



Board of Directors Meeting

June 11, 2020

Meeting Agenda

June 11, 2020

9 – 10:30 a.m.

Zoom: <https://zoom.us/j/92284199232?pwd=Mys1NWxWOTZYZXZwOG1sWDg0Unk4UT09>

Meeting ID: 922 8419 9232 Password: 129270

Telephone: 1-669-900-6833, Meeting ID: 922 8419 9232

1. Chairman's Call to Order (Garry Maisel)	
2.Approval of Minutes (Garry Maisel) – ACTION	Page 1
3.Governance (Garry Maisel)	Page 5
a. Introductions	
i. Lauren Gustus, The Sacramento Bee	
b. Appointment of Directors, Officers, Committee and Authorize Number of Directors – ACTION	
c. Board of Directors Meeting Calendar	
d. Financial Update (Brian Conner)	
i. Fiscal Year 2020/21 Annual Budget – ACTION	
e. Investment Updates	
i. Fiscal Year 2020/21 Private Sector Renewals	
ii. Fiscal Year 2020/21 Public Sector Agreements	
4. City of Sacramento Update (Mayor Steinberg)	
5.Economic Impact and Planning for Recovery in California (Celia Huber / Kunal Modi).....	Page 13
6. Tradable Sector Industry Development: A Path to Economic Recovery (Barry Broome)	
7.Organizational Update (Danielle Casey)	Page 15
a. Fiscal Year 2019/20 Annual Report Review	
b. Fiscal Year 2020/21 Draft Action Plan – ACTION	

8. Board of Directors Discussion

Directors have an opportunity to share best practices or highlight special projects in the Greater Sacramento region. How can we support you?

Acknowledgement

Adjournment

Meeting Minutes

Minutes of the meeting of the Board of Directors of the Greater Sacramento Economic Council, a California nonprofit public benefit corporation

A meeting of the Board of Directors (the “**Board**”) of Greater Sacramento Area Economic Council, a California public benefit corporation (“**Greater Sacramento**”), was held on March 12, 2020 telephonically. In attendance were directors, Don Clark, Jan Clark-Crets, Christopher Cabaldon, Alvin Cheung, Garry Maisel, Mike Leahy, Roger Niello, Tom Haglund, James Beckwith, Cassandra Jennings, Dan Konieczny, Chris Boyd, Gayle Garbolino-Mojica, Amanda Norton, Larry Allbaugh, Kirk Uhler, Dale Carlsen, Michael Teel, George Grinzewitsch, Tom Stallard, Donna Bland, Jeremiah Smith, Matina Kolokotronis, Pat Clarey, James Conforti, Dave Lucchetti, Dan Flores, Sandy Sharon. Present by invitation of the Board were: (i) proposed Board member nominees: Shon Harris, Greg Janda, Dan Karleskint; (ii) Greater Sacramento staff: Danielle Casey, Barry Broome, Scott Powell, Adam Vaira, Hunter Blincoe, Lucy Lu, Nick Baldi, Elizabeth Jones, Jasmine Ward, Hugo Martinez, Olivia Cano; (iii) Greater Sacramento advisors and consultants: Stan Van Vleck, Nicholas Johnson, Steve Hymas, and Brian Conner; (iv) Greater Sacramento guests: Mark Romney, Krista Bernasconi, Mabel Salon, Jovan Agee and Pam Johns. The following proposed Board member nominees were absent: Jeff Dern, Fiona Ma, and Chet Hewitt.

The meeting was called to order at approximately 9:00 a.m. by Chairperson Garry Maisel. A quorum was present.

As the first item of business, pursuant to consensus, the Board dispensed with the reading of the minutes of the December 12, 2019 meeting of the Board, which minutes were unanimously approved by the Board in the form set forth in the materials delivered to the directors.

As the next item of business, Mr. Maisel began the governance update by introducing each individual proposed for consideration and approval for a new or renewed seat on Greater Sacramento’s Board. Mr. Maisel noted that Fiona Ma would be seated as a Community Advocacy Director pursuant to the Greater Sacramento bylaws and that her resume and particular work in the business community qualifies her to be a member of the Board. Neither the State of California nor the State Treasurer’s Office will provide funds, in whole or in part, in relation to Ms. Ma’s participation on the Board. Following the welcome and discussion, upon motion, second and unanimous approval, the Board (i) set the authorized number of directors at 68, and (ii) elected the following individuals to take or re-take office immediately:

Jeff Dern
Shon Harris
Greg Janda
Dan Karleskint
Fiona Ma
Chet Hewitt
Jeremiah Smith

Mr. Maisel then followed by reviewing the Board meeting calendar and a schedule of upcoming events.

Next, Brian Conner provided an update on the financial status of Greater Sacramento and reported on Greater Sacramento's current status with respect to the fiscal year 2019-20 budget, the status of pledges, and current expenses. Mr. Maisel led a discussion regarding the budget and asked the Board to consider an increase in the current budget to accommodate holding the annual Board retreat at Lake Tahoe rather than locally. The Board discussed and considered the benefits of having the Board retreat at Lake Tahoe and, following that discussion, it was moved, seconded, and unanimously decided to increase the current budget to accommodate for the change in the Board retreat location.

Following the governance update was an update on investments in Greater Sacramento for fiscal year 2020-21. Mr. Broome reported on the responsiveness with respect to private sector renewals.

Danielle Casey then provided an organizational update. She introduced Sarah Ali, Greater Sacramento's new director of research. She also compared Greater Sacramento's current locates to the goals set by Greater Sacramento five years ago. Ms. Casey shared the Brookings Institute's new rankings, which show improvement in the Greater Sacramento region's growth and inclusion. The Greater Sacramento region also received mentions and accolades in a number of news sources.

Next, Mr. Maisel led a discussion regarding the upcoming Board retreat and solicited feedback from the Board regarding topics to cover, small-group participation, and potential presenters.

Barry Broome provided an update on the California Mobility Center. He discussed the goals of the California Mobility Center, how it will benefit the Greater Sacramento region, and the potential for the California Mobility Center to take the lead on California's charge toward electric transportation.

The Board then turned to Mark Romney for an overview on Aggie Square and the progress it has made. As the Chief Strategy Officer of Aggie Square, Mr. Romney shared the benefits of creating a co-working space for academics and industry partners. Not only will Aggie Square improve education, it will provide industry partners and the region with well-trained and knowledgeable experts via a unique and cooperative partnership.

Kirk Uhler then led a question and answer discussion with Michael Moore regarding site selection and the factors that make a region more appealing to businesses looking to relocate. The availability of market-ready inventory and talented employees are major factors in determining the best place to locate a business. Mr. Moore also explained different tax credit models as compared to the California Competes Tax Credit.

Finally, Mr. Maisel opened the floor to the Board for general discussion.

There being no further business to come before the meeting, the meeting was adjourned at approximately 11:00 a.m.

Dated: _____, 2020

Arlen Orchard, Secretary

Meeting Minutes

Minutes of the meeting of the Board of Directors of the Greater Sacramento Economic Council, a California nonprofit public benefit corporation

A special meeting of the Board of Directors (the “Board”) of Greater Sacramento Area Economic Council, a California public benefit corporation (“Greater Sacramento”), was held on March 31, 2020 telephonically. In attendance were directors Garry Maisel, Brian King, Tom Stallard, John Jackson, Don Clark, Robert Nelsen, Dale Carlsen, Christopher Cabaldon, Cassandra Jennings, Gayle Garbolino-Mojica, Greg Janda, Gary Wortel, Jeremiah Smith, Arlen Orchard, David Sander, Sandy Sharon, James Beckwith, Mark Friedman, Todd Murch, Jeff Dern, Larry Kelley, Dave Lucchetti, George Grinzewitsch, Fiona Ma, Dan Konieczny, Steve Ly, John Allard, Kirk Uhler, Ken Monroe, Shon Harris, Erik Langeland, Ciaran McMullan, Christopher Boyd, Roger Niello, Alvin Cheung. Present by invitation of the Board were: (i) Greater Sacramento staff: Barry Broome, Danielle Casey, Brittany Jones, Scott Powell, Sarah Ali; (ii) guests of Greater Sacramento: Mabel Salon, Dianne Rogers, Wendy Nelson, Joe Gagliardi, and Rick Nelson; and (iii) Greater Sacramento advisors and consultants: Steve Banks, Cate Dyer, Nikki Simms, Stan Van Vleck, Nicholas Johnson, and Steve Hymas.

The meeting was called to order at approximately 9:00 a.m. by Chairperson Garry Maisel. A quorum was present.

As the first item of business, Barry Broome provided an overview on the Greater Sacramento area market outlook in light of the COVID-19 pandemic. Mr. Broome examined the mostly positive future outlooks offered by financial institutions, the intent for the Aggie Square project to continue as planned, the benefits of the new job locates performed before Governor Newsom introduced a state-wide shelter-in-place order, and Greater Sacramento’s expectation to provide key resources to the Greater Sacramento area after the shelter-in-place order is lifted.

As the next item of business, James Beckwith, Ciaran McMullan, and Jeremiah Smith led a discussion with respect to the banking sector’s response to COVID-19. Banks are helping businesses and consumers alike while utilizing the opportunities provided by the recently passed CARES Act. In addition, once the pandemic has abated, the Greater Sacramento area is poised to provide a hub for FinTech companies.

Mr. Maisel then introduced Cate Dyer and Nikki Simms of StemExpress. StemExpress is a Folsom-based company focusing on expanding COVID-19 testing during the current pandemic. Ms. Simms provided an overview of the StemExpress model and Ms. Dyer explained how their product and goals will improve overall testing volume and timing in order to better assist healthcare providers, businesses, and the general public in identify those infected with the virus.

Mr. Maisel then introduced Rick Nelson of MediaAMP. MediaAMP provides software as a service that connects learning management systems with broadcast systems for all levels of education. MediaAMP is assisting educational institutions reach their students during the COVID-19 pandemic.

Finally, Mr. Maisel opened the floor to the Board for general discussion.

There being no further business to come before the meeting, the meeting was adjourned at approximately 10:30 a.m.

Dated: _____, 2020

Arlen Orchard, Secretary

Governance

Introductions

LAUREN GUSTUS

President

The Sacramento Bee

Lauren was named President of The Sacramento Bee in April 2020. She continues to serve as West Region Editor for McClatchy, overseeing news strategy for the media company's 10 properties in Washington, Idaho and California. She also leads the company's community-funding efforts. Prior to joining the company, she served as the Executive Editor of the Coloradoan. While in Fort Collins, Lauren worked to make new law with respect to digital access of public records. Lauren was at the Reno (Nevada) Gazette-Journal prior to Fort Collins, becoming Reno's first female sports editor when she arrived. Under her leadership, the organization was recognized nationally for its coverage of the housing crisis and Great Recession.



Lauren's first job in journalism was as a reporter for The Malibu Times, where she worked while in school at Pepperdine. She joined the Los Angeles Daily News a day after graduation. Lauren is the mother of two boys – Sam and Leo, ages 6 and 4 years – and enjoys skiing, paddle boarding and hiking with family on weekends.

Appointment of Directors

The following individuals are proposed for consideration and approval for a seat on Greater Sacramento's Executive Committee and Board of Directors in accordance with the organization's bylaws.

TO BE SEATED AS A PRIVATE SECTOR INVESTOR:

Lauren Gustus
President
The Sacramento Bee
(seat formerly held by Gary Wortel)

The following individuals are proposed for consideration and approval for a seat on Greater Sacramento's Board of Directors in accordance with the organization's bylaws.

TO BE RE-SEATED AS A COMMUNITY ADVOCACY DIRECTOR:

Gayle Garbolino-Mojica
Superintendent
Placer County Office of Education

Cassandra Jennings
President and CEO
Greater Sacramento Urban League

Appointment of Officers

The following individuals are proposed for consideration and approval for a seat on Greater Sacramento's Executive Committee and Board of Directors in accordance with the organization's bylaws effective July 1, 2020.

TO SERVE AS BOARD CHAIR:

Laurie Harting
(replaces Garry Maisel)

TO SERVE AS VICE CHAIR:

Michael Guyette
(replaces Laurie Harting)

TO SERVE AS TREASURER:

James Conforti
(replaces Michael Guyette)

TO SERVE AS SECRETARY:

Matina Kolokotronis
(replaces Arlen Orchard)

Appointment of Committees

The following individuals are proposed for consideration and approval for a seat on Greater Sacramento's Bylaws, Compensation, Executive, Finance, Nominating and Audit Committees in accordance with the organization's bylaws effective July 1, 2020.

TO SERVE AS CHAIR ON THE BYLAWS COMMITTEE:

Laurie Harting
(replaces Garry Maisel)

TO SERVE AS CHAIR ON THE COMPENSATION COMMITTEE:

Laurie Harting
(replaces Garry Maisel)

TO SERVE AS CHAIR ON THE EXECUTIVE COMMITTEE:

Laurie Harting
(replaces Garry Maisel)

TO SERVE AS CHAIR ON THE FINANCE COMMITTEE:

James Conforti
(replaces Michael Guyette)

TO SERVE AS CHAIR ON THE NOMINATING COMMITTEE:

Laurie Harting
(replaces Garry Maisel)

TO SERVE ON THE NOMINATING COMMITTEE:

Michael Guyette

TO SERVE AS CHAIR ON THE AUDIT COMMITTEE:

Steve Fleming
(replaces James Conforti)

Board of Directors Meeting Calendar

Please mark your calendars for the following meetings for 2020 & 2021.

Tentative: All meetings will be held at Downey Brand (621 Capitol Mall, 18th Floor, Sacramento, CA).

Additional details will be confirmed and announced in advance of each meeting.

BOARD OF DIRECTORS MEETINGS

September 10, 2020 (Thursday) | 9 – 11 a.m.

December 10, 2020 (Thursday) | 9 – 11 a.m.

March 11, 2021 (Thursday) | 9 – 11 a.m.

June 10, 2021 (Thursday) | 9 – 11 a.m.

EXECUTIVE COMMITTEE MEETINGS

(Executive Committee: Allbaugh, Conforti, Galasso, Gustus, Guyette, Harting, Kolokotronis, Langeland, Lucchetti, Maisel, May, Nelsen, Orchard, Pleau, Sharon, and Teel)

September 10, 2020 (Thursday) | 7:30 – 8:30 a.m.

December 10, 2020 (Thursday) | 7:30 – 8:30 a.m.

March 11, 2021 (Thursday) | 7:30 – 8:30 a.m.

June 10, 2021 (Thursday) | 7:30 – 8:30 a.m.

Financial Update YTD July – April 2020

SUMMARY OF FINANCIAL ACTIVITY

Statement of Financial Position

ASSETS

Total Bank Accounts	5,741,631
Total Pledges Receivable	7,352,657
Total Current Assets	149,753
Total Fixed Assets	211,374
Total Other Assets	75,386
TOTAL ASSETS	13,530,801

Statement of Activity

REVENUE

Total Contributions	6,850,000
Total Contributions – Public Sector	964,608
Corporate Membership	67,500
Grant Revenue	200,000
TOTAL REVENUE	8,082,108

Summary of Expenses Budget vs. Actual

	YTD Actual	YTD Budget	Over (Under) Budget
EXPENDITURES			
Total Personnel	2,398,608	2,702,282	(303,674)
Total Office	697,381	644,541	52,841
Total Professional Services	238,836	170,833	68,003
Total Community Outreach	241,323	199,954	41,369
Total Events/Meetings	315,687	521,473	(205,787)
Total Special Projects & Sponsorships	16,471	-	16,471
TOTAL EXPENDITURES	3,908,306	4,239,083	(330,778)
NET OTHER REVENUE	404,605	489,083	(84,478)
NET EXPENDITURES	3,503,701	3,750,000	(246,299)

Greater Sacramento Economic Council
Proposed Budget Overview
for the fiscal year ending June 30, 2021

	FY 19/20 Approved	FY 20/21 Proposed
Income		
4000 Contributions	3,895,000	1,405,000
4001 Contributions - Governmental Agencies	964,879	979,623
Total Income	\$ 4,859,879	\$ 2,384,623
Expenses		
5000 Personnel		
5001 Salaries	2,402,814	2,132,121
5002 Employee Benefits	155,992	127,927
5003 Payroll Taxes	257,958	170,570
5005 Retirement Plan Contributions	132,050	127,927
5006 Bonus Pool	279,419	-
5007 Phone Allowance	-	13,800
5008 Car Allowance	-	10,200
5010 Professional Development	8,505	15,426
5034 Recruitment Expenses	6,000	-
Total 5000 Personnel	\$ 3,242,738	\$ 2,597,971
5015 Office		
5016 Other Office Expenses	35,399	15,600
5017 Insurance	16,000	21,000
5018 Equipment Rental / Lease	9,948	12,000
5019 Office Technology	-	78,660
5020 Rent Expense	308,784	309,024
5021 Parking	45,000	39,996
5036 Telephone	24,672	29,900
5037 Dues and Subscriptions	35,214	32,170
5038 Printing	35,890	18,000
5055 Merchant Card Fees	-	5,000
5057 Research & Software	168,119	149,590
5068 Property Taxes Paid	-	2,750
5072 Travel & Transport - Operational	33,384	6,200
5080 Depreciation	61,038	54,250
5082 Amortization	-	5,512
Total 5015 Office	\$ 773,448	\$ 779,652
5022 Professional Services		
5011 Design Services	25,000	12,000
5022.1 Legal Fees	50,000	55,200
5022.2 Accounting/Audit Fees	73,000	50,900
5022.3 Payroll & Employee Benefits Service Charge	-	15,600
5022.4 Other Professional Fees	57,000	30,000
Total 5022 Professional Services	\$ 205,000	\$ 163,700
5056 Contingency	-	200,000
5060 General Events & Programs		
5061 Other Events / Meetings Expenses	48,000	14,250
5062 Executive and Board Meetings	10,000	5,000
5067 Board Retreat Costs	153,500	-
5069 Annual Dinner	132,500	150,000
5074 South by Southwest	203,500	-
5075 Site Selection Familiarization Tours	44,068	15,000
5076 Madison Study Mission	34,200	-
Total 5060 General Events & Programs	\$ 625,768	\$ 184,250
5091 Community Outreach		
5039 Advertising	79,500	36,000
5042 Promotional Materials	14,750	10,000
5044 Event Sponsorships	26,500	-
5071 Travel & Transport - Business Development	63,099	34,427
5073 Meals & Entertainment	56,096	24,000
Total 5091 Community Outreach	\$ 239,945	\$ 104,427
Total Expenses	\$ 5,086,899	\$ 4,030,000
Net Operating Income	\$ (227,020)	\$ (1,645,377)
Other Income		
4005 Interest Income	-	48,000
4009 Rental Income	96,400	132,000
4012 Study Mission Revenue	37,500	-
4020 Sponsorship	250,500	-
4051 Annual Dinner Revenue	202,500	150,000
Total Other Income	\$ 586,900	\$ 330,000
Net Other Income	\$ 586,900	\$ 330,000
Net Income	\$ 359,879	\$ (1,315,377)

Investment Updates

Fiscal Year 2020/21 Private Sector Renewals

	Company	Name	Agreed to Renew	Letter Received
1	Golden 1 Credit Union	Donna Bland	✓	
2	Five Star Bank	James Beckwith	✓	
3	Markstein Beverage Co.	Hayden Markstein	✓	
4	Sacramento Soccer & Entertainment Holdings	Kevin Nagle	✓	
5	Clark Pacific	Don Clark	✓	✓
6	Dignity Health	Laurie Harting	✓	✓
7	Fulcrum Property	Mark Friedman	✓	✓
8	Holt of California	Ken Monroe	✓	✓
9	JPMorgan Chase (Grant application)	Erik Langeland	✓	✓*grant approved for two years
10	Los Rios Community College District	Brian King	✓	✓
11	McClellan Park	Larry Kelley	✓	✓
12	River City Bank	Stephen Fleming	✓	✓

BOARD PROSPECTS

Company	Proposal Sent	Letter Received
Accenture	✓	
US Bank	✓	
SAFE Credit Union	✓	
Kitchell	✓	
Bank of the Sierra	✓	
Blue Shield		

Fiscal Year 2020/21 Public Sector Renewals

Jurisdiction	Per Capita (40 cents)	Contract Signed
City of Citrus Heights	\$35,238.00	
City of Davis	\$27,904.00	
City of Elk Grove	\$69,610.00	
City of Folsom	\$31,934.00	√
City of Galt	\$10,596.00	
City of Lincoln	\$19,311.00	
City of Rancho Cordova	\$29,788.00	√
City of Rocklin	\$27,700.00	
City of Roseville	\$55,857.00	
City of Sacramento	\$203,269.00	
City of West Sacramento	\$21,564.00	√
City of Woodland	\$24,117.00	
City of Yuba City	\$27,014.00	
County of El Dorado	\$63,252.00	
County of Placer	\$46,468.00	
County of Sacramento	\$237,686.00	
County of Sutter	\$8,446.00	
County of Yolo	\$12,480.00	
County of Yuba	\$24,634.00	√
Town of Loomis	\$2,755.00	

Economic Impact and Planning for Recovery in California

Celia Huber

**SENIOR PARTNER
MCKINSEY & COMPANY**



Over the course of more than 25 years, Celia's client service has spanned healthcare, insurance, benefits, and financial institutions—including publicly traded, mutual, not-for-profit, and public-sector organizations.

Celia drives major strategy-development initiatives by creating growth strategies in the consumer, B2B, and group markets; designing international market-entry strategies; improving the financial performance of struggling business units; redefining product-distribution channels; and applying a deep understanding of consumer insights to drive new-product penetration and improved customer experience. Many of these growth strategies have included due diligence on key capabilities and technologies, merger management, and the creation of innovative partnerships.

Celia leads McKinsey's board-services work in North America, with a focus on governance, diversity, inclusion, and the evolving role of the board. She conducts research, is a frequent speaker, and has created developmental training programs on this topic.

As a core faculty member for McKinsey's leadership forums, Celia brings actionable solutions to CEOs and their direct reports. She also leads the firm's West Coast healthcare CEO roundtable, convening 25 CEOs quarterly to discuss industry issues.

Outside her client work, Celia is an Executive Committee member of the Board of Directors for the California Business Roundtable. She is an active board member of CURE (Citizens United for Research in Epilepsy) and part of its governance subcommittee.

Kunal Modi

ASSOCIATE PARTNER MCKINSEY & COMPANY

Kunal Modi is an Associate Partner in the San Francisco office of McKinsey & Company and a leader in the Firm's Public Sector and Banking Practices. Kunal's expertise includes stewarding digital and operational transformations for public agencies, spearheading regional economic development efforts, and working on financial risk and public finance topic.



Selected experience

- Led customer experience and operational transformation for Driver's Services agency in Western US State. The effort included a rapid diagnostic of existing operational data, deep customer and field research, and process mapping to identify and execute operational improvement levers and design new processes and digital tools for front line staff
- Created a new digital one-stop-shop for small business permitting by coordinating multiple agencies in Western US State. The effort included conducting a technology platform assessment, aligning the permitting processes and data across multiple agencies, and designing a new external interface based on input from local businesses
- Stewarded regional economic development effort in a major State region to align key members of the region's civic, community, and business leadership around a shared 10 year vision of economic growth and develop a community investment plan made up of a portfolio investible initiatives.
- Created strategic blueprint for mortgage originator by understanding the macro housing market growth prospects, designing a channel strategy, devising operational blueprint, and scenario planning various risk and regulatory outcomes
- Served Mayors' Offices across US on efforts including improving city-wide hiring practices, streamlining permitting process for large scale events and festivals, improving 911 call center operations, and capture better data on homelessness and envision solutions

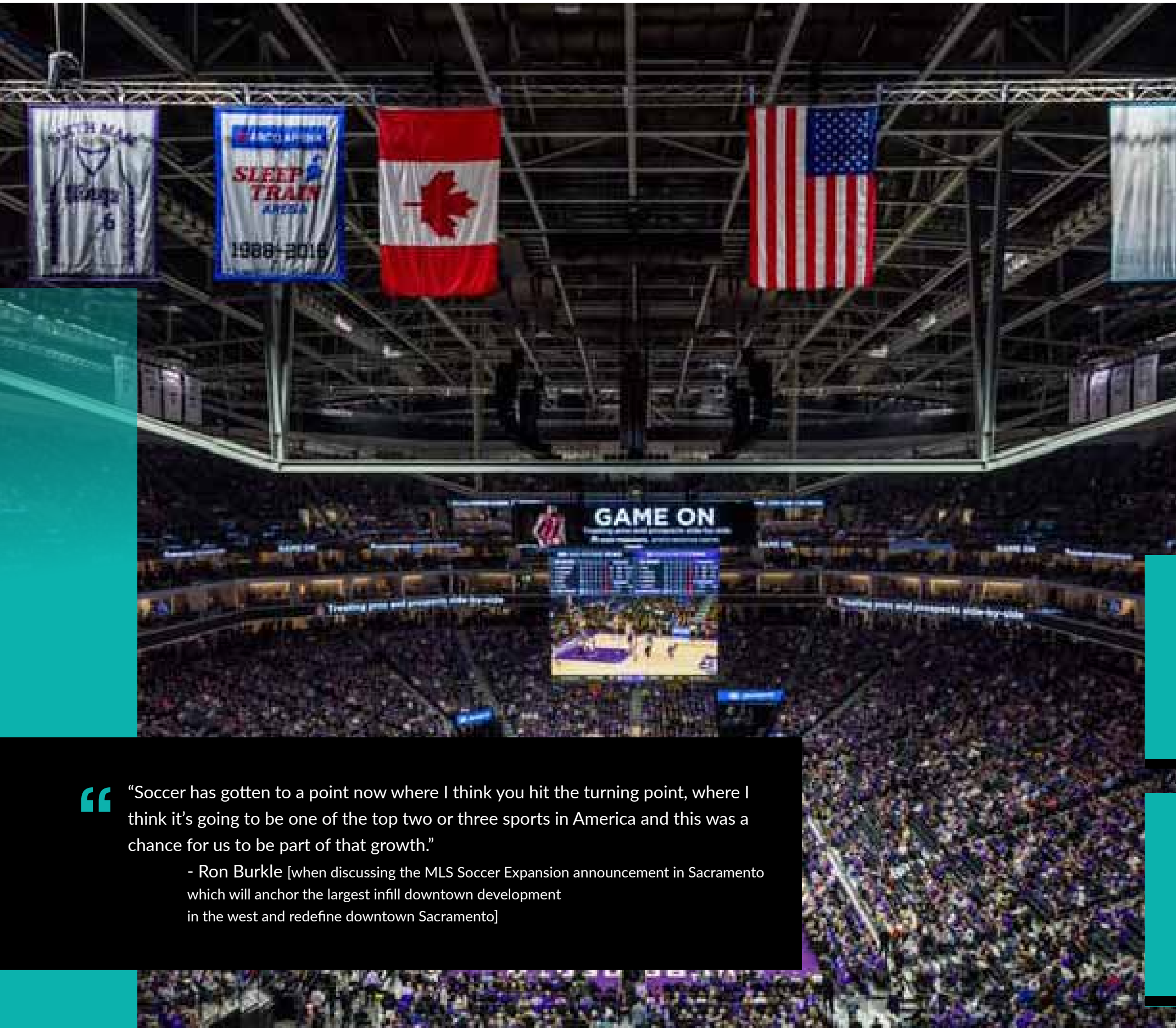
Kunal holds a B.A. in Economics and Political Science from Northwestern University, a Master in Public Policy from Harvard Kennedy School, and an MBA from Harvard Business School.



Broker Partners Toolkit

Your comprehensive guide to partnering with the Greater Sacramento Economic Council to advance the regional value proposition, expand your competitive advantage and drive economic growth and investment to the region. Together, **#WeAreGreaterSacramento**

Learn more at
BrokerToolkit.GreaterSacramento.com



The Greater Sacramento Economic Council is the catalyst for creating innovative strategies to help retain, attract, grow and scale businesses in the Capital Region. As industries continue to evolve, unique and complex analysis processes drive site selection decisions beyond traditional measures. Through collaboration with regional, state and national connections, GSEC can help ensure your client a customized and seamless entry into the Greater Sacramento region.

Our team is here to help you...



1. Leverage regional successes and initiatives to positively impact the regional brand.

Aggie Square:

\$1 billion life science innovation district under development

California Mobility Center:

German-led prototyping facility focused on emerging mobility technology

Fintech Consortium:

Leveraging fintech with financial services to accelerate regional innovation

MLS Expansion:

Enhancing Greater Sacramento's brand as an emerging global market

“

Soccer has gotten to a point now where I think you hit the turning point, where I think it's going to be one of the top two or three sports in America and this was a chance for us to be part of that growth.”

- Ron Burkle [when discussing the MLS Soccer Expansion announcement in Sacramento which will anchor the largest infill downtown development in the west and redefine downtown Sacramento]



2. Tell Greater Sacramento's talent story to help guide real estate decisions.

Access to specialized talent plays a major role in companies' site selection process. The Greater Sacramento region is one of the best educated and diverse talent pools in the country, with a pipeline that is only getting stronger. In addition, GSEC promotes the region through targeted marketing strategies to target top talent across the region for attraction to Greater Sacramento. GSEC also offers custom connections to the leaders on its Board of Directors to solve talent development, retention and attraction obstacles for clients interested in entering the market.

Research collaboration with CBRE

GSEC partnered with CBRE to create and launch a talent story report that was sent to 200 national site selection consultants and reached 140,000+ corporate leaders in targeted paid social media ads.



3. Bolster your pitch with additional data, research and industry analytics.

Backed by the most up-to-date data, the GSEC team can provide you with customized reports, including competitor market operating cost comparisons, labor market analytics, industry cluster data, economic impact analysis and more.

In addition, GSEC is available to collaborate with your team on a confidential basis to maximize your impact on client presentations or market tours.



4. Identify and navigate incentives to simplify business decisions.

GSEC maintains formal partnerships with all public sector stakeholders and is your point of contact to identify and navigate all incentive programs and reduced rate opportunities to close cost gaps and reduce risk for your clients, including:

- State of California incentive programs
- Utility economic development incentive rates, including SMUD, Roseville Electric and PG&E
- Local incentive programs



5. Enhance your listings through GreaterSacramentoSites.com with custom layers and integrated big data.

Feature your available listings through the GSEC sites database tool. In addition to increased exposure and inclusion in GSEC request for information submittals, you have access to big data including workforce and demographic data, talent and wage information, consumer expenditure, utility and transportation infrastructure layers and more.

“The Greater Sacramento Talent Story was a true collaboration with CBRE and GSEC. We were able to combine resources and insights as it relates to companies looking for opportunities to expand outside the Bay Area. The report delivered on calling attention to Sacramento's outstanding talent base and all the region has to offer to high-growth companies,”

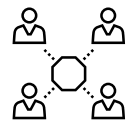
- Lisa Stanley, First Vice President with CBRE in Sacramento



6. Amplify your success to create an aligned and impactful message.

Partner with the GSEC's public relations and marketing team to promote your win for the region. Leverage pre-built messages promoting regional value propositions with little to no effort. GSEC has proven success in delivering:

- Custom-tailored press releases and promotion strategies
- Co-branded research reports and events
- Social media campaigns to create sharable content promoting the region



7. Build industry connections through market visits and campaigns.

Join GSEC on the road to promote Greater Sacramento while building your professional network. In addition to ongoing market visits across the country, the organization represents Greater Sacramento at many notable conferences and industry events – connecting with investors, developers, prospective clients, and gaining media exposure. Past events include:

- BIO International Convention
- CoreNet Global
- I.CON Industrial Real Estate
- Industrial Asset Management Council
- J.P. Morgan Healthcare Conference
- SaaStr
- SelectUSA
- SIOR
- Site Selectors Guild
- Urban Land Institute



8. Connect to the broader community to ensure a successful market entry.

GSEC represents a collaboration between local and state governments, market leaders and influencers throughout the Capital Region. In addition, GSEC maintains formal partnerships with local investment funds that are actively seeking opportunities for investment in our region. A sampling of our Board members includes:

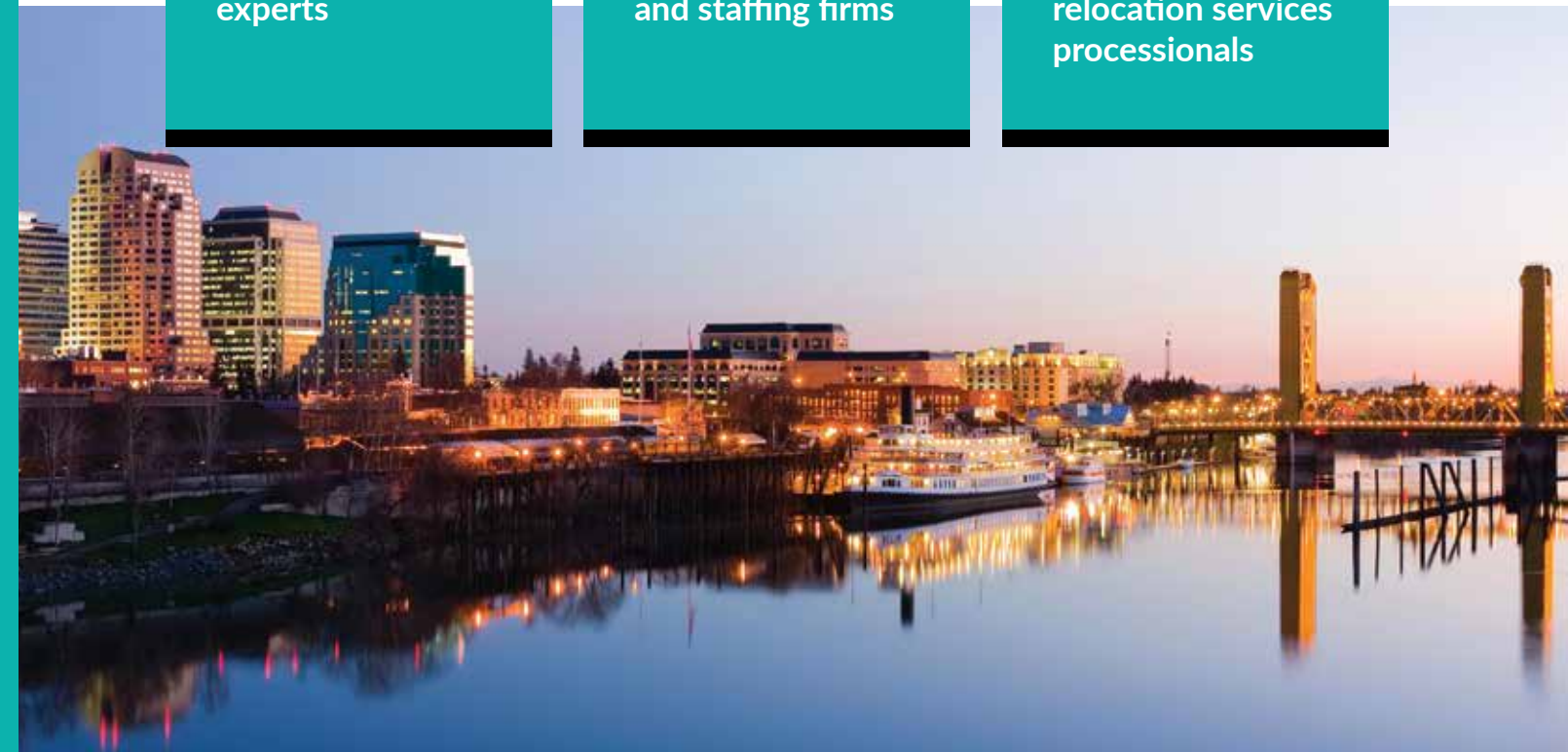
- Chase
- Sacramento Kings
- Sacramento State
- Sutter Health
- UC Davis
- VSP

We are happy to facilitate connections to ensure a successful market entry for your client, including:

Introductions to key stakeholders and industry experts

Talent pipeline strategies with higher education and staffing firms

Recommendations for space buildout and relocation services professionals





Our ask of you

- **Join us for at least one market visit** this year to meet with new potential clients and multipliers and attend a hosted GSEC event.
- **Participate** in our annual Site Selection Consultants Familiarization Tour and other GSEC programs.
- Introduce GSEC to five new colleagues outside of the Greater Sacramento market to **jointly promote the region**.



The tools we provide

- Free listings of your featured properties on GreaterSacramentoSites.com
- Promotion of your listings in our newsletter and in paid social media ads.
- Twice weekly text push updates with key promotional messages – just repost or retweet.
- Early access to custom research materials, and collaboration on joint publications.
- Online Virtual Tour interface of the region, giving you the ability to offer your clients – wherever they are – an immersive experience with an overview of key assets and an understanding of the employee experience in Greater Sacramento.

Opt in for regular updates and access all of this information in your custom digital resource webpage:

BrokerToolkit.GreaterSacramento.com

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FINDINGS FROM INTERVIEWS WITH SITE LOCATION CONSULTANTS: OPPORTUNITIES FOR SACRAMENTO

Prepared for

GREATER SACRAMENTO ECONOMIC COUNCIL



GREATER SACRAMENTO
ECONOMIC COUNCIL

INTRODUCTION AND BACKGROUND

The Greater Sacramento Economic Council (GSEC) has been intently focused on elevating its competitive standing in the national and international economic development arena and grow and diversify the region's economy. In addition to working vigorously on the business retention/expansion and entrepreneurial fronts, GSEC also has increased its focus on business recruitment.

An important source of influence for business location decision-making is the site location consultant, who for about 36 percent of all location projects, is retained by companies to assist in evaluating opportunities and options for where they should invest in new facilities and create new jobs.

In November 2018, GSEC commissioned IO.INC to conduct a survey of some of the leading site location consultants in the U.S. GSEC administered an online survey of site location consultants and received responses from more than 30. In addition, Daniel Malachuk, a Senior Advisor to IO.INC and globally renowned location advisor himself, interviewed 12 very experienced consultants on a confidential basis.

IO.INC's report, Findings from a Survey of Site Location Consultants: Perceptions and Standing of the Greater Sacramento Region, was presented to GSEC in March 2019. The report summarized the results of these surveys and also provided specific recommendations to GSEC for further cultivating the organization's relationships with site location consultants.

One of many positive outcomes from this work, which was completed in March 2019, was a more intentional emphasis by GSEC to strengthen relationships with these consultants, as they represent a very important part of a region's deal-generating pipeline. In addition to increasing its communications and outreach activities to these decision influencers, GSEC also planned and executed two "familiarization tours" in 2019. Thirteen of the nation's leading site location consultants visited the Greater Sacramento region and were introduced to the Sacramento region's business environment, quality of life and learned about exciting new developments in California's state capital.

GSEC commissioned IO.INC in February 2020 to follow up with some of these site location consultants to see if their perceptions about Sacramento had changed since the "fam tour". In addition, IO.INC interviewed site location consultants who had not participated in this tour but who remain important targets for GSEC.

IO.INC would like to acknowledge and thank GSEC not only for this opportunity but also for the hard work and support extended by Ms. Danielle Casey, Mr. Scott Powell and Mr. Adam Vaira to this important project.

Summary of Findings

Now is a very good time to position Sacramento for emerging opportunities that will arise from (1) business reassessments of global location strategies; (2) continuing and increasing density issues in the Bay Area and, (3) the potential for relief from cost disadvantages for Sacramento vs. competing locations.

1. Site selection activity has been robust; 2019 exceeded expectations; 2020 is expected to bring a busy second half. Health risks add to trade and tax changes putting globalization reassessment on many company agendas.
2. California's brand is not improving and may be getting worse.
3. Recent political activity points to an underlying culture not likely to advocate for "Business Friendly" changes.
4. The consultants believe that the challenges of doing business in California are real; it is not just an image problem. Work to mitigate these at the local level: permitting, utilities, and taxation.
5. Familiarization visits help, but it is difficult to gain participation and to assure that most positive impressions are reinforced.
6. Proof Points & Success Narratives still make sense, especially those that support GSEC's regional "elevator pitch" and peer-to-peer conversations for each target sector or business function.

The Basis for these Findings

Ten site selection consultants were interviewed during the period beginning 4 March 2020 and concluding on 2 April 2020. The consultants participating were all seasoned practitioners and brought significant expertise in addressing a variety of industries including those on the GSEC target list.

The principal objective of these interviews was to determine and describe material changes, if any, to the findings of the site location consultant survey and one-on-one interviews conducted by IO.INC and GSEC in March 2019. Daniel Malachuk also conducted these most recent interviews.

Early in the timeframe of these current interviews, California held its primary election and subsequently federal, state and local officials implemented a variety of containment, mitigation and economic relief strategies to address the impact of the coronavirus/COVID-19 pandemic.

Despite the upheaval and stresses of present-day circumstances, consultants were able to share thoughtful insights that should be of value to GSEC's leaders.

Principal Findings

1. Site selection activity has been robust; 2019 exceeded expectations; 2020 is expected to bring a busy second half. The current global health crisis adds to trade and tax changes, which has placed globalization reassessment on many company agendas.

In early 2019, consultants interviewed indicated that 2018's volume of business had been very strong and 2019 looked like it might be good as well. In March 2020 the consultants reported that 2019 continued with a very strong pace of activity. For several consulting groups, 2019 was their "Best Year Ever." Another described 2019 as "Awesome."

Without exception, the consultants interviewed, representing firms with well-established practices, all affirmed that 2019 was a busy year in the site selection business. So, to the degree that a community did not experience substantial potential investment activity or

found it was not fielding a substantial number of inquiries, it was not because deal flow had slowed.

But, busy consultants and busy economic development organizations do not necessarily equate to a banner year of project completions. One consultant, in touch with many economic development organizations, observed that while many of these entities were indeed very busy providing information, etc., most had not seen that many projects come to fulfillment - research effort per project was increasing, but cutting ribbons did not necessarily follow.

As for 2020, the consultants had anticipated but had not yet experienced a downturn that often occurs as national elections approach and related uncertainties often capture senior management's attention. That had not yet manifested as these interviews began.

But, as the interview schedule progressed, a major new uncertainty arose as the impacts of the coronavirus were becoming increasingly apparent.

The consultants and their clients continue to work on already initiated projects, communicating via the web, and they note that planning is also proceeding on longer-term efforts even as short-term tactical adjustments are top-of-mind for most executives.

Consultants expect that the global public health challenge pointed to an additional reason for re-thinking the global supply chain strategies that had developed during the past two decades. Their clients are reassessing the challenges presented by expanded geographic presence, especially if it has led to dependence on too few regions for (1) critical components; (2) profit projections, and (3) market growth. These assessments had already begun, influenced by trade and tax policy in the US and many other nations. Consequently, new concerns about the impact of the current global health crisis are combining with trade and tax issues and are leading to increased attention to re-shoring and re-distributing business activities.

Accordingly, there is reason for economic developers - including GSEC - to be aggressive in promoting their locations, for near-term location solutions as well as longer term positioning.

2. California's brand is not improving and may be getting worse.

The consultant interviews in early 2019 pointed to a consensus that California was not perceived as a "Business Friendly" state. Especially when contrasted with other states in the West and Southeast, California is viewed by consultants and their clients as a location that is not welcoming to new or expanding businesses. This was not new news when it was reported in the 2019 survey, but these opinions were universally strong among those interviewed, then and now.

The 2020 interviews show that this perception persists. In fact, consultants with the most direct experience with the state suggest that it has declined. Further, they believe that under present leadership, it is likely to decline even more. The most positive response from consultants who had less direct experience with the state was that it was about the same.

3. Recent political activity points to an underlying culture not likely to advocate for "Business Friendly" changes.

Interestingly, some consultants observed that recent political activity may provide some insight into the sense that California's underlying political culture is tending more to the left of the political spectrum, which may not be in alignment with the preferences of many business leaders:

- Impeachment leadership by Representatives Pelosi and Schiff may have added an anecdotal reference point regarding the California political culture. California's congressional delegation has long been Democratic, but the impeachment initiative might have been unhelpful in terms of having "drowned out" what had been seen as business friendly cooperation among both political parties, e.g., enabling new trade terms in North America and starting down a more fruitful trade path with China.
- Senator Sanders' strong showing in the Democrat's primary in California was seen by some as further evidence of a leftward tilt within the California political culture.
- More telling, consultants noted that there were propositions on the state ballot this fall that could negatively impact business, including one that might bring about increased property tax burdens.

In summary, any efforts to address what might be called California's "Business Friendly" challenge are not seen as plausible. Consultants believe that California's political leaders seem satisfied, impressed with the robust growth of Silicon Valley, pointing to the additional commercial space in the pipeline. They also note that logistics support leads to high occupancy / low vacancy for industrial space in the Inland Empire. Why change? Just fix housing. From the consultants' perspective, the California brand remains an impediment to Sacramento's success in getting a fair hearing in competition for attracting new businesses.

Familiarization tour participants noted that Sacramento's messaging recognizes the California brand challenge, and they were impressed that GSEC seems to have forcefully moved on to staking out a positive position showing comparative data that mitigates against the broad brush of negativity. Although not on the tour, other consultants with direct experience with the Sacramento region also express a willingness to differentiate the region from the remainder of the State. They suggest emphasizing the differences: Be the "Business Friendly" Capital of California, or consider being "Nevada West".

4. The consultants believe that the challenges of doing business in California are real; it is not just an image problem. Work to mitigate these at the local level: permitting, utilities, and taxation.

Consultants note that California does not just present a brand or image problem.

Those with hands-on experience with California companies point to real challenges in environmental and labor regulatory regimes. The more direct client experience the consultants had with California firms, the more visceral was their commentary.

- One spoke of extensive litigation (two to three years) that a client endured and paid for rather than accept a settlement that they took to be akin to extortion.
- Consultants say that they warn client companies that without extreme diligence and review, there are regulatory details in California that can result in added costs - litigation and/or settlement - that would not be part of the project budget or timeline found in competing jurisdictions outside of the state.
- One consultant admonished that any company requiring an air permit should not even think about California. If there are facilities available already permitted, that could be an asset. However, the challenge is that many/most facilities for new technologies have design specifications that are likely to call for new construction.

- Another consultant likened employee job protection regulations as not unlike those in much of Europe, a condition that multinational executives know well. “It’s like trying to fire someone in France”, said one.
- Another consultant outlined multiple client situations where high-tech California companies expanded elsewhere due to permitting and regulatory challenges that were insurmountable, and in the opinion of the consultant and the client, extreme. Interestingly, several of these companies were considered “green” in terms of the overall positive environmental impact that result from the products / processes they are producing.

Since the 2019 interviews, California suffered extreme wildfires and in addition to the physical damage, an added “risk” of power reliability was added to already factored-in seismic and fire incidents creating potential disruptions for business and day-to-day living.

At best, from the consultants’ perspective, doing business in California is a “necessary evil.” Companies value the positive factors such as the significant talent pools, the substantial consumer market, logistical connections and personal relationships with Asia, the robust food industry and the presence of leading technology enterprises. Many businesses believe they have to be there, but the extent of their presence is likely to be minimized.

A careful assessment of risks and mitigation policies and programs in any location might lead to a more sympathetic understanding of how California has been recognizing its challenges - water, housing, etc., but the the negative verdict on California is likely to be best addressed by strong efforts at the local level.

Consultants suggest that the GSEC region might address the specific “pain points” that hinder business growth in California: Permitting (land, air, water); Utilities; Local Taxation. Alternatively, they suggest GSEC target only those activities that have few if any permitting requirements.

5. Familiarization visits help, but they are challenging to implement.

Consultants who had visited Sacramento were favorably impressed, in part by commercial activity, but, frankly, more by the energy and professionalism of the GSEC staff and leadership.

Negative perceptions were also evidenced however, particularly related to the homeless population exceeding what is seen elsewhere (except in California) and local off-line and anecdotal comments about personal safety and overall “change” (not for the better) from born-and-raised folks who are long-time residents of Sacramento.

Consultants who declined the invitation pointed to the large number of familiarization trip invitations they receive and the more likely need to visit and stay abreast of places that are more frequently short-listed by their clients. Some also pointed to the “sweeteners” that are included by some locations in terms of providing desirable leisure opportunities for consultants and accompanying partners.

6. Proof Points & Success Narratives still make sense, especially those that support the “elevator pitch” and peer-to-peer conversations for each target sector or activity.

In IO.INC’s 2019 report, one of the recommendations was to encourage GSEC to develop a few key data proof points and to collect success narratives that might support the broader as well as specific sector value propositions.

Consultants who participated in the site visits did take home memorable stories and statistics that they could point to as emblematic of Sacramento strength.

- University of California, Davis impressed them as a research and entrepreneurial center, so more information about this university may be a promising area to explore for distinctive branding strength.
- Site availability was more robust than they had assumed.
- The GSEC presentation addressing business taxation provided data “proof points” that rang true based on sources used by GSEC and subsequent examination by the consultants themselves, who went to their own trusted sources. The consultants’ summary of the California tax burden (considering all forms of taxation and deductions) is that on balance the real net tax impact in California is not that different from the norm across much of the US.
- Proof points might also be helpful if some were indicative of sound public policy and investments, helping to underscore the vision of the community in ways that would bolster an assertion that the community’s leadership was on the right track for the long haul. This is especially important when companies are considering a long-term and/or strategic investment.

Addressing the basics, both success narratives and proof points would be especially welcome for large capital investments to include:

- Workforce suitability and reliability
- Permitting acceleration
- Real estate assembly and ownership with clear title

Look at Sacramento through a company’s eyes, emphasizing comparative data for key elements vs. other locations. In approaching this task, the benchmark comparisons will vary by industry and type of facility, so the competitive screen will vary by industry or type of activity.

- For example, Nevada, Arizona, Utah & Idaho locations might meet the requirements of those who need to be proximate to the California market. But, a Bay Area bioscience operation might be willing to consider a much broader set of locations.
- As other competing locations experience rising operating costs, especially increases in labor costs, Sacramento may begin to approach overall parity for the cost dimension (e.g., labor more equalized, transport still advantaged)
- Sacramento may be home to first generation tech companies who may have decreased their head count but still maintain a presence and have for many years. Further examination of these “remainders” may lead to insights that could be explained and shared.
- California’s universities enjoy a strong reputation and will continue to graduate large numbers of bright and capable potential employees. The sheer scale of this ongoing talent pipeline is difficult to match.

For each target, a first pass might be focused on using the same high-level screening data points that consultants use to narrow the field. Then, consider more in-depth comparison addressing a prototype company's success factors, including trying to project conditions ahead and not just examining conditions today.

Finally, some narratives need not be publishable, and some should be available for oral retelling and used to prepare the appropriate local executive who is willing to participate in peer-to-peer discussions with prospects. These discussions often seem to be over-weighted in executive decisions, a factor that some economic development organizations may not fully recognize. As one consultant put it "These conversations often seem to count more than they should."



IO.INC

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Annual Report

FISCAL YEAR 2019/20



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Investors

A LETTER FROM **BARRY BROOME**

*President & CEO,
Greater Sacramento Economic Council*



[Letter to be added in final report]

DRAFT

RESULTS ACHIEVED

GSEC attracted 18 companies to the region, resulting in tremendous job growth, payroll generation and stimulation of the regional economy. The values listed below are estimated one-year impacts and will continue to provide value over additional years.

Performance Metric	Annual Goal	Stretch Goal	Actual Year to Date	% of Goal
Qualified projects	93	95	95	102.2%
Number of locates	15	15	18	120.0%
Payroll generated	\$69.8 million	\$71.6 million	\$65.7 million	94.1%
Jobs created / retained	1,396	1,432	1,448	103.7%
Direct economic impact	\$146 million	\$150 million	\$233.2 million	159.7%
Induced economic impact	\$246 million	\$253 million	\$410.4 million	166.8%
Earned media placement value	\$3 million	\$3.1 million	\$3.4 million	113.3%
Stakeholder satisfaction	85%	88%	TBD	TBD

GSEC's impact since its inception in 2015

IMPACT TO THE REGION:



14,787
total jobs



\$3.58 billion
direct economic impact



\$61,762
average wage



\$76.5 million
total local tax revenue

IMPACT TO THE STATE:



15,637
total jobs



\$7.05 billion
total economic impact



\$129 million
total tax revenue

ACCOMPLISHMENTS IN OPERATIONAL EFFORTS AND CORE INITIATIVES

Community and business support for the COVID-19 crisis

- **Launched a free online tool, SizeUp**, to provide custom market research and data to businesses. It reached an estimated **520,000 local broadcast viewers** and **over 117 million online**. The tool has more than **1,600 views**, becoming the **#4 most visited page** on the website for the previous six months within the first week of deployment.
- **Hosted 9 webinars with nearly 1,000 combined registrants** to educate the public on COVID-19 business resources, real estate trends and more, including programs focused on each county in the region
- Conducted a **regional survey with more than 500 responses** to assess business impacts of COVID-19, capable of comparison to national data collections
- **232+ million potential media reach of COVID-19 messaging**, including online outlets of major national networks like Fox News, CNN and the Wall Street Journal
- Launched a **weekly COVID-19 focused newsletter to 1,300+ subscribers** with an average open rate of 33%
- Created **weekly economic impact reports** detailing national, statewide and regional forecasts



I've participated in over a dozen COVID-19 webinars and this was the most informative. I appreciated the format and found it well worth my time.

— Attendee of GSEC's El Dorado County webinar



1,000
registrants for
COVID-related
webinars



1,600+
views of free
online business
tool, SizeUp



500
business survey
respondents



“You guys should be applauded for still pushing forward during the COVID crisis... The fact that you guys are doing that and pushing forward with promotion is exactly what needs to be done to get the economy back on track.”

—Virtual familiarization tour attendee



Core initiatives

I. INSTITUTIONALIZE GREATER SACRAMENTO ECONOMIC COUNCIL AS A LEADING ECONOMIC DEVELOPMENT ORGANIZATION

- **Executed 7 Memorandums of Understanding** with regional real estate firms including Avison Young – Northern California, LTD; CBRE; Colliers International; Cushman & Wakefield; Jones Lang LaSalle Incorporated (JLL); Newmark Knight Frank and Turton Commercial Real Estate
- Hosted a **successful Annual Dinner with 680 attendees**
- Hosted **four Champions programs with 223 attendees**, including orientations in Placer County, Yolo County and Sacramento County and one Advanced Learning Opportunity
- Sacramento recognized as the **#6 ‘Large City for Connectivity’** in the fDi Magazine American Cities of the Future 2019/20 awards
- GSEC received an **Honorable Mention Award from Business Facilities Magazine for the Centene project**; this magazine goes to 20,000+ subscribers with a focus on site location advisors
- Launched a **newly designed, data-centric website** that’s nearly doubled the time users are spending on the site. Also migrated the website to GreaterSacramento.com to be more inclusive of all of the region’s communities



7

Memorandums of Understanding
executed with regional real estate firms



120

attendees for CoreNet Global
Northern California Chapter event



680

Annual Dinner attendees

- Launched **bi-weekly text message marketing campaign** to keep partners and investors abreast of the latest news and events
- **100% of second round Board investors verbally recommitted** for an additional five years
- For the first time, a Greater Sacramento deal was nominated for recognition at the **'Best of the Bay' awards for NAIOP**, the north American industrial and office properties association
- **Launched "The Download" video series** to inform residents about regional economic development projects. The second series of videos highlighting Yuba County and Yuba City received over 450 views
- **Featured Aggie Square at a standing-room only event** in partnership with CoreNet Global Northern California Chapter with 120 attendees



3

Champions on the Road
programs with **211
combined attendees**

40,000+
Success Story video views

II. GARNER NATIONAL AND INTERNATIONAL INVESTMENT

- **Connected with 30 organizations, added 10 new prospects and reached 100+ innovators** as a panel speaker at Agritechnica in Germany
- Held a **dignitary visit with the Ambassador to South Korea and Consul General of South Korea** and **hosted 6 German bioenergy firms** for a Greater Sacramento industry symposium
- Wrote an **editorial on Major League Soccer and The Railyards for Business Xpansion Journal**, which has a print circulation of 10,000
- Developed a **white paper on the upcoming Major League Soccer stadium in The Railyards**, which was distributed to over 450 national site selectors, 20 developer firm contacts and downloaded over 50 times
- **Published 3 blogs from investors and partners**, garnering 600+ pageviews and 6,300+ social media impressions



370+ million
broadcast and news reach



43% increase
in LinkedIn impressions





92,000
website pageviews



Hosted dignitary visit with the Ambassador to South Korea and Consul General of South Korea



 ***You all truly did an excellent job in showing the assets of the region and were incredibly prepared. The materials provided are great and I will be sharing with my colleagues. I so appreciate the warm welcome and truly look forward to an opportunity to return with a meaningful project opportunity.*** 

— Fall fam tour participant Leslie Wagner (Senior Principal, Ginovus)

- **Continued site selector outreach** through holiday gift messaging campaign and two targeted email campaigns that had an average open rate of 25%
- Hosted **1 in-person and 1 virtual site selector familiarization tour**, with 18 combined attendees
- **Filmed 5 success story videos**, garnering 40,000+ views
- **Ran digital ads in the Los Angeles, Seattle, San Francisco and Silicon Valley Business Journals** promoting the region as an advantageous area for relocation amid the pandemic



937,000+
social media
engagements



2x
higher press release
open rate than
industry average



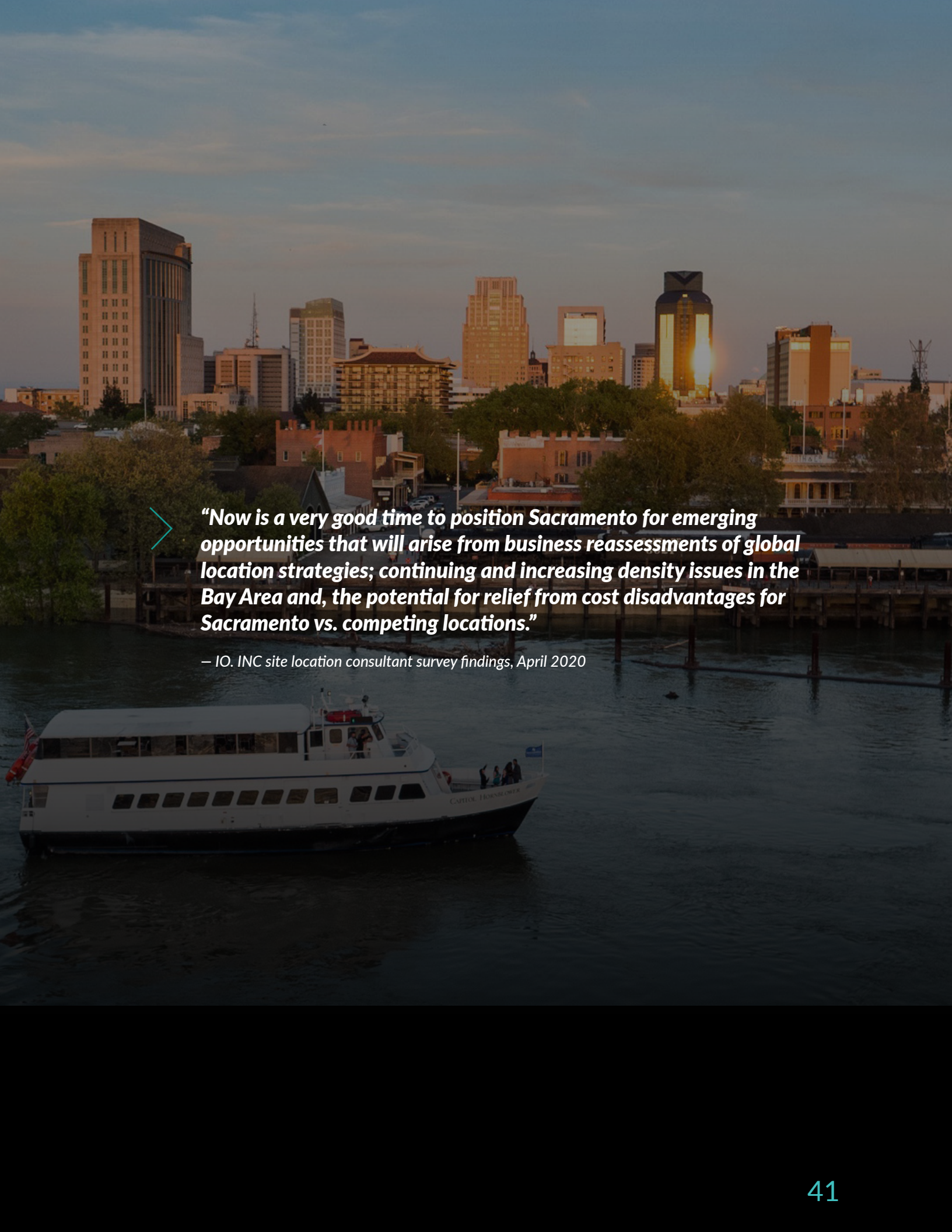
\$3.4 million
estimated value
of earned media

Publicly launched
The Prosperity Strategy



III. FOSTER A COMPETITIVE BUSINESS CLIMATE

- **Completed and delivered impact fee analysis executive summary** offering recommendations for mitigating areas of high infrastructure cost
- **Supported Bay to Mather flight program exploration**
- Hosted the inaugural **Competitiveness Council annual retreat**
- Presented the **Prosperity Strategy framework** at the California Economic Summit and publicly launched the strategy in May in a webinar with all partners to an audience of more than 400
- **Completed audit of all previous locates**, verifying that GSEC has created more than 7,500 jobs and \$2.48 billion in direct economic impact in the region since its launch five years ago
- Successfully **launched initial meetings for a new cross-disciplinary council, the Business Development Advancement Council**, which will help identify business development opportunities, connect resources, promote the region and create a seamless runway for companies to succeed
- Completed an **update to the 2019 Site Selection Consultant's Survey** to garner input on current perceptions of the region

A scenic view of the Sacramento skyline at dusk. The city's skyline is visible in the background, with several tall buildings illuminated by the setting sun. In the foreground, a white ferry boat with a blue stripe and the name "CAPTOL HORN" is on the water. The sky is a mix of blue and orange, and the water reflects the city lights.

“Now is a very good time to position Sacramento for emerging opportunities that will arise from business reassessments of global location strategies; continuing and increasing density issues in the Bay Area and, the potential for relief from cost disadvantages for Sacramento vs. competing locations.”

— IO. INC site location consultant survey findings, April 2020

“Thank you for hosting a fun and informative event... Any company considering an expansion or relocation should include Sacramento. It’s quickly becoming one of the best places to live and work in the USA.”

— Talent report launch attendee Jay Sholl (Senior Vice President, CBRE, San Francisco Office)

IV. INCREASE INFRASTRUCTURE AND RESOURCE CAPACITY

- Continued work with 6 partners to **support the development of speculative lab space**
- **Meetings and presentations held with multiple development entities** demonstrating interest in the market as a result of Aggie Square and Major League Soccer announcements
- **Launched ‘The Greater Sacramento Talent Story’** with CBRE, which was mailed to over **1,000 national decision makers** and **downloaded by over 220 people** on GSEC’s website. A LinkedIn ad campaign promoting the report drew **76,000+ impressions** and **190+ ad clicks**. GSEC received an **Award of Merit** for the report from the California Association for Local Economic Development. Launch events for the report were held across the west coast with **180 combined attendees** and garnered a feature in the San Francisco Business Times



Launched ‘The Greater Sacramento Talent Story’, reaching thousands of leaders

V. GROW A SUSTAINABLE, INCLUSIVE AND BALANCED ECONOMY

- **Delivered a foreign direct investment strategy** to advance investment and began implementation
- **Assisted the California Mobility Center** with property search, launch event planning and prospecting for member companies
- Worked on **strategic marketing of new development and redevelopment sites** with brokers and developers
- Worked closely with stakeholders to **market Class A office space** at The Railyards and Folsom Ranch
- **Attended over 15 trade shows, sales missions and conferences and led 9 market visits**, resulting in dozens of meetings with multipliers, location consultants and high-level clients

LOCATE SUMMARIES

Air International



Advanced Manufacturing

Number of jobs: 60 | **Average wage:** \$55,000

📍 Auburn, Placer County

Total economic impact in first year: \$28.4 million

Air International designs, develops and supplies high-quality, high-value thermal systems to automotive original equipment manufacturers on four continents.

Blokable



Advanced Manufacturing

Number of jobs: 20 | **Average wage:** \$60,000

📍 Sacramento, Sacramento County

Total economic impact in first year: \$10.3 million

Blokable creates a process that turns real estate development into a transparent and easily managed service by building high-quality, low-cost and connected housing.

EpitoGenesis



Life Sciences

Number of jobs: 4 | **Average wage:** \$85,000

📍 Sacramento, Sacramento County

Total economic impact in first year: \$1.5 million

EpitoGenesis is a biotechnology company established to eliminate vaccination side effects such as site of injection pain, swelling, fever and more.

Amazon



Tech

Number of jobs: 300 | **Average wage:** \$33,280

📍 Multiple regional locations

Total economic impact in first year: \$41.7 million

The tech and e-commerce giant, Amazon, is opening up multiple distribution centers across Greater Sacramento.

ConXtech



Advanced Manufacturing

Number of jobs: 177 | **Average wage:** \$60,000

📍 Woodland, Yolo County

Total economic impact in first year: \$68 million

ConXtech is reinventing the way that structural steel-frame buildings are designed and built. Combining the tools of high-tech manufacturing, ConXtech developed a system of standardized components that make it possible to design and erect two- to 12- story buildings faster, safer and with less waste.

Frank Rimerman + Co



Finance

Number of jobs: 12 | **Average wage:** \$50,000

📍 Roseville, Placer County

Total economic impact in first year: \$2.1 million

Frank, Rimerman + Co is a unique, high-spirited team of professionals making creative and innovative contributions to its clients and community offering an integrated array of specialized services not available from most CPA firms.



Blokable, the vertically integrated developer that builds high-quality, low-cost and connected housing, opened its California corporate office in Greater Sacramento.

Galy



AgTech

Number of jobs: 5 | **Average wage:** \$75,000

📍 City of Davis, Yolo County

Total economic impact in first year: **\$2.2 million**

Galy's platform integrates synthetic biology, bioinformatics and genomics to understand how plants work on a molecular level. In the lab, Galy produces cotton faster that is higher quality and uses 80% less resources than traditional methods.

Healthcare company*



Health Services

Number of jobs: 500 | **Average wage:** \$40,000

📍 Rancho Cordova, Sacramento County

Total economic impact in first year: **\$66.7 million**

This Fortune 500 company is leading and managing the fastest-growing, most complex areas of health, including special populations, complete pharmacy benefits and other specialty areas.

* Name currently confidential

Go360



Mobility

Number of jobs: 5 | **Average wage:** \$55,000

📍 Sacramento, Sacramento County

Total economic impact in first year: **\$2.1 million**

Go360's all electric rideshare fleet serves downtown and midtown Sacramento aiming to deliver a more convenient, affordable and environmentally-friendly way to travel to work and local transit hubs.

Hypersonix



Technology

Number of jobs: 10 | **Average wage:** \$150,000

📍 Auburn, Placer County

Total economic impact in first year: **\$10.3 million**

Hypersonix is the world's first AI-powered autonomous, predictive and prescriptive analytics designed for consumer commerce. Hypersonix empowers decision-makers in real-time to analyze disparate data sources and derive actionable insights easily and quickly.

Kendrick Realty



Business Services

Number of jobs: 10 | **Average wage:** \$65,000

📍 Sacramento, Sacramento County

Total economic impact in first year: **\$2.9 million**

Kendrick Realty is built on world-class training, best in class technology, and selective recruiting – all to create a group of realtors who deliver exceptional service to clients buying and selling homes and property.

Lion Electric



Mobility

Number of jobs: 20 | **Average wage:** \$55,000

📍 Sacramento, Sacramento County

Total economic impact in first year: **\$10.2 million**

Lion Electric is an innovative zero-emission vehicle manufacturer and designer that creates all electric school buses, midi/minibuses for special needs or urban transit and urban trucks.

Newfront Insurance



Technology

Number of jobs: 150 | **Average wage:** \$75,000

📍 Sacramento, Sacramento County

Total economic impact in first year: **\$51.7 million**

Newfront Insurance is a software-based insurance solution allowing providers to efficiently manage operations and back office, allowing for more representatives and boots-on-the-ground to cover more territory.

Powerschool (expansion)



Technology

Number of jobs: 12 | **Average wage:** \$60,000

📍 Folsom, Sacramento County

Total economic impact in first year: **\$9.9 million**

Powerschool is the leading provider of K-12 education technology supporting over 45 million students in 80 countries. The company helps schools and districts efficiently manage a variety of processes from instruction and assessment to finance and human resources.

Tule Technologies



AgTech

Number of jobs: 8 | **Average wage:** \$70,000

📍 Davis, Yolo County

Total economic impact in first year: **\$7.5 million**

Tule Technologies allows growers to take pictures of their vines and get the midday leaf water potential, offering a low-cost replacement to a pressure chamber.

Zennify (expansion)



Tech

Number of jobs: 85 | **Average wage:** \$70,000

📍 Sacramento, Sacramento County

Total economic impact in first year: **\$41 million**

Zennify is a Platinum-level Salesforce consulting partner – and its fastest growing in the financial services sector. With hundreds of successful implementation to date, Zennify balances industry-leading expertise with a laser focus on client objective to deliver creative, transformative business solutions that scale.

Fintech startup Zennify received a large investment from Salesforce Venture's Trailblazer Investment fund that will spur additional growth at their Sacramento headquarters.

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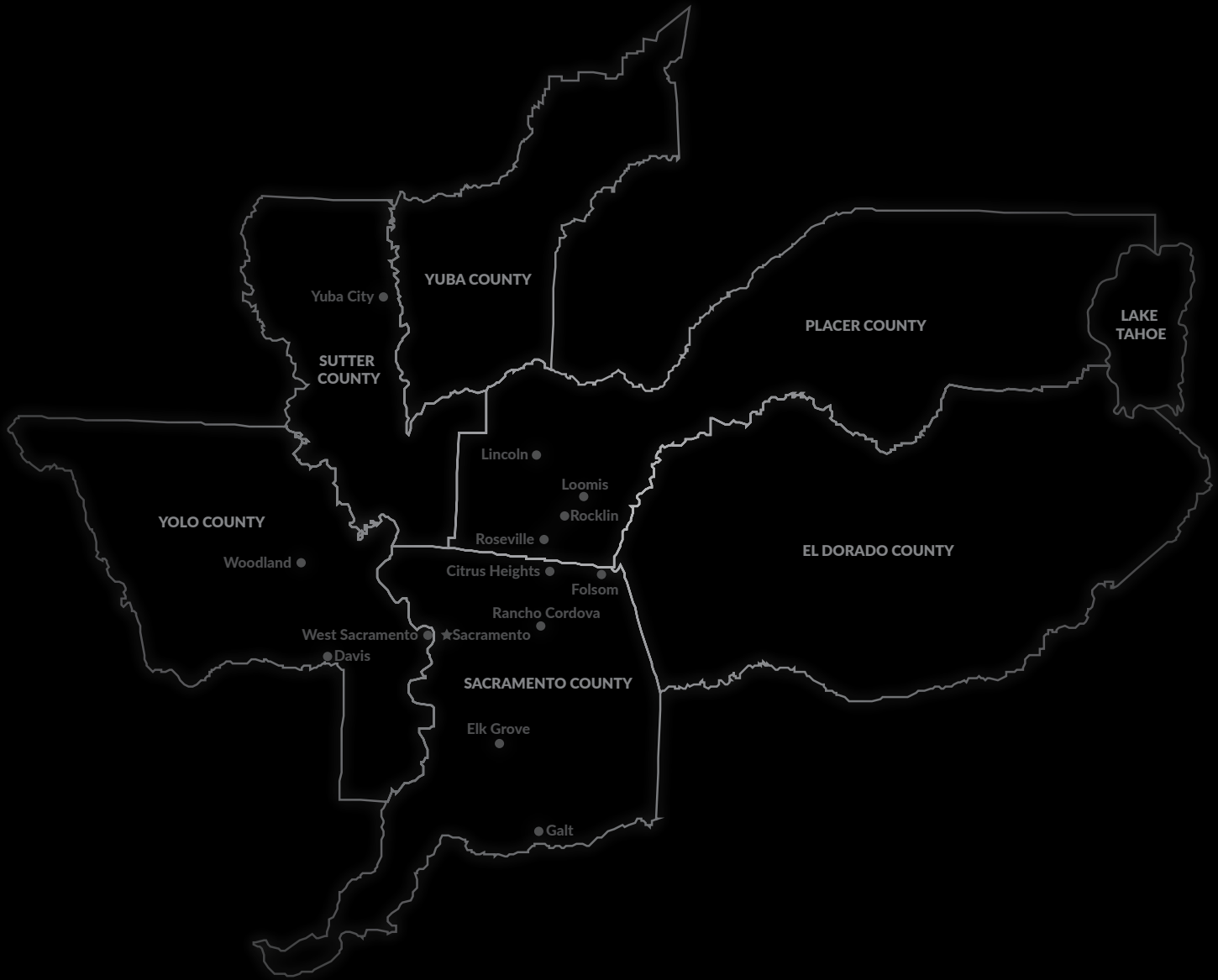


BRONZE



CHAMPION

Colliers International	HGA	RMW Architecture & Interiors
Deacon	JLL	Sacramento Region Community Foundation
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EPIC Insurance Brokers and Consultants	Lyon Real Estate	Stoel Rives LLP
The Friedrich Team, brokered by eXp Realty of California, Inc.	Miles Treaster & Associates	Volt Workforce Solutions
	Procter & Gamble	



Action Plan

FISCAL YEAR 2020/21

Organizational Statement

The Greater Sacramento Economic Council is the catalyst for innovative growth strategies in the Capital Region of California. The organization spearheads community-led direction to retain, attract, grow and scale tradable sectors; develop advanced industries and create jobs and investment throughout the six-county region. Greater Sacramento represents a collaboration between local and state governments, market leaders, influencers and stakeholders, with the sole mission of driving inclusive economic growth.

Contents

1	A letter from the Chairman of the Board
2	A new economic development model
	KEY INITIATIVES
	I. Respond with and deliver positive impact in the attraction, retention and delivery of skilled workers
	II. Develop and administer a comprehensive, regional business retention and expansion program
	III. Grow and attract the industries of the future
	IV. Advance and grow positive brand recognition for GSEC and the region
17	Budget summary
19	Meetings, events and programs schedule

A Letter from Laurie Harting

Chairman of the Board

[PLACEHOLDER, TO BE COMPLETED WITH SUBMISSION]



Driving Onward to Regional Recovery:

Key Tenets

Our economy has seen upheavals, challenges, setback and imbalances since the beginning of our nation’s history. But the economic challenges faced by economic development organizations such as GSEC at this time are truly unprecedented. Gone are the times of reacting to strong economic trends, focusing only on traditional business development and marketing tactics, and celebrating victory.

The work ahead for GSEC and the Greater Sacramento community will be of the level not seen before and will test our skills and our merits. No, it is not at all business as usual. And no consensus exists regarding what recovery will look like and when we can hope to embrace it. But then again, GSEC is an unprecedented organization. It is up to the challenge.

To deliver on its promise to serve as the catalyst for innovative growth strategies in the Capital Region of California in a time when unemployment has hit the highest levels in nearly a century just as the region had begun to see positive results from its efforts, GSEC must deliver an entirely new economic development model.

This is necessary as:

- **Talent and workforce skills** will continue to increase in importance as the **top driver of business decisions**.
- **The very nature of work and the use of commercial space** - from offices, to distancing practices in manufacturing facilities, to day to day retail and dining transactions - **has changed significantly, likely forever**.
- **The impact of a global pandemic and the exposure of ongoing systemic inequities, bias and racism** have made the importance of commitment to inclusive economic development painfully apparent. Communities that lack the commitment to tackling these issues head on will continue to suffer, and **be left behind**.



Framework for GSEC’s Mission to Create a Sustainable Economy for the Region

by focusing on industries that are environmentally sound, inclusive and tradable in nature with primary goals of regional investment in jobs and resulting economic impact.

Sacramento was one of the first major metropolitan areas to recover post 2001 recession, yet one of the last regions to recover post 2008. Even before the COVID-19 pandemic the region was struggling to realize pathways out of poverty.

In 2018, GSEC commissioned the Brookings Institution to conduct a study of the Greater Sacramento workforce. Brookings found that the region disproportionately depended upon government jobs, resulting in a regional ranking of 91 out of 100 for inclusion numbers in similar markets. This is significant in that government jobs have the lowest multiple effect, with 4 government jobs creating a single low wage job. Government jobs do not have a supply chain, do not scale, do not create wealth and do not have global connectivity. The Brookings Institute report showed that when compared to 16 other peer metro areas, the Sacramento region ranks worst with a 0.7% decline in annual employment in tradable sectors 2006-2016.

Brookings also found 47% of African American residents and 42% of Latinx residents in the region to be economically disadvantaged. These numbers only started to make significant improvements over the past few years as a result of an aggressive economic development program focused

on inclusive investment. The region moved from government jobs making up 40% to 33% of total jobs. When Brookings released its most recent update on its inclusion metric, the region ranked second among large metropolitan areas.

Given the severe nature of this current recession, and without intentional intervention, the most likely outcome will be a repeat of the 2008 recovery.

The formula laid out in The New Geography of Jobs by Dr. Enrico Moretti indicates that every tradable sector job creates 5 additional high wage jobs. When tradable sector performance increases more jobs are created, and more of those jobs will be inclusive. As tradable sectors contract, less jobs are retained, and exclusionary

problems take root in the economy.

The impact of lost tradable sector jobs is exponential. Greater Sacramento has not always suffered from a disproportionate number of tradable sector jobs. McClellan as a military base once had 10,000 engineers and manufacturing jobs. Hewlett-Packard in Roseville employed 12,000 and Aerojet had 30,000 . This equates to essentially a loss of 52,000 top tier tradable sector jobs. **In 1992 the Greater Sacramento region had a stronger economy than Austin, Denver, Salt Lake, Phoenix and Seattle.**

Demographics dictate economic potential, unique advantages and tradable sectors. Well managed and executed strategies focused on amplifying tradable sectors determine the success of the economy.



Now, it is in last position to all of them.

The decline in Greater Sacramento’s economic position is directly correlated to the reduction in these tradable sectors. The industry giants mentioned did not just provide jobs but created new innovation and built supply chains within the community.

The once vibrant, healthy middle class community adjacent to McClellan has suffered decline, a very visible result of the relationship between tradable sectors and inclusion.

To better understand tradable sectors and the clustering effect, consider the impact if a tradable industry cluster in a region with 15,000 existing jobs in 500 companies were to each add just 20 new jobs as the result of a combination of growth in innovation, workforce investment and other factors? **After the creation of those new 10,000 jobs, assuming a modest multiplier effect the resulting impact could be an additional 30,000 or more.**

The will in turn produce greater economic outcomes because they are in a market that’s producing new innovation driving success - as long as the needed talent is available. **The demographic position of the**

region sets the economic potential of the region.

Increasing the education attainment average within the region is key to increasing the economic potential of greater Sacramento. Failure to retain college graduates drags down the demographic profile of the region, and negatively impacts the economy.

An industry consortium model anchored by a university increases the capture of the college graduates, provides an attractive environment for venture capital investment and increases the efficiency and productivity of the associated industry base. That is how powerful a university is as an anchor institution.

UC Davis-anchored Aggie Square.

An industry consortium model focused on a tradable sector, Aggie Square offers the region a unique advantage. Every job created by Aggie Square will result in the creation of 5 additional jobs in the community. Its unique connection to UC Davis as the anchor institution will act as a significant retention tool for local market life sciences institutions, and will continue to attract interest within the cluster.



It is designed to allow Greater Sacramento to become a top location of choice for these companies because of the unique advantages of partnership with a university that has 40,000 college students and is conducting \$1 billion of annual research. Of the 1,871 major colleges and universities, only 10 spend more annually.

Capitalizing on the world class life science talent of UC Davis, Aggie Square will provide a regenerative medicine platform in Sacramento that is unique to Sacramento, and one that doesn't exist in competitive markets. Because of its uniqueness, companies focused on regenerative medicine (cell therapies) and those that support this industry sector will gravitate to Aggie Square.

When tradable sector performance increases more jobs are created, and more of those jobs will be inclusive.

With the build out of Aggie Square, our current 17,000 regional life science sector jobs should rise to between 25,000 and 50,000 over 10 years. The entire regional economy can be changed by expanding Aggie Square and connecting institutions throughout the region to the connecting to its services and products.

The Aggie Square investment by Wexford is a defining moment for the future of the Sacramento region. This is as significant as Intel's investment in Folsom and Hewlett-Packard's investment in Roseville. This relatively small campus has the ultimate capability of directly and indirectly leading to the creation of 50,000 - 100,000 jobs over time. **Aggie Square is physically sited in Sacramento, but its impact is undeniably regional.**

The California Mobility Center.

The California Mobility Center (CMC) is also based upon a consortium model focused on a tradable sector with its own unique advantage and significant economic impact potential.

The CMC is not about transit or ride-sharing. It is not about testing. It is an applied engineering model connected to the software model center of Silicon Valley. Silicon Valley produces app-based tools like Uber and Lyft and software capabilities for connected electric vehicles. But the manufacturing of the associated components cannot occur in Silicon Valley due to cost. The CMC can take advantage of this and directly create new jobs in Greater Sacramento by engineering new products for a growing tradable sector, exporting products and bringing new wealth to the region.

PEM Motion, an anchor of the CMC, is one of the most unique and respected international engineering firm for production of clean mobility sector hardware products.

The 10 acre campus of the CMC will offer the capacity to produce tens of thousands of jobs. This is coupled with the unique assets and value proposition of a Greater Sacramento, and California, location.

All of the electric cars in the United States are designed in California, all related demand policies in the United States originate in California, and consumers in the state currently purchase 50% of all electric vehicles sold.

The availability of electric vehicle charging stations is in turn unique to California. The California Air Resource Board provides a competitive advantage for Sacramento because it is a regulator that directly creates demand for the clean tech mobility industry. As a result, the California Mobility Center is strategically positioned to be a supply chain creator for innovative companies whether recognizable like Tesla or still an unknown startup destined to be a future mobility giant. Local low cost power providers such as SMUD and Roseville Electric offer a cost advantage in comparison to other California locations for associated manufacturing supply chains.

We cannot stumble on this industry consortium model. We have a unique position dictated by skill, by location and by market, but we have to execute against it in a successful timely manner.

Why Does All of This Matter?

COVID-19 has impacted our economy faster and more devastatingly than any other recession in decades. Local small businesses are shutting their doors and unemployment across the nation has hit over 16%. From the federal government to the local municipal level, all are offering financial stimulus and other

assistance to save them - and it will not be enough.

The only way to truly save Main Street small business and service industries is to focus on the development of a strong and diverse tradable sector industry base.

Of the more than 1 million jobs that currently exist in the greater Sacramento region, only 58,000 are tradable sector jobs. Aggie Square will increase the amount of tradable sector jobs for the region by more than 25%. That will measurable change incomes for households throughout the entire region.

Greater Sacramento unique advantages:

1. Location in California
2. In the State Capital
3. Proximity to Silicon Valley innovation
4. In the state where the modern electric vehicle was born

The market brand of Greater Sacramento has to center around its unique competitive advantages. These unique advantages are the foundation from which we build tradable sectors, and when we leverage them to build efficient

and productive tradable sector assets, industries will cluster in the Greater Sacramento region.

The behaviors necessary for success in life science and advanced mobility sectors are identical, just nuanced for the industry. **Products resulting from new innovations, services that make companies more efficient, and talent supply all create the environment for new industry clusters.** Tradable sector in an innovative product like regenerative medicine, and innovative service like ramp up factories at the CMC will create efficiency and productivity in enterprise. The measure of economic success for these enterprises is not size, but rather whether they are rooted in a tradeable sector.

Moneta Ventures is highly successful because it is an early stage venture fund that capitalizes on the unique advantages of the Greater Sacramento region. **As a region, Greater Sacramento in turn must produce a body of work that enhances and strengthens its position around the region's unique advantages.**



Introducing a New Economic Development Model

With a reshaping of the very approach to economic development in order to impact the drivers of competitiveness in a new, digitally transformed, modern economy.

The approach.

To define and ultimately achieve success, GSEC will need to focus on outcomes instead of activity, such as the true advancement of the region’s competitiveness and wealth through the creation of tradable sector industry clusters and innovation, not just counting of jobs.

The productivity levels of existing firms and workers, participation rates of citizens in the workforce and continued increases over time in the percentage of tradable sector jobs versus non-tradable are much more critical tests of a performance.

It must also recognize and embrace that while Greater Sacramento is one region, each of the communities within the region will also have unique needs and strategies that GSEC will serve and support.

The execution.

Due to the impacts of COVID-19, the way we interact and ‘deliver’ economic development services will change, but this is a benefit to be embraced and leveraged. Instead of spending valuable time and dollars on business travel and planning and hosting large scale events, production of programs and meetings can occur in a virtual setting. This will require less travel time and cost to execute, however, it will also require significantly more preparation in research, materials and digital technologies to ensure excellence.

To execute this plan, GSEC will need to be strategic instead of checking off boxes or doing things as they have been done before. Priority activities will be those that support one of its key initiatives or drive meaningful economic performance. And its strategies and tactics will continue to be data-driven.

Finally, and most importantly, all efforts in service to this new economic development model will be conducted with **equity and inclusivity as their most critical consideration.**

TRACKING PERFORMANCE

Metric	Prior FY Goal	Goal
Overall ROI to region	n/a	15:1
Jobs created / retained	1,396	2,000
Direct economic impact	\$146 m	\$500 m
Induced economic impact	\$246 m	\$2 B
Earned media value	\$3 m	\$5 m
Stakeholder satisfaction	85%	87%

Key Initiatives

- I. Respond with solutions and deliver positive impact in the attraction, retention and delivery of skilled workers**
Reinforce and expand the region’s value proposition to top talent in search of a premier employee experience, while simultaneously lifting up the regional community through fast-delivery training to upskill workers for marketability in a digitally transforming economy.
- II. Develop and administer a comprehensive, regional business retention and expansion program**
Refocus economic growth strategies with priority for ensuring local businesses survive, recover and have the opportunity to thrive.
- III. Grow and attract the industries of the future**
With reinforced commitment to major industry efforts already underway, deliver leading industry development strategies through consortium models and anchors with Aggie Square and the California Mobility Center.
- IV. Advance and grow positive recognition of the of Greater Sacramento and GSEC brand**
Launching the region our of a recession will require a continued commitment to advancing awareness of the efforts, successes, and value proposition.

I. Be a Leader in Talent Development, Attraction and Retention

strategies to attract top talent and provide upward mobility paths for members of the community

Objectives

- Serve as the top advisor to regional communities on the usage and delivery of recovery funds as related to workforce training needs.
- Deliver new opportunities for upward economic mobility in disadvantaged communities of Greater Sacramento.
- Become a recognized, go-to region for top talent when seeking relocation in top employee experience and quality of life communities.
- Utilize existing and new partners to advise and solve challenges with talent attraction and hiring, including creating and promoting material that directly combats misconceptions about the region's talent capacity.

Strategies and Tactics

- Identify and advance partnerships with training organizations such as General Assembly for rapid deployment of digital skills training.
- Analyze the need for new workforce development programs or revisions to current systems and work to secure funding allocations.
- Create marketing materials extolling the positive employee experience available in Greater Sacramento, while that directly combating misconceptions about the region's talent capacity.
- Launch and aggressively market a centralized jobs database for the region, promoting opportunities in high demand occupations at local businesses. Host this database in a customized micro site online, focused on quality of life.
- Continue to produce and leverage success stories and testimonials.
- Create a multi-year framework for how the Greater Sacramento region can invest in current and future talent development pipelines via local universities.
- Conduct an outreach and marketing strategy to connect firms to students and recent graduates to retain them in the local market, and recruit high net worth alumni from Greater Sacramento educational institutions to return to the region from out of market.

Desired Outcome

The Greater Sacramento region has hundreds and potentially thousands of residents trained with new skills that are in high demand in a digitally transforming economy. Top talent in the megaregion is increasing its prevalence of migration to the region, and new talent across the nation is taking notice.

- 10 New success stories produced and marketed externally
- + 100 to 1,000 trained individuals equipped with new digital skills and placed into jobs in growing tech companies.
- 5 New testimonial videos produced and utilized in social media promotions
- 250 Featured jobs listed on GSEC 'jobs database' site

II. Execute the Launch of a Comprehensive, Regional Business Retention and Expansion Program

With a priority on the recovery and growth of local business

Objectives

- Ensure located firms remain successful in the region and that emerging issues affecting industry have a solutions advocate.
- Continue to drive communities to develop new employment centers throughout the region.
- Direct collaboration with all local communities to ensure delivery of support for their individual, unique recovery strategy needs.

Strategies and tactics

- Business attraction program will deliver direct outreach to the top 50 businesses in the region in each target industry sector.
- GSEC will continue to audit annually the impacts, performance and status of all past locates.
- A regional database tool will be developed and launched, offering a critical resource and service to local communities in outreach to their companies.
- Local business outreach executed in partnership with local economic development directors and chamber of commerce CEO's.
- Launch a regional Mayor's round-table to ensure local voices and issues are heard.
- Leverage new partners such as property managers and staffing agencies for outreach and connections.

Desired Outcomes

The Greater Sacramento region has developed and delivered a model business retention and expansion program with GSEC serving as the connector and facilitator and all communities and regional leaders serving as partners. Intelligence gathered in the process is driving legislation required to support and advance the top industries in the region.

50

Businesses reached in each target industry annually

70%

Of all past locates connected to directly through annual audit program

+

Regional business retention and expansion database delivered

III. Grow and Attract Industries of the Future to the Greater Sacramento region

Objectives

- Elevate national awareness of regional assets such as Aggie Square, the California Mobility Center, key development opportunities and higher education assets.
- Identify a path to competitiveness through national analysis and benchmarking.
- Put Greater Sacramento high on the radar of the top tech giants for future campus location considerations.

Strategies and Tactics

- Launch, promote and advance the leadership of industry consortium models: fintech, mobility, and life sciences.
- Leverage and grow relationships established through brokerage MOU's.
- Using big data sets, continue asset mapping and supply chain analysis for target industries.
- Attend strategic trade shows, sales missions and conferences virtually and in person when possible while encouraging local community and broker partner attendance.
- Support regional initiatives and bills that will drive economic recovery, such as critical infrastructure and education projects.
- Advocate for state level incentive programs that increase California's competitiveness, are performance based, and that do not negatively impact the state's bottom line.
- With brokerage partners, create and distribute high quality marketing and research documents highlighting regional assets such as manufacturing.
- Increase interest and venture capital investment in regional firms while celebrating and supporting the launch of new local investment funds.

Desired Outcomes

GSEC is externally known as a leader in key industries of the future, and measurable growth has been seen in their expansion. Greater Sacramento is a known value proposition for national development firms considering new investment locations.

- 7+** **MOU relationships maintained and nurtured with brokerage offices**
- 2** **Newly launched industry consortiums are driving impact to the region**
- 25** **New direct interactions with venture capital firms outside of the Greater Sacramento region**
- +** **Comprehensive competitor and analysis delivered, outlining recommended performance based incentive programs that prioritize equity and inclusion**

IV. Advance and Grow Positive Local, National and International Recognition of the Greater Sacramento region and GSEC organizational brands

Objectives

- Expanded communications platform in the marketplace will educate the citizenry on the role and accomplishments of the Greater Sacramento Economic Council.
- GSEC will be recognized nationally and repeatedly as a best practices economic development organization.
- Achieve 100% success rate in continued support from Board investors.

Strategies and Tactics

- Hold recurring virtual and/or in-person short programs to educate community members about the efforts of GSEC and the elements of economic development practices, and ensure that each community partner in the region is featured during the year.
- Host site selector familiarization tours creating direct connections to 10 new national site selection consultants.
- Host a minimum of one inbound national media tour, virtually or in person.
- Increase regional brand awareness in target national markets through targeted, paid social media and digital ad campaigns as well as organic connections.
- Connect, directly or virtually, with all key consulate offices in the Bay Area to explore foreign direct investment and export and trade opportunities.

Desired Outcomes

GSEC has developed relationships in competitor markets showing its value and expanding its network. Awareness of the region has increased in a measurable way — qualitatively and quantitatively— and the Greater Sacramento region is widely known as the California Option.

2+

Recognition awards for excellence in the economic development field for GSEC

500

New local followers and contacts as a result of community outreach and education

+

Increase in project requests for information from site selection consultants

1

Inbound media tour, incorporating national press and trade publication writers in target industries

\$

\$3 million or more in earned media ad value

Budget Summary

Revenue

Investor revenue	\$1,405,000.00
Governmental agencies	\$979,623.00
Other revenue	\$586,900.00
Interest income	\$48,000
Office sublease	\$132,000
Annual dinner	\$150,000
Total revenue	\$3,301,523.00

Personnel expenditures

Salaries	\$2,132,121.00
Bonus pool	\$0.00
Employee benefits	\$127,927.00
Payroll taxes	\$170,570.00
Retirement plan contributions	\$127,927.00
Professional development	\$0.00
Recruiting expenses	\$15,426.00
Total personnel expenditures	\$2,597,971.00

Office expenditures

Rent expense	\$309,024.00
Property taxes paid	\$2,750.00
Insurance	\$21,000.00
Equipment rental and lease	\$12,000.00
Parking	\$39,996.00
Telephone	\$29,900.00
Depreciation and amortization	\$59,762.00
Dues and subscriptions	\$32,170.00
Printing	\$18,000.00
Research and software	\$149,590.00
Travel and Transportation: Operations	\$6,200.00
Office technology	\$78,660.00
Merchant card fees	\$5,000.00
Other office expenses	\$15,660.00
Total office expenditures	\$779,652.00

Professional services

Legal fees	\$55,200.00
Accounting fees	\$50,900.00
Design service fees	\$12,000.00
Employee benefits and payroll service charge	\$15,600.00
Contingency	\$200,000.00
Other professional fees	\$30,000.00
Total professional services expenditures	\$363,700.00

Community outreach

Advertising	\$36,000.00
Promotional materials	\$10,000.00
Meals and entertainment	\$24,000.00
Travel and Transportation: Business development	\$34,427.00
Sponsorships	\$0.00
Total community outreach expenditures	\$104,427.00

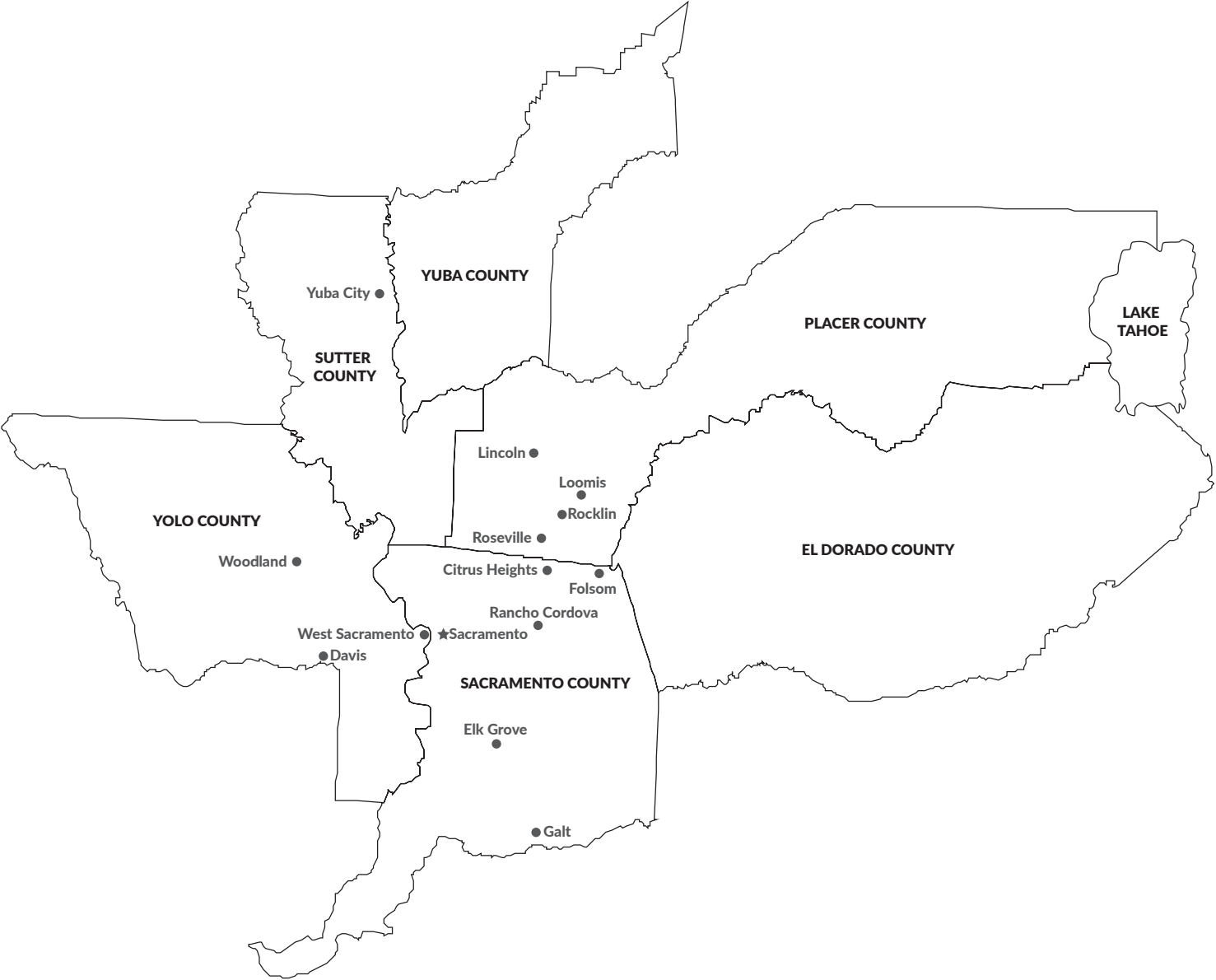
Event / meeting expenses

General events and programs	\$14,250.00
Board meetings	\$5,000.00
Board retreat	\$0.00
Annual Dinner	\$150,000.00
Site Selection Familiarization Tour	\$44,068.00
Total event / meeting expenditures	\$184,250.00

Total expenditures	\$4,030,000.00
Other revenue	- \$330,000.00
True budget	\$3,700,000.00

Meetings, Events and Programs Schedule


[PLACEHOLDER, TO BE COMPLETED WITH SUBMISSION]






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ECONOMIC COUNCIL

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