

# 12

## **SECTION – 12**

### **Economic Development**

## Economic Development

*Building On Our History - Creating The Place To Be.*

The role of the **Economic Development Department** is the advocate for the business community in the City of Sacramento. It markets, facilitates, and financially assists targeted private investment and development within the City of Sacramento, and seeks opportunities that will revitalize the Downtown and River District Project Areas.

Economic Development is focused on:

- Business recruitment, retention, and expansion;
- Small business outreach and certification;
- Revitalization of targeted commercial corridors;
- Economic development policy and legislation;
- Development opportunity project management;
- International trade investments;
- Revolving loan funds;
- Retail, entertainment, and cultural arts facilities;
- New commercial and office projects; and
- Public area beautification.

### APPROVED BUDGET/STAFFING CHANGES

The City reached agreements for labor concessions with SCXEA and Local 39. These agreements resulted in restoration of 1.0 FTE.

The Economic Development Department has been reduced by \$274,176 including the elimination of 2.0 filled FTE and the transfer of 1.0 vacant FTE to Public Works. The following outlines the changes to the Economic Development Department Budget as a result of budget reductions.

#### **Administration**

Reduction: Net General Fund savings of \$274,176, the elimination of 2.0 FTE, and the transfer of 1.0 FTE to Public Works.

Impact: The department will leverage the administrative structure of the Public Works Department by consolidating administrative support including financial, grant and contract management, and the department's personnel functions.

#### Operational

Adjustment: Public Works will perform the department's administrative services, including the financial, grant, and contract management. Tasks and coordination of the City's ESBD program will need to be reassigned to existing staff. This reassignment will reduce the department's ability to fully implement the economic development strategy.

**Department Budget Summary**

<b>Economic Development Budget Summary</b>	FY2010/11	FY2011/12		FY2012/13		Change More/(Less) FY12 Amended/ FY13 Amended
	Actuals	Approved	Amended	Approved	Amended	
<b>Budgeted Expenditures</b>						
Employee Services	2,087,868	1,669,147	1,669,147	1,393,234	1,391,183	(277,964)
Labor/Supply Offset	31,979	2,856	2,856	2,856	2,856	-
Operating Transfers	(496,553)	-	-	-	-	-
Other Services and Supplies	1,757,592	1,481,466	1,481,466	1,481,374	1,481,374	(92)
Property	44,493	2,000	2,000	2,000	2,000	-
<b>Total:</b>	<b>\$3,425,378</b>	<b>\$3,155,469</b>	<b>\$3,155,469</b>	<b>\$2,879,464</b>	<b>\$2,877,413</b>	<b>(\$278,056)</b>
<b>Funding Summary by Fund/Special District</b>						
Debt Service	42,210	-	-	-	-	-
General Fund	3,855,721	3,155,469	3,155,469	2,829,464	2,827,413	(328,056)
Other	(472,553)	-	-	-	-	-
Parking	-	-	-	50,000	50,000	50,000
<b>Total:</b>	<b>\$3,425,378</b>	<b>\$3,155,469</b>	<b>\$3,155,469</b>	<b>\$2,879,464</b>	<b>\$2,877,413</b>	<b>(\$278,056)</b>

**Division Budget Summary**

<b>Economic Development Division Budgets</b>	FY2010/11	FY2011/12		FY2012/13		Change More/(Less) FY12 Amended/ FY13 Amended
	Actuals	Approved	Amended	Approved	Amended	
Administration	(384,789)	75,701	75,700	221,683	220,717	145,017
Citywide Development	2,733,279	2,293,930	2,293,930	2,043,869	1,965,281	(328,649)
Downtown Development	1,076,889	785,839	785,839	613,912	691,415	(94,424)
<b>Total:</b>	<b>\$3,425,378</b>	<b>\$3,155,469</b>	<b>\$3,155,469</b>	<b>\$2,879,464</b>	<b>\$2,877,413</b>	<b>(\$278,056)</b>

**Staffing Levels**

<b>Economic Development Division FTEs</b>	FY2010/11	FY2011/12		FY2012/13		Change More/(Less) FY12 Amended/ FY13 Amended
	Actuals	Approved	Amended	Approved	Amended	
Administration	1.00	1.00	1.00	2.00	2.00	1.00
Citywide Development	11.00	8.00	8.00	5.00	5.00	(3.00)
Downtown Development	6.00	5.00	5.00	4.00	4.00	(1.00)
<b>Total:</b>	<b>18.00</b>	<b>14.00</b>	<b>14.00</b>	<b>11.00</b>	<b>11.00</b>	<b>(3.00)</b>