



# County of Monterey

Item No.

## Board Report

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

Legistar File Number: 24-439

June 11, 2024

**Introduced:** 5/28/2024

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** General Agenda Item

- a. Receive a presentation from Grow America and CVL Economics on the Comprehensive Economic Development Strategy (CEDS) year two (2) annual update; and
- b. Authorize the County Administrative Officer or designee to submit the CEDS year 2 annual update to the U.S. Department of Commerce, Economic Development Administration.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Receive a presentation from Grow America and CVL Economics on the Comprehensive Economic Development Strategy (CEDS) year two (2) annual update; and
- b. Authorize the County Administrative Officer or designee to submit the CEDS year 2 annual update to the U.S. Department of Commerce, Economic Development Administration.

### SUMMARY:

In June 2021, the County of Monterey (County) released the CEDS for the period of 2021-2026. The County must prepare a new CEDS at least every five years for local communities and organizations to qualify for U.S. Economic Development Administration (EDA) funding. More broadly, the CEDS development process provides a vehicle for regional stakeholders including but not limited to community-based organizations, nonprofits, organized labor, local governments, academic institutions, and private industry to chart a path towards greater economic wellbeing. This document serves as the year two (2) update to the economic analysis conducted in the most recent CEDS. The Year 2 update presents new data analysis to provide a snapshot of the current economic landscape across the County and to inform near-term economic development planning.

On January 9, 2024, the Board approved an agreement with Grow America to perform all tasks necessary to conduct a Year 2 CEDS update for the County.

Work on Year 2 Update began in January 2024 with data analysis update for the three target sectors (*Agriculture, Tourism & Hospitality, and Health Care & Social Assistance*), and exploration of available data and literature related to Defense Department activity in the region, and a qualitative review of the Monterey County technology and innovation ecosystem. The project team also met with the Board of Supervisors on an individual basis to gain perspectives and insights into the opportunities and constraints governing technology and innovation ecosystem development.

In collaboration with the County, Grow America and CVL Economics identified additional stakeholders to interview over the course of the project to gain broader insights into challenges, needs, and priorities across multiple economic dimensions. The County also convened two focus groups (one

that convened technology and innovation ecosystem participants and another that solicited input from individuals who had specialized knowledge of Defense Department research and development initiatives) which served as the narrative basis for this report.

DISCUSSION:

The CEDS process analyzes existing regional conditions, opportunities, and global economic conditions, leading to a region-specific strategy-driven plan for economic prosperity. The CEDS must be updated every five years to stay relevant with changing economic conditions and to qualify for EDA funding assistance under its Public Works and Economic Adjustment Assistance programs. Annual assessments of progress to date and plans for the coming year are also required.

The EDA requires the following components be incorporated into the document in some form:

- **Background Summary:** The summary presents current, relevant data to describe local economic conditions.
- **SWOT Analysis:** This analysis of strengths, weaknesses, opportunities, and threats (SWOT) provides an understanding of a region's capabilities, capacity, and aspirations.
- **Strategic Direction / Action Plan:** The strategic direction and associated action plan outlines priorities, goals, objectives, and specific activities to be implemented over a set period.
- **Evaluation Framework:** The evaluation framework serves to gauge progress on the successful implementation of the overall CEDS.
- **Economic Resilience:** in the context of economic development, "resilience" has three primary attributes: the ability to recover quickly from a shock, the ability to withstand a shock, and the ability to avoid the shock altogether.

Success of the CEDS hinges on the implementation of specific action recommendations. The planning of the CEDS initiated the process of building support among partner agencies and will continue throughout the duration of the five-year CEDS period. Not every CEDS strategy will apply to every jurisdiction in Monterey County. However, each strategy is crafted to have the most impactful results on economies and industries that show the greatest economic potential, thereby having positive results for the region as a whole and allowing other businesses to thrive.

Adoption of the CEDS is a federal requirement that the County, and qualified organizations within the County, must meet to apply to EDA for Public Works or Economic Adjustment Assistance Program grants. EDA has been an important partner in financing economic development projects, extending from King City to Pajaro, and including the reuse of the former Fort Ord and programs at California State University at Monterey Bay.

Since 2011, the Economic Development Department has been developing a Comprehensive Economic Development Strategy (CEDS) in the County.

The County used a consultant team, Grow America and CVL Economics, to conduct the CEDS outreach process, analyze data, and write the report.

Additionally, the CEDS identifies projects that may be eligible for federal grant funding. Each

jurisdiction that completes a CEDS, including the County, is then eligible to prepare individual grant applications for funding.

OTHER AGENCY INVOLVEMENT:

Staff consulted with County Counsel.

FINANCING:

Receiving this report has no financial impact.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The American Rescue Plan Act funding for Countywide Business Retention will provide programs and services that support the Board approved strategic initiatives.

Mark a check to the related Board of Supervisors Strategic Initiatives

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Attachments:

CEDS PowerPoint Presentation

CEDS Year 2 Annual Update Report