



Board Report

File #: RES 21-077, **Version:** 1

Adopt Resolution to:

- a. Accept the Comprehensive Economic Development Strategy (CEDS) for Monterey County;
- b. Authorize the Assistant County Administrative Officer to submit the CEDS to the U.S. Department of Commerce, Economic Development Administration.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Adopt Resolution to:

- a. Accept the Comprehensive Economic Development Strategy (CEDS) for Monterey County;
- b. Authorize the Assistant County Administrative Officer to submit the CEDS to the U.S. Department of Commerce, Economic Development Administration.

SUMMARY:

The Economic Development Administration (EDA) requires jurisdictions to complete a CEDS in order to be eligible to apply for vital funding for economic and community development initiatives. Funding is provided through the United States Economic Development Administration (EDA). The County of Monterey conducted its CEDS process following requirements found in 13 C.F.R. § 303.6. The CEDS document (**Attachment A**) is submitted to the Board of Supervisors for adoption. The County CEDS was developed with broad-based participation that included the agricultural community, vintners, tourism and hospitality professionals, educators, small business owners, non-profit representatives, and community partners. The EDA requires the document both to determine community and regional economic needs and suggest responsive actions to improve the economy. The CEDS considers and, where appropriate, incorporates or leverages, other regional planning efforts, including available federal funds, private sector resources, and state support toward a region's CEDS goals and objectives. The CEDS is useful for regional economic development decision-making.

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. With the recent economic crisis brought on by the COVID-19 pandemic, the County received an additional \$1,700,000 in EDA CARES Act funding to provide loans to small businesses.

The County used a consultant team, National Development Council (NDC) and Beacon Economics, to conduct the CEDS outreach process, analyze data, and write the report.

The County CEDS combines an in-depth statistical look at the local economy with quantitative and qualitative analysis of the County’s economic and social environment conducted by Beacon Economics. Beacon identified six strategic framework goals:

1. Build Countywide Economic Development Capacity;
2. Build, Support, and retain a Robust and Adaptable Monterey County Workforce;
3. Address Housing Shortage, Affordability, and Barriers to New Development;
4. Foster Development of Growing Established and Emerging Clusters;
5. Strengthen Small Business and Entrepreneurship Environment; and
6. Expand the regional Broadband Infrastructure.

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:

The CEDS committee has reviewed the document and recommended that it be presented to the Board of Supervisors for adoption.

FINANCING:

There is no additional cost to the General Fund. The County’s cost to manage CEDS development was funded out of General Fund support for the Economic Development Department Fund 001\1050\8514\6607\CAO038\.

Receiving this report does not have any financial impact.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The CEDS document will support these Board approved Strategic Initiatives:

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

Anastacia Wyatt, Housing Program Manager, Ext. 5387

Approved by: Dewayne Woods, Assistant County Administrative Officer

The following attachments are on file with the Clerk of the Board:

Attachment A: Draft CEDS

Attachment B: Resolution