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ECONOMIC DEVELOPMENT DEPARTMENT

CITY OF SACRAMENTO

October 26, 2001

City Council
Sacramento, California

Honorable Members in Session

SUBJECT: BUSINESS DEVELOPMENT PRESENTATION

LOCATION AND COUNCIL DISTRICT: Citywide

RECOMMENDATION:

The Citywide Economic Development Division is presenting its Business Retention/Expansion and Attraction Program for the City Council's information. No action is requested.

CONTACT PERSONS: Kristan Otto, Citywide Economic Development Manager
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Andrew Plescia, Economic Development Director
264-1967

FOR THE COUNCIL MEETING OF: November 6, 2001

SUMMARY:

The Citywide Economic Development Group has formalized its Business Development Program consisting of the elements related to retention, expansion, and attraction. The new programs enhance the execution of the Economic Development Strategy adopted in April 2000, and encourage the success of targeted commercial corridors and large development areas. This presentation is part of an ongoing effort to provide the City Council with information about the implementation of the adopted Citywide Economic Development Strategy. Attachment One outlines the new program.

COMMITTEE/COMMISSION ACTION:

None

BACKGROUND:

In April 2000, the City Council adopted the Economic Development Strategy which is intended to provide a framework for establishing economic development priorities for the City of Sacramento. The Economic Development Strategy included the following policy mandates:

- Provide a focus for economic development initiatives within the City of Sacramento.
- Solidify the City of Sacramento's leadership role within the region.
- Strengthen the linkages between healthy neighborhoods and viable neighborhood commercial corridors.
- Improve the coordination of human and financial resources to maximize economic growth.
- Diversify the City of Sacramento's tax base.
- Increase employment opportunities for City of Sacramento residents, in accordance with his or her goals, aspirations and abilities

In relation to the policy mandates, specific economic development strategies were developed as approved that this report addresses including, development of "key" development sites, retention, attraction, and expansion of businesses as well as re-vitalization of the neighborhood commercial corridors.

FINANCIAL CONSIDERATIONS:

Implementation of the elements contained in the Economic Development Strategy will improve business conditions in the City of Sacramento leading to expansion of the tax base, creation of jobs, and diversification of the economy.

ENVIRONMENTAL CONSIDERATIONS:

This actions outlined in this report do not have direct environmental impacts.

POLICY CONSIDERATIONS:

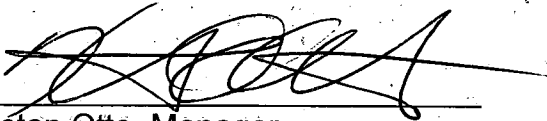
The actions and efforts outlined related to business development are consistent with the policy mandates in the Economic Development Strategy adopted by the Council in April 2000.

ESBD CONSIDERATIONS:

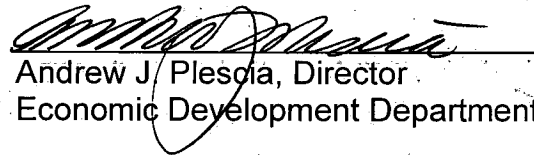
There are no ESBD considerations associated with this report.

Respectfully submitted,

Approved:

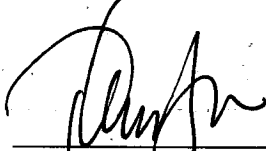


Kristan Otto, Manager
Economic Development Department



Andrew J. Plescia, Director
Economic Development Department

RECOMMENDATION APPROVED



Robert P. Thomas
City Manager

RETENTION/EXPANSION/ATTRACTION PROGRAMS

1) Targeted Industries - Develop Database

- Develop list of companies located in the City of Sacramento on the targeted industry list as identified in the adopted Economic Development Strategy (Strategy) and show their locations and concentrations on a citywide map.
- Identify each industry's needs and issues.
- Determine trends and sales.
- Determine customers and suppliers who may relocate to be near the targeted industry.

2) Outreach Programs

- Attend Trade Shows jointly with Sacramento Area Commerce and Trade Organization (SACTO), TEAM California and Sacramento Area Marketing Group both divisions of the State Department of Technology, Trade and Commerce.
- Attend and co-sponsor local economic development events sponsored by SACTO, California Association of Local Economic Development (CALED), Sacramento Business Journal, Northern California Trade Center, Golden Capital Ventures, International Conference of Shopping Centers (ICSC) and others.
- Membership and attendance at Chambers' of Commerce and Business Association meetings and events.
- Attend economic development summits.
- Hold semi-annual Industry Roundtables attended by the Mayor and/or Council members, Economic Development Specialists, industry leaders and members of the new Red Team (described below).
- Through these interactions, market the Sewer Credit Program and like programs as they come available.

3) Coordination and joint efforts with economic development partners to leverage available funds

- SACTO – lead generation
- Sacramento Housing and Redevelopment Agency (SHRA) – marketing neighborhood corridors

- Northern California World Trade – broadening markets for our local businesses
 - Sacramento Regional Marketing Council – identifying Sacramento as a place to do business.
- 4) Formation of a focused Retail Attraction Program targeting the nineteen neighborhood corridors identified in the Strategy.
- Joint effort with the Downtown Redevelopment staff
 - Hosting this year's (and possible future conferences) of the ICSC's Idea Exchange
 - Attendance and marketing at the ICSC Annual retail convention
- 5) Development of marketing materials, the Economic Development Department website, and www.sacsites.com.
- 6) Formation of a Red Team consisting of selected individuals and agencies that will enable the City to respond to needs of existing businesses in the City of Sacramento and provide an initial contact for a business with special requirements proposing to locate in the City of Sacramento.
- The Red Team will consist of the following:
 1. Senior level management personnel from each of the Development Services Departments as well as Fire Department, and Police.
 2. Public Utilities Representatives (SMUD, PG&E, telecom and fiber optic providers).
 3. Workforce providers (SETA, Los Rios Community College, California State University, University of California, Davis campus).
 - The Team will meet on an "as needed" basis and members of the team will only be called on only if their expertise is needed.
- 7) Business Awareness
- "Businesses on the Boulevards" – introduction of new, selected businesses on the boulevards to Council on a quarterly basis.
 - Economic Development Specialists, along with members of the Red Team, will meet with existing businesses located on our Neighborhood Corridors.

Retention, Expansion, Attraction Programs



November 6, 2001
City of Sacramento
Economic Development Dept.

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Targeted Industries

Develop list of companies located in the City of Sacramento on the targeted industry list as identified in the adopted Economic Development Strategy

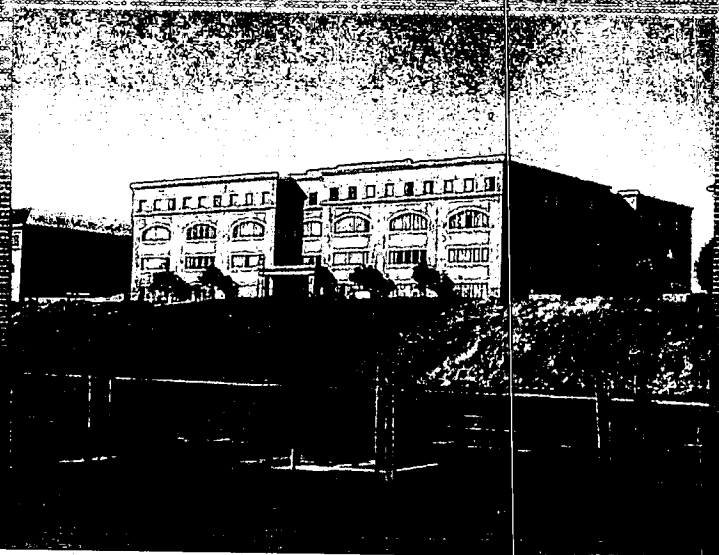
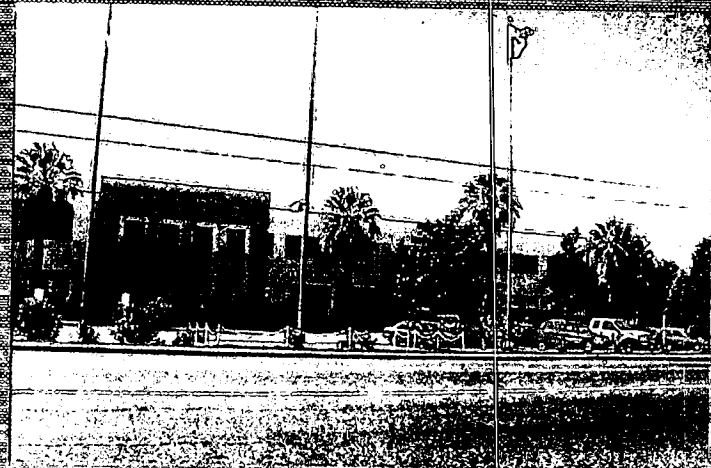
GIS Technology

Locations and concentrations

Identify Industry's needs and issues.

Determine trends and sales.

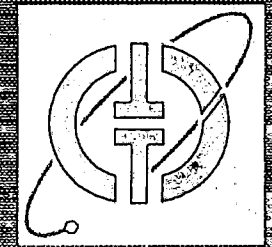
Customers/Suppliers



Outreach Programs

Attend and co-sponsor events:

- SACTO
- State Department of Technology,
Trade and Commerce
- CALED
- Sacramento Business Journal
- Northern California Trade Center
- Golden Capital Ventures
- International Council of Shopping
Centers



SACRAMENTO
Business Journal



CALIFORNIA ASSOCIATION FOR LOCAL ECONOMIC DEVELOPMENT

Outreach Programs

Semi-annual Industry Roundtables

Mayor or Council members

Industry leaders

Economic Development
Specialists

Members of the new Red Team



Joint efforts with Economic Development Partners

- SACTO
- SHRA
- Northern CA WTC
- Sacramento Regional Marketing Council
- Chambers of Commerce

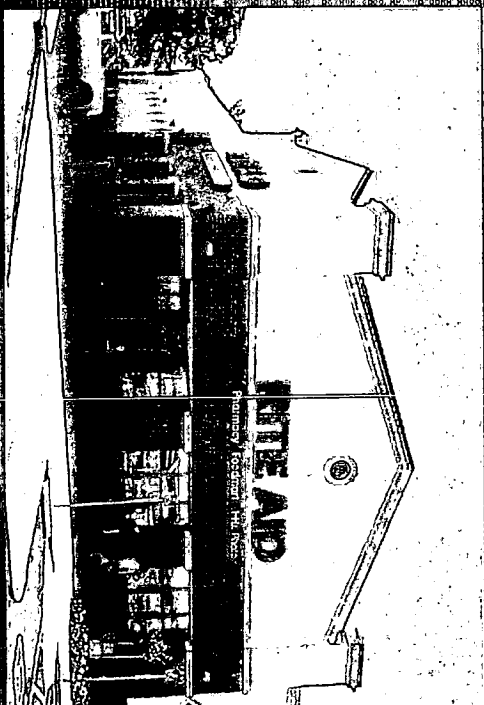
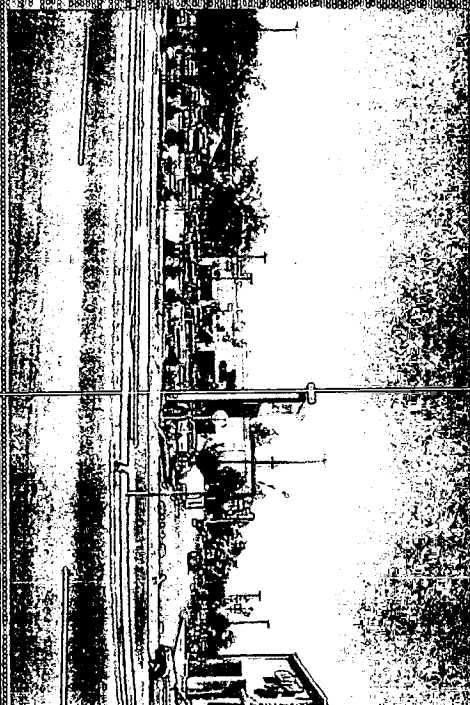
Focused Retail Attraction Program

Targets 19 Commercial Corridors

Joint Effort with the Downtown
Redevelopment staff

Host International Conference of
Shopping Center's (ICSC) Idea
Exchange in Sacramento

ICSC annual retail convention



ICSC.ORG

International Council of Shopping Centers

Marketing Materials

- SacSites
- New Website
- New Brochures
- One-Stop Checklist
- Retail Materials

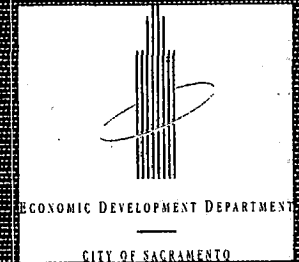
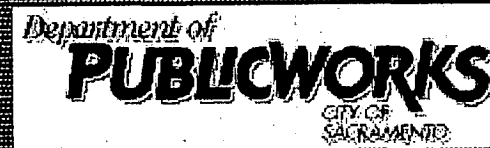


SACSITES

Red Team Approach

Selected individuals and other agencies that will enable the City to respond to needs of existing businesses in the City of Sacramento and will form an initial contact forum for a business proposing to locate in the City of Sacramento

Development Services



Workforce Investment



Utilities



Business Retention/Expansion

- Monthly Business Visitations
- "Businesses on the Boulevards"—introducing new businesses on the boulevards to Council on a quarterly basis.
- Targeted Commercial Corridor Focus
- Red Team Involvement

