



## **CITY OF SALINAS COUNCIL STAFF REPORT**

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**DATE:** APRIL 13, 2021

**DEPARTMENT:** COMMUNITY DEVELOPMENT DEPARTMENT  
OFFICE OF THE CITY MANAGER

**FROM:** LISA BRINTON, PLANNING MANAGER  
ANDREW MYRICK, SR ECONOMIC DEVELOPMENT MGR

**TITLE:** RESOLUTION OF SUPPORT FOR MONTEREY COUNTY CEDS

**RECOMMENDED MOTION:**

A motion to approve a Resolution supporting the County Board of Supervisors' adoption of a new Five-Year Comprehensive Economic Development Strategy (CEDS).

**RECOMMENDATION:**

Staff recommends that the City Council approve the attached Resolution in support of the County's adoption of a new Five-Year Comprehensive Economic Development Strategy.

**BACKGROUND:**

The Economic Development Administration (EDA) is a part of U.S. Department of Commerce. The EDA is tasked with promoting innovation, competitiveness, and support of economic growth (job creation) within the United States through various programs, including grants. Adoption of the CEDS is a federal requirement to apply to EDA for Public Works or Economic Adjustment Assistance Program grants. EDA has been an important partner in financing economic development projects, including an expansion of the City's industrial wastewater treatment capacity in 2012.

The County of Monterey conducted its CEDS process following 13 CFR §303.6. This CEDS was developed with broad-based participation that included the agricultural community and vintners, tourism and hospitality professionals, educators, small business support providers and associations, non-profit representatives, and community partners. 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 U.S. Economic Development Administration (EDA) funding assistance under its Public Works and Economic Adjustment Assistance programs. Annual assessments of progress to date and plans for the coming year also are required.

The County released a draft CEDS for the required 30-day public comment period on April 2, 2021. The Board of Supervisors is expected to consider the adoption of the CEDS on May 4, 2021. The County has requested that all jurisdictions within the County consider adopting a Resolution supporting the CEDS document.

## DISCUSSION

One of the main goals of the CEDS document is to determine needs in the community and for the regional economy and to take actions to improve the economy. The CEDS takes into account and, where appropriate, incorporates or leverages other regional planning efforts, including the use of available federal funds, private sector resources, and state support which can advance a region's CEDS goals and objectives. The CEDS is intended to be a useful tool for regional economic development decision-making.

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

- **Background Summary:** The summary of the region 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 and objectives as well as specific activities to be implemented over a set period of time.
- **Evaluation Framework:** The evaluation framework serves as a mechanism 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 time period of the CEDS. Each strategy in the CEDS will not 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.

During this process, City staff from the Community Development Department and Office of the City Manager were able to participate and provide significant feedback to the authors. The goals outlined in the document include

- Build Countywide Economic Development Capacity;

- Build, Support, and retain a Robust and Adaptable Monterey County Workforce;
- Address Housing Shortage, Affordability, and Barriers to New Development;
- Foster Development of Growing Established and Emerging Clusters;
- Strengthen the Small Business and Entrepreneurship Environment; and
- Expand the regional Broadband Infrastructure.

More details on these Goals may be found starting on Page 97 of the Monterey County CEDS – Public Comment Draft attached to this Report.

There are a few items that staff believes should be brought to the County’s attention for potential modification before the document is finalized. These changes are briefly summarized in the Draft Public Comment Letter attached to this report. However, despite these proposed changes, staff believes that the Goals outlined in the CEDS would, if implemented, have a positive benefit on the City’s residents and businesses. Staff therefore recommends that the City adopt the attached Resolution supporting the adoption of the CEDS.

#### CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

#### STRATEGIC PLAN INITIATIVE:

The adoption of the CEDS by the County would enable the City to access additional EDA funding sources to support economic development, which would support the Council Goals of Investment Strategies and Risk Management.

#### DEPARTMENTAL COORDINATION:

The Community Development Department Plan and Project Implementation Division and Office of the City Manager Economic Development Division worked jointly on this project.

#### FISCAL AND SUSTAINABILITY IMPACT:

The proposed action would have no impact on City finances at this time, although it could lead to the City receiving grant or other funds to support economic development in the future.

#### ATTACHMENTS:

Proposed RESOLUTION  
Draft Public Comment Letter  
Monterey County CEDS – Public Comment Draft