughout the region. GSEC represents a collaboration between local and state governments, market leaders, influencers, and stakeholders, with the sole mission of driving economic growth.

On August 2, 2016 the Board of Supervisors approved the first Agreement with GSEC in the amount of \$60,187 with an initial term effective upon execution and continuing through June 30, 2017 (Legistar Item #16-0606 v1). The Agreement provided for the County's participation with GSEC as a voting member, and economic development related services including regional, statewide, and international strategy development, assistance with retention and expansion of existing businesses within the County, and research on key retention and expansion projects.

The Agreement renews each subsequent fiscal year unless terminated by either party. Staff is seeking direction from the Board regarding the FY 2020-21 Agreement as the not to exceed amount

is increasing from \$62,345 to \$63,252. This cost is based on the \$0.40 per capita rate applied to the Public Jurisdiction's population as reported in the 2019 population estimates from the California Department of Finance Demographic Research Unit, which listed unincorporated El Dorado County as having a population of 158,131.

According to GSEC in the first five years of the organization, their public sector members contributed over \$4.5 Million to help grow the local economy. Leveraging El Dorado County's investment with public and private sector investors, the following achievements have been made in the Capital region:

- 14,787 jobs created
- Produced economic output of \$6.3 Billion
- Added \$76.SM to the local tax benefits

Attachment A contains a summary of GSEC's five-year Return on Investment, a description of future projects and the proposed Economic Development Agreement for Fiscal Year 2020-21.

ALTERNATIVES

The Board could provide alternative direction to Staff regarding the FY 2020-21 Agreement with GSEC in the amount not to exceed \$63,252.

PRIOR BOARD ACTION

On August 2, 2016 the Board approved the first Agreement with GSEC (Legistar Item #16-0606 v1). The Agreement renews each subsequent fiscal year unless terminated by either party.

On June 6, 2017, the Board approved renewal of the Agreement in the amount of \$60,187 for FY 2017-18 and delegated authority to the Chief Administrative Officer to approve future annual renewals provided the annual renewal rate of \$0.40 per capita does not increase (Legistar Item #16-0606 v2).

Pursuant to this delegated authority, on May 29, 2018 the Board was notified by Don Ashton, Chief Administrative Officer of his intent to approve the renewal of Agreement 076-S1711 (FENIX #3047) in the amount of \$60,187 for FY 2018-19 at a rate of \$0.40 per capita. The Agreement was renewed on July 1, 2018.

On April 23, 2019 (Legistar Item #19-0061) the Board received a presentation from Barry Broome, CEO of Greater Sacramento Economic Council and directed staff to return to the Board with an Agreement with Greater Sacramento Economic Council for FY 2019-20 in an amount not to exceed \$62,345.

On June 11, 2019 the Board approved a one-year Funding Agreement with Greater Sacramento Economic Council (GSEC) in the amount not to exceed \$62,345 with a term effective July 1, 2019 through June 30, 2020 (Legistar Item #19-0552).

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Chief Administrative Office

CAO RECOMMENDATION / COMMENTS

It is recommended that the Board receive and file the report and provide direction to staff, taking into consideration that while the services provided by GSEC are valuable to the economic growth of the region, this is a discretionary program and reductions to Transient Occupancy Tax (TOT) revenue may impact portions of the Economic Development, while also considering the importance of the Agreement along with other Board priorities relative to the use of Transient Occupancy Tax funds.

FINANCIAL IMPACT

There is no fiscal impact associated with this item. However, if the Board directs staff to proceed with the renewal of the annual agreement with Greater Sacramento Economic Council for FY 2020-21 staff will return to the Board with a contract in an amount not to exceed \$63,252. Funding for this Agreement was included in the FY 2020-21 Recommended Budget for the Economic Development Division. However, at this time staff is anticipating reductions in TOT revenue which may result in programmatic reductions to TOT funded programs during the adoption of the budget in September.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

The Funding Agreement with GSEC addresses all elements of the Economic Development component of the County's Strategic Plan including developing and attracting businesses that provide economic sustainability and quality job creation, and nurturing the Community's business friendly environment.

CONTACT

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