



Atascadero City Council

Staff Report – City Manager’s Office

Economic Development Strategy Consultant Selection

RECOMMENDATION:

Council select an economic development consultant to update the City’s Economic Development Strategy and authorize the City Manager to execute a contract with the selected consultant.

DISCUSSION:

At the June 26, 2007 City Council meeting, the Council received a presentation reviewing all of the economic development projects currently underway in the City and a list of our opportunities and challenges. At this meeting the Council directed staff to draft a Request for Qualifications (RFQ) for an economic development consultant to assist the City in revising the economic development strategy.

On August 28, 2007, the City Council approved an RFQ for consulting services to develop an economic development strategy and plan. In September, staff released the RFQ to economic development consultants in the area, consultants that had previously contacted the City and the document was posted on the website of the California Association for Local Economic Development (CALED). Proposals were due October 17, 2007 and a total of 11 proposals were received, which is a very good response. There was diversity within the respondents, including firms from the area, from northern California and from other states, as well as various-sized firms. The following firms responded to the RFQ:

Civic Solutions Group, Applied Development Economics, Strategonomic Global Network, Clue Group, Chabin Concepts, Pacific Group, Civic Economics/TIP Strategies, Earth Design, Inc., Productive Impact LLC, Development Management Group and PMC.

In accordance with the City’s purchasing policy, a selection committee was established to read the proposals and select finalists to be interviewed. The committee met in mid-

November to select the finalists to be interviewed. Finalists were selected based on responsiveness, understanding of the City's needs, past performance, experience, feasibility of the plan, public process, and community fit. The committee unanimously agreed that based on these criteria four applicants would be interviewed. These firms were:

1. Applied Development Economics of Walnut Creek, California
2. Chabin Concepts of Chico, California
3. Civic Economics/TIP Strategies of Austin, Texas
4. PMC of Monterey, California

Each of the top four firms were interviewed by the selection committee on December 6, 2007. The interview provided consultants with an opportunity to discuss their firm's strengths, show previous work products and explain how they would approach a strategy for Atascadero. Each of the four top firms were excellent and had their strengths.

The selection committee unanimously recommended Applied Development Economics to the City Council. This recommendation was submitted to the City Council on January 22, 2008. Applied Development Economics presented their approach to the City Council at this meeting and the recommendation was approved by a unanimous vote.

On February 4, 2008, Mayor Brennler requested that the City Council reconsider the vote of January 22, 2008 to select an economic development consultant. At the Council meeting of February 12, 2008, the Council reconsidered the action to hire Applied Development Economics and directed staff to invite the four finalists to a future meeting of the City Council for public interviews and selection.

All four finalists were invited to make presentations this evening on why their firm would be best qualified to serve Atascadero. Three of the finalists agreed to make a presentation and continue along in the process. Chabin Concepts declined to continue with the process. The original proposals of each of the finalists have been made available at City Hall for review. Additionally, each of the four finalists was asked to provide previous examples of their work with economic development strategies. Examples have been made available at City Hall for public review.

Should the Council decide to move forward with the selection of an economic development consultant this evening, staff would immediately begin working with them to provide relevant data and familiarize them with the community. The data will be analyzed and initial reports will be created that will form a basis of discussion for community meetings. Following a comprehensive public outreach and involvement process regarding the community's preferences, a strategy consistent with the community's economic opportunities and constraints will be drafted. After additional community input, action steps and a marketing campaign will be developed. The final plan would be expected to be adopted by the City Council.

FISCAL IMPACT:

Depending on the consultant selected and the level of public outreach and input, the cost of developing the strategy will range from \$43,000-\$122,000. Related support costs and costs for the public process are estimated to be \$20,000. Funding has been appropriated in the Redevelopment Agency budget for this purpose.

ALTERNATIVES:

1. Take no action
2. Revise Economic Strategy at the staff level