



COUNTY OF HUMBOLDT

For the meeting of: 12/10/2024

File #: 24-1582

To: Board of Supervisors

From: County Administrative Office

Agenda Section: Consent

Vote Requirement: 4/5th

SUBJECT:

Award of the Request for Proposal (RFP) #EDD-2024-01 for the Provision of a Comprehensive Economic Development Strategies (CEDS) and Supplemental Budget in Economic Development Budget 1120-275 in the Amount of \$68,000 (4/5 Vote Required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Award RFP #EDD-2024-01 for the Provision of a Comprehensive Economic Development Strategies (CEDS) to Thomas P. Miller & Associates; and
2. Authorize the County Administrative Officer (CAO) to execute the attached agreement after review and approval by County Counsel and Risk Management; and
3. Authorize the CAO to execute any ancillary documentation, modifications, and amendments related to this agreement, the project or the scope of services therein, subject to review and approval by County Counsel and Risk Management; and
4. Approve the supplemental budget in Economic Development budget 1120-275 in the Amount of \$68,000 (4/5 Vote Required).

STRATEGIC PLAN:

This action supports the following areas of your Board's Strategic Plan.

Area of Focus: A Diverse, Equitable & Robust Economy

Strategic Plan Category: 2001 - Promote strong economic resiliency and growth

DISCUSSION:

A Comprehensive Economic Development Strategy, or CEDS, is a plan that helps guide local economic development efforts. It is also required for a region to be eligible for certain federal funds. Goals in writing a CEDS include deciding on and prioritizing economic development initiatives and helping to plan for a vibrant and resilient economy. The CEDS document is typically updated every five years.

In 2018, the CEDS focused on several "industry clusters." Industry clusters are related by industry, geography, shared workforce needs, transportation issues, or other factors. Certain clusters, named the "Targets of Opportunity" gained attention because they each fit a number of criteria including providing good jobs, sending exports outside the region, and producing growth over time. The Targets of Opportunity during that time were:

1. Diversified Health Care
2. Specialty Food, Flowers & Beverages
3. Building & Systems Construction

- 4. Investment Support Services
- 5. Management & Innovation Services
- 6. Niche Manufacturing

In addition to the six industries above, two additional industries that did not fit all of the criteria were selected for additional focus: Tourism and Forest Products.

There has been a need to update Humboldt County’s CEDS to revisit the economic development goals for target industry clusters, key industry sectors with a potential for high growth and job creation. The CEDS will consolidate essential data, insight and strategies into a unified plan for sustainable, equitable and resilient economic development. The CEDS document is also crucial to securing funding from the Economic Development Administration (EDA) and other federal agencies for local projects.

In August of 2022 staff began conducting community meetings with Illuminated Marketing in Garberville, McKinleyville, Trinidad, Fortuna, Willow Creek, Hoopa, Arcata, and Eureka to capture input from industry and civic leaders and community members on the strengths, weakness, opportunities, and threats facing key industry segments in Humboldt County.

On Aug. 5, 2024 the county issued RFP #EDD-2024-01 for the provision of a Comprehensive Economic Development Strategy. The selected proposer will assist with the completion of and maximize the impacts of the CEDS document. Three proposals were submitted. After review of proposal submissions, Thomas P. Miller and Associates (TPMA) was selected for award. TPMA will work closely with the county staff to develop a robust and impactful CEDS document that aligns with the guidelines set forth by the EDA. This document must be submitted by county staff to the EDA by April, 30, 2025. Therefore, staff is requesting approval of a professional service agreement with TPMA to begin work immediately.

SOURCE OF FUNDING:

U.S. Economic Development Agency
Housing and Urban Development (HUD)
Economic Development General Fund Contribution (1120275)

FINANCIAL IMPACT:

Expenditures (1120,275)	FY24-25
Budgeted Expenses	<u>\$722</u>
Additional Appropriation Requested	<u>\$68,000</u>
Total Expenditures	<u>\$68,722</u>

**Projected amounts are estimates and are subject to change.*

Funding Sources (1120,275)	FY24-25
General Fund	<u>\$722</u>
State/Federal Funds	<u>\$68,000</u>
Total Funding Sources	<u>\$68,722</u>

**Projected amounts are estimates and are subject to change.*

Narrative Explanation of Financial Impact:

Should your Board award the agreement for completion of the CEDS to TPMA, the contract cost is \$68,722. Staff plan to utilize existing HUD funding to complete the CEDS of which the grant agreement was ratified by your Board in February (Attachment 3). This was anticipated to be completed in a prior year, so the funds were not budgeted in fiscal year (FY) 2024-25. Therefore, a supplemental budget in the amount of \$68,000 in the Economic Development budget 1120-275 is requested.

STAFFING IMPACT:

The staffing impact will be minimal as a majority of the staff community engagement work was completed in prior fiscal years.

OTHER AGENCY INVOLVEMENT:

U.S. Economic Development Agency (EDA)

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to authorize this agreement. However, this is not recommended as this project is critical to planning for Humboldt County's economic future and resilience. The county must submit the completed document by the end of April 2025. Failure to submit on time may result in repercussions related to the grant funding and a lack of access to federal and state funds secured by the county, municipalities, local tribes, and other agencies who rely on the CEDS for funding applications.

ATTACHMENTS:

1. Professional Service Agreement TPMA
2. RFP #EDD-2024-01
3. HUD Grant Agreement
4. Supplemental Budget 1120-275

PREVIOUS ACTION/REFERRAL:

Meeting of: Feb. 27, 2024, August 22, 2023, May 18, 2021
File No.: 24-184, 23-393, 21-641