



County of Monterey

Item No.

Board Report

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

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Receive a presentation from the National Development Council (NDC) and CVL Economics on the Comprehensive Economic Development Strategy (CEDS) annual update.

RECOMMENDATION:

It is recommended that the Board of Supervisors receive a presentation from the National Development Council (NDC) and CVL Economics on the Comprehensive Economic Development Strategy (CEDS) annual update.

SUMMARY:

On June 2, 2021, the Board of Supervisors (Board) approved American Rescue Plan Act (ARPA) funding allocation for Economic Recovery. In total the County has allocated \$9.6 million ARPA funds towards economic endeavors which are required to be utilized within the next three years or be subject to return. One of the projects identified by the Board to be conducted with ARPA funds is the Comprehensive Economic Development Strategy (CEDS) annual update.

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 first official update to the economic analysis conducted in the most recent CEDS. The Year 1 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 October 25, 2022, the Board approved an agreement with the National Development Council (NDC) to perform all tasks necessary to conduct an annual CEDS update for the County.

On May 15, 2023, the Economic Development Committee received a presentation and reviewed the draft CEDS update. The committee moved to support recommending the draft CEDS annual update along with valuable feedback that was taken into consideration and included in the final report provided to the Board for adoption.

On July 25, 2023, the Board adopted a resolution to accept the CEDS annual update and authorized the County Administrative Officer or designee to submit the CEDS annual update to the EDA.

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, National Development Council (NDC) 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.

Year 2 update will be planned to be completed by the end of fiscal year 2023-24.

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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Approved by: Nicholas E. Chiulos, Assistant County Administrative Officer

Attachments:

PowerPoint CEDS

Annual Update Report

DocuSigned by:
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on behalf of Nicholas E. Chiulos