

*"Placerville, a unique historical past forging into a golden future."*

**City Manager's Report**  
**July 14, 2015 City Council Meeting**  
**Prepared by: Cleve Morris, City Manager**  
**Item #: 12.1**



**Subject:** Consider Request to Join Greater Sacramento Area Economic Council

**Discussion:** The attached letter and agreement were received from Barry Broome, President and CEO of the Greater Sacramento Area Economic Council (Greater Sacramento). The agreement outlines the purpose and responsibility of Greater Sacramento. Their mission statement is as follows:

*"Greater Sacramento is an economic development organization working through a public-private partnership of local businesses and governments to retain, attract, grow and create sustainable businesses in the six-county Sacramento Region, including El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba Counties and the 23 cities therein."*

The responsibilities of the City are spelled out on Pages 2-3 of the agreement. These responsibilities include commitment of staff to various meetings and activities of Greater Sacramento. In addition, Paragraph B of this section states:

*"The Public Jurisdiction agrees to recognize Greater Sacramento as the Public Jurisdiction's officially designated regional economic development organization."*

This raises a question as to the relationship between City and SEDCorp. The City currently pays dues and is a participating member of SEDCorp as an Economic Development organization. Does this agreement prevent us from participating in SEDCorp?

Section III of the agreement outlines the Board Membership for Greater Sacramento. The City would appoint either the Mayor or the City Manager as the Board Member and commit to attending those meetings. In addition, the City agrees to have its Lead Economic Development Staff Member sign on to a Protocol agreement for an Economic Development Directors Taskforce (EDDT), which would be additional meetings and responsibilities for staff.

To participate in the Greater Sacramento Area Economic Council, the City would contribute dues equal to \$.40 per capita, or \$4,210 per year.

On June 5, 2015, we responded to the request from Greater Sacramento with the attached letter directed to Mr. Broome. The letter explains that although we appreciate what is being done, it seems to be geared more toward larger cities that have room for big development. It does not seem to address the needs or character of the City of Placerville.

**Options:**

1. Approve the agreement and authorize the City Manager to sign.
2. Request that staff return with further information regarding the organization.
3. Direct staff to inform Greater Sacramento that we will not be joining the organization at this time.

**Cost:** As explained above, if the Council wants to join the organization, the cost is \$.40 per capita per year, or \$4,210.

**Budget Impact:** This cost was not anticipated in the 2015–2016 Fiscal Year budget; therefore, a budget amendment would be required.

**Recommendation:** Direct staff to inform Greater Sacramento Area Economic Council that the City of Placerville will not be joining the organization at this time.



M. Cleve Morris, City Manager

*Attachments:*

- *Greater Sacramento Area Economic Council Letter and Agreement*
- *Letter from City of Placerville to Greater Sacramento Area Economic Council*



## Greater Sacramento

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May 13, 2015

Mr. M. Cleve Morris  
City Manager  
City of Placerville  
3101 Center Street  
Placerville, CA 95667

Dear Mr. Morris,

In my new role as President & CEO of the Greater Sacramento Area Economic Council (“Greater Sacramento”), my first three months have been focused on building a sustainable foundation for the organization both operationally and financially.

I am pleased to report that we have commitments from 21 private sector CEOs so far, each committing \$100,000 annually to Greater Sacramento. These leading employers are dedicating unprecedented time, energy, and financial support on behalf of this region. But for us to transform this region and reach our full potential, it will require collaboration between the public and private sectors beyond what we have seen in the past.

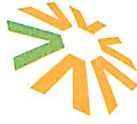
The communities are at the heart of our mission, and we ask for your support and partnership as we build our assets and competitive position, market our value proposition, and create a reputation as the best and easiest market to do business in California and beyond. We have 15 communities committed so far, and we hope that you will join us.

Greater Sacramento is here to be a resource for you – to provide the information, tools, and platform for you to be successful. Public jurisdictions will be assessed at \$0.40 per capita, equal to \$4,210 for the City of Placerville. In return for your investment, the enclosed contract lays out Greater Sacramento’s reporting and deliverables to you. Also, the City of Placerville will have a seat on our Board of Directors to be filled by the current City Manager or Mayor. This contract is to be executed by the City Manager.

Additionally, Mather Kearney, Economic Development Coordinator from SMUD, is developing an Economic Development Directors Taskforce (EDDT), chaired by Sacramento County’s Community Development Director Lori Moss, to establish best practices for collaboration between the communities on business attraction, retention, and expansion projects. The outcome of initial discussions is the enclosed Protocol Agreement, to be executed by each community’s lead economic development staff member. Our next EDDT meeting will be 9:30-11:30 a.m. on May 29,

**GREATER SACRAMENTO AREA ECONOMIC COUNCIL**

400 Capitol Mall, Suite 2500, Sacramento, CA 95814 | 916.441.2144 **PHONE** | 916.441.2312 **FAX** | [greater-sacramento.com](http://greater-sacramento.com)



## Greater Sacramento

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where we will be discussing marketing and business development strategies. Mather will follow up with additional information.

This is a great opportunity for your community, and we hope you will consider investing in our efforts and executing the enclosed agreement. We would also appreciate your economic development staff entering into the Protocol Agreement and participating on the EDDT. Your community's input and support would be extremely impactful to guide this regional effort.

If you would like me to address you and other community representatives to present additional information on our efforts, please reach out to Vanessa Young at [vyoung@greater-sacramento.com](mailto:vyoung@greater-sacramento.com) or 916/441-2144.

Sincerely,



Barry Broome  
President & CEO



Roger Niello  
Chair of Public Membership

Enclosures:    Economic Development Agreement (to be executed by the City Manager)  
                     Protocol Agreement (to be executed by Lead Economic Development Staff)  
                     Economic Development Directors Taskforce (EDDT) Information

**ECONOMIC DEVELOPMENT AGREEMENT BETWEEN  
THE GREATER SACRAMENTO AREA ECONOMIC COUNCIL  
AND THE CITY OF PLACERVILLE**

This Economic Development Agreement ("Agreement") is entered into by and between the City Council of the City of Placerville, a California municipality (the "Public Jurisdiction"), and the Greater Sacramento Area Economic Council ("Greater Sacramento"), a California non-profit corporation. (Each a "Party" and collectively referred to as "the Parties"). The Agreement shall be effective ("Effective Date") upon signature of both Parties.

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, the Public Jurisdiction and Greater Sacramento agree as follows:

**I. RESPONSIBILITIES OF GREATER SACRAMENTO**

**A. MISSION:** Greater Sacramento is an economic development organization working through a public-private partnership of local businesses and governments to retain, attract, grow, and create sustainable businesses in the six-county Sacramento Region, including El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba Counties and the 23 cities therein.

**B. GOALS:** Greater Sacramento is guided by and strategically focused on the following specific long-range goals:

1. Develop and utilize in-depth data and analytics to guide strategic economic development efforts and improve the region's competitive position.
2. Strategically market the region to generate qualified company prospects in targeted economic clusters.
3. Leverage public and private partners and resources to locate qualified prospects.

**C. RETENTION AND EXPANSION POLICY:**

1. Greater Sacramento's primary role is developing the Sacramento Region's market intelligence strategy for high-wage, base industry clusters in coordination with representatives of local communities.
2. Both Parties understand that retention and expansion of existing businesses within communities is primarily a local issue, but Greater Sacramento will confidentially assist local leaders on these projects.
3. Greater Sacramento will support communities' efforts to retain and expand existing businesses through coordinating regional support and providing research on key retention and expansion projects, as requested by the local community.
4. Greater Sacramento will advise communities when an existing company contacts Greater Sacramento regarding a retention or expansion issue, subject to any legal and/or contractual non-disclosure obligations.

formats, exchange of information on prospects with Greater Sacramento staff, use of shared data systems, land and building databases, and private sector real estate industry interfaces.

5. The Public Jurisdiction shall use its best efforts to respond to special requests by Greater Sacramento for specific information about the Public Jurisdiction within the time frame specified in such request.
6. In order to enable Greater Sacramento to be more sensitive and responsive to the Public Jurisdiction's requirements, the Public Jurisdiction shall, at its sole option, deliver to Greater Sacramento copies of any economic development strategies approved by the Public Jurisdiction, work plans, programs, and evaluation criteria. Greater Sacramento shall not disclose the information to outside parties.
7. The Public Jurisdiction shall use its best efforts to cause an economic development professional representing the Public Jurisdiction to attend all marketing events and other functions to which the Public Jurisdiction has committed itself.
8. The Public Jurisdiction agrees to work with Greater Sacramento to improve the Public Jurisdiction's competitiveness and market readiness to support the growth and expansion of targeted industries.

**B. RECOGNITION OF GREATER SACRAMENTO:** The Public Jurisdiction agrees to recognize Greater Sacramento as the Public Jurisdiction's officially designated regional economic development organization.

### **III. ADDITIONAL AGREEMENTS OF THE PARTIES:**

**A. BOARD OF DIRECTORS REPRESENTATION:** The Public Jurisdiction shall be entitled to appoint one (1) Director to Greater Sacramento's Board of Directors, and the appointee shall be the current City Manager or Mayor. Any such Director will be qualified to serve on the Board only if the Public Jurisdiction appointing such Director remains current on its annual contribution at an amount equal to or greater than its full formula allocation as determined from time to time by the Board of Directors and laid out in this contract in Section III.E.1., and as long as the Public Jurisdiction makes a long-term commitment to assist and carry out the mission and purpose of Greater Sacramento and fulfills the additional requirements as set forth in this Agreement.

**B. ECONOMIC DEVELOPMENT DIRECTORS TASKFORCE (EDDT) REPRESENTATION:** The Public Jurisdiction shall also appoint one (1) economic development professional from its staff, local economic development partner organization, or other qualified community member, subject to the approval of Greater Sacramento, to represent the Public Jurisdiction on Greater Sacramento's Economic Development Directors Taskforce (EDDT), which advises Greater Sacramento's President & CEO.

**C. PARTICIPATION IN MARKETING EVENTS:** Representative(s) of the Public Jurisdiction shall be entitled to participate in Greater Sacramento's marketing events provided that such participation shall not be at Greater Sacramento's expense.

#### IV. GENERAL PROVISIONS

- A. **INDEMNIFICATION AND HOLD HARMLESS:** During the term of this Agreement, Greater Sacramento shall indemnify, defend, hold, protect, and save harmless the Public Jurisdiction and any and all of its elected officials, officers, and employees from and against any and all actions, suits, proceedings, claims and demands, loss, liens, costs, expense, and liability of any kind and nature whatsoever, for injury to or death of persons, or damage to property, including property owned by Public Jurisdiction brought, made, filed against, imposed upon, or sustained by the Public Jurisdiction, its officers, or employees in and arising from or attributable to or caused directly or indirectly by the negligence, wrongful acts, omissions, or from operations conducted by Greater Sacramento, its directors, officers, agents, or employees acting on behalf of Greater Sacramento and with Greater Sacramento's knowledge and consent.

Any party entitled to indemnity shall notify Greater Sacramento in writing of the existence of any claim, demand, or other matter to which Greater Sacramento's indemnification obligations would apply, and shall give to Greater Sacramento a reasonable opportunity to defend the same at its own expense and with counsel reasonably satisfactory to the indemnified party.

Nothing in this Subsection A shall be deemed to provide indemnification to any indemnified party with respect to any liabilities arising from the fraud, negligence, omissions, or willful misconduct of such indemnified party.

- B. **INSURANCE:** Greater Sacramento shall procure and maintain for the duration of this Agreement, at Greater Sacramento's own cost and expense, insurance against claims for injuries to persons or damages to property which may arise from or in connection with this Agreement by Greater Sacramento, its agents, representatives, employees, or contractors.
- C. **EQUAL EMPLOYMENT OPPORTUNITY:** During the performance of this Agreement, Greater Sacramento will not discriminate against any employee or applicant for employment because of race, color, religion, gender, sexual orientation, national origin, age, or disability. Greater Sacramento shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, gender, sexual orientation, national origin, age, or disability. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Greater Sacramento agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- D. **NONLIABILITY OF OFFICIALS AND EMPLOYEES:** No member, official, or employee of the Public Jurisdiction will be personally liable to Greater Sacramento, or any successor in interest, in the event of any default or breach by the Public Jurisdiction or for any amount which may become due to Greater Sacramento or successor, or on any obligation under the terms of this Agreement. No member, official, or employee of Greater Sacramento will be personally liable to the Public Jurisdiction, or any successor in interest, in the event of any default or breach by the Greater Sacramento or for any amount which

1. Each Party has full power, authority, and right to perform its obligations under the Agreement.
  2. This Agreement is a legal, valid, and binding obligation of each Party, enforceable against it in accordance with its terms (except as may be limited by bankruptcy, insolvency, moratorium, or similar laws affecting creditors' rights generally and equitable remedies).
  3. Entering into this Agreement will not violate the charter or bylaws of either Party or any material contract to which that Party is also a party.
- H. MODIFICATIONS:** No amendment, change, or modification of this Agreement shall be valid unless in writing and signed by both Parties.
- I. ASSIGNMENT:** This Agreement and the services contemplated hereunder are personal to Greater Sacramento and the Public Jurisdiction and neither Party shall have the right or ability to assign, transfer, or subcontract any rights or obligations under this Agreement without the advanced written consent of the other Party. This Agreement will be binding upon and inure to the benefit of the parties hereto, their successors, and assigns.
- J. GOVERNING LAW:** This Agreement shall be governed by the laws of the State of California.
- K. COUNTERPARTS/ELECTRONIC SIGNATURES:** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. For purposes of this Agreement, use of a facsimile, e-mail, or other electronic medium shall have the same force and effect as an original signature.
- L. SEVERABILITY:** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal, or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed, and enforced in such jurisdiction as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- M. ENTIRE AGREEMENT, WAIVERS, AND AMENDMENTS:** This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Public Jurisdiction or Greater Sacramento, and all amendments hereto must be in writing and signed by the appropriate authorities of the parties hereto.



# Greater Sacramento

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## Regional Cooperation Protocol Policy Greater Sacramento Area Economic Council and Economic Development Directors Taskforce

The foundation of this policy is built on trust and the spirit of regional cooperation among the entities involved. Greater Sacramento and the Economic Development Directors of its member communities agree and acknowledge that it is imperative that they work together as partners on projects involving the communities which Greater Sacramento represents, regardless of the source of the lead, as follows:

1. Demonstrate a commitment to the positive promotion of the 6-county Sacramento Region, as a globally competitive region.
2. Maintain the highest standards of economic development prospect handling, including confidentiality, without jeopardizing a prospect's trust to secure the probability of a successful regional location. Partners agree to respect the prospect's request for confidentiality but also agree to notify each other as to the existence of a project with a confidentiality requirement when able and shall make a good-faith effort to involve the appropriate state, regional, or local partners at the earliest possible time.
3. Unless otherwise restricted, agree to coordinate through Greater Sacramento for any prospect considering a project in the six-county Sacramento Region, or in any of the communities that Greater Sacramento represents, understanding that Greater Sacramento is in a unique position to represent and speak on regional economic development issues and on characteristics of the region's economy. Likewise, Greater Sacramento acknowledges that communities are in the best position to speak about local incentives and efforts surrounding the local economy.
4. For projects that originate with a Greater Sacramento member community, Greater Sacramento will be available for confidential research access, topical expertise, or as a service provider to add value to the community in securing the project. Additionally, Greater Sacramento will not publically release information about the project unless the community lead makes such a request to do so.
5. Provide accurate and timely information in response to specific requests by all prospects. When a client has narrowed sites to specific Greater Sacramento member communities, Greater Sacramento will make a good-faith effort to inform those affected EDDT members first. EDDT members agree to provide information solely on their own community when the information requested is site-specific (i.e., cost of land, taxes, development fees, utility availability and cost, zoning process timing, permit timing, and local incentives).
6. When site-specific information related to other Greater Sacramento communities is requested, EDDT members agree to (i) direct Greater Sacramento prospects back to Greater Sacramento or (ii) direct non-Greater Sacramento generated prospects to contact the affected communities directly, and as a courtesy, contact the affected communities.
7. Agree that regardless of the lead source, public attraction, retention, or expansion location announcements shall be coordinated among the company, Greater Sacramento member

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## Greater Sacramento

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### Economic Development Director Taskforce

The Economic Development Director Taskforce is the lead group for business attraction and expansion within the 6 county Sacramento Region. It is responsible for the development of the multiple facets of the site selection process and to ensure that we present a unified, consistent and professional product; a 'single voice'. A majority of site 'leads' come through site selection consultants. Their process of gathering pertinent data about a community ranging from available real estate, workforce, and demographics is the process by which communities are short listed for prospective new business.

The need for a responsive and detailed presentation to a company is mandatory to stay competitive with other regions and states and to ensure regional success. Consultants are in the business of eliminating options and locations, and this taskforce is responsible for the development of the processes and plans to become and remain competitive. Items which will be developed are:

- The interaction and process of lead distribution and response
- A consistent regional marketing plan
- Communication policy with internal and external parties
- Analytics and targets
- Industry strategies
- Permitting and development timeframes

The taskforce will meet weekly for 2 hours every Friday from 9:30-11:30 at the Greater Sacramento offices. The taskforce will be led by Lori Moss from Sacramento County and Mather Kearney from SMUD. Mather is currently on loan to Greater Sacramento for 3 months to develop and implement the actions from the taskforce.

Please email Mather at [mkearney@greater-sacramento.com](mailto:mkearney@greater-sacramento.com) the contact information who you would like to participate on the taskforce.

#### GREATER SACRAMENTO AREA ECONOMIC COUNCIL



## City of Placerville

3101 Center Street  
Placerville, California 95667  
(530) 621-CITY, Fax: (530) 642-5538

June 5, 2015

Barry Broome  
President & CEO  
Greater Sacramento Area Economic Council  
400 Capitol Mall, Suite 2500  
Sacramento, CA 95814

Dear Mr. Broome,

Thank you for your letter of May 13, 2015 regarding the City of Placerville's participation in the Greater Sacramento Area Economic Council. I have reviewed the letter and the agreement.

The City of Placerville established Placerville Economic Advisory Committee (PEAC) in August of 2013. Since then the Committee has worked on various processes to identify what type of Economic Development the City should be looking at. In 2014, the City adopted an Economic Development Strategy and the Committee is currently working on implementing that Strategy. For years we have not had a specific strategy or direction related to economic development.

The City of Placerville is a small City of approximately 10,000 population. We are the County seat and also home to Marshall Medical Center. Our daytime population probably grows to over 20,000. The topography of Placerville is somewhat unique in that we do not have a lot of open space for development. Properties that are available for development usually have slope issues or other obstacles that require specific attention. The City is primarily known for its history and tourism.

You may already know much of this information. However, I felt it was a good introduction to our position on your proposal. The City currently is an active participant in the Sierra Economic Development Corporation (SEDCorp) and we work closely with them on various projects and business training. SEDCorp works with rural counties and small cities in the foothills to meet their specific economic development needs.

Economic development has been a priority for the City for the last four years. We continue to focus on the Economic Development Strategy we have developed and are always looking for opportunities to further our efforts. My concern with the Greater Sacramento Area Economic Council is whether or not it has the ability to cater to what I see as unique needs of the City of Placerville. The proposal seems to be geared toward the needs of larger cities that have available open space for larger development. In these days of extremely tight budgets, it is difficult for me

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to recommend even a small contribution without specific evidence of a good return on investment. With that said, I will be taking the proposed agreement to my City Council for consideration on June 23, 2015. At this point, without further information, I would not be able to recommend approval to my Council.

Please feel free to contact me to discuss further if you would like. You are also welcome to attend the City Council meeting on the 23<sup>rd</sup> to address the Council. Our meeting starts at 6:00 and is held at Town Hall, 549 Main Street in Placerville. I wish you the best and if we join, I look forward to participating.

Sincerely,

A handwritten signature in black ink that reads "M. Cleve Morris". The signature is written in a cursive style with a large, stylized "M" and "C".

M. Cleve Morris  
City Manager