

City Council Agenda Memo

From: Jacob Meshke, Deputy City Manager

Council Meeting: October 17, 2023

Subject: Presentation: Economic Development Partners

Presenter: Tim Reed, Brookings Economic Development Corporation
Dwayne Chapel, Research Park at SDSU
Kelsey Doom, Brookings Area Chamber of Commerce
Laura Schoen Carbonneau, Visit Brookings
Kirsten Gjesdal, Downtown Brookings

Summary:

The Economic Development Partners will provide a presentation to City Council on advancing assigned areas within the Community Economic Development Master Plan, projects / programs / initiatives, and answer any questions on 2024 funding applications.

Background:

The City of Brookings partners with Brookings Economic Development Corporation, Research Park at SDSU, Brookings Area Chamber of Commerce, Visit Brookings, and Downtown Brookings for wide-ranging economic development efforts to include business recruitment/retention/expansion/development, entrepreneurship, innovation, travel and tourism, placemaking, and events.

The City of Brookings makes funding available to the Economic Development Partners through the annual outside agency funding / subsidy application process. Providing funding offers a means of partnership for the City to promote economic development activities and allow the Economic Development Partners to accomplish key outcomes.

After a 10-month, collaborative process, a five-year Community Economic Development Master Plan was adopted in early 2023. The Community Economic Development Master Plan outlines goals, strategies, and actions for the City and Economic Development Partners to achieve priority economic development outcomes.

Item Details:

The Economic Development Partners will provide a presentation to City Council on advancing assigned areas within the Community Economic Development Master Plan, projects / programs / initiatives, and answer any questions on 2024 funding applications.

The proposed 2024 Budget recommends nearly \$1.2 million in economic development funding, which is an increase of \$139,125, or 13%, from the 2023 Adopted Budget.

Legal Consideration:

None

Strategic Plan Consideration:

Fiscal Responsibility – The Economic Development Partners' presentation will provide City Council and the public with insight into the utilization and outcomes of funding provided.

Economic Growth – Economic development initiatives grow the City's revenue sources.

Financial Consideration:

The majority of the funding for the Economic Development Partners comes from the Bed, Booze, and Board (BBB) Tax. Over half of Visit Brookings' funding comes from the Business Improvement District (BID)/Pillow Tax. BID/Pillow Tax is charged as \$2/night on hotel stays.

\$13,700 of reserve funding from the BBB fund is projected to be used to cover the increased costs with the Downtown Brookings start-up plan.

A 5% late submission penalty has been applied to the City's portion of the Brookings Economic Development Corporation funding per City Council discussion at Budget Workshop #1.

Options and Recommendation:

The Economic Development Partners' Presentation is informational and conversational in nature. City Council is encouraged to ask questions and engage in discussion. City Council may use any of the information learned from the presentation to finalize 2024 Outside Agency Funding Recommendations.

Supporting Documentation:

Presentation

2024 Economic Development Funding Recommendation

Community Economic Development Master Plan

Implementation Plan