

## **Memorandum**

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**Date: August 3, 2015**

**To: Mendocino County Workforce Development Board**

**From: Debra Holmes, WIB Administrator**

**Subject: Sonoma Mendocino Economic Development Board Update**

### **REVISION**

On January 15, 2015 the US Economic Development Administration (EDA) amended its rules regarding economic development districts. The new rules required minor amendments to the previously approved Sonoma Mendocino Economic Development District Joint Powers Agreement (JPA) regarding board of director membership and meetings. The revisions included eliminating membership thresholds for the board of directors. In lieu of the former membership requirements, the EDA requires the District board be broadly representative of the principal economic interests of the region. In addition, the rules require the District board meet twice a year instead of annually (for detail, see attached red-line revised JPA). The JPA will guide the formation and provide governance for the District.

In June, 2015 the Sonoma County Board of Supervisors approved the revised JPA and in July 2015 the revision was approved by the Mendocino County Board of Supervisors.

### **BACKGROUND**

The EDA's economic development district program is a resource that complements existing federal programs to strategically direct regional efforts encouraging private and public investment, to retain and grow jobs and help alleviate economic disparity. If approved by the EDA, the District will seek opportunities for federal assistance to help pay the cost for economic development planning and administration. Both counties are currently working together on rural broadband planning, which is a strategic economic development goal of both counties. In addition, the District would provide a forum for intergovernmental cooperation to develop and align programs for future growth and development of the region.

The management of the District will be by a 9 member Board of Directors and each Boards of Supervisors will appoint 4 members to the Board.

### **NEXT STEPS**

Staff recommends that the Mendocino County Workforce Development Board (WDB) nominate members from the WDB to fill the seats for Mendocino County. This will provide integration and consistency, and ensure alignment with our workforce and economic development efforts.

Staff will work with the Mendocino Economic Development Financing Corporation to solicit potential District board members. Notices will be posted on the Workforce Investment Board's website and the Mendocino Economic Development Financing Corporation Board's website. Staff will present the recommendations for appointments to the Mendocino County Board of Supervisors in October 2015. Once formed, the eight appointed Board members will appoint the ninth member from private sector business.

The Board of Directors will have powers to adopt rules and policies for operations of the District, approve an annual budget and work program and hire staff. In addition, the Directors will oversee preparation of the District's Comprehensive Economic Development Strategy (CEDS) and must approve it prior to EDA review. With EDA funding a part-time staff person will be hired to manage District operations comprised primarily of seeking grants and preparing applications for projects of regional benefit.

Both counties have an EDA approved CEDS, therefore meeting the required minimum criteria for formation of the District. The District is required to have its own CEDS. The District CEDS will not replace the current county's CEDS but may be updated to include regional projects.

A request for proposal has been circulated for a consultant to prepare the District's CEDS, responses are due later than 2:00 p.m. on August 7, 2015. The County of Mendocino and the Sonoma County EDB have appropriations in the FY 14-15 and FY 15-16 budgets to fund preparation of the CEDS. Preparation of the CEDS will take approximately 9 months.