

SUMMARY OF FINDINGS AND RECOMMENDATIONS SONOMA ECONOMIC DEVELOPMENT BOARD (EDB) PROGRAM REVIEW



Prepared for: **Sonoma County EDB**

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PREPARED BY:



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II. Executive Summary

A. Issues Emerging from Stakeholder Interviews

As a core part of the Sonoma EDB program review, TNDG conducted a total of 30 stakeholder interviews during June and July 2021. The interviews are summarized in detail in Appendix A. Highlights of commonly repeated responses and themes are provided below.

Overall Impressions of EDB's Role and Effectiveness

The interviews revealed a range of positive and negative impressions of EDB's role and effectiveness in strengthening economic conditions and maximizing opportunities in Sonoma County. The following quotes (or close paraphrases) show the spectrum of responses:

EDB's recognized value:

- "EDB is seen as an 'incubator of ideas'"
- "EDB is staffed with amazing, super knowledgeable people."
- "EDB's work in the past one to two years has been amazing. In the past, EDB didn't really act like a partner to cities and chambers, but it's taken a 180-degree turn for the better. The EDB has done a stellar job during the pandemic."

Concerns about communicating EDB's value to the public:

- "EDB overall is very sound – I'm very impressed. The only issue is it would be good to have a better understanding of overall operations – EDB's everyday process and how effective it is. The Board and the public just get snippets."
- "I now have no idea what EDB's vision is – that's a big problem...I honestly don't know what they're doing day to day...We (i.e., the county collectively) do our best work when we're focused on regional big picture efforts."
- "EDB just doesn't communicate what they're doing – *if they're doing anything!*"
- "Most constituents get zero value out of an overpriced breakfast hearing an economist give a PowerPoint presentation."

Future priorities and opportunities:

- "Take care of folks who need help the most – not just those who know how to get it."
- "There's no such thing as 'business as usual' anymore ...The opportunity coming out of the recent emergencies, especially with EDB's new staff and vision, is something not to be squandered."
- "EDB is taking baby steps towards needed change after 32 years of status quo. Can you make us [minority business community] feel like we belong in the conversation?"
- "Housing should be priority #1; in fact, it should be priorities 1 through 10!"

EDB's Most Important Strengths and Assets (listed in order of number of mentions)

- Business support programs (including technical assistance, networking opportunities, advocacy and connections to business financial resources)
- Focus on diversity/equity/inclusion (including outreach to minority business owners and underserved communities)
- Data and information dissemination
- Convenor/clearinghouse role for economic development activities throughout Sonoma County (including support of various public and private partner organizations)
- Great staff / nimble organization
- EDB events (including economic forecasts)
- Leadership on economic resiliency and recovery (including pandemic response)

Priorities for New or Expanded Programs (listed in order of number of mentions)

Highest priorities:

- Leadership and strategic action on expanding supply of affordable housing
- Expanded focus on diversity/equity/inclusion (within EDB's programs and within the culture of the larger economy)
- Business attraction/diversification of economy
- Workforce development / talent attraction (including focus on related issues such as childcare)

High priorities:

- Expanded technical assistance and financial resources for small businesses
- Improved/repositioned strategy for communication and information dissemination
- Expanded entrepreneurial development programs (including access to capital)
- Continued leadership on economic resiliency and recovery
- Serve in a clearinghouse role on improving broadband service throughout Sonoma County

Other priorities:

- Programmatic focus that links economic development with the larger issue of sustainability
- Expanded/revamped special events
- Expanded focus on business friendliness/advocacy
- Clear positioning of EDB as the countywide leader/coordinator of economic development activities
- Expanded services to small/outlying communities (potentially delivered virtually)
- Expanded partnerships with other public and private economic development organizations
- Expanded business retention/expansion services
- Expanded partnerships with industry groups

B. Benchmark Comparisons to “Peer Group” Counties

Selection of Peer Group and Benchmarking Topics

In conjunction with EDB staff, TNDG selected six “peer group” counties for benchmark comparisons:

- Larimer (Fort Collins), Colorado
- Monterey, California
- Multnomah (Portland), Oregon
- San Luis Obispo, California
- Stanislaus, California
- Ventura, California

The intent of the benchmarking was to identify prevailing best practices (or “model program”) relative to the major programmatic areas relevant (or potentially relevant) to the EDB:

Existing EDB functions:

- Entrepreneurial development / business startup assistance
- Existing business retention/expansion
- Cultural business diversity (or diversity/equity/inclusion)
- Workforce development
- Broadband
- Creative arts (as an economic development focus)
- Economic resiliency
- Research / information dissemination
- Media and public relations strategy

Prospective EDB functions:

- Business attraction
- Affordable housing

Major Findings from the Benchmark Comparisons

Program breadth. With the notable exception of business attraction, the breadth of EDB’s programs is comparable to peer organizations.

Program depth. On a category-by-category basis, EDB’s programs are generally comparable to peer organizations (with some specific exceptions identified as “model practices” – see Appendix E).

Program integration. Highest-impact initiatives tend to revolve around central themes that cross programmatic/category boundaries.

Regional collaboration. Practices from other places suggest that some functions are best addressed through regional collaboration

C. Summary of Recommendations

Overarching Goal/Vision for Repositioning EDB

The outlined recommendations are intended to reinforce EDB's position as the preeminent/countywide advocate for Sonoma County's economic vitality, through:

- Refinement of existing core services
- Expansion of program scope to include business attraction and affordable housing strategy as new high-impact initiatives
- Continued leadership on economic resilience and diversity/equity/inclusion
- Expanded regional coordination on issues of mutual interest (with business attraction potentially an appropriate function to "test the waters" of expanded regional collaboration)
- Improved external communication of EDB's "value proposition"

Specific recommendations for each of the programmatic topics considered in this report are outlined below.

Program Recommendation Summary:

Program Category: Business Startups and Entrepreneurial Development

Overall direction:	Expand EDB resources
Potential new/expanded areas of program focus:	<ul style="list-style-type: none">• Expand in-house (or contracted) technical expertise (general and industry specific)• Address access to capital (regional issue)• Integrate with industry cluster research/programming (potentially a regional issue)• Integrate with workforce development/talent attraction initiatives• Potential pilot program focused on "cottage food" enterprises

Program Category: Business Retention/Expansion

Overall direction:	Maintain EDB resources
Potential new/expanded areas of program focus:	<ul style="list-style-type: none">• More visible role in business advocacy• Position BRE as comprehensive "business turnaround" consulting service• Integrate with entrepreneurial development, workforce development, economic resilience• Expanded (bilingual) outreach to small, diverse-owned, and rural businesses (ombudsman approach)

Program Category: Business Cultural Diversity (Diversity/Equity/Inclusion)

Overall direction:	Expand EDB resources; continue to integrate across all program categories
Potential new/expanded areas of program focus:	<ul style="list-style-type: none">• Expanded (bilingual) outreach to small, diverse-owned and rural businesses• Major events geared towards diverse-owned businesses• Expanded research on market opportunities within diverse communities

Program Category: Workforce Development

Overall direction:	Maintain EDB resources (potentially expand/redirect based on needs assessment)
Potential new/expanded areas of program focus:	<ul style="list-style-type: none">• “Curate” relationships/interface between business partners and the community• Work-based learning (internships, apprenticeships)• Talent attraction linked to entrepreneurial development, business attraction, quality of life, and affordable housing strategy• Talent retention focused on students/families

Program Category: Broadband

Overall direction:	Maintain EDB resources (potentially expand/redirect based on needs assessment)
Potential new/expanded areas of program focus:	<ul style="list-style-type: none">• Full feasibility study (see examples)• Coordinate implementation with other County departments/partners

Program Category: Creative Arts

Overall direction:	Maintain EDB resources
Potential new/expanded areas of program focus:	<ul style="list-style-type: none">• Clear economic development focus• Collaborate with partners for purely “cultural” functions• Leverage overall focus on creativity/innovation and connect to business attraction and workforce development initiatives

Program Category: Economic Resiliency

Overall direction:	Maintain EDB resources
Potential new/ expanded areas of program focus:	<ul style="list-style-type: none"> • Move beyond “perpetual recovery” mode while maintaining cutting edge/proactive systems to respond to future economic shocks • Showcase Sonoma’s national leadership/expertise in resiliency as part of large marketing/branding theme on innovation and business friendliness • Position resiliency planning as an industry “cluster”?

Program Category: Research / Information Dissemination

Overall direction:	Maintain/redirect resources
Potential new/ expanded areas of program focus:	<ul style="list-style-type: none"> • Survey of past participants to identify interests/priorities for future special events (balance “tried-and-true” events with new topics and formats more responsive to stakeholder needs) • Industry cluster research/strategies (potentially a regional issue) • Data dashboard • Customized research capacities

Program Category: Media / Public Relations Strategy

Overall direction:	Expand EDB resources
Potential new/expanded areas of program focus:	<ul style="list-style-type: none"> • Systematically include PR dimension to all EDB program activities • Performance reporting with testimonials • Communications/social media plan • Formalize ongoing interface with business and institutional stakeholders • Leverage publications/special events (consider stakeholder/community “appreciation” events) • Position events to have dual roles of information dissemination and stakeholder input (“summit” format) • Evaluate Board/governance structure and composition • Revisit status of Strategic Sonoma recommendations • Rename/rebrand EDB?

Program Category: Other/Miscellaneous

Overall direction:	Expand EDB resources as needed to meet specific needs
Potential new/expanded areas of program focus:	<ul style="list-style-type: none">• Cannabis strategic plan (extension of Cannabis Economic Impact Task Force)• Reuse strategy for Sonoma Development Center Site• Re-orientation of program divisions to reinforce comprehensive/integrated operations

Program Category: Business Attraction (New Initiative)

Best practices:	<ul style="list-style-type: none">• Focus on innovation and export-oriented clusters• Nexus with workforce development and other programs
Potential EDB approach:	<ul style="list-style-type: none">• Inventory existing industry cluster initiatives in region• Start dialogue with potential regional partners• Target industry research (CEDS as starting point)

Program Category: Affordable Housing Leadership (New Initiative)

Best practices:	<ul style="list-style-type: none">• Historically, not typically positioned as an economic development activity• Among evaluated peer regions, none has affordable housing under umbrella of economic development (although there is increasing recognition of the urgency of linking these issues)
Potential EDB approach:	<ul style="list-style-type: none">• EDB “convener” role• Coordination with development/business community on aggressive solutions