



## City Council Report

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**Discussion Item 30**

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**Title:** Inclusive Economic and Community Development Update

**Location:** Citywide

**Recommendation:** Receive and file.

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**Attachments:**

1-Description/Analysis

2-Inclusive Economic and Community Development Investment Committee Structure

3-Six-month Timeline

## Description/Analysis

**Issue Detail:** Over the last few months the City has worked with several stakeholders to outline a framework to advance and implement an inclusive economic and community development strategy. On October 2, 2018, City Council adopted a framework that defined several components necessary to produce and implement a comprehensive strategy, including establishing: 1) a set of key inclusive guiding principles; 2) an investment committee; 3) a quality of life index; and 4) a criteria and performance metrics system. Collectively with our partners, we are now ready to embark on the next phase of this effort.

One of the initial steps will be the establishment of an Inclusive Economic and Community Development Investment Committee (Investment Committee). The Investment Committee will advise the City regarding policies, strategies, and investments to promote economic growth throughout the City's diverse communities. Specifically, the Investment Committee is expected to assist the City with vetting and preparing such recommendations for City Council consideration. In some instances, the Measure U Community Advisory Committee will review these recommendations prior to City Council approval. The Investment Committee will be composed of 15 members and represent major business industries, local and ethnic chambers of commerce, the housing sector, financial institutions, workforce development, higher education, youth, and arts and culture. The proposed framework for this Investment Committee is attached (Attachment 2).

Concurrently with the establishment of the Investment Committee, staff is initiating a six-month timeline to produce an inclusive economic and community development plan. Over the next six months, the City will work with the Investment Committee, stakeholders, and a team of consultants to produce a plan that is actionable and based on priorities, resources, and metrics. The City recently held three focus group discussions focused on People, Place and Business Capacity. The purpose of these meetings was to discuss the City's role and identify priorities and actions the City needs to ensure are included in our process moving forward. Attached is an overview of the timeline (Attachment 3).

**Policy Considerations:** This policy is consistent with the adopted 2013 Economic Development Strategy goal to invest in building Sacramento and the objective to "encourage strategic investments and initiatives that lead to the economic development, job growth, and enhance the quality of life in Sacramento."

**Economic Impacts:** Ensuring economic and community development opportunities exist for all can result in greater economic growth for the residents and businesses of Sacramento.

**Environmental Considerations:** The recommendation in this report is not a project under the California Environmental Quality Act (CEQA), because it involves organization or administrative activities that will not result in direct or indirect physical changes in the environment, as contemplated by Title 14, California Code of Regulations, Section 15378(b)(5) and is, therefore, not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(3).

**Sustainability:** None.

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** The City Council has made it clear, through multiple actions, its commitment to prioritize and implement strategies, programs and projects that increase inclusive community and economic growth capacities throughout our City.

To achieve this, the City must focus its economic and community development planning and investments to strengthen our people, business, and place capacities. Sacramento's future prosperity depends on the City making intentional investments to increase and diversify its current economic growth in an inclusive and equitable manner.

**Financial Considerations:** Not applicable.

**Local Business Enterprise (LBE):** Not applicable.

## Inclusive Economic and Community Development Investment Committee

### Purpose

The purpose of the Inclusive Economic and Community Development Investment Committee (IECDIC) is to foster economic development and job growth within the city of Sacramento that benefits all segments of its community. The IECDIC will advise the City of Sacramento regarding policies, strategies, investments, and plans to improve the health of neighborhoods, business environment, encourage productivity, and support people, places, and actions that promote economic growth throughout the City's diverse communities.

### Structure of the IECDIC

The City Manager intends to form the IECDIC as a 15-member body. Although the City Manager will appoint the members, he may solicit input about appointments from the members of the City Council to ensure representation of the main community and economic interests in the city and region. IECDIC members must include private sector and community representatives as a majority of its membership. Members must demonstrate a significant level of external and local expertise and knowledge. The IECDIC should include the following:

- Two business representatives from major industries, such as Health and Life Sciences, Agricultural Technology, Advance Manufacturing, Clean Energy and Technology, and Advance Information Technology;
- Two representatives from Financial Lenders and Investment Institutions;
- Two representatives from Business and Economic Development Organizations, including Property and Business Improvement Districts (PBIDs) and Ethnic Chambers;
- Two members of the City's Measure U Community Advisory Committee, representing professional or personal experience in either housing, affordable housing, business, economic development, workforce development or youth-focused adult education.
- Two representatives from Workforce Development Providers and the Workforce Investment Board (WIB);
- One representative from the Housing Sector;
- One representative who is a Neighborhood or Community Leader;
- One representative from Institutions of Higher Education;
- One representative from Labor Groups; and
- One representative from the Arts and Culture field.

The City of Sacramento Office of Innovation and Economic Development will provide staff support to the IECDIC.

### Responsibilities

The overall responsibilities of the IECDIC will be to provide non-binding recommendations regarding inclusive economic and community development policies, funding criteria, and project and program investments to the City Manager to make recommendations to the Measure U Community Advisory Committee or the city council.

Specifically, the IECDIC will:

- Section 1. Advise and assist the City of Sacramento in the preparation of inclusive economic development guiding principles, goals, policies, strategies, and plans to support economic growth.
- Section 2. Advise and assist the City of Sacramento in the design and implementation of methods to ensure broad-based input and involvement to this process from all segments of Sacramento's diverse community.
- Section 3. Recommend policies and programs that assist the productivity of the region's key industry sectors.
- Section 4. Advise and assist the City of Sacramento in the preparation of legislation pertaining to economic development and job growth in the city of Sacramento and broader region.
- Section 5. Advance programs and policies that promote and market Sacramento to businesses interested in expanding or locating in the city in conjunction with the partner organizations.
- Section 6. Thoroughly vet and evaluate projects suitable for City investment and recommend those that demonstrate the highest return on investment for the City.
- Section 7. Consider joint projects and programs in partnership with the Greater Sacramento Economic Council (GSEC), Sacramento Employment and Training Agency (WIB), the State of California Governor's Office of Economic Development (GOBiz), the Sacramento Redevelopment and Housing Agency (SHRA), other local and international economic development commissions and agencies, the Sacramento Metro Chamber of Commerce, other local Ethnic Chambers of Commerce, the Sacramento Area Councils of Government (SACOG), Visit Sacramento, Property and Business improvement Districts (PBIDs), labor organizations and associations, utilities, transit providers, and educational institutions to increase the region's capacity for strategic, coordinated job creation and economic growth initiatives.

#### National Advisory

A peer think-tank made up of three national experts will be retained by the City and made available to provide consultation and advise to the IIECDIC as needed.

#### Impacts and Measurements of Success

Accountability will be accomplished through a framework that addresses (1) good governance, (2) adherence to the guiding principles and priorities set forth by the City, (3) reporting and monitoring, (4) project selection criteria, and (5) communication and demonstration of community benefits achieved by investments.

#### Meetings

At its first meeting, and annually thereafter, the IECDIC shall establish a calendar setting the time and place for regular meetings to be held no less than four times per year. Regular meetings will be noticed and open to the public. The committee may establish standing subcommittees specific to topic areas consistent with the City's Inclusive Economic Development goals and strategy. Subcommittees must be composed of at least two members and two members of the community.

# 6-month Timeline

## January-June 2019

