



County of Monterey

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

Legislation Details (With Board Report)

File #:	15-0815	Name:	Economic Development Budget Increase FY 2015-16
Type:	General Agenda Item	Status:	Agenda Ready
File created:	7/15/2015	In control:	Budget Committee
On agenda:	7/29/2015	Final action:	

Title:

- a. Receive and support funding for implementation of the Economic Development Strategic Plan Fiscal Year (FY) 2015-16 for the County of Monterey;
- b. Support a recommendation by the Board's Economic Opportunity Committee for a Budget Adjustment for FY 2015-16 in the amount of \$200,000 to the Baseline Budget to Fund 001 and Appropriation Unit DEO001-8221, the Economic Development Department Budget, to implement the Economic Development Strategic Plan FY 2015-16;
- c. Recommend authorization by the full Board for the Auditor-Controller to amend the FY 2015-16 Adopted Budget, Fund 001, Appropriation Unit DEO001-8221, to increase appropriation by \$200,000, financed by an operating transfer of \$200,000 from CAO020-8034, the CAO-General Fund Contingencies, Fund 001;
- d. Recommend authorization by the full Board for the Auditor-Controller to transfer \$200,000 for the FY 2015-16 Adopted Budget from CAO-General Fund Contingencies, Fund 001, Appropriation Code CAO020-8034 to the Economic Development Department, Fund 001, Appropriation Unit DEO001-8221.

Sponsors:

Indexes:

Code sections:

Attachments: 1. SRI Strategy Budget 7-29-15, 2. Economic Development Estimated Expenditures

Date	Ver.	Action By	Action	Result
7/29/2015	1	Budget Committee		

a. Receive and support funding for implementation of the Economic Development Strategic Plan Fiscal Year (FY) 2015-16 for the County of Monterey;

b. Support a recommendation by the Board's Economic Opportunity Committee for a Budget Adjustment for FY 2015-16 in the amount of \$200,000 to the Baseline Budget to Fund 001 and Appropriation Unit DEO001-8221, the Economic Development Department Budget, to implement the Economic Development Strategic Plan FY 2015-16;

c. Recommend authorization by the full Board for the Auditor-Controller to amend the FY 2015-16 Adopted Budget, Fund 001, Appropriation Unit DEO001-8221, to increase appropriation by \$200,000, financed by an operating transfer of \$200,000 from CAO020-8034, the CAO-General Fund Contingencies, Fund 001;

d. Recommend authorization by the full Board for the Auditor-Controller to transfer \$200,000 for the FY 2015-16 Adopted Budget from CAO-General Fund Contingencies, Fund 001, Appropriation Code CAO020-8034 to the Economic Development Department, Fund 001, Appropriation Unit DEO001-8221.

RECOMMENDATION:

It is recommended that the Budget Committee:

- a. Receive and support funding for implementation of the Economic Development Strategic Plan Fiscal Year (FY) 2015-16 for the County of Monterey;
- b. Support a recommendation by the Board's Economic Opportunity Committee for a Budget Adjustment for FY 2015-16 in the amount of \$200,000 to the Baseline Budget to Fund 001 and Appropriation Unit

DEO001-8221, the Economic Development Department Budget, to implement the Economic Development Strategic Plan FY 2015-16 ;

- c. Recommend authorization by the full Board for the Auditor-Controller to amend the FY 2015-16 Adopted Budget, Fund 001, Appropriation Unit DEO001-8221, to increase appropriation by \$200,000, financed by an operating transfer in of \$200,000 from CAO020-8034;
- d. Recommend authorization by the full Board for the Auditor-Controller to transfer \$200,000 for the FY 2015-16 Adopted Budget from CAO-General Fund Contingencies, Fund 001, Appropriation Code CAO020-8034 to the Economic Development Department, Fund 001, Appropriation Unit DEO001-8221.

SUMMARY/DISCUSSION:

The Board of Supervisors' adopted Strategic Initiatives, one of which addresses economic development as follows: "Through collaboration, strengthen economic development to ensure a diversified and healthy economy." To adequately perform a variety of critical economic development functions, staff finds it is necessary to increase the Economic Development Department's budget (FY) 2015-16 in the amount of \$200,000; this increase to the Baseline Budget would enable the Department to carry out economic development activities that strengthen the economy. The objective is to create 10,000 jobs in 10 years.

To do this, funds are needed to hire a grant or account technician, to purchase tools to measure the economic impact of projects, (similar to the Ag Commissions report on economic contributions), to procure software for the Economic Development website that updates profiles and performs other functions to enhance services to small businesses that grow jobs. Currently, Economic Development is not able to provide these resources. It has not been funded since the loss of redevelopment funds that now stream directly to the General Fund.

The Board of Supervisors established and directed the Economic Opportunity Committee to develop a Strategic Plan. The Department, in conjunction with the Economic Opportunity Committee, updated the Comprehensive Economic Development Strategy (CEDS); it was adopted by the Board March 2014 and submitted to the Economic Development Administration, which approved the Strategy in June 2015. The SRI Strategic Plan was completed, was approved by the Economic Opportunity Committee, and will be submitted to the Board for approval on August 25, 2015. The SRI Strategic Plan focuses on retaining and expanding four key areas of the economy: Agriculture (food and wine), Education (higher education and training), Research (marine, medical, military and university), and Tourism (linking food, health, hospitality and wine) to generate 10,000 new jobs over the next ten years.

Restoring permanent funding to the Economic Development Department will ensure implementation of the Board's Strategic Initiative and the initiatives adopted by the Economic Opportunity Committee.

OTHER AGENCY INVOLVEMENT:

The Economic Opportunity Committee supports this recommendation to fund the Economic Development Department and to support the implementation of the Board's Economic Development Strategic Plan.

FINANCING:

The FY 2015-16 budgeted General Fund Contingencies is \$5,399,351. Thus far, transfers from General Fund Contingencies in the amount of \$652,406 have been approved by the Board in FY 2015-16. With this requested action, the remaining General Fund Operational Contingencies budget would be \$4,546,945. Use of General Fund Contingencies, is a one-time funding source.

Additionally the Economic Development Department is requesting this \$200,000 be added to the FY 16/17 Economic Development baseline budget to continue to generate 10,000 jobs in 10 years.

Prepared by: _____
David Spaur, CEcD, EDPF, Economic Development Director, 5387

Approved by: _____
Nick Chiulos, Assistant County Administrative Officer, 5145

Attachments:
SRI Strategic Plan
Economic Development Estimated Expenditures
(Attachments are on file with the Clerk of the Board)