

**WIB Executive Committee
ACTION ITEM
April 13, 2011**

AGENDA ITEM NO: 3.4

ITEM: APPROVAL OF ADDITIONAL FUNDING FOR ECONOMIC VITALITY CORPORATION'S IMPLEMENTATION OF THE COUNTYWIDE ECONOMIC STRATEGY

ACTIONS REQUIRED: On behalf of the Workforce Investment Board, approve additional American Recovery and Reinvestment Act (ARRA) funds in the amount of \$107,500 for implementation of the county economic strategy by Economic Vitality Corporation (EVC).

SUMMARY NARRATIVE

EVC will manage and implement San Luis Obispo County's "Clusters of Opportunity Economic Strategy". The intent of the project is to develop a strategy to create more long-term prosperity for our local economy. Services to be provided by EVC include the initial convening of six distinct industry cluster teams to kick off the implementation phase of the project. The six distinct cluster teams include: 1) building, design, and construction, 2) health services, 3) knowledge and innovation services, 4) specialized manufacturing, 5) uniquely SLO county, and 6) energy. EVC will also support, monitor, and report on progress among the cluster teams through the early implementation period of January through June 2011.

The project is intended as a public/private partnership and as such the WIB committed \$50,000 in American Recovery and Reinvestment Act (ARRA) funds towards implementation of the strategy in May 2010. Presently, the WIB has additional unspent ARRA funds to contribute towards these early implementation activities. Since there were no billings against the original \$50,000 purchase order and this additional support exceeds the limit allowed for County purchase orders, the two funding allocations are being combined for a new service contract with EVC in the amount of \$157,500. Since the County-initiated working group assembled to develop the initial Economic Strategic Plan designated EVC as the lead on the project, the WIB did not seek other possible providers.

ADMINISTRATIVE ENTITY COMMENTS

Although San Luis Obispo County hired a Consultant in 2005-06 to develop an industry clusters analysis, this information is outdated given the current economic environment and should be updated. This project has the potential to provide much needed information in order to more effectively serve not only our job seekers but our local employers.

Upon the Executive Committee's approval, this item will be submitted for consideration by the San Luis Obispo County Board of Supervisors in May 2011.