

TO: Workforce Investment Board

DATE: 05/13/04

FROM: WIB Staff

For Action

For Information

For Discussion

SUBJECT: Economic Development Update

PROPOSED MOTION(S): Information Only

DISCUSSION: Report on regional strategic issues. The following items concerning economic development were identified by the panel on November 13, 2003, as areas the WIB can assist.

- **Change perception of who we are – praise what we do well**
- **Continue collaborative efforts and look for new partners**
- **Input from diverse areas to identify barriers and cooperatively solve issues**
- **Be hopeful**
- **Cooperative efforts to look at the job/housing balance and create business opportunities**
- **Develop skilled workforce**
- **Dispel the myth of workforce – high unemployment – it was noted there are no measures for underground workforce**

ATTACHMENT(S): Merced County Economic Development Report



Scope of Service Mission Objective:

MCEDCO shall primarily undertake regional lead generation and lead referral activities to supplement and assist the City of Merced achieve its economic development objectives. MCEDCO may participate, at the request of the Cities or County, with area specific projects or programs to advance or respond to economic development initiatives. The overall scope of services includes:

Business Contacts

Over the first three quarters of YR2003-04, MCEDCO has contacted or responded to fifty regional businesses, thirty-one firms located outside of the county, and interacted on thirty-six occasions with government, education and workforce agencies. MCEDCO has been involved with over eighty local organization meetings, such as WIB or the various Chambers of Commerce.

Business Outreach and Retention.

In part, the business contacts activity helps address retention and new project identification, but this activity has been augmented by such things as trade shows participation, usually with CCVEDC, or direct calls upon realtors, developers and site selection professionals, as undertaken in Phoenix in February.

Lead Referral, Lead Generation and Response

MCEDCO generated fifteen independent leads, twelve referrals from local business or government, sixteen CCVEDC referrals, and two from CalBIS during the first three quarters. Of note, CalBIS referrals have increased in the past month. MCEDCO is working on over fifty active project files, many of which are situated in Merced. Quarterly reports have been sent to all Board members and the MCEDCO Executive Committee.

Marketing Services

MCEDCO's external marketing is channeled through CCVEDC. Within the County, workshops, forums, and direct contact with investors and business decision makers reflect marketing activities.

Modifications to the website are underway, and anticipated to be completed in the next month. The web-based GIS property management system (Merced Prospector) will soon be operational.

The CCVEDC program received an "Award of Excellence" at the 2004 CALED conference. The program contacted almost 1,800 businesses, identified 214 leads, confirmed forty prospects and facilitated five site tours.

Unfortunately, the intended comprehensive regional strategy is constrained by limited finances. Although MCEDCO managed to secure a thirty percent increase in private funds in 2002-03, we lost \$22,500 in funding in YR2003-04. A renewed focus on membership and establishing a



tangible “ROI” is a top priority. MCEDCO continues to seek joint efforts and programs to extend the reach and effectiveness of public and private contributors.

Technical Assistance Services

MCEDCO customizes information packages for responses drawing information from a variety of sources. As leads are generated, input from each City is requested, with particular emphasis on potential sites.

Professional Development.

MCEDCO maintains memberships in the International Economic Development Council (IEDC), and CALED.

Information Forums

Over the course of the year MCEDCO has assisted with, amongst other events, Workforce 2020 and subsequent roundtables, the Manufacturers Summit in October, and an economic development panel presentation to the WIB in January. In November, MCEDCO convened, with the partnership of the City a Property and Real Estate Forum.

Business Advisory Council

MCEDCO’s membership campaign is in progress and will expand the potential Council. New relationships are continuing to develop, such as the area chambers of commerce.

Financial

Financial statements are included in the quarterly reports.