

ECONOMIC DEVELOPMENT

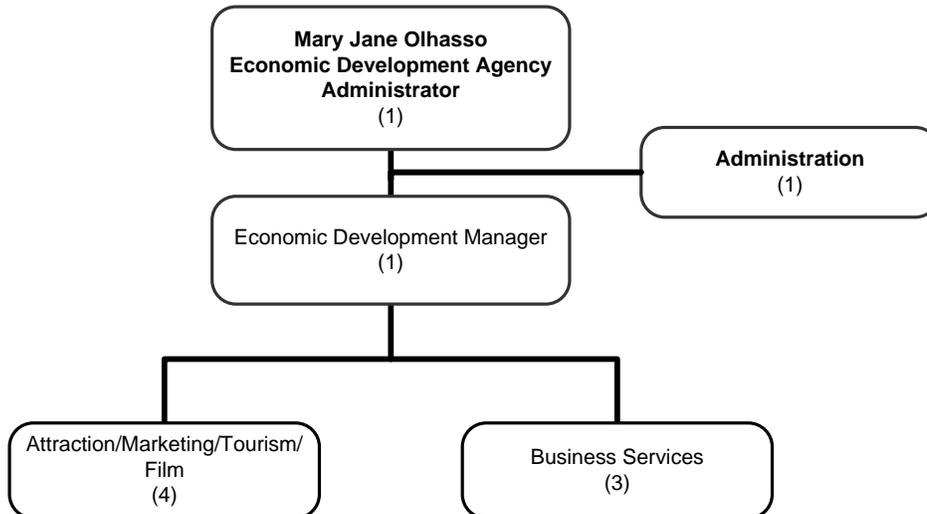
Mary Jane Olhasso

DEPARTMENT MISSION STATEMENT

The Department of Economic Development fosters sustainable economic growth opportunities for job creation and revenue enhancement through comprehensive business expansion, attraction, and retention programs and services. The Department creates strategic partnerships with public and private entities to enhance global competitiveness and entrepreneurial development.



ORGANIZATIONAL CHART



2016-17 SUMMARY OF BUDGET UNITS

	2016-17					
	Requirements	Sources	Net County Cost	Use of / (Contribution to) Fund Balance	Use of / (Contribution to) Net Position	Staffing
General Fund						
Economic Development	3,535,436	220,000	3,315,436			10
Total General Fund	3,535,436	220,000	3,315,436	0	0	10



2015-16 MAJOR ACCOMPLISHMENTS

- Business Attraction and Expansion
 - Provided over 1,000 direct services to businesses and organizations located in or interested in San Bernardino County.
 - Launched a focused manufacturing industry sector campaign with outreach to over 900 businesses via phone, email and postcard mailings.
 - Participated in more than 20 corporate real estate and key industry events, including presentations to major brokerage firms to share information on incentives, various County departments' areas of expertise, and primary county department contacts for site selection and expansion assistance.
 - Generated over \$8.1 million in local sales and use tax over the last two fiscal years.

- Workforce and Education Initiatives
 - Collaborated with the International Facilities Management Association (IFMA) Foundation, Chaffey Community College District, California Community College Centers of Excellence, and the San Bernardino County Superintendent of Schools' representatives to launch the integration of courses into Chaffey's business administration program for IFMA recognized certification requirements. The IFMA Foundation expects a shortage of Facilities Managers over the next three to five years. The goal of the IFMA training is to provide a career pathway to local residents from entry-level technical training to a baccalaureate.
 - Partnered with the San Bernardino County Superintendent of Schools' Alliance for Education programs to support the cradle-to-career initiative of the Countywide Vision.
 - Provided data support services to the San Bernardino County Superintendent of Schools' Alliance for Education, resulting in grant awards to County Schools in excess of \$1.2 million.
 - Provided in-kind services and public relations support for the Industrial Technical Learning Center training facility in Fontana in cooperation with Chaffey Community College District.

- International Trade and Foreign Direct Investment
 - Executed a strategic international trade and foreign direct investment program with the overarching goal of positioning the County as a globally-oriented and competitive location for international business. Tactics include:
 - Led and coordinated an export education webinar, "Local to Global – Doing Business in China" to educate businesses in San Bernardino County about the China marketplace.
 - Interviewed more than 60 businesses, including follow-up through phone calls and emails, to explore and discuss the benefits of investment, trade and exporting in global markets; including the distribution of interest surveys to participate in trade missions abroad.
 - Exhibited and participated in at least six foreign investment business summits in the U.S. and China resulting in major marketing exposure for the County as a globally competitive location for foreign investment.
 - Promoted and showcased the County in 5 different provinces of China through collaboration with the U.S. Department of Commerce SelectUSA Roadshow programs.

- Other Marketing
 - Absorbed the San Bernardino County Film Office as an additional unit of the Economic Development Department and recognition of the Film Office as a Regional Partner of the California Film Commission.
 - Produced the State of the County business forum, featuring the regional collaborative marketing and outreach efforts by the County and its local partners to an audience of over 1,100 business and community leaders.

- Tourism
 - Expanded the California Outdoor Playground branding campaign to include:
 - Prime-time television advertising on channel 4 NBC featuring Wrightwood and Joshua Tree with total impressions of 1.1 million and 214 Facebook shares.



- Advertising space on Pandora radio for a total of 1.6 million impressions.
- Print advertising in Automobile Club (AAA) *Westways Magazine* – circulation 4.2 million.
- On-line advertising with *Weekend Sherpa* highlighting Wrightwood, Joshua Tree, Mountains, and Route 66 to a subscribers base of 2,600.
- Hosted the San Bernardino County sponsored Tourism Summit for 50 attendees focusing on strategies to promote tourism in Joshua Tree.

DEPARTMENT PERFORMANCE MEASURES

COUNTY GOAL: CREATE, MAINTAIN AND GROW JOBS AND ECONOMIC VALUE IN THE COUNTY		Measure	2014-15 Actual	2015-16 Target	2015-16 Est.	2016-17 Target
OBJECTIVE	Continue business retention and expansion programs while implementing office and industrial attraction strategies for companies providing high-paying jobs.	Number of jobs resulting from County Economic Development attraction and expansion efforts.	2,148	1,650	3,680	1,800
OBJECTIVE	Utilize County programs and resources to support the local economy, maximize job creation and promote tourism.					
STRATEGY	The department invests in marketing its services to generate private investment and foster job growth, in part by developing strong local, regional, national and international business relationships.					
COUNTY GOAL: CREATE, MAINTAIN AND GROW JOBS AND ECONOMIC VALUE IN THE COUNTY		Measure	2014-15 Actual	2015-16 Target	2015-16 Est.	2016-17 Target
OBJECTIVE	Continue business retention and expansion programs while implementing office and industrial attraction strategies for companies providing high-paying jobs.	Number of business contacts reached through County Economic Development efforts.	2,483	2,000	2,000	2,000
OBJECTIVE	Utilize County programs and resources to support the local economy, maximize job creation and promote tourism.					
STRATEGY	The department's attraction efforts are to increase awareness of countywide programs and opportunities in order to meet the needs of clients.					
COUNTY GOAL: CREATE, MAINTAIN AND GROW JOBS AND ECONOMIC VALUE IN THE COUNTY		Measure	2014-15 Actual	2015-16 Target	2015-16 Est.	2016-17 Target
OBJECTIVE	Continue business retention and expansion programs while implementing office and industrial attraction strategies for companies providing high-paying jobs.	Number of assists, such as research, demographic and site information and site tours by County Economic Development staff.	1,413	1,000	1,000	1,000
OBJECTIVE	Utilize County programs and resources to support the local economy, maximize job creation and promote tourism.					
STRATEGY	The department supports the brokerage community and County entities by providing research, demographic and site information and coordinating tours.					
COUNTY GOAL: CREATE, MAINTAIN AND GROW JOBS AND ECONOMIC VALUE IN THE COUNTY		Measure	2014-15 Actual	2015-16 Target	2015-16 Est.	2016-17 Target
OBJECTIVE	Utilize County programs and resources to support the local economy, maximize job creation and promote tourism.	Percentage change in market awareness of County tourism and desination	3.50%	3%	3%	3%
STRATEGY	The department engages in a strategic tourism marketing program that incorporates branding and advertising to increase awareness of the County as a tourism destination.					



Economic Development

DESCRIPTION OF MAJOR SERVICES

The Department of Economic Development’s (ED) major goals are to 1) foster job creation, 2) increase private investment and 3) enhance County revenues through strategically executed countywide economic development efforts. The primary focus of the department is to maximize the standard of living for the County’s residents, provide economic opportunities for the County’s businesses, foster a competitive business-friendly environment and position the County as a highly-competitive region for business opportunities. The department emphasizes working with industry sectors of high-growth potential which can offer high-skilled, high-paying jobs. The department also executes a comprehensive media/marketing strategy to raise awareness and showcase the County and its assets.

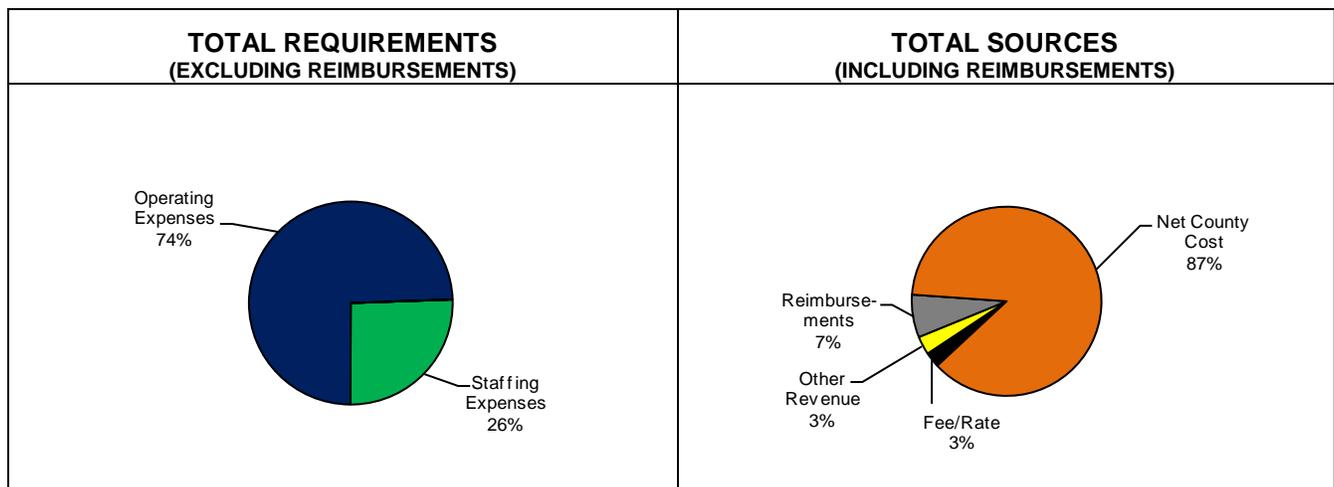
Budget at a Glance	
Total Requirements (Excl. Reimb.)	\$3,814,018
Total Sources (Incl. Reimb.)	\$498,582
Net County Cost	\$3,315,436
Total Staff	10
Funded by Net County Cost	87%

The department spearheads initiatives for local, national and international impact by forming internal and external strategic partnerships with key public and private sector organizations. These organizations include, but are not limited to: local, state and federal agencies, non-profit development corporations, developers, brokers, site selectors, corporate real estate executives and tenant representatives.

The department creates and develops the necessary support structures to foster a positive, creative and expanding business climate by offering a wide array of economic development programs and services; including, but not limited to, the following:

- Site Selection Assistance
- Market Analysis and Demographics
- Permitting Assistance, including Film Permits
- Incentive Programs
- Small Business Assistance and Technical Support
- Technical Assistance – for County cities, County departments, and economic development stakeholders
- Marketing Support – for County cities and regional economic development stakeholders
- Tourism Attraction – create campaigns for regional economic impact
- International Trade and Investment Consulting

2016-17 RECOMMENDED BUDGET



ANALYSIS OF 2016-17 RECOMMENDED BUDGET

GROUP: Economic Development
DEPARTMENT: Economic Development
FUND: General

BUDGET UNIT: AAA EDF
FUNCTION: Public Assistance
ACTIVITY: Other Assistance

	2012-13	2013-14	2014-15	(A) 2015-16	2015-16	(B) 2016-17	(B-A) Change From Prior Year Modified Budget
	Actual	Actual	Actual	Modified Budget	Estimate	Recommended Budget	
Requirements							
Staffing Expenses	1,597,262	1,582,904	1,221,575	1,038,481	762,077	977,618	(60,863)
Operating Expenses	1,709,465	1,822,709	1,995,604	2,819,772	2,139,765	2,836,400	16,628
Capital Expenditures	0	0	0	0	0	0	0
Total Exp Authority	3,306,727	3,405,613	3,217,179	3,858,253	2,901,842	3,814,018	(44,235)
Reimbursements	(917,374)	(873,311)	(466,765)	(336,290)	(92,785)	(278,582)	57,708
Total Appropriation	2,389,353	2,532,302	2,750,414	3,521,963	2,809,057	3,535,436	13,473
Operating Transfers Out	0	0	0	0	0	0	0
Total Requirements	2,389,353	2,532,302	2,750,414	3,521,963	2,809,057	3,535,436	13,473
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State/Fed/Other Government	0	0	13,500	0	0	0	0
Fee/Rate	37,663	35,687	149,509	30,000	32,927	100,000	70,000
Other Revenue	165,307	150,000	158,806	125,000	170,000	120,000	(5,000)
Total Revenue	202,970	185,687	321,815	155,000	202,927	220,000	65,000
Operating Transfers In	0	0	0	0	0	0	0
Total Financing Sources	202,970	185,687	321,815	155,000	202,927	220,000	65,000
Net County Cost	2,186,383	2,346,615	2,428,599	3,366,963	2,606,130	3,315,436	(51,527)
Budgeted Staffing*	15	13	10	12	12	10	(2)

*Data represents modified budgeted staffing

MAJOR REQUIREMENTS AND SOURCES IN 2016-17 RECOMMENDED BUDGET

Operating Expenses of \$2.8 million include costs of various Economic Development programs (business attraction, retention and expansion, promotion of County assets to corporate real estate and site selection decision makers, media/marketing ads, campaigns and programming, public relations – including PR support for local businesses, tourism campaigns, execution of the international trade and investment strategy, and technical support of cradle-to-career education initiatives), travel, and internal transfers out (County Counsel charges, Facilities, etc.).

Sources of \$278,582 represent the cost allocation to other Agency departments for Economic Development Agency staff.

Departmental revenue of \$220,000 represents registration fees and sponsorships for the State of the County event planned for the spring of 2017 and film permit fees to recover administrative costs related to processing permits.

BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are increasing by \$13,473 due to a decrease in Reimbursements from the Workforce Development Department and Community Development and Housing for payroll services that will not be provided in 2016-17. Sources are increasing by \$65,000 due to an increase in projected film permit fee revenue.



2016-17 POSITION SUMMARY*

Division	2015-16				2016-17		Limited	Regular
	Modified Staffing	Adds	Deletes	Re-Orgs	Recommended			
Economic Development	12	2	-4	0	10	3	7	
Total	12	2	-4	0	10	3	7	

*Detailed classification listing available in Appendix D.

STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing expenses of \$977,618 fund 10 budgeted positions of which seven are regular positions and three are limited term positions. The net decrease of two positions primarily includes the deletion of four vacant positions to better align the positions and functions within the department. The changes included are as follows:

Additions

- 2 Public Service Employees

Deletions

- 1 Staff Analyst II
- 1 Payroll Specialist
- 1 ECD Technician
- 1 Deputy Director

