



# **Board of Directors Meeting**

**September 10, 2020**

# Meeting Agenda

September 10, 2020

9-11 a.m.

Zoom Meeting

## 1. Chairperson's Call to Order (Laurie Harting)

## 2. Approval of Minutes (Laurie Harting) – ACTION ..... Page 1

## 3. Governance (Laurie Harting) ..... Page 3

### a. Introductions

### b. Appointment of Directors & Committees – ACTION

### c. Board of Directors Meeting Calendar

### d. Financial Update (Brian Conner / Stan Van Vleck)

#### i. Fiscal Year End June 30, 2020

#### ii. July 2020 Financials

#### iii. Public Funds Memo

#### iv. Digital Upskill Program Proposal (Barry Broome)

### e. Investment Updates

#### i. Fiscal Year 2020/21 Private Sector Renewals

#### ii. Fiscal Year 2021/22 Private Sector Renewals

#### iii. Fiscal Year 2020/21 Public Sector Agreements

### f. Proposed Bylaws Amendment (Laurie Harting) – ACTION

## 4. Action Plan Strategy Session Follow-up (Tracye McDaniel)..... Page 18

## 5. Organizational Update (Danielle Casey) ..... Page 19

## 6. Split Roll Tax (Barry Broome) – ACTION ..... Page 45

## 7. 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 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 June 11, 2020 telephonically. In attendance were directors Garry Maisel, Laurie Harting, Arlen Orchard, Larry Allbaugh, James Conforti, David Galasso, Matina Kolokotronis, Erik Langeland, Dave Lucchetti, Gary Maisel, Robert Nelsen, Steve Pleau, Sandy Sharon, Michael Teel, Donna Bland, James Beckwith, Pat Clarey, Dale Carlsen, Alvin Cheung, Harry Elliott, Stephen Fleming, Mark Friedman, George Grinzewitsch, Scott Hanson, Larry Kelley, Brian King, Dan Konieczny, Ciaran McMullan, Ken Monroe, Todd Murch, Roger Niello, Jud Riggs, Jeremiah Smith, Jeff Dern, John Allard, Elaine Andersen, Don Ashton, Christopher Cabaldon, Jan Clark-Crets, Dan Flores, Thomas Haglund, Dan Karleskint, Mike Leahy, Steve Ly, Greg Janda, Shon Harris, David Sander, Don Saylor, Tom Stallard, Kirk Uhler, Gayle Garbolino-Mojica, Cassandra Jennings, Chet Hewitt, Fiona Ma, Amanda Norton, and Darrell Steinberg. The following Board members were absent: Michael Guyette, Don Clark, Chrysa Demos, John Jackson, Hayden Markstein, Kevin Nagle, Maria Pallavicini, Chris Boyd, Nav Gill, and Brett Lee. Present by invitation of the Board were: (i) proposed Board member nominee: Lauren Gustus; (ii) Greater Sacramento staff: Jasmine Ward, Barry Broome, Danielle Casey, Pierce Davis, Elizabeth Jones, Lucy Lu, Nick Baldi, Danea Thomas, Olivia Cano, Scott Powell, Hunter Blincoe, Hugo Martinez, and Sarah Ali; and (iii) Greater Sacramento advisors and consultants: Louis Stewart, Mabel Salon, Noah Star, Brian Conner, Nicholas Johnson, Steve Hymas, Stan Van Vleck, Celia Huber, Jim Alves, and Kunal Modi.

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 March 12, 2020 and March 31, 2020 meetings of the Board, which minutes were unanimously approved by the Board in the form set forth in the materials delivered to the directors.

Mr. Maisel then provided a governance update. Mr. Maisel introduced each individual proposed for consideration and approval (a) for a seat on Greater Sacramento’s Board, (b) as a reseated community advocacy director, (c) as an officer of Greater Sacramento, (d) as Chairs of various Committees, and (e) as members of various committees. Following the welcome and discussion, upon motion, second and unanimous approval, the Board set the authorized number of directors at 67, and appointed the following individuals to take the positions effective on the dates set forth below:

### New Directors (effective immediately):

- Lauren Gustus (The Sacramento Bee)

### Reseated Community Advocacy Directors (effective immediately):

- Gayle Garbolino-Mojica (Placer County Office of Education)
- Cassandra Jennings (Greater Sacramento Urban League)

### Officers (effective July 1, 2020):

- Board Chair: Laurie Harting
- Vice Chair: Michael Guyette
- Treasurer: James Conforti
- Secretary: Matina Kolokotronis

New Chairs of the (effective July 1, 2020):

- Audit Committee: Steve Fleming
- Bylaws Committee: Laurie Harting
- Compensation Committee: Laurie Harting
- Executive Committee: Laurie Harting
- Finance Committee: James Conforti
- Nominating Committee: Laurie Harting

New Members of the (effective July 1, 2020):

- Nominating Committee: Michael Guyette
- Executive Committee: Lauren Gustus

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 financial position and cash reserves.

Next, Danielle Casey and Barry Broome presented and explained the proposed Greater Sacramento fiscal year 2020–21 budget. After discussion, upon motion, second and unanimous approval, the Board approved and adopted the fiscal year 2020–21 budget as set forth in the materials presented at the meeting.

Mr. Maisel then provided an overview of Greater Sacramento's private sector and public sector commitments and renewals.

Following the governance update, Mayor Steinberg addressed the Board regarding the impacts of COVID-19, peaceful demonstrations, and property destruction in the Sacramento region.

As the next item of business, Celia Huber and Kunal Modi presented on the economic impact of COVID-19 on California. Ms. Huber and Mr. Modi addressed projections on job loss and California's gross domestic product, as well as potential systems for speeding recovery.

Next, Barry Broome led a discussion regarding tradeable sector industry development, what tradeable sectors are, how they can help the Sacramento region, and what Greater Sacramento is doing to encourage tradeable sectors in the Sacramento region.

Ms. Casey then presented a review of Greater Sacramento's progress over the last year. Ms. Casey laid out Greater Sacramento's proposed fiscal year 2020–21 Action Plan for the coming year. The Action Plan being in draft form, after discussion, upon motion, second and unanimous approval, the Board approved and adopted the draft fiscal year 2020–21 Action Plan as set forth in the materials presented at the meeting and authorized the Executive Committee to approve any future changes to the Action Plan.

Next, Mr. Maisel opened the floor up to 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

### CHRISTOPHER CALLAHAN

*President  
University of the Pacific*

Christopher Callahan is a university executive with more than 25 years of academic leadership experience. He is the 26th president of University of the Pacific, the nationally ranked private California university with campuses in Stockton, Sacramento and San Francisco. California's oldest chartered university, Pacific offers 100 degree programs and areas of studies to more than 6,400 students with an emphasis on immersive academic studies and deep experiential learning.

His student-centric leadership style focuses on equal parts collaboration, innovation, optimism, nimbleness and a sense of urgency that creates impactful, problem-solving environments and cultures. That brand of leadership has helped transform institutions through curriculum innovation, highly successful fundraising, recruitment of national thought leaders, creative and entrepreneurial partnerships, diverse and accomplished student bodies and highly visible national profiles.

Before joining Pacific, he served as the founding dean of the Walter Cronkite School of Journalism and Mass Communication at Arizona State University, vice provost of the ASU Downtown Phoenix Campus and chief executive officer of Arizona PBS.



### WENDY COHEN

*President  
Kitchell*

As President of Sacramento-based Kitchell CEM, Wendy Cohen oversees a workforce of 350-plus employees managing primarily public sector construction projects across the western United States. With more than 25 years in the building industry, Wendy has worked as general contractor, construction manager, consultant, and owner.



Wendy is a trusted advisor in the construction management field, facilitating numerous industry panels on collaborative business models for construction, the current status of the industry and how to be an owner of choice. Her experience leading high-performance teams throughout her career paved the way for her current role at Kitchell CEM, which is consistently ranked among the top Construction Management and Program Management firms both regionally and nationally. The company's high-profile projects include the Department of General Services O Street Project, the Sacramento Community Center Theatre and the single-largest state building project in the history of Sacramento: the Richards Boulevard Office Complex.

Wendy joined Kitchell after serving as Director of Facilities Planning and Construction with Palomar Health, where she led a billion-dollar construction program. With her native San Diego roots, she established a trusted rapport with clients and respect among her direct reports. At Kitchell she is known for fostering the development of up and coming leaders and continues to chart a successful path for women in the building industry. Wendy is passionate about improving the industry and the communities

where Kitchell operates. She is actively involved in the Construction Management Association of America and has been recognized for her leadership in the industry by the American College of Healthcare Executives, the San Diego Organization of Healthcare Leaders, the San Diego and the Sacramento Business Journals. Her community involvements include Casa de las Campanas Board Member and Project Athena, an organization that helps people who have survived medical or other traumatic challenges achieve their adventurous dreams. Wendy's physical feats are impressive and include Grand Canyon rim-to-rim-to-rim treks, an ultra-marathon in Zion National Park, an ascent up Mt. Kilimanjaro and the California AIDS ride from San Francisco to Los Angeles.

## **BRIAN TERNAN**

*President and CEO*

*Health Net, Inc., a Centene Company*

Brian Ternan is President and CEO for Health Net of CA and California Health and Wellness. In this role, he oversees Health Net's commercial and government businesses in California. Mr. Ternan is an industry leader with more than 25 years of health plan experience in Commercial, Labor and Group Medicare business.

Mr. Ternan joined Health Net in September, after 4 years as the Commercial Plan President for Anthem Blue Cross of CA. Prior to that, he served as President of Aetna's Western Region and had P&L responsibility for Group, Individual, Group Medicare and Public and Labor lines of business. During his nine year tenure at Aetna, Mr. Ternan also served as President of Aetna's Southern California Market; President of West Region National Accounts; and Vice President of Southern California National Accounts.

Prior to Aetna, Mr. Ternan held various positions at Mercer HR Consulting throughout the West. At Mercer, he advised large employers about the various aspects of their human resource strategies.



## **LORENZO HINES JR., ICMA-CM**

*City Manager*

*City of Galt*

Lorenzo Hines Jr. was appointed as the City Manager of Galt, CA by the Galt City Council on August 4, 2020. Mr. Hines has served in state, local, and county government for 27 years. He was previously the Assistant City Manager for the City of Pacifica, CA and has served as Chief, Management Services Division for California Secretary of State and Chief Financial Officer for Public Health - Seattle/King County in Seattle, WA. He has also served as Finance Director for the cities of Edmonds, WA and Lynnwood, WA.

Mr. Hines has extensive experience in financial strategy and management expertise, including financial turnarounds, budgets, and forecasting. He has wide-ranging experience implementing agency-wide projects and initiatives, expertise in economic development, strategic and tactical planning, and fiscal/policy implementation and analysis.

Mr. Hines has a Master of Business Administration from the University of Washington, a Bachelor of Science in Accounting from the University of North Carolina-Greensboro, and is a Certified Public Accountant. He is a member of the International City/County Management Association (ICMA), and maintains a Credentialed City Manager designation within that organization. He is also a member of the ICMA affiliated National Forum for Black Public Administrators and the Government Finance Officers Association of the United States and Canada.



## GLORIA PARTIDA

*Mayor  
City of Davis*

Gloria is a longtime Davis resident and was elected to the Davis City Council in June 2018.

Gloria attended college at the University of California at Davis where she majored in Zoology and currently works as a Neurobiologist at UCD. She has a long history of advocacy in the Davis community starting with disability advocacy and participation in many school and community organization boards and is a founder of the Davis Phoenix Coalition which promotes community inclusion. She has served on the city's Human Relations Commission

In addition to managing a small business with her son with a disability, Gloria is active in raising her grandson.



## MELISSA ANGUIANO

*Deputy Director  
City of Sacramento  
GSEC EDDT Chair*

As the Deputy Director for the City of Sacramento Office of Innovation and Economic Development, Melissa's top priority is to support the City in implementing strategies that leverage job and business growth opportunities in Sacramento.

Melissa has over 20 years of experience in economic development principles, practices, and implementation including community and business development, real estate development, and redevelopment. She has been with the City since August 2004 and has been instrumental in implementing a number of projects, programs and policies that have been significant to Sacramento's economic growth – including the Innovation and Growth Fund, Sale of the Army Depot site, and the Jobs Incentive Policy that paved the way for Centene. In addition, Melissa organizes and manages the overall operations for the Office of Innovation and Economic Development.

Melissa is a graduate of California State University, East Bay (formerly Hayward), with a bachelor's degree in Political Science and master's degree in Public Administration. Melissa is also a 2018 Equitable Economic Development Fellow through the National League of Cities (NLC), PolicyLink and the Urban Land Institute (ULI). Prior to Sacramento, Melissa was an Economic Development Specialist with the City of Fremont.



## DR. JOHN JACKSON

*President  
William Jessup University  
GSEC Competitiveness Council Co-Chair*

Prior to joining William Jessup University as its sixth President in March 2011, John served as the Executive Director of Thriving Churches International and as a Senior Leader of Bayside Church, Granite Bay, California. He is the Founding Pastor of LifePoint Church in Minden, Nevada, and previously was the Executive Minister of the American Baptist Churches of the Pacific Southwest (now Transformation Ministries) where he was responsible to serve more than 270 churches in four Western states.



John also served as the Senior Pastor and in several staff roles at First Baptist Church of Oxnard and as the Youth Pastor at First Baptist Church of Buena Park. Dr. Jackson earned both his Ph.D. and M.A. in Educational Administration and Organizational Studies from the University of California, Santa Barbara; M.A. in Theology (Christian Formation and Discipleship) at Fuller Theological Seminary; and a B.A. in Religion (Christian History and Thought) from Chapman University.

His strong background in executive and organizational leadership has given him the opportunity to come alongside high impact churches and leaders in national and global settings to strengthen their organizational leadership and communication skills. John is committed to leverage his Kingdom influence through strategic relationships.

Dr. Jackson has written and co-authored six books: Finding Your Place in God's Plan, God Size Your Church, Leveraging Your Communication Style, Leveraging Your Leadership Style, Pastorpreneur and High Impact Church Planting.

Dr. Jackson is married to Pamela Harrison Jackson and they make their home in Rocklin, CA; they have 5 children, three of whom are married. They are still waiting for grandchildren. Patiently. Not.

## **Appointment of Directors**

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 SEATED AS PRIVATE SECTOR INVESTORS:**

Christopher Callahan  
President  
University of the Pacific  
*(seat formerly held by Dr. Maria Pallavicini)*

Wendy Cohen  
President  
Kitchell

Brian Ternan  
President and CEO  
Health Net, Inc., a Centene Company  
*(seat formerly held by Patricia Clarey)*

### **TO BE SEATED AS PUBLIC SECTOR INVESTORS:**

Lorenzo Hines Jr.  
City Manager  
City of Galt  
*(seat formerly held by Thomas Haglund)*

Gloria Partida  
Mayor  
City of Davis  
*(seat formerly held by Brett Lee)*

## TO BE SEATED AS AN ADDITIONAL DIRECTOR:

Melissa Anguiano  
Deputy Director  
City of Sacramento  
EDDT Chair  
*(seat formerly held by Amanda Norton)*

Dr. John Jackson  
President  
William Jessup University  
Competitiveness Council Co-Chair

## Appointment of Committees

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

## TO SERVE ON THE AUDIT COMMITTEE:

Jeff Dern  
*(replaces Nav Gill)*

## Board of Directors Meeting Calendar

Please mark your calendars for the following meetings for 2020 & 2021.  
All meetings will be virtual until further notice.  
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, Teel)*

September 1, 2020 (Tuesday) | 3 – 4 p.m.

December 7, 2020 (Monday) | 4 – 5 p.m.

March 1, 2021 (Monday) | 11 a.m. – 12 p.m.

June 7, 2021 (Monday) | 11 a.m. – 12 p.m.

## Financial Update FYE June 30, 2020

### SUMMARY OF FINANCIAL ACTIVITY

#### Statement of Financial Position

##### ASSETS

Total Bank Accounts	5,418,375
Total Receivables	7,362,495
Total Current Assets	208,766
Total Fixed Assets	202,907
Total Other Assets	61,121
<b>TOTAL ASSETS</b>	<b>13,253,664</b>

#### Statement of Activity

##### REVENUE

Total Contributions	7,354,812
Total Contributions – Public Sector	964,608
Corporate Membership	67,500
Grant Revenue	200,000
<b>TOTAL REVENUE</b>	<b>8,586,920</b>

#### Summary of Expenses Budget vs. Actual

	YTD Actual	YTD Budget	Over (Under) Budget
<b>EXPENDITURES</b>			
Total Personnel	2,890,803	3,242,738	(351,935)
Total Office	829,751	773,449	56,302
Total Professional Services	279,883	209,500	74,883
Total Community Outreach	278,361	239,945	38,416
Total Events/Meetings	317,508	625,768	(308,260)
Total Special Projects & Sponsorships	16,471	-	16,471
<b>TOTAL EXPENDITURES</b>	<b>4,612,776</b>	<b>5,086,900</b>	<b>(474,124)</b>
<b>LESS - NET OTHER REVENUE</b>	<b>419,724</b>	<b>586,900</b>	<b>(167,176)</b>
<b>NET EXPENDITURES</b>	<b>4,193,052</b>	<b>4,500,000</b>	<b>(306,948)</b>

## Financial Update YTD July 2020

### SUMMARY OF FINANCIAL ACTIVITY

#### Statement of Financial Position

##### ASSETS

Total Bank Accounts	6,950,528
Total Receivables	10,115,242
Total Current Assets	150,899
Total Fixed Assets	197,971
Total Other Assets	58,417
<b>TOTAL ASSETS</b>	<b>17,473,057</b>

#### Statement of Activity

##### REVENUE

Total Contributions	3,575,000
Total Contributions – Public Sector	503,208
Corporate Membership	7,500
Grant Revenue	100,000
<b>TOTAL REVENUE</b>	<b>4,185,708</b>

#### Summary of Expenses Budget vs. Actual

	YTD Actual	YTD Budget	Over (Under) Budget
<b>EXPENDITURES</b>			
Total Personnel	183,633	216,293	(32,660)
Total Office	65,259	71,686	(6,428)
Total Professional Services	7,405	11,000	(3,595)
Total Community Outreach	3,321	5,701	(2,380)
Total Events/Meetings	1	413	(412)
Total Contingency	1,500	1,500	-
<b>TOTAL EXPENDITURES</b>	<b>261,119</b>	<b>306,593</b>	<b>(45,475)</b>
<b>LESS - NET OTHER REVENUE</b>	<b>14,201</b>	<b>15,000</b>	<b>(799)</b>
<b>NET EXPENDITURES</b>	<b>246,918</b>	<b>291,593</b>	<b>(44,675)</b>

September 3, 2020

**VIA E-MAIL LAURIE.HARTING@DIGNITYHEALTH.ORG**

The Board of Directors of  
Greater Sacramento Area Economic Council  
Attn: Laurie Harting, Chair  
400 Capitol Mall, Ste 2500  
Sacramento, CA 95814

Re: Compliance with the Public Funds Policy  
Client-Matter No. 44920.00000

Dear Laurie and Directors:

You have asked us to review the Greater Sacramento Area Economic Council's ("GSEC") use and retention of contributions from cities and counties ("Public Designated Net Assets") in relation to the Restricted & Unrestricted Net Assets Policy (the "Policy") for the 2019–20 fiscal year, and for the period from that date through the date of this letter (the "Relevant Dates").

While this firm represents GSEC on a regular basis, the listing below is limited to the discussions with Moss Adams with respect to the Policy Improvements discussed below for the Relevant Dates; and, based on those discussions, this letter summarizes the state of GSEC's compliance with the Policy Improvements for the Relevant Dates.

### **Policy**

The Policy for Public Designated Net Assets is as follows:

Net assets that are contributions received from cities and counties. These funds are designated to be used for specific operational items of the organization which exclude chief executive officer compensation, employee bonuses, car allowances, and entertainment.

In short, Public Designated Net Assets can only be used for certain, limited operational uses ("Allowable Expenses").

### **Policy Improvements**

In the 2018–19 fiscal year, GSEC discussed its past practices with its attorneys and accountants and, although GSEC had technically complied with the Policy, GSEC and its professional advisors agreed that it was in its best interest to implement certain practices described below in order to eliminate any perception that the Policy was being violated or of commingled accounts (the “Policy Improvements”). The Policy Improvements called for GSEC to establish a new checking account (the “Public Funds Account”) devoted solely to Public Designated Net Assets. Under the Policy Improvements, as Public Designated Net Assets come in each year, they are to be deposited directly into the Public Funds Account. GSEC may then, at its option, (i) pay for Allowable Expenses directly out of the Public Funds Account by check; or (ii) pay for Allowable Expenses out of another GSEC account and reimburse that account from the Public Funds Account. The Policy Improvements were implemented for Public Designated Net Assets in fiscal year 2019–20.

### **Continued Compliance**

Based on current discussions with Moss Adams, (i) GSEC complied with the Policy Improvements for fiscal year 2019–20; (ii) as of the date of this letter, GSEC has not expended any Public Designated Net Assets on Allowable Expenses in fiscal year 2020–21; and (ii) all Public Designated Net Assets received by GSEC in fiscal year 2020–21 remain in the Public Funds Account.

Very truly yours,

DOWNEY BRAND LLP



Stan O. Van Vleck

SOV

## Digital Upskill Sacramento UPDATED AUGUST 2020



The Greater Sacramento Urban League (GSUL) and Greater Sacramento Economic Council (GSEC), are partnering to digitally upskill and retrain disadvantaged and displaced workers in some of Sacramento's most impacted communities. The partnership submitted a request of just over \$1 million for a pilot program to the City of Sacramento for CARES Act funding. The partners will engage General Assembly (GA) to train 100 people in needed digital skills. For the partnership, GSEC will serve as the lead applicant and fiduciary of funds.

On August 25<sup>th</sup>, as part of the \$10 million allocated by the City of Sacramento, GSEC was awarded \$787,650 towards the digital upskilling program. The scope is in process of being revised to adjust for the reduced funding.

This inclusive effort will ensure many of these neighborhoods and their long-term residents, with a focus on people of color, along with artists are leading the recovery – a targeted focus on digital upskilling is necessary to increase wages and social mobility.. The program is comprised of four elements: training, outreach, student success, and job placement.

The original plan called for two cohorts of each training when the proposal was written in May. Since the program will now start in September and must be completed December 30<sup>th</sup>, only one cohort can complete the program, meaning fewer students will be trained. The goal is to increase support for the students in the program to ensure a higher success rate in recruiting students, increased engagement in the training program, and placement in jobs once the program is complete. Plans are now to reduce the training from 12 to 9 weeks or see if the training timeline can be extended through January 2021.

### This program as proposed will do the following:

1. **Train 100<sup>1</sup>** displaced and disadvantaged workers in one of two skill programs:
  - a. Information technology
  - b. Software engineering<sup>2</sup>
2. **Conduct outreach** in targeted neighborhoods and screen potential students to ensure they meet the criteria of disadvantaged or displaced
3. Create a **Student Success Program** that will provide 50%<sup>3</sup> of the pilot group, at no charge to the student:
  - a. Access to high speed internet for the duration of the training
  - b. New computer equipment that meets the required specifications needed for the class
  - c. Participation incentive to help offset the forgone income a participant would have made by being in training full time
4. Provide **job placement** services so that each of these students is engaged in a career that meets their new skill set

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<sup>1</sup> The number of students will be reduced due to funding received being less than requested and the shortened timeline

<sup>2</sup> This program might be changed due to the reduced timeline

<sup>3</sup> The hope is all students will receive some level of student support

## General Assembly

General Assembly (GA) is a pioneer in education and career transformation, specializing in today's most in-demand skills and the leading source for training, staffing, and career transitions. GA initially started as a co-working space in 2011 and has since grown into a global learning experience with campuses in 20 cities and over 35,000 graduates worldwide. As individuals and companies struggle to compete in an increasingly technological economy, General Assembly provides award-winning, dynamic training to close the global skills gap. GA has partnered with Louisville, Kentucky to deliver a similar program.

## Training

The Partners will engage General Assembly (GA) to train 100 people in needed digital skills. Fifty will be trained as information technology professionals and 50 will be trained as software engineers. This training lasts approximately 12 weeks (three months). If training can begin in August, it will be complete by October and job placement can begin.

## IT Professionals

Merit America's information technology Professional Pathway (full-time, 12-week program resulting in a Google Professional Certificate), to reskill novices for full-time employment in an entry-level information technology role. Learners gain skills employers demand, including: Technical support & troubleshooting, Computer networking, Operating systems, information technology security, Computer networking, Systems administration, Office 365 administration and deployment.

## Software Engineers

GA's flagship Software Engineering Immersive (full-time, 12-week, project-based program) to reskill novices for full-time employment in an entry level Software Engineering role. Graduates leave with a solid base of fundamental programming and computer science knowledge, as well as experience with languages, frameworks, and libraries that employers demand.

*\*As the agreement with the city is finalized this document will be updated*

## Investment Updates

### FISCAL YEAR 2020/21 PRIVATE SECTOR RENEWALS

	Company	Name	Agreed to Renew	Letter Received
1	Golden 1 Credit Union	Donna Bland	✓	
2	Markstein Beverage Co.	Hayden Markstein	✓	
3	Sacramento Soccer & Entertainment Holdings	Kevin Nagle	✓	
4	Five Star Bank	James Beckwith	✓	✓
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	✓	✓

### FISCAL YEAR 2021/22 PRIVATE SECTOR RENEWALS

	Company	Name	Agreed to Renew	Letter Received
1	California Northstate University	Alvin Cheung		
2	University of the Pacific	Christopher Callahan		
3	AKT Investments, Inc.	Chrysa Demos		
4	PRIDE Industries	Jeff Dern		
5	Eskaton	Todd Murch		
6	Kaiser Permanente	Sandy Sharon		
7	Wells Fargo	David Galasso		

## BOARD PROSPECTS

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

## FISCAL YEAR 2020/21 PUBLIC SECTOR RENEWALS

Jurisdiction	Per Capita (40 cents)	Agreement Signed	Payments Received
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	√	√

## Bylaws Proposed Amendment

**Proposed Amendment.** Any proposed change would amend Section 4.5.4 of Greater Sacramento's Amended and Restated Bylaws. An example of the amendment could be as follows:

4.5.4 Public Entities. Each City, Town, Municipality, County, and/or other governmental entity ("Governmental Entity"), that is in good standing, makes a long-term commitment to carry out the mission and purpose of the Corporation, and commits to make an annual contribution at an amount equal to or greater than its full formula allocation, as determined from time to time by the Board of Directors, shall have a single voting representative to serve as director on the Board of Directors so long as such director will not cause the Corporation to exceed the maximum number of authorized directors. The director under this paragraph shall be the highest-ranking non-elected official with the Governmental Entity. This highest-ranking non-elected official shall be permitted to delegate his or her position as director to the highest-ranking elected official with the Governmental Entity to serve as an alternate to the director, provided, however, that (a) in the case that the Governmental Entity is a county, the highest-ranking elected official may be any one of the county supervisors and need not be the chair of the county supervisors, and (b) in the case that the Governmental Entity is a city with a rotating mayor from among the city council members (and not a mayor that is elected as mayor by the voters), the highest-ranking elected official may be any one of the city councilmembers and need not be the then-current rotating mayor. Any such director (the representative or his or her alternate) will be qualified to serve on the Board only if the Governmental Entity is current on its required annual contribution.

# Action Plan Strategy Session Follow-up

## TRACYE MCDANIEL

*President*

*TIP Strategies*

Tracye McDaniel, as president of TIP Strategies, Inc., brings a global perspective to local strategies. Throughout her thirty-year career, Tracye has advised and supported five governors in all facets of economic development. She has led marketing efforts in over 51 countries. Tracye is a trusted advisor to CEOs, nonprofits, public organizations, and private enterprises.

Prior to joining TIP, Tracye was the founder and CEO of McDaniel Strategy Ecosystems. She has served as president and chief executive officer of the Texas Economic Development Corporation and TexasOne, an independently funded and operated 501(c)(3) nonprofit organization dedicated to marketing the state globally for business attraction, retention, and foreign direct investment.

Before that, Tracye was Founding CEO of Choose New Jersey, one of a few economic development organizations in the country wholly funded through private sources. While there, she shaped the state's brand for economic development marketing as well as its business retention and recruitment strategies. Tracye was also one of the founding creators of Opportunity Houston at the Greater Houston Partnership where she served in the role of Executive Vice President and COO.

Tracye is a widely recognized strategist with C-Suite level experience in all facets of the organizational development, corporate engagement, economic development, and the travel marketing industry. She holds a Bachelor of Science in Communications from the University of Texas at Austin.



# 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  
Chairperson of the Board**

**2      Driving onward to regional recovery**

## **KEY INITIATIVES**

**I.    Respond with solutions 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 recognition of  
Greater Sacramento and the GSEC brand**

**17     Budget summary**

**19     Meetings, events and programs**

# A letter from Laurie Harting

Chairperson of the Board

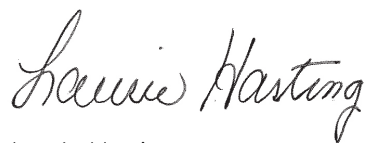
While this last year has certainly been full of challenges, I continue to be impressed and inspired by the forward momentum and tenacity of regional leaders. When faced with hardships beyond any of our imaginations, we have leaned in and worked tirelessly to put together a plan for recovery and resiliency for our community.

While we continue to welcome new companies to the region and engage prospects, we must move beyond just the counting of jobs and focus on more critical economic indicators such as the increase of tradable sector jobs versus non-tradable, the productivity level of existing firms and the participation rates of citizens in the workforce. We must deliver a new economic model to truly drive onward to inclusive regional recovery, and we must do this together as one region.

There is no denying COVID-19 has had an unprecedented impact on our economy, but I am confident the framework set forward in this action plan will pave the way for recovery. Together we can build a sustainable economy that serves all members of the community 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.

I am honored to help lead the Greater Sacramento Economic Council forward and hope you are ready to roll up your sleeves and join me as we push forward.

Sincerely,



Laurie Harting  
President & CEO Greater Sacramento Division  
Dignity Health





# Driving onward to regional recovery:

## Key tenets

Our economy has seen upheavals, challenges, setbacks 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.

GSEC's mission is to serve as the catalyst for innovative growth strategies in the Capital Region of California. In order to deliver on this during a time when unemployment has hit the highest levels in nearly a century – and 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 after the 2001 recession, yet one of the last regions to recover after 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 multiplier

effect, with four 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 Greater Sacramento region ranked 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 Hispanic 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 five 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.

***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.***

**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 employed 12,000 and Aerojet employed 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.**

Now, it ranks last out of 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 only provide jobs, but also 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.

Consider the impact of a tradable industry cluster with 500 companies that each add 20 new jobs as the result of growth in innovation, workforce investment and other factors. **Assuming a modest multiplier effect, the resulting impact of those 10,000 new jobs could actually result in an additional 30,000 or more jobs.**

These will in turn produce greater economic outcomes because they are in a market that's producing new innovation and 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 educational 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 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 five 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 science 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 does not 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.

With the build-out of Aggie Square, our current 17,000 regional life science sector jobs should rise to between

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

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 its services and products.

The Aggie Square investment by Wexford is a defining moment for the future of Greater Sacramento. This is as significant as Intel and Hewlett-Packard's

investments in the region. This relatively small campus has the ultimate capability of directly and indirectly leading to the creation of 50,000 to 100,000 jobs over time. **Aggie Square is physically situated in Sacramento, but its impact is undeniably regional.**

## The California Mobility Center

The California Mobility Center (CMC), led by SMUD, 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 firms for production of clean mobility sector hardware products.

The 10-acre CMC campus 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 cleantech mobility industry. As a result, the California Mobility Center is strategically positioned to be a supply chain creator for innovative companies, from leaders like Tesla to unknown startups destined to be future mobility giants. Local low cost power providers offer a cost advantage over other California locations for associated manufacturing supply chains.

We cannot stumble on this industry consortium model. We have a unique position dictated by skill, location and market — we have to execute plans in a strategic and timely manner.

## Why does this all 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 stimuli 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 change incomes for households throughout the entire region.

The market brand of Greater Sacramento has to center around its unique competitive advantages. These advantages are the foundation from which we build tradable sectors. When we leverage them to build efficient and productive tradable sector assets, industries will cluster in the Greater Sacramento region.

### **Greater Sacramento unique advantages:**

- 1. In the state capital**
- 2. Proximity to Silicon Valley innovation**
- 3. In the state where the modern electric vehicle was born**

The behaviors necessary for success in life sciences 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 jobs producing innovative products like regenerative medicine and services like the CMC's ramp-up factories, 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 tradable sector.

**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 versus non-tradable sector jobs are much more critical tests of performance.

It must also recognize and embrace that while Greater Sacramento is one region, each of the communities within it 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 hosting large 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 and do things differently compared to years prior. Moving forward, the organization will support key initiatives, drive meaningful economic performance and continue practicing data driven strategies.

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	Goal	Stretch Goal
Overall ROI to region	10:1	15:1
Jobs created / retained	1,400	2,000
Direct economic impact	\$200 m	\$500 m
Induced economic impact	\$500 m	\$1 B
Earned media value	\$4 m	\$5 m
Stakeholder satisfaction	86%	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 to prioritize 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 Greater Sacramento and the GSEC brand**

*Launching the region out of a recession will require a continued commitment to advancing awareness of its 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**

- Deliver new opportunities for upward economic mobility in disadvantaged communities of Greater Sacramento.
- Become a recognized, go-to region for top talent 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 providers 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 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 microsite 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 outside the market.

## Desired outcomes

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**

+

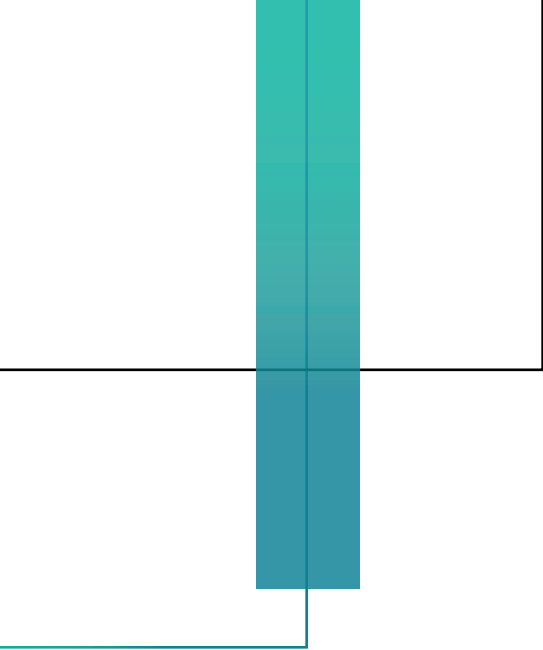
**Trained individuals equipped with new digital skills and placed into jobs in growing tech companies**

5

**New testimonial videos produced and utilized in social media promotions**

200

**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 recovery strategy needs.

## Strategies and tactics

- Business attraction program will deliver direct outreach to the top businesses in the region in each target industry sector.
- GSEC will continue to annually audit 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 CEOs.
- Launch a regional mayors' 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.

**100+**

**Businesses reached for retention and expansion discussions**

**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 hub and spoke location considerations.
- Establish GSEC's role in influencing and engaging in state and local policies affecting business opportunities and regional competitiveness.

## Strategies and tactics

- Develop a streamlined portal and process for GSEC investors and Board leadership to access key strategy and trend talking points.
- Launch, promote and advance the leadership of industry consortium models: fintech, mobility and life sciences.
- Leverage and grow relationships established through brokerage MOUs.
- 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 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.
- Create and distribute high quality marketing and research documents highlighting regional assets such as manufacturing with brokerage partners.
- 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

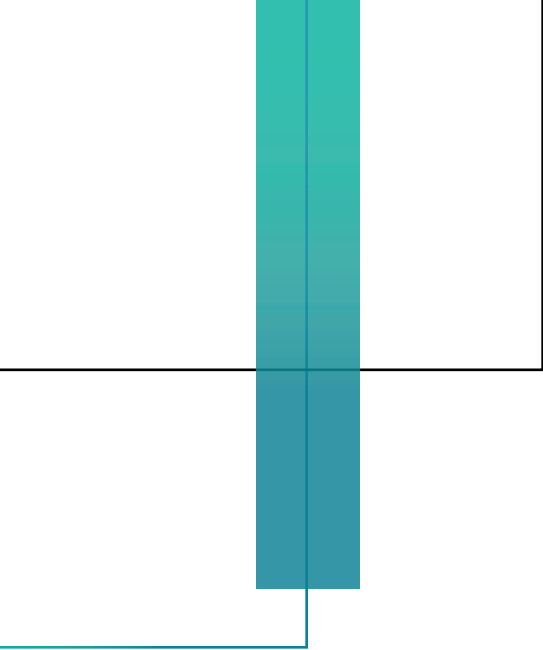
**Newly launched industry consortiums driving impact to the region**

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.
- National recognition of GSEC 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 opportunity, virtually or in-person.
- Increase regional brand awareness in target national markets through strategic, 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**

\$

**\$4 million or more in earned media ad value**

# Budget summary

## Revenue

Investor revenue	\$1,405,000
Governmental agencies	\$979,623
Other revenue	\$330,000
<i>Interest income</i>	\$48,000
<i>Office sublease</i>	\$132,000
<i>Annual dinner</i>	\$150,000
<b>Total revenue</b>	<b>\$2,714,623</b>

## Personnel expenditures

Salaries	\$2,132,121
Payroll taxes	\$170,570
Employee benefits	\$151,927
Retirement plan contributions	\$127,927
Professional development	\$15,426
<b>Total personnel expenditures</b>	<b>\$2,597,971</b>

## Office expenditures

Depreciation and amortization	\$59,762
Dues and subscriptions	\$32,170
Equipment rental and lease	\$12,000
Insurance	\$21,000
Merchant card fees	\$5,000
Office technology	\$78,660
Operation travel	\$6,200
Other office expenses	\$15,600
Parking	\$39,996
Printing	\$18,000
Property taxes	\$2,750
Rent expense	\$309,024
Research and software	\$149,590
Telephone	\$29,900
<b>Total office expenditures</b>	<b>\$779,652</b>

### Professional services

Accounting and payroll fees	\$66,500
Contingency	\$200,000
Design service fees	\$12,000
Legal fees	\$55,200
Other professional fees	\$30,000
<b>Total professional services expenditures</b>	<b>\$363,700</b>

### Community outreach

Advertising	\$36,000
Business development travel	\$34,427
Meals and entertainment	\$24,000
Promotional materials	\$10,000
<b>Total community outreach expenditures</b>	<b>\$104,427</b>

### General events & programs

Annual dinner	\$150,000
Board meetings	\$5,000
General events and programs	\$14,250
Site selection familiarization tours	\$15,000
<b>Total general events &amp; programs</b>	<b>\$184,250</b>

<b>Total expenditures</b>	<b>\$4,030,000</b>
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<b>Other revenue</b>	<b>- \$330,000</b>
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<b>True budget</b>	<b>\$3,700,000</b>
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## Meetings, events and programs

*Please note: Events are subject to change.*

### September

10 Board of Directors Meeting

### December

3 Greater Sacramento Annual Celebration

10 Board of Directors Meeting

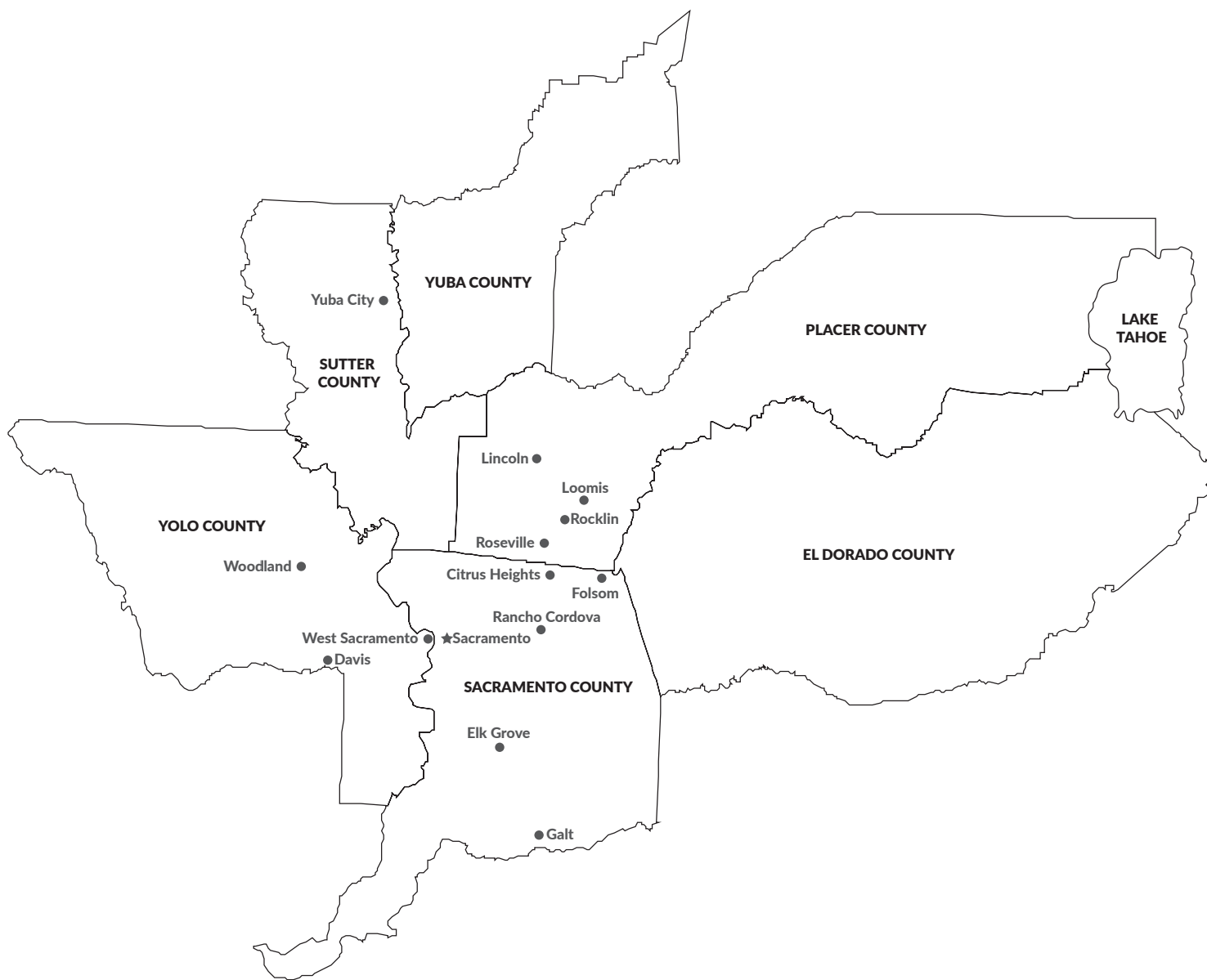
### March

11 Board of Directors Meeting

### June

10 Board of Directors Meeting


For more info on upcoming events and webinars visit  
[GreaterSacramento.com/Events](https://GreaterSacramento.com/Events)






**GREATER SACRAMENTO**  
ECONOMIC COUNCIL

400 Capitol Mall, Suite 2520 | Sacramento, California 95814  
GreaterSacramento.com | 916 441 2144

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# GREATER SACRAMENTO Annual Celebration

DEC. 3, 2020

## SPONSORSHIP OPPORTUNITIES

Investment Level	Sold Presenting \$5,000	Sold VIP Reception \$3,000	Partner \$1,500	Sold Media In-kind	Award \$500 (3 available)
Exclusive "presented by" status	●				
Recognition on registration page	●				
Logo on event screens	●				
Speaking opportunity during programming	●	●			
Logo on website, invitation and programs	●	●	●	●	
Dedicated social media post	●	●	●	●	
Recognition during entertainment introduction and marketing materials		●			
Opportunity to present an award during the celebration (pre-recorded video)					●
Exclusive media partner opportunity				●	
Materials and access to VIP pre-celebration	2	2	2	2	2
Complimentary tickets to main program	7	5	5	5	5

Please reach out to Olivia Cano for more details or to secure a sponsorship:  
ocano@greatersacramento.com or 916 287 9078.

GreaterSacramento.com/2020-annual-celebration

#CheersGreaterSac

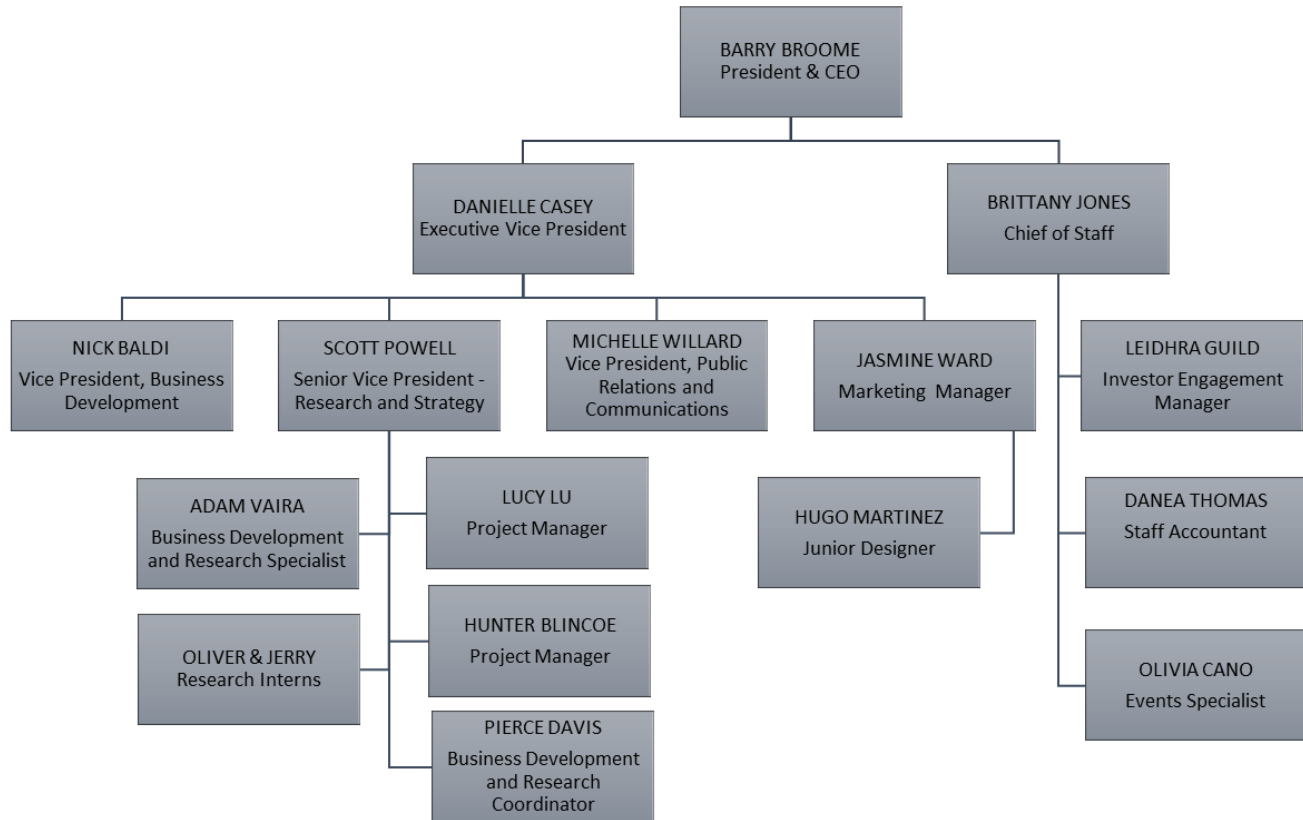
Twitter @SelectSac

Facebook @GreaterSac

LinkedIn @SelectSacramento

## Organizational Chart

AS OF SEPTEMBER 1, 2020



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# Memorandum

Date: August 13, 2020

To: Interested Parties

From: Rob Lapsley  
President  
Co-chair, No on Prop 15

Subject: **No on Prop 15: Split Roll Property Tax**

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Thank you for your time today. I appreciate the opportunity to discuss the complex challenges facing the business community in California especially the split roll property tax.

## **Background**

Proposition 15, The California and Local Communities Funding Act led by the California Teachers Association (CTA) and the State Employees International Union (SEIU) has officially qualified for the November 2020 general election ballot. It creates a split roll property tax system by ending Prop 13 protections for commercial/non-residential properties. The measure requires reassessment to fair market value starting in 2021 and a minimum every three years thereafter. It raises an estimated \$10 billion - \$12 billion annually to the state general fund with 60% of the revenue going to local government and 40% going to K-14 education.

## **Research**

The California Business Roundtable has developed a long-term research program over the last 18 months in order to defeat this initiative. Our research has provided us with longitudinal data to analyze changes in voter attitudes on increased property taxes and the split roll property tax. Our voter research has continued during the pandemic lock down and we are now executing another statewide survey in order to test the final title and summary and ballot label from the Attorney General. To date, our research program has fully informed our current strategy to defeat Prop 15; helped us develop a large statewide coalition including social justice groups; and helped us to defeat Measure EE in June of 2019, a \$500 million per year parcel tax in the LA Unified School District.

Our results over the past 18 months has showed this measure starting at an average of 46% - 51% support when using the official title and summary. When we then asked voters a support/oppose question using a more generic plain language description of Prop 15 specifically stating that this was an \$12 billion dollar increase in property taxes the result is an immediate drop in voter support from 52% to 46% or lower.

Additionally, Prop 13 will play a key role in the split roll campaign. Our research showed that voters lack awareness regarding the benefits of Prop 13 and when reminded of the Prop 13 property tax protections voter support has been as high as 80% in our research.

Our arguments to oppose split roll tested much stronger than the unions messages on corporations needing to pay their fair share of taxes. Voters understand that if businesses pay more than they will pay more - and increased property taxes under split roll is a tax that all Californians will pay.

### **Organization**

The campaign is managed by an Executive Committee comprised of the presidents of the California Business Roundtable, CalChamber, California Business Properties Association and Cal-Tax.

We have built a strong, integrated campaign team composed of many of the top strategy, coalition, and digital/social media professionals inside and outside California led by Tony Russo as chief strategist. The team also includes long-time business initiative consultant Rick Claussen and democrat consultant Richie Ross for Democrat voter targeting and messaging.

The campaign has built an extensive statewide coalition over the past year with a strong emphasis on social justice coalition members, military groups, taxpayer groups, agriculture, and past/current elected Democrats. Our broad coalition members range from former speaker Willie Brown and the NAACP to Latino organizations, the Howard Jarvis Taxpayers Association, the County Assessors Association of California, and the Farm Bureau.

We have over 200,000 grassroots members from our previous CBRT Protect Prop 13 education effort in 2019 and these numbers grow every day.

### **Turnout and Targeting**

Voter turnout in the March 3<sup>rd</sup> primary was 47%. We are estimating turnout at approximately 85%+ in November and are executing a strong voter targeting program to effectively deliver our key messages in the most cost-effective mediums. The election will also be an all-mail election for the first time in California history and we are adjusting both our voter contact and voter turnout strategies accordingly.

### **Timeline**

The Attorney General just issued the final title/summary and ballot label last week. The AG clearly biased both of these important voter information sources so our coalition is currently suing the both the AG and the Yes on Prop 15 committee in order to get more fair and balanced information to the voters. The lawsuits will be heard on August 6<sup>th</sup>. We are currently in the field on another round of statewide research to further refine our voter messaging in order to start our voter contact in late August/early September.

### **Budget**

CTA and SEIU are planning to spend \$40 - \$50 million to pass split roll. They believe the political climate has shifted in their favor as result of President Trump and the estimated \$20 billion deficit in education funding that has resulted from the economic impacts of the coronavirus lock-down. Our campaign must outspend CTA/SEIU and define the flaws of the initiative before they can make the appeal that corporations need to pay their fair share. Our current estimated budget is \$65 - \$70 million and we are working to unite the business community across every sector in order to raise the money to defeat Prop 15.

## Prop 15 is an Administrative Nightmare. Vote NO!

### Administrative Nightmare for County Assessors

- A split-roll measure will increase the number of property tax assessments 12-fold across all counties, according to an [independent analysis](#) prepared for the California Assessors' Association.
- The same analysis estimates up to 900 new appraiser and auditor positions will be needed to handle the increased workload associated with a split-roll. These positions already are difficult to fill and finding qualified candidates could take assessors years.

### Increases Property Tax Administration Costs

- A recent [independent analysis](#) prepared for the California Assessors' Association found that Prop 15 on the November ballot will increase costs by more than a billion dollars statewide for county assessors to implement in the first three years. These administrative costs will be even higher due to the commensurate costs for local governments like County Controllers, Tax Collectors, Assessment Appeal Boards or County Counsels not factored into the analysis.
- These administrative costs must be paid before any new revenue goes to schools.
- Prop 15 includes a provision for the state to provide counties with a loan to cover startup and administrative costs, but the Legislature determines by statute what costs will be covered and the terms of those loans. There is no guarantee the Legislature will determine that all local government expenses are eligible—leaving some counties on the hook.

### Hurts Small and Rural Counties

- Prop 15's complex personal property tax exemption and high administrative costs means that some small and rural counties will see an overall decline in property tax revenue—not the gains promised by Prop 15's proponents.
- Due to Prop 15's flaws, many small counties will lack the means to recover administrative costs, according to the [California Assessors' Association analysis](#). As a result, local governments will face more pressure on their local budgets at the worst time.

### Hurts Vital Services for Homeowners and Taxpayers

- Because Prop 15 radically expands county assessors' workloads, it will take months or possibly years for property owners to resolve an appeal if they believe their property tax bill is too high.
- As county assessors work to overcome their administrative nightmare, hire staff and implement the complex property tax law, taxpayers will receive reduced levels of service.

### Hurts Small Businesses and Drives Up Everyone's Cost of Living

- Small businesses are already struggling. Prop 15 will make it even more difficult for them to reopen their doors or stay in business as a result of this economic crisis. Increasing property taxes on businesses by up to \$11.5 billion a year will hurt female- and minority-owned businesses the most and 120,000 private-sector jobs will be lost, according to a [Berkeley Research Group study](#). Voters are being asked to consider a measure that will only increase job losses at a time when millions of Californians are unemployed.
- California's cost of living is already among the nation's highest. Prop 15 will drive the cost of living even higher.

### Prop 15 Includes No Accountability to Taxpayers

- Prop 15 has no accountability to taxpayers. Sacramento politicians can divert the new local government tax money for other purposes that benefit special interests and pet projects, just like they have done with the gas tax.
- Prop 15 is misleading. Supporters say Prop 15 is about more money for schools, but nearly 70 percent of the new tax money doesn't go to schools. Instead, it goes to the state and local governments to spend however they want – just like they are doing with the lottery.

To successfully raise \$70 million, we have donors at different levels: \$100,000, \$250,000, \$500,000, \$1 million, \$5 million and two at \$7 million and above. We respectfully request your help at the highest level possible to help us reach our goal.

### **Conclusion**

As a result of our work over the past 18 months we are well positioned to defeat the largest property tax increase in California history if we can raise the necessary budget to counter the public employee unions enormous spending.

If we defeat split roll it will also create additional political benefits in 2021/22 by building an anti-tax umbrella that will show Governor Newsom and the unions that the business community can unite to defeat other anti-business taxes that will be coming in the future.

Please let me know if you have any questions.

Thank you for your consideration and leadership to help defeat Prop 15.