



Merced County

People, Place, Prosperity — Positioning for Global Competitiveness

Merced County
Economic Development
Strategic Planning Project
July – December 2002

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Merced County Economic Development Strategic Plan

EXECUTIVE SUMMARY

Executive Summary

Over the past six months a countywide Economic Development Strategic Planning Process has been underway in which both public and private businesses, government and organizations have participated. The purpose of the planning process and preparation of a Strategic Plan was to identify a common vision for the county's economic future and plot a course that would support that vision.

Through a series of facilitated task force meetings, and an independent analysis of the County's business climate, the strengths and weaknesses of the County were identified. The task force also identified community values and principles that help define the County. Using this information, the task force created this strategic action plan, titled **Merced County, People, Place, Prosperity – Positioning for Global Competitiveness** which represents and celebrates the values of Merced County, its people and place and provides a roadmap for achieving the goal of economic prosperity.

During the strategic planning process, assessments were conducted in the cities and County to determine Merced County's advantages and competitiveness for creating a vibrant economy. Seven documents accompany and support the cities and county strategic plan(s). These seven documents are working guides for implementing the initiatives of the Strategic Plan.

Community Assessments – Support & Working Guides

1. Business Climate Assessment,
2. Education Assessment,
3. Workforce Assessment,
4. Technology Infrastructure Assessment,
5. Knowledge Economy Assessment,
6. Organizational Assessment and
7. Customer, Competition and Positioning Assessment.

This Strategic Plan provides an overview of the planning process, results of visioning sessions held with the countywide Task Force and the recommended actions to achieve economic prosperity in Merced County.

Merced County Vision

“The public and Private leadership of Merced county is committed to create a diverse regional economy, complete with competitive businesses, quality jobs, social equity for all citizens, and excellence in educations; and,

To maintain the County's rich diversity of people, vibrant urban centers, healthy, safe neighborhoods and spectacular recreational resources, while preserving our rural character and beauty.”

Strategic Plan Five-Year Goals

- Create and sustain economic prosperity through collaborative partnerships.
- Create a business climate in which existing businesses are globally competitive and knowledge-driven businesses can be attracted and supported.
- Expand the County's number of skilled workers to meet the needs of existing businesses and prepare workers for the higher skill requirements of knowledge-driven industries.
- Partner with schools to place a high priority on preparing students for educational and job achievement – science, math, technology, critical thinking, teamwork as well as learning the relevancy between school achievement and future opportunities.
- Plan and develop business parks and buildings for existing and new business to locate and expand.

Strategic Initiatives – Action

Seven **strategic initiatives** are recommended to achieve the economic prosperity vision and goals for the County. The success of these strategic initiatives will require the commitment of public-private leadership and resources. This economic development strategic plan outlines specific actions and tasks for implementing the seven strategic initiatives:

1. **Adopt the Vision for Economic Prosperity and the Strategic Plan, Merced County, “People, Place, Prosperity — Positioning for Global Competitiveness”** – the Vision and strategic plan should be adopted by stakeholder organizations, agencies and institutions as the County's five year Economic Development Plan.
2. **Create a Collaborative Partner Network** – education, workforce, economic development, cities and County working together to leverage resources, achieve efficiencies, focus services, implement the strategic plan and accomplish common goals.
3. **Guidelines for Creating New Education Initiatives** – change the education paradigm in Merced County.
4. **Create a Productive Workforce** – address worker skills gaps, create training, learning and educational solutions to fill the skills gaps, provide a well prepared workforce to local employers, and deliver quality workforce development services to job seekers and employers in Merced County.
5. **Create Quality Business Location Products and Services** – existing and new business will require fully developed business parks, high-speed telecommunications, and a streamlined regulatory system to facilitate expansions and locations.
6. **Position Merced County for Global Competition** – facilitate and assist existing, emerging and new businesses to create jobs and invest in Merced County.
7. **Create a Vibrant and Safe Quality of Place** – promote economic and environmental health and prosperity through thoughtful planning and development that integrates housing, jobs, transportation and telecommunications.

The report *Merced County, People, Place, Prosperity – Positioning for Global Competitiveness* is an action plan. The basis of the plan is outlined in the sections:

- Vision and Values
- Assessment of Strengths and Weaknesses
- Community and Economic Development Goals

And detailed action steps to facilitate implementation of each strategic initiative needed to achieve the Community and Economic Development Goals are outlined in the:

- Seven Strategic Initiatives

Acknowledgment

The time and involvement of the MCEDCO Task Force and the Strategic Planning Steering Committee is greatly appreciated by the County, MCEDCO and the consultants.

MCEDCO Task Force	Steering Planning Committee
<ul style="list-style-type: none"> ▪ Ed Abercrombie, City of Atwater (council member) ▪ Ben Duran, President, Merced College ▪ Ted Falasco, (now deceased) T. Falasco ▪ Scott Galbraith, President and CEO, MCEDCO ▪ John Headding, CAO Mercy Hospital and Health Services ▪ Jeff Kaufman, Attorney, Allen, Polgar, Proietti & Fagalde ▪ Deidre Kelsey, Supervisor, District 4 ▪ Mike McAdam, City of Los Banos (council member) ▪ Cheryl Rudd, SBC Pacific Bell ▪ Jim Sherman, Executive VP, County Bank ▪ Bill Spriggs, City of Merced (council member) 	<ul style="list-style-type: none"> ▪ Lee Andersen, Merced County Office of Education ▪ Andrea Baker, Merced County Private Industry Training Department ▪ Bill Cahill, City of Merced ▪ John Fowler, County of Merced ▪ Scott Galbraith, MCEDCO ▪ David Hanham, City of Livingston ▪ Scott McBride, City of Atwater ▪ Nate Marciochi, City of Los Banos ▪ Frank Quintero, City of Merced ▪ Loretta Schlosser, County of Merced, Dept of Business Economic Opportunities

Merced County Economic Development Strategic Plan

STRATEGIC PLANNING BACKGROUND

Strategic Planning Background

Through a collaborative effort of the County of Merced, cities of Livingston, Atwater, Los Banos, Merced and the Merced County Economic Development Corporation (MCEDCO) an Economic Development Strategic Planning process was conducted between July 2002-December 2002. Each city, and the County, formed an Economic Development Strategic Planning Task Force to work with consultants to plan and prepare an Economic Development Strategic Plan. The individual Task Forces met in two visioning sessions to identify needs and issues and a third visioning session to finalize strategic actions. In conjunction with the local visioning sessions the consultants conducted a Business Climate Assessment to identify business development opportunities and constraints. Although Dos Palos and Gustine did not participate in a specific community planning process, the countywide process considered these communities as part of the county. The countywide Task Force, coordinated by MCEDCO, involved public and private participants as well as the Project Steering Committee (members of cities and county).

The countywide Strategic Plan embraces the findings and preferences of the MCEDCO Task Force on vision, values, goals and strategic actions to continuously build a healthy economy for the County, its residents and businesses. The supporting documents, Merced County Business Climate Assessment and six supporting assessment reports including: Education Assessment, Workforce Assessment, Technology Infrastructure Assessment, Knowledge Economy Assessment, Organizational Assessment and Customer, Competition and Positioning Assessments, will be available on the MCEDCO website (www.mercedcountyledc.com) along with the countywide economic development strategy, titled **Merced County, People, Place, Prosperity — Positioning for Global Competitiveness**.

Following is description of the results of the Merced County **Visioning Sessions** -

A Proposed Vision

Core Values of the Stakeholders and Community

County's Strengths and Weaknesses

The remainder of the report focuses on the Strategic Initiatives to implement change to achieve the five-year economic development goals - collaborative partnerships, globally competitive businesses, skilled workers, education achievement agenda and development of quality business parks and buildings.

Merced County Visioning Sessions

Merced County Vision

“The public and Private leadership of Merced county is committed to create a diverse regional economy, complete with competitive businesses, quality jobs, social equity for all citizens, and excellence in educations; and,

To maintain the County’s rich diversity of people, vibrant urban centers, healthy, safe neighborhoods and spectacular recreational resources, while preserving our rural character and beauty.”

Merced County Values

- We are dedicated to planning our future from a comprehensive perspective...integrating land use planning with planning for other community needs (transportation, housing, economic development, environmental quality, etc.) that creates enduring value, beauty and livability and protects the natural environment.
- Our decisions will be influenced by our commitment to increase economic productivity that broadens prosperity to all residents.
- An understanding that some regional decisions and choices have local impacts (transportation, air quality, water quality, etc.), and we will collaborate with local partners to address these issues.
- We will enhance the beauty, value and connectedness of the County through support for downtown revitalization and other “sense of place” characteristics that add value and help to define our communities.
- We will collaborate with others for the maximum benefit of those we serve, taking pride in building relationships and alliances with stakeholders and the public, valuing their contributions. We recognize the important synergies gained by effective teamwork and encourage open communications.
- We will work to maximize community value by encouraging and implementing integrated opportunities for leveraging resources and linking citizens and businesses to resources that will create economic prosperity.

Merced County Strengths & Weaknesses

The MCEDCO Task Force's assessment of the County's strengths and weaknesses was very similar to the consultant's assessment of the County's strengths and weaknesses (as reported in the Merced County Business Climate Assessment). This similarity of findings shows that the leaders who participated in the visioning and economic development strategic planning process have a good understanding of the County's current capacity for economic growth and the factors that constrain it from reaching its potential. This is important, because before change can occur there must be an acknowledgement that change is needed, and a commitment to be part of change. It is the Task Force's assessment of the County's current status and their vision for its economic potential that inspired the strategic actions.

The Task Force's assessment of the region's strengths and weaknesses and bases for the strategic plan are:

I. Vision and Strategic Planning Strengths and Weaknesses:

- **Strength:** The County has dedicated economic development staff that work with a coordinated network of economic development agencies to attract, retain, and grow new business.
- **Weakness:** The County doesn't have an adopted economic development vision and strategy.
- **Weakness:** The County and the cities do not enjoy a good working relationship that would allow them to collaborate to resolve challenges and capitalize on opportunities.
- **Weakness:** There isn't strong leadership (via businesses, chambers of commerce, community-based groups) in economic and community development.
- **Weakness:** There isn't consensus on growth in the County. There is a need to define the differences between economic and population growth.

II. Regional Strengths and Weaknesses:

- **Strength:** UC Merced and the planned community are being well coordinated between the City of Merced and Merced County.
- **Weakness:** Castle Airport Aviation and Development Center is not being developed to its full potential. Weaknesses include, limited land and buildings available for development, key partners are not at the table, fractured management and oversight, positioning and marketing strategy is not clear.
- **Weakness:** Land use and transportation planning is not occurring in ways that promote increased residential densities, mixed uses (employment and housing next to transit and transportation corridors), and a decrease in air pollution.
- **Weakness:** Housing is becoming less affordable, and availability is constrained in many areas of the County. This situation will become worse as UC Merced grows and creates a greater demand.

III. Real Estate, Utilities and Transportation Strengths and Weaknesses:

- **Strength:** The County has sufficient land planned for industrial development for the next five years.
- **Weakness:** The lack of an airport with scheduled passenger and cargo service to major destinations is a constraint.

- **Weakness:** The County has a very limited inventory of available land and buildings for sale or for lease. Properties that are available are not maintained in a database (ideally searchable on the Internet). Most of the available industrial property lacks essential public services (sewer, water, roads, etc).

IV. Business Environment Strengths and Weaknesses:

- **Strength:** The County's Office of Business Economic Opportunities, Action Business Center (ABC) provides a wide array of services (financing, incentives, special zones, counseling, etc.) to existing businesses and entrepreneurs, however it has limited exposure to businesses and entrepreneurs outside of the Merced metropolitan area.
- **Weakness:** The County and the cities need to strengthen the business retention and expansion program.
- **Weakness:** The County's business climate is favorable, however, the permitting and plan check process was rated, unfavorable.

V. Indicators for the New Economy Strengths and Weaknesses:

- **Strength:** The County and the cities are evaluating their potential to attract, grow and retain New Economy businesses through the development of an economic development strategic plan.
- **Weakness:** The County lacks nearly all of the New Economy Indicators that signal growth of these businesses.

VI. Workforce Strengths and Weaknesses:

- **Strength and a Weakness:** The County has a large pool of available workers, but if these potential workers do not possess the skills required by industry, then the County has a large pool of unemployed people that are not qualified to participate in the labor force.
- **Weakness:** The County does not possess a large labor pool of workers skilled in technology and knowledge-based applications.
- **Weakness:** The County does not have a diversified employer and job base.
- **Weakness:** The County does not have a business (economic development)-workforce-education collaborative that works with employers.

VII. Education Strengths and Weaknesses:

- **Strength:** Merced College offers applied technology programs for youth and adults.
- **Strength:** Merced County schools are increasing their application of technology in schools.
- **Strength:** Schoolteachers and administrators are experienced and qualified.
- **Weakness:** K-12 students do not score well on standardized tests, and high school graduation rates are generally below the state average.
- **Weakness:** Youth are not learning the skills needed to get and keep a good job (soft and hard skills).
- **Weakness:** There isn't a strong collaboration between employers and schools and colleges to provide opportunities for technical training and skill building of youth and adults.

Merced County Economic Development Strategic Plan

STRATEGIES FOR ECONOMIC PROSPERITY

Strategic Initiatives for Economic Prosperity

The remainder of this document is a roadmap detailing specific actions for each of the seven Strategic Initiatives identified for achieving the five-year economic development goals.

How to Use the Strategic Initiative Plan

This strategic plan was prepared as a **working guide**. Each of the seven Strategic Initiatives has a specific, stand-alone action plan in this document which 4-8 pages. Each Strategic Initiative action plan corresponds to one or more of the support document/reports. The action plans for each Strategic Initiative are executive summaries.

- Strategic Initiative 1:** Adopt the Vision for Economic Prosperity and the Strategic Plan
- Strategic Initiative 2:** Create a Collaborative Partner Network
- Strategic Initiative 3:** Guidelines for Creating New Education Initiatives
- Strategic Initiative 4:** Create a Productive Workforce
- Strategic Initiative 5:** Create Quality Business Location Products and Services
- Strategic Initiative 6:** Position Merced County for Global Competition
- Strategic Initiative 7:** Create a Vibrant and Safe Quality of Place

Each **Strategic Initiative** begins with is a brief overview of the current situation or need. The action tasks start with the **goal(s)** of the initiative – one to five goals per initiative. The goals are numbered sequentially from Strategic Initiative 1, Goal 1.0 to Strategic Initiative 7, Goal 19.0 – there are a total of 19 goals. The goals are boxed and shaded.

Following each **goal** within an initiative there are specific **actions** which are numbered sequentially – following Goal 1.0 is 1.1 Action: which is bolded. In some initiatives, model programs are presented and recommended as potential action item.

Following each numbered **action** are the **specific tasks**, denoted with a . As tasks are completed they can be checked off. Actions are not limited to those listed, additional action items may be needed when the Implementing Committee begin planning – these should be added to maintain a current action planning.

At the end of each Strategic Initiative action plan is a **Planning Schedule Matrix** to assist the **implementing committees** with identifying partners and scheduling action timelines.

The Strategic Initiatives can be used and have been formatted as stand-alone guides for implementing any initiative. Further details, research and guidelines for implementing an initiative, action items or specific tasks are contained in the support documents and reports.¹ These reports should be used in conjunction with planning and implementing the Strategic Initiatives.

¹ Support Documents: Phase I - Business Climate Assessment (Cities & County); Phase II - Education, Workforce, Knowledge-Based Economy, Telecommunications Infrastructure; Phase III - Organization, Customer, Competition & Positioning.

Strategic Initiatives Overview

Initiative	Goal / Page Number
Strategic Initiative 1: Adopt Vision for Economic Prosperity and the Strategic Plan	1.0 Goal: Adopt the vision for economic prosperity and commit to implementing the Strategic Initiatives outlined in the Merced County, <i>People, Place, Prosperity — Positioning for Global Competitiveness</i> Economic Development Plan. (Pg. 19)
Strategic Initiative 2: Create a Collaborative Partner Network	2.0 Goal: Create a strong regional leadership and collaborative partner network that is engaged and committed to attaining the vision for economic prosperity. (Pg. 23)
Strategic Initiative 3: Guidelines for Creating New Education Initiatives	3.0 Goal: Create a Regional Education Collaborative. (Pg. 29) 4.0 Goal: Improve academic performance as measured by: (Pg. 31) 5.0 Goal: Create a foundation to fund new programs. (Pg. 33)
Strategic Initiative 4: Create a Productive Workforce	6.0 Goal: Develop a workforce that has the basic, technical and job-ready skills that workers need to compete for jobs with current employers and near-term industry targets. (Pg. 37) 7.0 Goal: Develop a workforce that has the higher technical skills and academic achievement to compete for jobs in a knowledge-based economy. (Pg. 39) 8.0 Goal: Create a new workforce development and business services delivery system for Merced employers. (Pg. 40)
Strategic Initiative 5: Create Quality Business Location Products and Services	9.0 Goal: Develop, maintain, and market an adequate inventory of shovel-ready industrial sites, business parks and existing buildings to meet the needs of new and expanding businesses. (Pg. 43) 10.0 Goal: Ensure that the County's development review and other regulatory processes are streamlined and customer-oriented to meet the needs of new and expanding businesses. (Pg. 44) 11.0 Goal: Promote local and regional telecommunications capabilities to deliver affordable, high-speed Internet access to every home, business, and school in Merced County. (Pg. 45) 12.0 Goal: Enhance and maintain an efficient transportation system. (Pg. 46) 13.0 Goal: Develop Castle Airport Aviation and Development Center (Castle) into a strong economic engine for the region. (Pg. 47) 14.0 Goal: Effectively integrate (land uses, transportation, economic and environmental impacts) the new UC Merced Campus and Planned University Community into the City of Merced and the region. (Pg. 47)
Strategic Initiative 6: Position Merced County for Global Competition	15.0 Goal: Create a unique market position that differentiates Merced County in the San Joaquin Valley. (Pg. 53) 16.0 Goal: Help existing businesses compete globally. (Pg. 54) 17.0 Goal: Develop the infrastructure and relationships for growing and locating knowledge-driven industries. (Pg. 59) 18.0 Goal: Create jobs and capital investment through attraction and location of new-targeted businesses. (Pg. 60)
Strategic Initiative 7: Create a Vibrant and Safe Quality of Place	19.0 Goal: Develop quality-of-place principles and policies. (Pg. 69)

Five-Year Economic Development Goals

The Five-Year Economic Development Goals are the basis for the seven Strategic Initiatives as identified both the Task Force and the consultant team.

1. Create and sustain economic prosperity through collaborative partnerships.
2. Create a business climate in which existing businesses are globally competitive and knowledge-driven businesses can be attracted and supported.
3. Expand the County's number of skilled workers to meet the needs of existing businesses and prepare workers for the higher skill requirements of knowledge-driven industries.
4. Partner with schools to place a high priority on preparing students for educational and job achievement – science, math, technology, critical thinking, teamwork as well as learning the relevancy between school achievement and future opportunities.
5. Plan and develop business parks and buildings for existing and new business to locate and expand.

Strategic Initiative 1:

Adopt Vision for Economic Prosperity and the Strategic Plan

There was considerable discussion during the visioning sessions that Merced County lacks consensus among agencies, organizations and institutions on a vision for the future. Related to this is the perception that the County lacks strong, committed leadership dedicated to regional (county-wide) community and economic development initiatives and that city-county relationships generally do not support collaboration to resolve challenges and capitalize on opportunities.

During the Task Force and Steering Committee work session to review the strategic plan, all agreed with John Fowler the key to success and implementation of this strategy plan is the active participation of all institutions, agencies and organizations initiating the “Four C’s”:

Four C’s to Success

Cost, Collaboration, Cooperation and Commitment

There is only one goal for Strategic Initiative 1:

Goal: Adopt the vision.

1.0 Goal: Adopt the vision for economic prosperity and commit to implementing the Strategic Initiatives outlined in the Merced County, *People, Place, Prosperity* — Positioning for Global Competitiveness Economic Development Plan.

1.1 Action: MCEDCO Task Force and Steering Committee accept the proposed vision for economic prosperity and the strategic plan, present to the MCEDCO Board of Directors for adoption.

- Proposed vision for economic prosperity:

“The public and Private leadership of Merced county is committed to create a diverse regional economy, complete with competitive businesses, quality jobs, social equity for all citizens, and excellence in educations; and,

To maintain the County’s rich diversity of people, vibrant urban centers, healthy, safe neighborhoods and spectacular recreational resources, while preserving our rural character and beauty.”

1.2 Action: MCEDCO Board of Directors adopt the strategic plan titled Merced County, People, Place, Prosperity — Positioning for Global Competitiveness

- The Steering Committee should hold a work session with the MCEDCO Board of the Directors to present the Strategic Plan and request adoption of the plan and request the Board of Directors to make formal request to the Board of Supervisors and partner organizations, agencies, cities and institutions to also adopt the strategic plan.

1.3 Action: Merced County Board of Supervisors adopts the strategic plan.

- The Steering Committee and representative of MCEDCO Task Force should request a work session with the Board of Supervisors to make a formal presentation of the vision and strategic plan with a discussion of key findings and recommended priority actions.
- Request adoption of the strategic plan titled Merced County, People, Place, Prosperity — Positioning for Global Competitiveness be put on the Board’s agenda for action.

1.4 Action: All partner organizations, agencies, cities and institutions formally adopt and commit to actively participating in the leadership and implementation of the strategic plan.

- The Steering Committee should review and identify which organizations, agencies, cities and institutions' board of directors/councils would require a formal presentation and/or work session to formally adopt and commit to actively participating in the strategic plan
- Develop a schedule to meet with those entities.
- Make presentation of key findings and actions, request adoption and commitment to implementation of the strategic plan.

1.5 Action: Distribute and promote the strategic plan.

- Post the strategic plan on MCEDCO's, cities, and county websites.
- Prepare press releases and submit copies to media.
- Distribute to other organizations, agencies, institutions (i.e. chambers of commerce) copies of the strategic plan, requesting support by adopting the plan as the County's vision and strategic plan for economic prosperity.
- Request interested parties wishing to participate in creating economic prosperity to contact members of the Steering Committee.

**Planning Schedule Task Force & Steering Committee
Strategic Initiative 1 : Adopt Vision Actions**

Goal 1.0: Adopt the vision for Economic Prosperity and commit to implementing the Strategic Initiatives outlined in the "Merced County, People, Place, Prosperity — Positioning for Global Competitiveness" Economic Development Plan.

Action	Leadership	Partners	Start Date
1.1 MCEDCO Task Force and Steering Committee accept the proposed vision and strategic plan and present to the MCEDCO Board of Directors for adoption.	Steering Committee & MCEDCO Task Force		
1.2 MCEDCO Board of Directors adopt the strategic plan titled <i>Merced County, People, Place, Prosperity — Positioning for Global Competitiveness</i>	MCEDCO Task Force	Steering Committee	
1.3 Merced County Board of Supervisors adopts the strategic plan.	MCEDCO Board of Directors		
1.4 All partner organizations, agencies, cities and institutions formally adopt and commit to actively participating in the leadership and implementation of the strategic plan.	MCEDCO & Steering Committee		
1.5 Distribute and promote the strategic plan.	MCEDCO, Cities, County		

Strategic Initiative 2: Create a Collaborative Partner Network

Merced County's agriculture economy, spectacular recreational resources, cultural amenities, new opportunities and the rich diversity of people make the County a unique and special place. However, Merced County is undergoing rapid changes and facing serious challenges. There are interrelated problems and obstacles that require integrated solutions.

Creating and sustaining the County's identity and its competitive advantage in a way that ensures equity and prosperity for residents requires innovative thinking and an integrated, inclusive collaborative approach. Critical to the success of any economic development initiative is the collaboration among all organizations, agencies and institutions to share and commit to a vision, align resources and achieve common goals.²

The following recommended Collaborative Partner Network would provide a **platform for dialogue** among the diverse institutions, agencies and organizations as well as provide the opportunity to **collaborate on achieving common goals**.

A Collaborative Partner Network should streamline efforts, align resources, plans and programs, leverage resources and create efficiencies among the network.

For this initiative a Model is recommended and diagramed.

There is one goal for Strategic Initiative 2:

Goal: Create collaborative partner network.

2.0 Goal: Create a strong regional leadership and collaborative partner network that is engaged and committed to attaining the vision for economic prosperity.

2.1 Action: Create a New Business Model, a Collaborative Partner Network

To accomplish the goals of the economic development strategic plan a new collaborative partner network business model should be established to address the interrelated challenges and opportunities facing Merced County. A new collaborative partner network model will realign fragmented efforts to create synergies and produce a more efficient use of resources as well as create a consistent unified approach to economic development.

- The MCEDCO Board of Directors and the Strategic Plan Steering Committee agree that a Collaborative Partner Network should be created to implement the economic development strategic plan. The key is Implementation Council of the key organizations agreeing to align their resources and coordinate efforts to serve Merced County businesses and residents, and commitment and support to achieving the goals of the economic development strategic plan. Following is a diagram of a Collaborative Partner Network model.

² Regional Collaborative Partner Networks are being established across the nation, Joint Venture Silicon Valley, Greater Louisville, Buffalo-Niagara

Model 1: Merced County Collaborative Partner Network

Mission: To create economic prosperity in the Merced Region by providing strong leadership and by managing a collaborative network that provides programs and services that support economic growth and vitality.

Hosted by: Merced County Economic Development Corporation (MCEDCO)

Implementation Council

Cities of Atwater, Livingston, Los Banos, Merced,
County Office of Business and Economic Opportunities, Department of Workforce Investment,
Merced County Office of Education, MCEDCO

Collaborative Partners

<ul style="list-style-type: none"> ▪ City of Atwater ▪ City of Livingston ▪ City of Los Banos ▪ City of Merced ▪ City of Dos Palos ▪ City of Gustine ▪ County of Merced ▪ Merced County Association of Governments ▪ Merced County Departments (Public Works, Planning and Community Development, IT, Building and Engineering) 	<ul style="list-style-type: none"> ▪ Merced County of Economic Development Corporation ▪ County Office of Business and Economic Opportunities ▪ San Joaquin Valley Air Pollution Control District (APCD), ▪ Farm Bureau ▪ Chambers of Commerce 	<ul style="list-style-type: none"> ▪ Merced County Department of Workforce Investment-Implementation ▪ Workforce Investment Board - Policy ▪ Merced County Office of Education ▪ Merced College ▪ UC Merced
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Strategic Initiative Committees

Committees or Task Forces are established as Strategic Initiatives are addressed-these committees and task forces would be responsible for implementation action.

Business Competitiveness Team	Workforce & Training Team	Education Collaborative	Products and Services Task Force	Technology Infrastructure (TI) Task Force
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2.2 Action: Structuring the new Collaborative Partner Network.

- ❑ The strategic plan Steering Committee started the collaborative partner network with this strategic planning process and should continue to formalize the collaborative for implementation of the strategic plan. The Steering Committee representing the Cities of Atwater, Livingston, Los Banos, Merced, Merced County Department of Business and Economic Opportunities, Department of Workforce Investment, Merced County Office of Education and MCEDCO should be the collaborative founders and appointed as the **Implementation Council** to oversee the implementation of the strategic plan.
- ❑ The Steering Committee should request MCEDCO to serve as the **host** of the Collaborative Network and provide management and coordination for implementation of the strategic plan.

2.3 Action: Appoint MCEDCO as Host Manager for the Collaborative Partner Network.

One organization needs to be responsible to ensure the strategic plan is carried out. MCEDCO has been attempting to re-energize public and private support and commitment for a regional economic development program. The city and the countywide task forces identified the broad, regional goals established in this strategic plan, so the plan and implementation of the plan should be a priority for them. Acceptance of this role would reposition MCEDCO's value to the public and private communities, particularly with the implementation of a Business Competitiveness Program (Strategic Initiative 6) as part of the strategy. MCEDCO would be providing the private sector leadership through its board and membership to ensure this comprehensive and collaborative five-year economic development plan is fulfilled.

- ❑ MCEDCO accepts responsibility of **Host Manager**, taking the lead for establishing, hosting and facilitating the collaborative partner network, which will integrate programs, identify issues and solutions, and implement actions involving all partners.
- ❑ Appoint one or two members of the MCEDCO Board of Directors to the Implementation Council. The Implementation Council should appoint key organizational members as needed to implement the strategic plan.
- ❑ The County Board of Supervisors and the Cities of Atwater, Livingston, Los Banos and Merced should also confirm MCEDCO as the Host Manager as part of the acceptance and adoption of the strategic plan. The Collaborative Partner Network responsibility should be reflected in any contracts between the County, cities and MCEDCO.
- ❑ To help change the perception of MCEDCO and to reinforce the new role of implementing a five-year broad strategic plan and managing a Collaborative Partner Network, MCEDCO should change its name to *Merced Regional Partnership*.

2.4 Action: Attract Leadership.

- ❑ Review existing MCEDCO Board membership to ensure representation from key collaborative partners, including K-12 education, workforce, higher education and industry groups.
- ❑ Analyze the total array of organizations devoted to economic and community development for collaborative partners and identify ways to achieve greater efficiency and effectiveness in meeting the strategic plan goals, such as, should the Merced County Chamber of Commerce merge with MCEDCO.
- ❑ Bring organizations, agencies and institutions together to agree to collaboratively participate as change agents for each community and the region.

- ❑ MCEDCO should work with the cities and County to secure resources for local leadership development. Resources, such as the Great Valley Center (GVC), which has a Leadership Institute and other workshops and training resources to strengthen local civic involvement and commitment to community issues, should be actively pursued by MCEDCO. GVC also has grants available to support leadership development and sustainable community initiatives.
- ❑ The Collaborative Partner Network should review the strategic deployment and use of information and information technology to enhance communication and promotion of the Collaborative Partner Network. Utilizing IT staff of the Collaborative Partner Network, review voice, data, telecommunications, video conferencing, web conferencing, GIS and database structuring and develop strategic information alliances among the Collaborative Partner Network.

2.5 Action: Collaboratively plan and prepare a Strategic Plan/Initiatives Schedule.

The benefit of collaboration is a more cost-effective allocation of resources, which results in greater success in meeting key economic development goals, such as, information technology sharing, joint marketing, coordinated outreach, delivery of business resources and services, and grant and funding resource applications.

- ❑ Each initiative should be reviewed to identify the leadership, resources and programs that can contribute to the success of the initiative. Initiatives will be led and implemented by different partners whose mission is best aligned with the initiative, however, the partners should collaborate and leverage resources to make the initiative a success, such as, a passionate leader of an initiative may be active on another organization's board but could be interested in participating on behalf of the collaborative network.
- ❑ A key Collaborative Network program is the recommended Business Competitiveness Program (Strategic Initiative 6), which all partners should actively participate. Organizations will be able to leverage resources by jointly marketing all assistance/services to businesses under one campaign, reducing businesses confusion of who does what, and coordinating outreach to reduce duplicative calls on businesses.
Implementation of each strategic initiative needs to be reviewed and worked out through the collaborative to align programs and resources and agree upon the most effective and efficient method for the businesses or group being served.
- ❑ Establish a stronger local government and service provider network committed to addressing local problems and opportunities from a regional perspective. MCEDCO will host monthly city-county-regional partner monthly meetings to discuss progress on city strategies, share information and resources.

Planning Schedule
Strategic Initiative 2: Regional Leadership and Collaborative Partner Network Actions

Goal 2.0: Create a strong regional leadership and collaborative partner network that is engaged and committed to attaining the vision for economic prosperity.

This network should align resources, plans and programs to create efficiencies and collaborate to achieve common goals.

Action	Leadership	Partners	Start Date
2.1 Create a New Business Model.	MCEDCO Board of Directors & Steering Committee		
2.2 Structure the new Collaborative Network.	Steering Committee		
2.3 Appoint Coordinator for Collaborative	Implementation Council & MCEDCO Board of Directors	Cities of Atwater, Livingston, Los Banos, Merced County of Merced	
2.4 Attraction Leadership.	MCEDCO Board of Directors & Implementation Council		
2.5 Collaboratively plan and prepare a Strategic Plan/Initiative Schedule.	Collaborative Network		

Strategic Initiative 3: Guidelines for Creating New Education Initiatives

The skills required to compete for a job in the new knowledge economy have changed radically; however, the skills learned in most public schools have not kept pace with the requirements of the job market. In Merced County, local employers and educators concur that many of the young people entering the workforce lack basic skills, the ability to apply the skills on the job, and critical “soft” or job-readiness skills.

In the last four years there has been consistent improvement in the Academic Performance Index for most K-12 schools in Merced County. There is also a countywide effort to improve student achievement evidenced by 50 schools participating in the Equity, Excellence and Quality Center training for educators and administrators with the goal of improving student achievement in core subject areas. In addition, the Merced County Office of Education has formed a “County Office Assistance Team (COAT) to provide assistance and support to low performing schools. These are excellent steps in the right direction, but if Merced County wants to achieve future economic prosperity for residents, more needs to be done to improve the academic performance and job-readiness skills of students in Merced County.

There are many different planning requirements for initiatives that can improve the K-12 system. Recognizing there is now a K-16 Merced County Educational Community Council being formed, the following guidelines for specific programs that can improve academic performance, K-12, and prepare students for jobs in the new knowledge economy are recommended for consideration as education initiatives

There are three goals for Strategic Initiative 3:

1. **Goal:** Create a Regional Education Collaborative (currently in the planning stages-Merced County Educational Community Council).
2. **Goal:** Improve academic performance as measured by:
 - Improving K-12 test scores,
 - Increasing high school graduation rates,
 - Increasing the number of students enrolling in colleges and universities,
 - Preparing students with job-readiness skills,
 - Closing the achievement gap for minority and underserved students,
 - Increasing student knowledge with practical applications of science and technology.
3. **Goal:** Create a foundation to fund new programs.

3.0 Goal: Create a Regional Education Collaborative

Education is also a priority in the Cities of Atwater, Livingston, Los Banos and Merced. As part of their individual city economic development strategies, a goal to “establish a local Business Education Initiative that brings business, government, and education together to form partnerships to ensure future prosperity for students and young people by creating a full range of unique, results-oriented programs to address the needs of business and students.” In addition, an action task is for the local education initiatives to participate with a regional education collaborative to address the common challenges facing education.

3.1 Action: Communicate the formation of the Merced County Educational Community Council

- Introduce the concept to the community economic development tasks for support and participation

3.2 Action: Building on the planned K-12 Merced County Educational Community Council, consider using the following guidelines to identify unique, results-oriented programs that will achieve the academic performance goals.

Review the academic achievement goals, the recommended program models in the Education Assessment Report and the resources needed to implement them. Revise, add or delete academic achievement goals. Prioritize goals.

The Educational Community Council should review all the models provided in the Education Assessment Report as they relate to each academic achievement goal (and any new goals selected by the Task Force).

Select one or two models that best address the priority goal(s) for the academic achievement goals (recommended models are listed in this strategy). These models should be those that best fit Merced County's situation and have the greatest chance of success, i.e., support, funding and student participation. The programs should also:

- Be implemented countywide.
- Maximize and leverage local resources and minimize overlap with existing programs currently being implemented.
- Add value to the day-to-day work of teachers and educators.
- Have realistic and measurable performance goals.
- Prepare a brief white paper of initiatives for outlining the educational issues, the need for change (this is well documented in studies such as *Strategic Choices*), the recommended model programs and establishment of a Regional Education Collaborative.
- The initiatives should be tested with an education focus group to provide critical feedback on the merits of a model and identify the obstacles and constraints that might be faced in implementing the model and achieving the priority goals.
- Finalize the initiatives.

3.3 Action: Recruit partners for the Educational Community Council

"Companies, no less than governments and universities, have a stake in education. Universities have a stake in the competitiveness of local businesses." Harvard Business Review

- Identify committed leaders for the Educational Community Council who will participate, support and promote county education goals. Potential members include:
 - Educators, principals, professors and education professionals from UC Merced and Merced College
 - Business persons
 - Public sector officials
 - Leader from the Education Initiatives of the cities of Atwater, Livingston, Los Banos and Merced
- Invite the leaders to an initial meeting to review the initiatives. request their support, commitment and participation in the Educational Community Council to implement the initiatives.

- ❑ The mission should be to:
 - 1) Articulate their goals and objectives to the community, public sector and external agencies and stakeholders (such as the legislature, elected officials, foundations, sponsors, etc.)
 - 2) Serve as a countywide resource for identifying, developing and funding unique educational programs that can support and augment regular school programming
 - 3) Act as facilitator and communicators with other educational and governmental agencies and boards such as WI's Youth Council, school districts, etc. to leverage resources and coordinate efforts.

4.0 Goal: Improve academic performance as measured by:

- Improving K-12 test scores,
- Increasing high school graduation rates,
- Increasing the number of students enrolling in colleges and universities,
- Preparing students with job-readiness skills
- Closing the achievement gap for minority and underserved students,
- Increasing student knowledge with practical applications of science and technology.

4.1 Action: Identify model programs for each academic performance goal.

A goal of this strategic planning process was to identify successful model programs that dealt with similar educational challenges Merced County was facing. The following models are recommended as models meeting the academic performance objectives noted above. The Education Assessment Report provides a full description of these models and other models researched. The Educational Community Council can use the Education Assessment Report as a resource for development of initiatives and selecting model programs.

Academic Performance Goal: Improving K-12 test scores

Model 2: San Jose LEARNS, City of San Jose Homework Centers

This after-school program grew out of a schools, community and city collaborative. Homework centers are offered at most of the city's elementary, middle and high schools. They provide students with assistance with homework, additional intensive instruction in subjects, and after-school enrichment programs that include museum, art, and music and dance classes. There are also ongoing activities such as crafts and sports. The program is evaluated based on how well the students score on the Stanford-9 test. Preliminary results show significant increases in math and reading scores. In addition attendance in school has improved which means an increase in state funding for the schools. The LEARNS program model can assist Merced schools in increasing school attendance, improving student test scores and academic achievement, and expanding the students' learning world through non-academic enrichment programs. While San Jose LEARNS is operated at individual schools, the program can be modified to operate in neighborhood centers closer to where children may live.

Academic Performance Goal: Increasing high school graduation rates

Model 3: North Carolina A&T State University Program, "Mothers at the Helm/Poppas at the Helm College Initiative.

This program received a \$1.75 million grant from the U.S. Department of Education's GEAR UP program to help disadvantaged middle-school students finish high school and enter college by providing student teacher tutors, counseling, enrichment programs, college preparation assistance and scholarships. Preparing students for higher education pursuits must begin by middle school and must a collaborative effort between middle school, high school and universities. A potential collaboration for this type of program exists between the County Office of Education, Merced College and UC Merced, which already has a College pre-Initiative in place to improve the eligibility of minority and low-income students for UC admissions.

(GEAR UP Grants are provided by the U.S. Department of Education and are designed to increase the number of low-income students who are prepared to enter and succeed in postsecondary education. See www.ed.gov/gearup/.

Academic Performance Goal: Increasing the number of students enrolling in colleges and universities

Model 4: College Track

College Track is an East Palo Alto, CA non-profit organization that provides mentoring support and financial assistance to low-income students to enable them to qualify for admission to college. College Track also partners with local companies to provide internships for students to better prepare them for careers. Funding for College Track comes from a variety of sources: grants and private and corporate donors. Mentors include undergraduate and graduate students and local employers who provide internship opportunities and time advising students on career opportunities. In Merced County students need more exposure to industry jobs as opposed to lower paying service jobs.

Academic Performance Goal: Preparing students with job-readiness skills

Model 5: CLASS (Corporate Leaders Advocating Success Skills)

This program, sponsored by the San Diego Workforce Partnership and the San Diego Regional Economic Development Corporation, partners with Junior Achievement to bring business leaders into the classroom to help students connect between schools, skills and careers. The program also arranges for the students to visit the job site of business volunteers. In 2002, CLASS placed 35 high-level business volunteers from banking, science, engineering and technology who taught over 1000 students on topics such as communication, teamwork, resume writing, interview skills and how to make a good impression.

Academic Performance Goal: Closing the achievement gap for minority and underserved students

Model 6: National PTA's Resources in Spanish.

This program provides a number of resources (printed material, videos, etc.) in Spanish to promote parent involvement in their children's education.

Model 7: English as a Second Language (ESL), Basic Literacy Skills, Merced College Workplace Learning Resource Center

This program provided eight classes in ESL as a collaborative partnership with the Livingston School District Community-Based English Tutoring Program (CBET). After a language skills assessment (English and Spanish) is completed, parents receive specific training on how to become tutors for their children as well as learning ESL. Workplace Learning Resource Center provided the train-the-trainer services for the program. CBET participants are also introduced to social experiences such as touring museums, libraries, colleges, shopping centers, etc. to help reduce the barriers that language difficulties create in terms of everyday tasks and needs. CBET's program meets a countywide need but requires additional funding and other resources to make it available on a wider basis.

Academic Performance Goal: Increasing student knowledge with practical applications of science and technology

Model 8: Science Discovery Workshop and Computer Center

Based on a model developed in San Francisco called the Mission Science Workshop, in 1998, Dr. George Castro, Associate Dean of Science, San Jose State University, developed an after school science and build-a-computer program for low-income students. The students get materials and tools to build science projects and their own computers. Once they master proficiency of the computer, they are allowed to take it home. Most of the students are Hispanic and many only speak Spanish. The program requires \$70,000 annually to pay for operating costs such as student interns who tutor, teach and mentor the students. In the spring of 2003, the program will move to an 1800 square foot classroom in a new elementary school in downtown San Jose built by the redevelopment agency. The program is also offered in Fresno and is used in Merced schools to help close the technology and science learning gap for students.

Model 9: Online Center for Teen Entrepreneurs

In a direct response to repeated Junior Achievement poll results indicating that an overwhelming number of students wish to someday start a business, Junior Achievement and The NASDAQ Educational Foundation have announced the launch of an online Entrepreneur Center. Available at www.ja.org, the new center is a free destination for students desiring to learn how to start, grow, and sustain a business.

Funded by a grant from the NASDAQ Educational Foundation, the online center includes a business plan-writing component from Palo Alto Software, a business toolbox from the National Federation of Independent Business (NFIB), and related business resources from the Small Business Administration (SBA). The center will also feature a Student Entrepreneur Year of the Contest, presented by Ernst & Young and Junior Achievement, as well as monthly chats with members of the Young Entrepreneurs Organization (YEO).

5.0 Goal: Create a foundation to fund new programs.

5.1 Action: Create a method to obtain funds and other resources needed to support staff, facilities, equipment and materials for the education Initiatives.

- Create a regional community foundation as part of the Education Initiatives that can solicit sponsorships, business donations, grants and hold fund raising events.

An example of an education foundation is the Cupertino Education Foundation, a non-profit organization created by educators, parents and business, which has provided over \$5.5 million for Cupertino Schools since its inception in 1986. Details of the foundation can be found in the Education Assessment Report.

- Create a funding partnership with the local Chambers of Commerce, Rotary Clubs, or other business groups that can sponsor fund raising events and programs to benefit the Education Achievement Agenda priority programs.

5.2 Action: Ensure open communication with all stakeholders and continuously inform the public about the progress of the Education Initiatives.

- Continue ongoing discussions with the school districts and educators to learn about successes and achievements that can be promoted and celebrated in the community and through the media.
- The Education Initiatives' communications and promotions should be coordinated with the Collaborative Partner Network.
- Continue discussions with school districts and educators to review other educational models in the Education Assessment Report that have effectively addressed similar issues faced in Merced County to gain their recommendations and feedback about programs that could be implemented.
- Articulate the need for business, government, education and community leaders and organizations to support the Education Initiatives and help implement unique, results-oriented programs.

Planning Schedule
Strategic Initiative 3: Guidelines for Creating New Education Initiatives

Goal 3.0: Create a Regional Educational Collaborative.			
Action	Leadership	Partners	Start Date
3.1 Communicate the formation of the Merced County Educational Community Council.	Superintendent of the County Office of Education	MCEDCO	
3.2 Using the Recommended Guidelines for planning new initiatives, identify unique, results-oriented programs that will achieve the academic performance goals.	Superintendent of the County Office of Education MCEDCO President Local business leaders President of Merced College Chancellor of UC Merced The County Executive	School district educators, principals, teachers, professors Business persons Public sector officials Community leaders	
3.3 Recruit partners for Community Council.	Educational Community Council	Other business and community groups, parents and education stakeholders	
Goal 4.0: Improve academic performance as measured by: improving K-12 test scores; increasing high schools graduation rates; increasing the number of students enrolling in colleges and universities; preparing students with job-readiness skills; closing the achievement gap for minority and underserved students; and increasing student knowledge with practical applications of science and technology.			
Action	Leadership	Partners	Start Date
4.1 Identify model programs for each academic performance goal.	Educational Community Council	Collaborative Partner Network, WI	
Goal 5.0: Create a foundation to fund new program.			
Action	Leadership	Partners	Start Date
5.1 Create a method to obtain funds and other resources needed to support staff, facilities, equipment and materials for the Education Challenge.	Educational Community Council	Other business and community groups, parents and education stakeholders	
5.2 Ensure open communication with all stakeholders and continuously inform the public about the progress of the Education Initiatives.	Educational Community Council	Collaborative Partner Network	

Strategic Initiative 4: Create a Productive Workforce

The transition to a globally competitive workforce requires a new workforce development service delivery system that will meet both the basic, technical and job-ready skills required by near term industry targets as well as the higher technical skills and academic achievement needed to compete for knowledge economy jobs. Critical to this new service delivery system is the creation of a Workforce and Training Team that integrates its workforce development services with those of economic development as part of the Collaborative Network of the Business Competitiveness Program.

“The key to prosperity is increasing productivity. Productivity growth is the basis for rising real wages for workers, increasing returns to shareholders, and increasing per capita income for a region and the nation.” Peter Drucker

There are three goals for Strategic Initiative 4: Create a Productive Workforce

Goal: Develop a workforce that has the basic, technical and job-ready skills that workers need to compete for jobs with current employers and near-term industry targets.

Goal: Develop a workforce that has the higher technical skills and academic achievement to compete for jobs in a knowledge-based economy.

Goal: Create a new workforce development and business services delivery system for Merced employers.

6.0 Goal: Develop a workforce that has the basic, technical and job-ready skills that workers need to compete for jobs with current employers and near-term industry targets.

6.1 Action: Ensure that Training Programs Meet the Priority Basic Skill Needs of Current Employers and Industry Clusters.

Currently there are a number of training and educational programs that are focused on improving the basic skills (technical, math and reading) and job-readiness of the Merced workforce. However, employers still feel that workers, especially those applying for entry-level positions, lack these basic skills.

- The Workforce and Training Team, as part of the Collaborative Partner Network, should participate in the facilitated meetings with industry groups to determine how the Business Competitiveness Program can assist the businesses to be globally competitive. For workforce development the following information should be obtained from these meetings for each industry group:
 1. What are the basic and technical skills required by the industry today and in the future?
 2. Are employers in the industry group current using any of the basic skills training programs that are currently offered?
 3. If the programs are being used, are they meeting their needs?
 4. If the programs are not meeting their needs, why and what would make these programs effective?
 5. Discuss what other courses and training programs are needed to address skill gaps for each industry.

6.2 Action: Ensure there are Training Programs that address the skill gaps for target occupations based on research done in the Workforce Assessment Report.

- Currently there are a number of training and education programs offered in the region that address the skill gaps in basic and job-ready skills, management and supervisory skills and computer-related skills. Below are skill gap areas for which additional training programs are needed:

Trucking (there is only one private vocational education provider in the region and the tuition is expensive). Since this is a strong growth occupation, the Workforce and Training Team should consider developing a customized training program for trucking firms and potentially obtain a grant or use workforce investment dollars to fund it.

Materials related skills: Metal fabrication, tool and die, punching, tending, grinding, lapping, polishing, etc. Since the more skilled occupations in this category use apprenticeships as well as community college certificate programs, the Workforce and Training Team should ensure there are apprenticeship programs with local companies that are tied to the academic program instruction.

Chemical related skills especially for the agricultural support industry cluster such as fertilizer manufacturing. Potential partners for developing training in this area include agricultural professionals, ranchers and the Farm Bureau to identify specific skill needs and develop training to address them.

6.3 Action: Develop Vocational Education Certificate Programs that Can Address the Gaps for Basic Skills and Skills Needed by the Region’s Industry Clusters.

Certificate programs comprised of short courses that be completed in a few months time are an effective way of providing training that can be targeted to specific skills required by an industry group. The format also provides a more convenient delivery format for both workers and employers who find traditional class schedules difficult to work around. Graduates of certificate programs can also create a visible labor pool that can be used in business attraction of industry targets.

- Create certificate programs that address one or two priority industry clusters or functions such as manufacturing, information technology (network administrators, computer repair and maintenance) warehouse/distribution, customer service (hospitality/tourism), management and supervisory skills, and health care. (See additional details in Workforce Assessment Report, “Linking Workforce Development to the Needs of Industry Clusters and Targets” and Strategic Initiative 6: Position Merced County for Global Competition)
- Certificate programs should incorporate the following format. Additional detail and examples of successful vocational education certificate programs are included in the Workforce Assessment Report.
 1. Provide participants with basic and “next level” hard and soft training that include a combination of technical and attitude/motivation skill building that will allow workers to move up into positions of higher responsibility.
 2. Courses should be taught in short modules, which can be easily packaged for contract training for employers.
 3. Courses can be credit or non-credit and can be developed in partnership with industry professional associations and companies.
 4. Short course certificate programs can better meet the needs of Los Banos workers who are commuting daily to jobs in the Bay Area and who indicated a desire for additional management and technical skills training in order to move up into better paying jobs.
 5. WI should apply for state and federal training grants to fund training provided by these certificate programs and also use the certificate programs as customized training that can be paid for by WIA funds.

6.4 **Action: Create a “Manufacturing Institute” that Can Leverage Merced’s Strength as a Location for Manufacturing in the Central Valley and Provide Cutting Edge Industry Training for Merced Workers**

- ❑ As part of the Business Competitiveness Program, the Workforce Investment Board and the Workforce and Training Team should establish a Manufacturing Institute, offering the technical training needed by the local manufacturing industry groups. Set a goal to raise the visibility and credibility of manufacturing as a profession with existing and new businesses.
- ❑ The Institute should serve as the umbrella organization for certificate programs in manufacturing.
- ❑ Engage local manufacturing professionals to support the certificate programs by teaching the courses, contracting for on-site delivery of programs, providing feedback for continuous improvement to courses and industry requirements.
- ❑ Serve as a vocational training and research resource for local manufacturing companies and other related industry targets and clusters by establishing working partnerships with other industry organizations such as:
 - MANEX, the state’s Manufacturing Extension Program, which provides training and consulting services to manufacturing companies. See the Building a Knowledge Economy Report for a description and contact information for MANEX.
 - The Institute should become a member and partner with the National Association of Manufacturers and its Center for Workforce Success which provides excellent studies and has training resources available including NAM’s Virtual University which offers 650 courses online. NAM is a good source for potential courses for the Certificate in Manufacturing and other related skills.

7.0 Goal: Develop a workforce that has the higher technical skills and academic achievement to compete for jobs in a knowledge-based economy.

7.1 **Action: Create a “career ladder” education and training system that fosters and builds knowledge economy skills through lifelong learning.**

Knowledge economy jobs require both higher technical skills in areas such as robotics, computer aided design, computer programming as well as knowledge skills that enable workers to think creatively, work independently, take reasonable risk, and work collaboratively in teams. Training required by knowledge economy jobs is also not static; it is a continual educational process. Workers need to upgrade and change their skill base frequently in order to meet the need of companies who are seeking productive and innovative workers.

- ❑ The Workforce Investment Board and the Workforce and Training Team should develop a “career ladder” system that links K-12 education, vocational education, adult education, higher education, customized business and industry training to create a lifelong learning continuum.
- ❑ This system should begin with a seamless education process in which students can transfer credits efficiently as they advance from secondary schools to technical colleges and to the university system. It should leverage the resources and programs such as UC Merced’s K-12 Outreach Program and Merced Tri-College programs to improve student admissions eligibility by:

- Preparing students for UC majors in engineering, natural sciences, and the humanities and arts and develop course ladders that link community college and high school preparation courses for these majors. The Merced Tri-College Center is a good example of the type of collaboration needed to offer residents and students one-stop shopping for access to higher education. See additional information in the Education Assessment Report.
- Identifying early on course ladders that should parallel and support career ladders in order for students to have clear direction as to what types of courses and training are needed for careers in specific industries.
- Inviting UC and Merced College faculty and administrators to join an advisory board with K-12 educators to guide the development and coordination of these courses and ensure they are linked.
- Partnering with the Regional Education Collaborative to ensure that the Education Achievement Agenda coordinates its goals, efforts and resources to support this initial phase of lifelong learning.
- ❑ The second component of the lifelong learning system extends beyond the K-16 education system. The Workforce and Training Team should formally link adult education, higher education, customized business and industry training programs under the banner of “Professional Lifelong Learning.” (The Georgia Department of Technical and Adult Education provides a good example of a unified system of technical education, customized business and industry training and adult education. See the Workforce Assessment Report for more specific information about GDTAE.)
 - Programs should meet the skill needs of current employers and future industry targets.
 - Provide workers with easy access to education and training programs at any point in their career.
 - Provide programs that ensure workers have the basic skills in math and reading in order to expand their competencies in new skill areas.
 - Provide cutting edge technical skills for industry clusters through Merced College’s Technical Institute.
 - Ensure that courses are linked and support training for career ladders for workers.
 - Use the best available technology for course content and delivery.
 - Explore ways of expanding course offerings beyond the normal classroom delivery through web-based training, which can be offered in public schools and at company locations.
 - Many schools are now using virtual training approaches that allow them to tap into a wide array of courses offered by different educational institutions and professional associations.
- ❑ Develop a “One-Stop” information source that coordinates and centralizes information about all adult training and education programs currently offered for easy access by employers and workers
- ❑ UC Merced and Castle offer potential resources for offering on line training and other innovative training approaches. Explore the possibility of creating a Professional Lifelong Learning Center at Castle.

8.0 Goal: Create a new workforce development and business services delivery system for Merced employers.

8.1 Action: As part of the Collaborative Network of the Business Competitiveness Program, integrate workforce development and economic development services for Merced region employers.

- ❑ Expand the Workforce and Training team to form a business services team that includes the Action Business Network, MCEDCO, and community economic development staff as part of the recommended Business Competitiveness program outlined in Strategic Initiative 6: Position Merced

County for Global Competition. Specific implementation details are provided in the Workforce Assessment Report.

- ❑ Development of the business service team should be phased to ensure that teamwork and leveraging of resources is supported and implemented. Additional details and examples of programs that have implemented this approach are provided in the Workforce Assessment Report.
 - In the first phase, develop an inventory and assessment of each organization's goals, resources and services.
 - Complete an assessment of what programs are addressing basic skill gaps of employers and the skill gaps of the target occupations.

8.2 Action: Implement a coordinated outreach to businesses.

- ❑ Organize under the umbrella of the Collaborative Network and the Business Competitiveness program to ensure that outreach efforts and delivery of services is coordinated as part of this initiative.
- ❑ Define the roles and responsibilities for services team members and their organizations.
 - It is recommended that team members be referred to as "industry specialists" who are knowledgeable about the specific services, tools and programs the industry groups need to address the skill gaps of workers and other economic development business and technical resources.
 - Identify other workforce and economic development partners who need to be part of the team.
 - Develop a team approach to working with employers that ensures there is a Workforce Investment staff person assigned to each community and who works closely with the economic development staff person.
 - Provide team members with appropriate training that includes customer service, team building, and continuous cross training to ensure that they are familiar with each other's programs and services. For example, a workforce development trainer should regularly update economic development, education and human services staff about new workforce development programs, services and resources so that each is familiar with general features.
- ❑ Coordinate internal communications and meetings to ensure that information regarding customers is communicated to the appropriate team member for resolution and response and a follow-up course of action.
- ❑ Establish a goal of continuous improvement for service delivery:
 - Employment and training and business services should meet the skill gaps and resource needs of existing and industry targets.
 - Services should be developed that support efforts to grow and locate knowledge-driven industries as outline in Strategic Initiative 6.
 - Services are easily accessible to employers.
- ❑ Coordinate preparation of marketing collateral (print, electronic and web) and a regional marketing plan to existing businesses with the Collaborative Partner Network. The messages to the businesses should not be confusing to businesses. They should feel they have one point of contact to obtain services. Joint marketing will leverage dollars and achieve higher results. All the organizations are marketing to the same audience - business, offering services. Details of the workforce service delivery system marketing plan are included in the Workforce Assessment Report.

Planning Schedule
Strategic Initiative 4: Create a Productive Workforce

Goal 6.0: Develop a workforce that has the basic, technical and job-ready skills that workers need to compete for jobs with current employers and near-term industry targets.

Action	Leadership	Partners	Start Date
6.1 Ensure that training programs meet priority basic skills needs of employers and industry clusters.	Workforce and Training Team	Collaborative Partner Network	
6.2 Ensure there are training programs to address skill gaps for target occupations.	Workforce and Training Team	Collaborative Partner Network	
6.3 Develop certificate programs that can address gaps for all skill gaps.	Workforce and Training Team	Collaborative Partner Network	
6.4 Create a "Manufacturing Institute".	Workforce and Training Team	ABC and MCEDCO	

Goal 7.0: Develop a workforce that has the higher technical skills and academic achievement to compete for jobs in a knowledge-based economy.

Action	Leadership	Partners	Start Date
7.1 Create a "career ladder" education and training system that fosters and builds knowledge economy skills through lifelong learning.	Workforce and Training Team	Collaborative Partner Network	

Goal 8.0: Create a new workforce development and business services delivery system for Merced employers.

Action	Leadership	Partners	Start Date
8.1 Integrate workforce and economic development services.	Workforce and Training Team MCEDCO, Community Economic Development	Collaborative Partner Network	
8.2 Implement a coordinated outreach to businesses.	Workforce and Training Team MCEDCO, Community Economic Development	Collaborative Partner Network	

Strategic Initiative 5: Create Quality Business Location Products and Services

To fulfill the County's vision for economic prosperity, the County (and the cities) must develop and sustain quality business location products and services. These products and services include; fully improved (sewer, water, roads, power) industrial sites and parks with high-speed telecommunications infrastructure, variety of existing building space, including flex space, and a regulatory process that is streamlined and customer oriented to meet the needs of new and expanding businesses.

Currently the County and cities lack a significant inventory of shovel-ready industrial land and buildings for sale or lease. Other services such as high-speed telecommunications and efficient transportation including scheduled air service (for passengers and cargo) are also constraints to the County's economic growth.

There are six goals for Strategic Initiative 5, Create Quality Business Location Products and Services:

- Goal:** Develop, maintain, and market an adequate inventory of shovel-ready industrial sites, business parks, and existing buildings to meet the needs of new and expanding businesses.
- Goal:** Ensure that the County's development review and other regulatory processes are streamlined and customer oriented to meet the needs of new and expanding businesses.
- Goal:** Promote local and regional telecommunications capabilities to deliver affordable, high-speed Internet access to every home, business, and school in Merced County.
- Goal:** Enhance and maintain an efficient transportation system.
- Goal:** Develop Castle Airport Aviation and Development Center (Castle) into a strong economic engine for the region.
- Goal:** Effectively integrate (land uses, transportation, economic and environmental impacts) the new UC Merced campus and Planned University Community into the City of Merced and the region.

9.0 Goal: Develop, maintain, and market an adequate inventory of shovel-ready industrial sites, business parks and existing buildings to meet the needs of new and expanding businesses.

9.1 Action: Identify and prepare appropriate sites and buildings for business development.

- Existing industrial areas (Delhi Industrial Reserve (approximately 250 acres, Santa Nella, and Castle), should be made as site and building ready as possible, including the extension of infrastructure and services where feasible. The County should consult with MCEDCO to identify potential tenant types, development scenarios, market demand and development timing. If sites and business parks cannot be shovel-ready, there should be specific plans available to review with prospective businesses showing the proposed site developments and configurations and estimated costs for development, including all infrastructure.

- Areas suitable and/or proposed for new industrial development (e.g. the proposed Pacific Com Tech Park) should be identified, and entitled for industrial development and scheduled for specific plan study.
- Conduct a feasibility study to determine the market demand and timing for the development of a technology business park in association with UC Merced.
- Inventory the existing built (and vacant) industrial space. The County and cities should partner with MCEDCO to market these facilities, and also to identify potential sites and developers to construct speculative buildings, including flex-space buildings.

9.2 Action: Identify vacant and underutilized industrially zoned parcels and buildings.

- Identify underutilized parcels and buildings with established infrastructure that could be targeted for redevelopment.
- Identify infrastructure, regulatory, and development constraints and develop specific actions (including funding opportunities) to mitigate the constraints.
- Consider land assembly as a possible solution to several contiguous underdeveloped parcels for development as a business park.

9.3 Action: Inventory, package, and promote existing industrial sites, parks, and buildings.

- The County and cities, working in partnership with MCEDCO, should agree upon a standardized format (that meets IEDC standards) for inventorying existing industrially zoned properties, business parks and buildings. The data should be maintained on a searchable GIS web-based industrial site and building software program as proposed in Strategic Initiative 6: Position Merced County for Global Competition. The specific site, park, and building information should include maps and photographs.
- The County and cities should collaborate and participate with MCEDCO to package and promote existing industrial sites, parks and buildings as recommended in Strategic Initiative 6: Position Merced County for Global Competition.

9.4 Action: Invest in public infrastructure that supports economic growth.

- The County and the cities should continue to seek public funding to support the extension of essential infrastructure to business and industrial sites.

10.0 Goal: Ensure that the County’s development review and other regulatory processes are streamlined and customer-oriented to meet the needs of new and expanding businesses.

10.1 Action: The County should streamline and put on-line, as many of its development permit and review processes as possible to reduce time to market impacts for businesses that desire to locate in the County or need to expand facilities and operations.

- Continue to implement the recommendations contained in the Operational and Permitting Audit, Merced County Planning and Community Development Department by Zucker Systems, July 2001.
- Expand the County’s web-based planning services by implementing an on-line system for simple permits that do not require plan check. The system would allow applicants to apply and pay for permits on line and check the status of their application. Currently, some permit applications can be downloaded from the County’s web site but an applicant cannot submit building permit applications on line. Many cities and counties (such as Sunnyvale, California and Brevard County, Florida allow applicants to apply for simple permits for improvements such as water heaters and new roofs).

10.2 Action: In partnership with the planning and building staff from the cities, the County should explore the feasibility of adopting Uniform Building Codes.

- The County should set up a meeting with the city planning and building departments to determine interest and feasibility of adopting uniform building codes. Uniform building codes in Merced County would create a regional competitive advantage to building in the County by reducing uncertainty, increasing consistency, and by making it simpler and easier to do business in throughout the County.

11.0 Goal: Promote local and regional telecommunications capabilities to deliver affordable, high-speed Internet access to every home, business, and school in Merced County.

11.1 Action: Create a regional telecommunications infrastructure task force.

- The County should partner with MCAG, cities, Office of Education, Merced College, UC Merced, community residents and businesses to form a regional telecommunications infrastructure task force. MCAG should take the lead for initiating and sustaining the Task Force and the project.
- The Task Force should address the actions recommended in this section.

11.2 Action: Develop and maintain a telecommunications infrastructure database that uses a standardized GIS format.

- The County, working with the other cities, and MCAG should agree upon a standardized data collection methodology (GIS based data collection standards) to ensure consistency and the ability to regionally aggregate data. A GIS map and inventory of telecommunications infrastructure was developed for the County for this project; however, some infrastructure sites were not identified because information was proprietary, or not recorded by the County or the telecommunications company. The adoption of standards will allow the County and cities to independently collect telecommunication infrastructure data while ensuring the data gathered is compatible and can be aggregated for countywide use. The types of broadband to be in the database includes: DSL, Hybrid-Fiber (Coax) Cable, Wireless, Satellite, T-carrier, Frame Delay, ISDN.
- The County and cities need to complete the telecommunications inventory per the standards, create an internal maintenance system to keep the inventory current, and provide MCAG with updated information as appropriate. MCAG should be responsible for maintenance of the master inventory.

11.3 Action: Establish and maintain clear telecommunications policies and practices that incorporate the best available telecommunication technology.

- To remove inconsistencies and barriers to local and regional deployment of broadband, the County and cities should develop regional “standardized” policies and practices for telecommunications infrastructure permitting, particularly right-of-way (ROW) practices. (e.g. consider requiring developers to place telecommunications conduit in ROW’s). MCAG should lead this effort.
- The County should decide on the telecommunications services and network design it wants for the entire County, treat as a master planning exercise and carry the master plan forward into the County’s codes and permitting procedures.
- The County should work with builders, developers and telecommunications companies to ensure that new development and significant redevelopment projects (especially affordable housing and educational facilities) receive the best available broadband technology.

11.4 Action: Partner with local telecommunications companies to co-locate telecommunications equipment and to promote use of broadband throughout the County.

- The County should hold work sessions with the telecommunications providers to review the inventory and discuss issues and needs, such as, permitting, market demand research and ROW construction projects.
- To lower telecommunications installation cost and lessen road construction inconveniences, encourage telecommunications providers to install telecommunication infrastructure during construction projects. Working with telecommunications providers, design and initiate a notification system to alert telecommunications companies of ROW utility construction projects.
- Work with telecommunication service providers to ensure that local schools have broadband access as part of franchise or ROW negotiations.
- To help expand the demand for broadband, in collaboration with the Business Competitiveness Program, develop a communications campaign to reach out to residents and businesses about the importance and capabilities of broadband technology and its relationship to global competitiveness.

12.0 Goal: Enhance and maintain an efficient transportation system.

12.1 Action: The County should support regional efforts to fund needed road and highway improvements and transit services. (Since the failure of measure M, the County faces a \$1.5 billion deficit to fund needed repairs and to build new roads and expand public transit).

- Support efforts to put a new transportation measure on the ballot for the next election and regional lobbying efforts to reduce the required 67 percent majority requirement to 55 or 60 percent.
- Carefully consider and weigh the economic impacts associated with the implementation of a development fee to fund transportation improvements.

12.2 Action: Support the development of scheduled air passenger and cargo services in Merced County.

- Air service will be a growing need as the region diversifies its business and residential base. To create a business location advantage, air passenger and cargo services should be a priority economic development activity.
- If Castle's new Reuse and Development plan proposes aviation as a principal use then the County should continue to pursue funding to support aviation use at Castle (e.g. the new \$350,000 instrument landing system)
- Investigate the feasibility of getting a charter air service, like Sky Taxi to start-up operations at the Merced Municipal Airport or at Castle.

12.3 Action: Create a team (if one does not already exist) to represent Merced County interests on the development of the State High Speed Rail project.

- This team should work with the state to ensure appropriate depot locations and other facilities support Merced County's transportation and economic development goals.

12.4 Action: Actively participate in the plans and development for the Highway 99 Beautification Plan.

13.0 Goal: Develop Castle Airport Aviation and Development Center (Castle) into a strong economic engine for the region.

13.1 Action: Complete the reuse and development plan for Castle.

- Once the new Reuse and Development plan is completed, the County Board of Supervisors should adopt the plan and commit to providing the leadership, support and resources needed to implement the plan.
- The new Reuse and Development plan should provide strategies to mitigate the development challenges as identified in the Merced County Business Climate Assessment such as; issues related to management and oversight of the facility, reducing the development “uncertainty” for private investment, increasing public investment to prepare marketable sites and buildings for lease.

13.2 Action: Develop and maintain a web site portal for Castle.

- After adoption of the new Reuse and Development plan by the County Board of Supervisors, the County’s Information Technology department should develop a website portal (hosted and linked with other economic development sites) for Castle with information and data that reflects the vision and development opportunities available as detailed in the plan. McClellan Park in Sacramento (former McClellan Air Force Base) provides a good example of how a former military installation is using the Internet to promote the site to private investment.
- In addition to general information about Castle, detailed information on available land and buildings should be listed along with supporting information regarding infrastructure and other amenities. Information should include photographs and maps of buildings and sites. This activity should be coordinated with the recommended development of a web based GIS database of all available industrial properties and buildings in each city and the County.

13.3 Action: After adoption of the new reuse plan, the County should meet with the City of Atwater to discuss opportunities for collaboration that supports the City’s goals for economic prosperity and the County’s goals for economic growth at Castle.

- Investigate synergies between Castle and the City’s efforts to revitalize the downtown, to create a stronger “sense of place” and to attract and retain businesses and jobs.
- Identify strategies to incorporate marketing and promotion between the Castle Air Museum and the military history of Castle and revitalization efforts focused on downtown Atwater.
- Investigate opportunities to support potential business and industry “spin-off” developments at Castle and in Atwater as UC Merced grows.
- Investigate opportunities to collaboratively market and promote the high-speed Internet and video-conferencing capabilities at Castle.

14.0 Goal: Effectively integrate (land uses, transportation, economic and environmental impacts) the new UC Merced Campus and Planned University Community into the City of Merced and the region.

14.1 Action: The County, City of Merced and UC Merced should continue to collaboratively plan the UC campus and Planned University Community to integrate these developments into the existing community.

- The County, City of Merced and UC Merced need to successfully integrate these developments into the existing community. Key features include; compatible and complimentary land uses, carefully designed transportation corridors and transit options for the flow of goods and people, and design features that sustain a synergy between urban centers.

- ❑ Development plans for these facilities should provide strategies to mitigate the potential development challenges as identified in the Merced County Business Climate Assessment, such as establishment of transportation corridors and transit modes (bus service, bicycle paths) that encourage rather than hinder access between the planned community and the City of Merced; the nature and density of land use development in the area between the planned community and the existing city limits, the nature and density of development within the planned community (i.e. is it a walled community facing inward and serving itself, or an urban enclave that is neighborhood serving as part of and integrated into a larger urban area).
- ❑ Communities that have been successful with integrating a university (and commensurate residential and commercial growth) with the existing community include: Davis, Chico, and San Luis Obispo. County and city leaders should visit and meet with city/university representatives from these communities to learn more about the challenges, solutions, best practices and opportunities presented by a campus presence in the community.

Planning Schedule Strategic Initiative 5: Quality Business Location Products and Services			
Goal 9.0: Develop, maintain and market an adequate inventory of shovel-ready industrial sites, business parks and existing buildings to meet the needs of new and expanding businesses.			
Action	Leadership	Partners	Start Date
9.1 Identify and prepare appropriate sites and buildings for business development.	Merced County Department of Business and Economic Opportunities, Planning and Community Development	MCEDCO, UC Merced, real estate brokers, landowners, developers	
9.2 Identify vacant and underutilized industrially zoned parcels and buildings.	Merced County Department of Business and Economic Opportunities, Planning and Community Development	MCEDCO, real estate brokers, landowners, developers	
9.3 Inventory, package, and promote existing industrial sites, parks, and buildings.	MCEDCO, Merced County Department of Business and Economic Opportunities	Cities, real estate brokers, landowners, developers	
9.4 Invest in public infrastructure that supports economic growth.	Merced County Department of Business and Economic Opportunities, Planning and Community Development, Public Works	MCEDCO	
Goal 10.0: Ensure that the County's development review and other regulatory processes are streamlined and customer-oriented to meet the needs of new and expanding businesses.			
Action	Leadership	Partners	Start Date
10.1 Streamline and put on-line as many development permit and review processes as possible.	Merced County Planning and Community Development, Building, Public Works and IT Departments	Local contractors and builders	
10.2 Adopt Uniform Building Codes.	Merced County Planning and Community Development, Building, Public Works and IT Departments, and city departments	Local contractors and builders, and the trades	

Planning Schedule Strategic Initiative 5: Quality Business Location Products and Services			
Goal 11.0: Promote local and regional telecommunications capabilities to deliver affordable, high-speed Internet access to every home, business, and school in Merced County.			
Action	Leadership	Partners	Start Date
11.1 Create a regional telecommunications task force.	MCAG, MCEDCO, cities and County IT, engineering, planning and economic development	Telecommunications service providers	
11.2 Develop and maintain a telecommunications infrastructure database.	MCAG, Telecommunications Task Force	MCEDCO, cities, county	
11.3 Establish and maintain clear telecommunications policies and practices.	County engineering, IT, Planning and Community Development, Public Works, Telecommunications Task Force	MCAG, MCEDCO, and telecommunications companies	
11.4 Partner with local telecommunications companies to co-locate telecommunications equipment and to promote use of broadband throughout the County.	County Engineering, Planning and Community Development	MCAG, MCEDCO, County Department of Business and Economic Opportunities, and telecommunications companies	
Goal 12.0: Enhance and maintain an efficient transportation system.			
Action	Leadership	Partners	Start Date
12.1 The County should support regional efforts to fund needed road and highway improvements and transit services.	MCAG, County, cities	MCEDCO, APCD, Great Valley Center	
12.2 Support the development of scheduled air passenger and cargo services in Merced County.			
12.3 Create a team to represent Merced County interests on the development of the State High Speed Rail project.			
12.4 Actively participate in the plans and development for the Highway 99 Beautification Plan.			

Planning Schedule Strategic Initiative 5: Quality Business Location Products and Services			
Goal 13.0: Develop Castle Airport Aviation and Development Center (Castle) into a strong economic engine for the region.			
Action	Leadership	Partners	Start Date
13.1 Complete the reuse and development plan for Castle.	County Department of Business and Economic Opportunities	County Public Works Department, County Board of Supervisors	
13.2 Develop and maintain a web site portal for Castle.	County Department of Business and Economic Opportunities	County IT department, Public Works, MCEDCO	
13.3 After adoption of the new reuse plan, the County Should meet with the City of Atwater to discuss opportunities for collaboration that supports the City's goals for economic prosperity and the County's goals for economic growth at Castle.	County of Merced UC Development Office, City of Merced, and UC representatives County, cities	County Board of Supervisors Atwater City Council	
Goal 14.0: Effectively integrate (land uses, transportation, economic and environmental impacts) the new UC Merced Campus and Planned University Community into the City of Merced and the region.			
Action	Leadership	Partners	Start Date
14.1 Continue to collaboratively plan the UC campus and Planned University Community. Meet with city/university representatives from communities with a UC or CSU campus.	County of Merced UC Development Office, City of Merced, and UC representatives County, cities	MCEDCO, MCAG, cities MCEDCO	

Model 10: Online Permitting

See County of Brevard, Florida for an example of a county on-line permit application system. www.countygovt.brevard.fl.us/onestop/home/online_permit.cfm. Also refer to www.e-onestop.net for the City of Sunnyvale's one stop on line permitting system. Joint Venture Silicon Valley also led a Smart Permit initiative as part of its *Blueprint for a 21st Century Community* effort. Several cities in Silicon Valley have implemented on-line permitting for simple permits. See www.jointventure.org/initiatives/smartpermit. Additional details are in the Building a Knowledge Economy Assessment Report.

Model 11: Joint Venture Silicon Valley Standardized Building Codes

In 1995, led by Joint Venture Silicon Valley, 27 cities and two counties in the Bay Area agreed on a standardized building code, which reduced over 400 different local amendments to the state building code to 11 amendments. The ability to quickly renovate or expand production facilities is a major factor in industrial competitiveness. Now developers and builders deal with the same building code for all the cities. http://www.jointventure.org/initiatives/reg/ubc/ucp_intr.html

Strategic Initiative 6: Position Merced County for Global Competition

For Merced County to be successful in creating job opportunities, winning new capital investment, diversifying the economic base and transitioning to grow and attract innovative and knowledge-driven industries, Merced County must differentiate itself as a place to do business and must do business differently than the rest of the San Joaquin Valley.

“Productivity and innovation, not exports or natural resources, determines the prosperity of any region. Governments should strive to create an environment that supports rising productivity and innovation.”³ Michael Porter

One of Merced County’s strengths is its existing manufacturing base, 126 +/- firms with over 10,900 (2000 ES202 employer data) employees with an average wage of \$32,071. The agriculture base of employees is just over 11,800 only 1,000 employees more than manufacturing.

In the Valley, Merced County has the highest percentage of manufacturing jobs to total employment. This position should be expanded upon.

There are four goals for Strategic Initiative 6: Position Merced County for Global Competition:

- Goal:** Create a unique market position that differentiates Merced County in the San Joaquin Valley
- Goal:** Help existing Merced County businesses compete globally.
- Goal:** Develop the infrastructure and relationships for growing and locating knowledge-driven industries.
- Goal:** Create jobs and capital investment through attraction and location of new-targeted businesses.

15.0 Goal: Create a unique market position that differentiates Merced County in the San Joaquin Valley

The following diagram presents an overview of a marketing position that Merced County should try to achieve – create a brand (reputation) for helping business to globally compete. Businesses like to locate or cluster with other successful businesses, where they are wanted and where there are services and resources to help them be successful.

This portion of the strategic plan focuses on positioning and specifically business development services for existing, emerging and new businesses. In a traditional economic development plan these strategies would be business retention and expansion, small business development and marketing. These strategies incorporate the activities needed to compete in the New Economy.

- 15.1 Action: Adopt the mission of the positioning strategies “Promote business excellence by creating and assisting businesses to be globally competitive by providing unparalleled business, technology and innovative services.**

³ Michael Porter, Harvard Business Review, Clusters & the New Economics of Competition

Chart 1 — Positioning Strategy

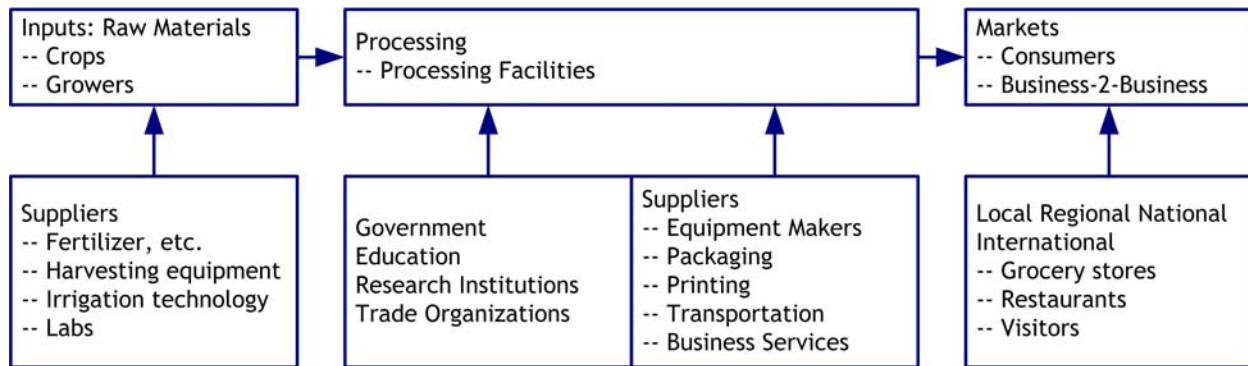
Merced Region Creating Globally Competitive Business					
Mission Promote business excellence by creating and assisting businesses to be globally competitive by providing unparalleled business, technology and innovative services.			Vision To be recognized as the most competitive location in central California for knowledge-driven, entrepreneur and leading-edge manufacturers and processors.		
Positioning Strategies					
Industry Group Networks	Entrepreneur Development	Technology & Innovation Business Services	Specialized Workforce Development	Product Development	Market Business Location Services
Creating an environment where Merced County industry groups come together to network, build relationships, address issues and identify solutions.	Initiate specialized service programs for entrepreneurs and gazelle businesses, including access to angel and venture capital.	Utilize the resources of the Collaborative Partner Network, a unique alliance of service providers, to strengthen the opportunities and effectiveness of Merced County businesses.	Improve the skills and capabilities of the workforce through professional training and educational services.	Continually develop new business parks and buildings with cutting-edge telecommunications services, and serve as an advocate for business issues such as transportation, air and water quality, regulator process.	Market Merced County's unique strengths and services to targeted businesses.

16.0 Goal: Help existing businesses compete globally.

Extensive research on cluster development recommends that government, working with the private sector, should reinforce and build on existing and emerging business clusters rather than attempt to create entirely new ones. Cluster development initiatives should embrace competitive advantage and specialization. This development requires building on local sources of uniqueness – concentrations of specialized skills and knowledge, institutions, close relationships, related businesses, industry intelligence, infrastructure, incentives, technology and customer access.

Industry clusters are defined as geographic concentrations of interconnected companies and institutions in a particular field.

Model 12: Food Processing Cluster Example



16.1 Action: Define and Develop Industry Clusters

- ❑ MCEDCO and the Business Competitiveness Team should identify specific businesses in the cities and county and group them by industry cluster groups:
 1. Agriculture and Food Processing (including Organic)
 2. Manufacturing (including Wood Products, Fabricated Metal Products, Transportation Equipment)
 3. Information Technology and Teleservices
 4. Warehousing and Distribution
 5. Health
 6. Visitor and Tourism
- ❑ Identify specific businesses in emerging clusters:
 1. Environmental (including analytical services, consulting/engineering services, recycling services, waste management services, remediation services)
 2. Software, E-commerce, Information Technology
 3. Electronics
- ❑ MCEDCO should gather all business contact and operational information on each business (Cities, ABC and WI can assist with information from business licenses, survey and other databases) and enter and code this information into a **Web-based client contact database**, which could be accessed and updated by all members of the Collaborative Partner Network.
- ❑ The database will be the foundation for the Business Competitiveness Program and other outreach and business information gathering programs.
- ❑ The County of Merced currently does not have a business license mandate. The main purpose for a business license program is to tracking existing and emerging businesses in the county. To initiate a business license program, Proposition 62 may take effect requiring a 2/3 voter approval. Currently there are other services available, which can provide “clearing house” capabilities of state, county and city data to provide a higher level of data on businesses than available through business licenses. Also, there are new services and programs, such as, Business Outreach Program Services, which offers “consulting services” to businesses resulting in increased sales/use tax revenue. Recommend ABC investigate these opportunities.⁴

⁴ Desktop Software, Clearinghouse, Enhanced Revenue – Municipal Revenue Advisors, nick@munirev.com

16.2 Action: Revamp the existing business retention and expansion program into a collaborative Business Competitiveness Program.

Approximately 80 percent of all new jobs are created from existing businesses. Research indicates for businesses to achieve competitive advantage they must have **speed, quality, flexibility, knowledge and networks.**

Develop a Business Competitiveness Program that involves the active participation of all organizations involved in the Collaborative Partner Network. **The County Department of Business and Economic Opportunities (also known as the Action Business Center [ABC]) should lead this effort,** building on its existing business retention and expansion program.

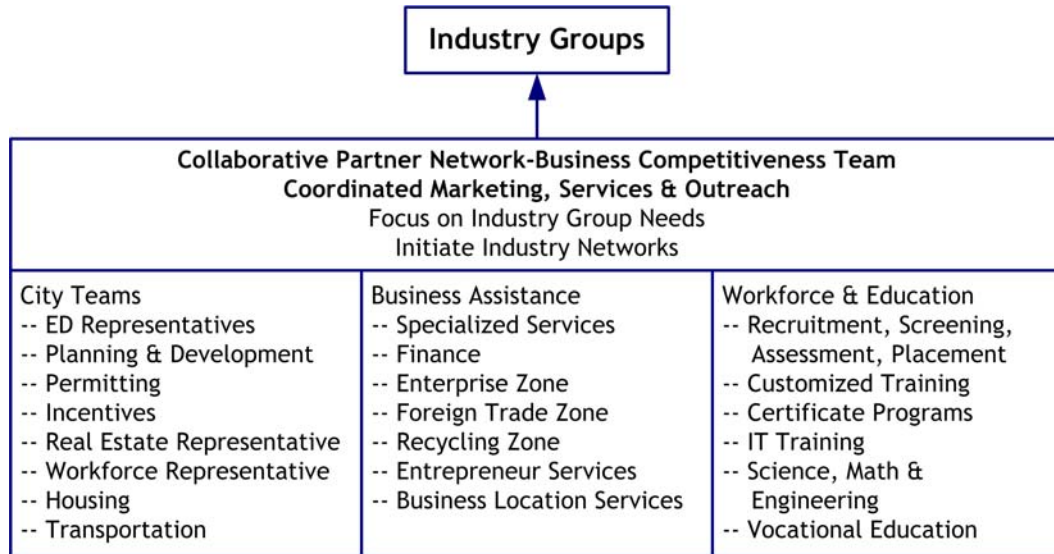
- ❑ The goal for the Business Competitiveness Program is to *develop solutions to industry challenges and creates opportunities to make Merced County businesses globally competitive.*
- ❑ The Business Competitiveness Program should:
 1. Provide a forum for industry cluster groups to network with similar industries, exchange information and resources as well as create relationship with the Business Competitiveness Team.
 2. Identify specific industry cluster group needs through surveys and results-oriented group facilitation, develop solutions that will assist businesses to compete globally.
 3. Conduct continuous outreach and communication — coordinate personal calls and continuous messaging.
 4. Facilitate the delivery of technical assistance and services by providing technically advanced services and program.
 5. Provide efficient program management and coordination
 6. Market the program by informing businesses of the benefits including — creating solutions to their challenges, such as, skills training for workers, broadening market opportunities, and increasing revenue through collaborative linkages.

The roles and responsibilities of the Collaborative Partner Network in support of the Business Competitiveness Program are summarized below, as other partner organizations join and participate in the Collaborative Partner Network they could be easily be added.

Chart 2 — Collaborative Partner Network Roles and Responsibilities	
MCEDCO	Lead in organizing and promoting the program, Board of Directors support and participate by bringing key business and community leaders to support and facilitate business participation. MCEDCO, ABC and WI should share management and coordination of program.
ABC	Lead the design and implementation of program. Continue to provide the needs identification, solutions and program facilitation - investigate new program opportunities to serve businesses. Expand ABC's ability to serve businesses with participation of WI and the cities.
WI	Coordinate outreach, communications, specialized training, employee recruitment and partner with businesses and economic development services.
Cities	Actively participate in program design, facilitation and outreach.
Resource Groups	As needed for implementation and facilitation CITD, Merced College, UC Merced, Chambers, Visitors & Convention Bureau

- One of the committees of the Collaborative Partner Network is a **Business Competitiveness Outreach Team**, which would be working directly with Industry Groups. The Business Competitive Team would implement the Business Competitiveness Program and coordinate delivery of services to Industry Groups.

Chart 3 — Business Competitiveness Program

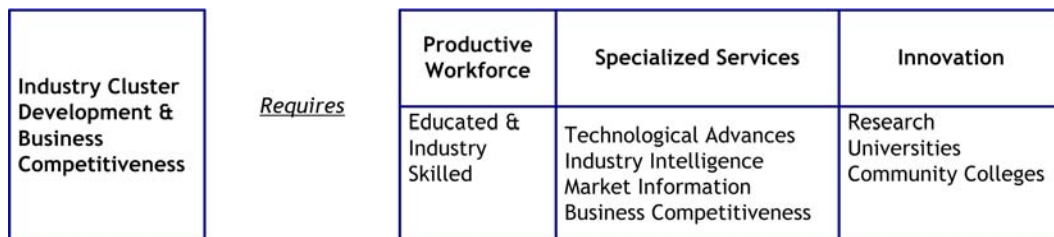


- After organizing the Business Competitiveness Outreach Program and Team program, the initial rollout should be a kickoff inviting an Industry Group to a meeting to discuss their needs and what services the Business Competitiveness Team can provide. Business Competitiveness Program implementation details (specific recommended actions, procedures and tools) are included in the Positioning Assessment Report.

16.3 Action: Expand current business resources, services and programs that support workforce productivity, specialized services and innovation.

As noted, for industries to globally compete, they must transition to employ advanced technology, enhance productivity and embrace innovation.

Chart 4 — Business Needs to be Globally Competitive



To begin providing the “specialized services” (**Technology & Innovation Business Services**) needed by **industry**, the following programs should be added to the Action Business Center’s portfolio of programs (program descriptions and information on how to access these resources for Merced County businesses are included in reports: Building a Knowledge Economy and Customer, Competition and Positioning⁵).

- MANEX
- Valley Technology Accelerator
- USDA Value-Added Agricultural Product Market Development Program
- California Institute of Food and Agricultural Research (CIFAR)
- Center for Advanced Processing & Packaging Studies (CAPPS)
- Asian Specialty Crop Direct Marketing Program: *Asian Commodity Link Project*.
- Energy conservation and efficiency audits.
- Voluntary Protection Program (Cal/VPP)
- Additional services that can be offered are electronic commerce techniques and strategies – providing resource, training, seminars to create efficiency by using electronic commerce, such as, tracking inventory, restaurant reservation systems, payroll, purchasing.

16.4 Action: Develop new tools and resources that support the Business Competitiveness Program.

- To leverage resources and achieve the most effective promotional campaigns to businesses and industry groups, the Business Competitive Team should develop joint marketing tools and plans:
- Create a consistent look for promoting the Business Competitiveness Program and Collaborative Partner Network. Coordinate development of marketing materials to market all services versus individual programs. Create materials to keep businesses and industry groups informed of services using electronic newsletter, postcards, and specialized promotional packages.
- Use technology as much as possible to promote collaborative services. Upgrade all websites to include all business assistance programs, resources, and links to collaborative websites, searchable GIS real estate inventory.
- Create a web-based resource guide that includes all programs and resources available to businesses. A Web-based resource guide can also be printed for distribution by members of the Business Competitiveness team. Create web-based marketing tools that can be used by all collaborative partners (reduce cost of development/printing of multiple materials).
- Using Business Competitiveness marketing materials, prepare a marketing schedule to create a “top of the mind” campaign with business – continuously keeping the Business Competitiveness Program and Collaborative Partner Network services in front of business and industry groups.
- Plan networking forums for industry groups.

Measuring success – the Collaborative Partner Network should use the goals of the strategic plan as well as the factors in the New Economy Indicators to annually measure the progress of the strategic initiatives. Using the New Economy Indicators can also be used as a marketing tool to inform business how well Merced County is meeting the challenges of the New Economy.

⁵ Program descriptions are in support documents, Building a Knowledge Economy and Customer, Competition & Positioning.

17.0 Goal: Develop the infrastructure and relationships for growing and locating knowledge-driven industries.

*"Innovation and entrepreneurship are the engines of change in an economy."
Peter Drucker*

Knowledge-driven industries are not necessarily the traditional high tech. All businesses are attempting to find new sources of competitive advantage to grow and sustain their current market positions.

The creation and location of knowledge-driven industries is dependent on a business climate that provides:

- Education and training programs in science, math and technology
- University technology transfer programs
- Access to venture capital and angel investors
- Industry networking
- Entrepreneur, technology and E-commerce assistance
- High quality business parks and buildings, with a variety of building space options.

17.1 Action: Create a business climate that supports entrepreneurship and innovation.

- Science, math and technology education and training - WI, Merced College and the Education Collaborative should establish science, math and technology training programs as a priority and market those training program to job seekers.
- University technology transfer programs - The Collaborative Partner Network should determine what academic disciplines and research initiatives will generate commercial opportunities
- Access to venture capital and angel investors - implement a program, which will provide access to these resources.
- Industry networking - the Business Competitiveness Program focus on the development of industry clusters groups will provide networking opportunities to businesses in specific and similar industries
- Technology assistance - new programs, services and resources as identified for the Business Competitive Program will need to be continually enhanced for both entrepreneurs, knowledge-driven industries and industry cluster groups
- Building space options - cities and county need to focus on developing an array of fully developed, shovel-ready business parks, flex building space, and spec building (or virtual buildings on paper)

17.2 Action: Create a local Entrepreneur Network

- MCEDCO and ABC should jointly establish an **Entrepreneur Advisory Group** to work with specific industry clusters, gazelles and other entrepreneurs - i.e., attorneys, accountants, PR/advertising agencies, banks, business service, etc.
- Participate in the **Golden Capital Network (GCN)**, V-3 Accelerator Program to identify "gazelle" companies in Merced County. This program is an eligible activity for CDBG funding and the assessment process could be started immediately. GCN will be taking applications for this program February 2003. Participating in the program would not only assist to identify local entrepreneurs and help them prepare and present proposals to V-3 angel and venture capitalist but would also work to organize a local angel investor network.

- ❑ Work with **Hispanic Chamber** to identify niche and entrepreneur opportunities to expand the Hispanic market, such as, development of ethnic commercial centers and to attract Hispanic businesses that sell or produce products/services for the Hispanic community.
- ❑ Working with the **Center for International Trade**, provide seminars on exporting, accessing new markets, global supply and logistics, financing, quality assurance and changes in Homeland security regulations.

17.3 Action: Work with UC Merced and Merced Community College to create a Technology Innovation Center

- ❑ The Collaborative Partner Network working with Merced College and UC Merced should create a Technology Innovation Center. This is a long-range action, to commence after the establishment of the Business Competitiveness Program and Entrepreneur Network. Description of a Technology Innovation Center is provided in the Building a Knowledge Economy Report.

18.0 Goal: Create jobs and capital investment through attraction and location of new-targeted businesses.

In today's highly competitive environment for attracting new businesses and in the context of leveraging limited resources, both funding and staff time, economic development business attraction programs must be well organized and highly focused.

As noted throughout this strategy, for Merced County to be successful in attracting new jobs and capital investment, there needs to be products and services that differentiate Merced County in the San Joaquin Valley. A targeted and tiered approach is proposed to present Merced County as a "competitive advantage" in site searches. Initial actions should be directed to preparing product (fully improved sites and buildings) and information that assists site location decision-makers.

The **Business Attraction program should be lead by MCEDCO** in collaboration with the cities and County. County and City economic development staff should be actively involved in campaign implementation and prospecting (business visitations). The initial goal for business attraction should be creating awareness of Merced County opportunities:

- Create a brand identity
- During Year 1 awareness campaigns should focus on three audiences: Site Consultants, Real Estate Brokers and Developers.
- After matching target industries to physical products and workforce to each community, and upon completion of marketing and campaign material, implement targeted industry call program (Details of a targeted industry call program are included in the Positioning Assessment Report).

18.1 Action: Create a brand identity, develop and implement a regional branding strategy.

- ❑ Establish a unique brand identity (brand) to position Merced Region in the minds of target audiences as a distinct location in the Central Valley. Utilize UC Merced presence in the branding.

Examples:

Merced Region: Creating Globally Competitive Businesses

Merced Region – San Joaquin Valley's Center of Innovation

The Emerging Merced Region (use graphic map to show location of UC Campus, cities, specific landmarks – Castle, businesses, etc.

- ❑ To establish a brand, the messages must be used consistently by all marketing entities, i.e., county, cities, and organizations marketing to businesses. The brand design would be an *umbrella* theme. Each partner would still have their own identity but coordinate marketing collateral to promote the brand and collaboration of unique services, programs and attributes.
- ❑ The Implementation Council should become the Brand Management Committee working with MCEDCO.
- ❑ Create a brand identity user's guide for all marketing entities.
- ❑ The City should partner with MCEDCO in updating and/or creating the following marketing collateral which should be used by the Brand Management Committee. Collateral material should be technology-driven whenever possible to maintain consistency of materials and provide the most efficient system to all users. Brand Templates: Logos, Paper, Folders
- ❑ To support the brand, a Communications Plan will be provided with the countywide strategy that outlines methods to send consistent and frequent messages to existing and new business, the City would participate by suggesting and submitting messages and/or stories for businesses.

18.2 Action: Prepare information and organize partners to increase Merced County's competitiveness for site location decisions through value-added service

- ❑ Upgrade MCEDCO website to include searchable **web-based data**, meeting the **IEDC site consultant standards**, into a format that can be quickly retrieved and distributed to clients. DataFast software (provided with this project), or Web-based DataFast on-line can be used to collect and maintain data.
 - ➔ Create all materials to be electronically distributed.
 - ➔ Create a secure website to transmit proposals to prospects.
 - ➔ Populate website with specific target industry information.
- ❑ Create a central GIS searchable web-based real estate inventory of available buildings and land parcels, including maps, that can be sorted on search factors such as, square footage, acreage, lease or purchase, price, rail access, site's proximity to major transportation routes, incentive zones.
- ❑ The inventory should be password protected so each community could update and maintained their own inventory which is linked to their existing website.
- ❑ Metro-Comp© software (provided with this strategic plan) should be used for client proposals to present the cost advantages for Merced County.
- ❑ Prepare industry profiles with a typical operating cost pro forma to be used for business attraction and client presentations.
- ❑ Inventory available incentives (federal, state, local), calculate for sample projects in each target industry, include in profile.
- ❑ Outline city and county specific development costs and prepare a sample for each target industry.
- ❑ The cities and county should have a Host Committee involving the following representatives:

Chart 5 — Host Committees

<ul style="list-style-type: none"> ▪ Economic Development staff ▪ Redevelopment Agency staff, if applicable ▪ Development Department ▪ Telecommunications ▪ Water utilities (Public Works Department) ▪ Wastewater/sewer utilities (Public Works Department) ▪ San Joaquin Valley Air Pollution Control District ▪ Electricity and gas utilities 	<ul style="list-style-type: none"> ▪ Local real estate personnel who represent available land and buildings ▪ Workforce (representatives from public and private agencies) ▪ Employers who are willing to conduct interviews with prospects (including executives and human relation managers) ▪ Elected Officials ▪ Chambers of Commerce ▪ Enterprise Zone, if applicable ▪ Foreign Trade Zone
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- ❑ Encourage continuous **professional development** for economic development staff and host teams to enhance value-added service to clients considering Merced County for a new location
 - ➡ “Site Visit” training to prepare Host Committee for clients who visit Merced County – preparation of how to conduct meetings and prepare materials; also consider a “*secret shopper*” *site consultant test* – a excellent way of improving the “site visit” while introducing a site consultant to Merced County.
 - ➡ Attend economic development professional training and conferences, such as, CALED, IEDC and Roundtable in the Rockies.
- ❑ “Front Counter” **Customer Service Training** to prepare Development Department and Public Works staff in each city and the County of Merced for prospects who do not come through formal economic development channel.

18.3 Action: Create collateral materials, which are consistent for Top of Mind Awareness, to support marketing programs for each targeted group

- ❑ Develop consistent look for printed and electronic mediums. The look (brand identity) should be designed such that the collaborative partners can all use the materials.
- ❑ Develop tag line to differentiate Merced County as a place to enhance global competitiveness for business.
- ❑ Implement standards for use of logos (MCEDCO, cities, county, etc) and **top of the mind awareness (TOMA)** related materials, in order to assure consistent look.
- ❑ Create industry profiles.
 - ➡ Create a resource guide for the **Collaborative Partner Network** that provides information on services, technical assistance programs, and incentives (economic development and work force development). Maintain on the web in a format for easy continual updating. At the local level, it can be downloaded and printed for business presentations (for business retention and attraction). A limited supply can be printed or put on disk for an outreach campaign to industry groups.
 - ➡ Create all materials to be electronically distributed.
- ❑ **Utilize web to prepare proposals** – create print sheets (to print proposals, data information from the web) and presentation folders. Site selectors, brokers, developers and many businesses will want electronic proposals. Limit printing of brochure unless designed for a campaign and the brochure has good decision-making data or resource information, such as, Resource Guide or Industry Profile.

18.4 Action: Business Attraction Preparation
Define target fit with physical locations in Merced County

- MCEDCO, City and County Economic Development staff should determine target industries that fit with the products available in each community of Merced County
 - Determine the business characteristics that best fit products – size of facilities, number of employees, skill levels of employees.
 - Cross-reference target industries (referenced in the Customer, Competition & Positioning Assessment Report) with existing industry clusters and prioritize target industries.
 - The essential location factors and characteristics for target industries are included in the Customer, Competition & Positioning Assessment Report and should be reviewed to ensure match with Merced County products
- Develop target list of key **third-party influencers** on facility location decisions
 - Site location consultants
 - Real estate brokers who represent tenants
- Develop target list of **real estate developers** who could develop industrial parks and/or build spec facilities. This list can be augmented from memberships lists of the Urban Land Institute (ULI), CORE Net Global and the National Association of Industrial and Office Properties (NAIOP).

18.5 Action: Develop and implement client handling process for attraction projects

- MCEDCO should develop client intake, screening, hosting, follow-up, reporting, deal structure, debriefing processes and share with partners
- Implement a client tracking software, preferably web-based with passwords, to organize, track, report and follow up on clients. All collaborative partners could use a web-based tracking system.

18.6 Action: Develop and implement a marketing program targeted to site location consultants and real estate brokers

Site location consultants and real estate brokers interviewed for this project perceive Merced County as a rural agricultural area. There is interest from both of these groups to understand the opportunities (especially with the new UC campus) in Merced County because they recognize the growth potential in the San Joaquin Valley.

Despite strong awareness of the area, the perceptions are not necessarily fitting for Merced County’s transition to a knowledge economy with the development of UC Merced. Therefore, it will be important to methodically communicate a message that will update its image from a “small town” to a technical university location that enhances competitive opportunities for business. Details are included in the Customer, Competition & Positioning Assessment Report.

- Direct mail messaging campaign
- Public relations
- Visitations

18.7 Action: Develop and implement a marketing program targeted to real estate developers who could expand available industrial and office product in Merced County

Perceptions interviews (Customer, Competition & Positioning Assessment Report), as well as the Business Climate Assessment, identified the lack of ready-to-go facilities as a significant obstacle for Merced County. It will be important to specifically market to developers who can address this void. Developers should receive a deliberate marketing message aimed at recruiting development of new speculative facilities. The cities and County should work with MCEDCO to identify specific industrial sites and prepare a

development package that would incentivize developers to invest and consider providing spec facilities or ready-to-build plans on pre-approved sites.

- Create a developer campaign, promotional packages, direct mail, personal calls, visitations
- Attend and advertise with ULI.

18.8 Action: Develop and implement a focused marketing program for specific companies within target industries

Awareness of Merced County is lacking among the sampling of potential target businesses that were interviewed for their perceptions. For the most part, Merced County was recognized as a place to drive through to other destinations and not considered as a place for them to locate their business operations.

- As part of the Customer Assessment, target industries that “best fit” Merced County were assessed. Detail information on the analysis process is included in the Customer, Competition & Position Assessment. Thirty specific industries (by Standard Industrial Classification code) were identified that best “fit” Merced County, existing presence of industry type, complimentary to raw materials, existing businesses and workforce.
- A positive for Merced County is that it has a greater share of manufacturing employment for its labor base than any other county in the San Joaquin Valley and the manufacturing base is diversified in traditional industries. To best position Merced County the 30 industry targets were segmented into four categories as noted below:

Chart 6 — Industry Segmentation	
Industry Category	Reason
Resource-Based	Strong agriculture base
Original Equipment Manufacturer (OEM)	Traditional manufacturers
Supplier	Supplier to OEM’s in Bay Area
Information Technology	Industry seeking rural locations

- The following chart lists the results of target industry modeling. The targets are not limited just to this list of industries. These industries were selected through SIC Code modeling. Industries can be identified by 2, 4, 6 and 8-digit SIC Codes, these were identified by 4-digit SIC Code (major category). Any additional industries should be within the major category level as it is the category that “fits” with Merced County. Additional information has been added to the Industry Target list to assist in selecting the best industries to focus marketing efforts, both existing and new.

Chart 7 — Merced County Short-Term 4-Digit SIC Industry Targets

SIC	Industry	Existing Firms Merced	Employ Growth Potential	Output Growth Potential	Mfg Capacity Utilization	Average Employ Size*	Ownership %Public/%Private*
Resource-Based							
2011	Meat packing plants	4	0.70%	2.10%	85%	106	0/100
2015	Poultry slaughtering and processing	7	0.70%	2.10%	91%	373	0/100
2022	Cheese, natural and processed	6	-1.80%	1.20%	77%	77	1/99
2033	Canned fruits and vegetables	6	-1.20%	-2.30%	54%	83	1/99
2034	Dehydrated fruits, vegetables, soups	3	-1.20%	-2.30%	60%	65	0/100
2037	Frozen fruits and vegetables	1	-1.20%	-2.30%	79%	149	0/100
2051	Bread, cake, and related products	5	-0.70%	1.00%	71%	48	0/100
2066	Chocolate and cocoa products	0	-0.80%	1.30%	78%	117	0/100
2074	Cottonseed oil mills	2	-0.10%	1.00%	69%	37	0/100
2084	Wines, brandy, and brandy spirits	1	-1.30%	0.40%	65%	29	0/100
2086	Bottled and canned soft drinks	2	-1.30%	0.40%	62%	103	0/100
OEM							
3523	Farm machinery and equipment	5	0.90%	5.30%	66%	40	0/100
3711	Motor vehicles and car bodies	0	0.80%	4.40%	84%	409	
3713	Truck and bus bodies	1	0.80%	4.40%	78%	70	0/100
3714	Motor vehicle parts and accessories	2	0.80%	4.40%	70%	122	1/99
3732	Boatbuilding and repairing	4	0.20%	-0.40%	62%	22	0/100
3751	Motorcycles bicycles and parts	0	1.80%	3.10%	76%	43	0/100
Suppliers							
2431	Millwork	2	0.70%	2.10%	70%	31	0/100
2448	Wood pallets and skids	3	0.70%	1.90%	67%	17	0/100
2452	Prefabricated wood buildings	2	3.40%	5.10%	61%	30	0/100
2521	Wood office furniture	0	2.90%	4.30%	76%	48	0/100
2653	Corrugated and solid fiber boxes	1	-0.40%	1.20%	75%	69	0/100
3053	Gaskets, packing and sealing devices	0	-0.10%	2.80%	73%	59	0/100
3061	Mechanical rubber goods	0	-0.10%	2.80%	77%	92	1/99
3069	Fabricated rubber products, nec	0	-0.10%	2.80%	73%	43	0/100
3357	Nonferrous wiredrawing and insulating	1	-0.20%	3.10%	70%	115	1/99
3429	Hardware, nec	1	-0.90%	3.60%	73%	55	0/100
3441	Fabricated structural metal	0	0.80%	2.90%	69%	29	0/100
3444	Sheet metalwork	1	0.80%	2.90%	65%	26	0/100
3446	Architectural metal work	3	0.80%	2.90%	66%	15	0/100
3451	Screw machine products	2	1.40%	5.00%	64%	30	0/100
3469	Metal stampings, nec	0	0.00%	2.90%	64%	39	0/100
3471	Plating and polishing	1	2.70%	6.80%	64%	23	0/100
Information Technology							
7374	Data processing and preparation	2	6.40%	8.00%	na	30	
7375	Information retrieval services	1	6.40%	8.00%	na	15	

- ❑ A focused business-specific marketing, messaging and call campaign by industry segment should be initiated to change the perceptions of these businesses.
- ❑ This should be started only after the Business Competitiveness Team has reviewed and match the criteria of the targets to the products and services of each area.
- ❑ The campaign should include direct mail, industry trade shows, public relations, and inbound/outbound business visitations. Recommend limiting magazine advertising to very targeted publications and only when accompanied with an editorial on Merced County.
- ❑ The campaign should focus on specific businesses (purchase lists) and personal visits. Visits should be presentations of the business climate (Business Competitiveness Program), competitive advantage, products and new opportunities with UC Merced. Campaign should be targeted to businesses located in the Bay Area and Los Angeles regions.

18.9 Action: Procure resources to implement and fund business attraction

MCEDCO, although the agency lead for business attraction, has not been aggressively proactive or focused in the past on business attraction. This is partly due to change of leadership, limited product to market, and lack of sufficient funds to create a consistent long-range campaign.

Merced County is competing with regions within the Valley that have considerably more budgets to mount sophisticated campaigns. Marketing is an expensive venture, this is why the initial campaigns should be very focused and directly targeted to third party influencers and businesses versus the shotgun approach. To be successful sufficient funds should be committed for a minimum of three years. A minimum of \$100,000 should be dedicated to marketing, not including staff, administrative costs, travel or marketing materials and tools. A rule of thumb budget for marketing is \$1.50 per capita.

- ❑ Economic development marketing budgets have few funding sources. Marketing is usually funded by cities/county and private sector. Creating value-added tools (websites, marketing materials) to support cities efforts is usually a good leverage of dollars and one that cities are willing to invest. Other sources include leveraging dollars with Workforce Investment (Rapid Response), Cal Works, Great Valley Center LEGACI Grant Program (planning, technical assistance), CDBG (entrepreneur programs and websites) and private sector funding.
- ❑ Americorp's VISTA Program could be a potential for add research staff.

Planning Schedule
Strategic Initiative 6: Position Merced County for Global Competition

Goal 15.0: Create a unique marketing position that differentiates Merced County in the San Joaquin Valley.

Action	Leadership	Partners	Start Date
15.1 Adopt the mission of the Positioning Strategy.	Collaborate Partner Network		

Goal 16.0 Help existing businesses compete globally.

Action	Leadership	Partners	Start Date
16.1 Define and develop industry clusters.	MCEDCO	Business Competitiveness Team	
16.2 Revamp the existing business retention and expansion program into a collaborative Business Competitiveness Program.	County Department of Business Opportunity and Economic Opportunities (ABC)	Collaborative Partner Network	
16.3 Expand current business resources, services and programs that support workforce productivity, specialized services and innovation.	County Department of Business Opportunity and Economic Opportunities (ABC)	Collaborative Partner Network	
16.4 Develop new tools and resources that support the Business Competitiveness Program.	County Department of Business Opportunity and Economic Opportunities Business Competitiveness Team	Collaborative Partner Network	

Goal 17.0: Develop the infrastructure and relationships for growing and locating knowledge-driven industries.

Action	Leadership	Partners	Start Date
17.1 Create a business climate that supports entrepreneurship and innovation.	Business Competitiveness Team Education Collaborative	Collaborative Partner Network	
17.2 Create a local Entrepreneur Network.	MCEDCO and County Department of Business Opportunity and Economic Opportunities	Golden Capital Network Hispanic Chamber Center for International Trade	
17.3 Work with UC Merced and Merced Community College to create a Technology Innovation Center.	Collaborative Partner Network	Merced College UC Merced	

Goal 18.0: Create jobs and capital investment through attraction and location of new-targeted businesses.

Action	Leadership	Partners	Start Date
18.1 Create a brand identity, develop and implement a regional branding strategy.	MCEDCO	Cities County	
18.2 Prepare information and organize partners to increase Merced County's competitiveness for site location decisions through value-added service.	Collaborative Partner Network	Marketing and graphic designer	

Planning Schedule
Strategic Initiative 6: Position Merced County for Global Competition

Action	Leadership	Partners	Start Date
18.3 Create collateral materials, which are consistent for Top of Mind Awareness, to support marketing programs for each targeted group.	Collaborative Partner Network	Marketing, graphic and web designers	
18.4 Business Attraction Preparation: Identify targets and define fit with physical locations in Merced County.	MCEDCO and City Economic Development Professionals	Real Estate Brokers, Developers, Contractors	
18.5 Develop and implement client handling process for attraction projects.	MCEDCO		
18.6 Develop and implement a marketing program targeted to site location consultants and real estate brokers.	MCEDCO	Business Competitiveness Team	
18.7 Develop and implement a marketing program targeted to real estate developers who could expand available industrial and office product in Merced County.	MCEDCO	Business Competitiveness Team	
18.8 Develop and implement a focused marketing program for specific companies within target industries.	MCEDCO	Business Competitiveness Team	
18.9 Procure resources to implement and fund business attraction.	MCEDCO	Collaborative Partner Network	

Strategic Initiative 7: Create a Vibrant and Safe Quality of Place

Economic strength is an essential element to a high quality of life. A strong and sustainable economy supports a place where all people can prosper. With the rise of the new economy the ways that cities and regions establish and maintain their competitive advantage is changing. In the new economy, regions develop advantages based on their ability to quickly mobilize the best people, resources, and capabilities required to turn innovations into new business ideas and commercial products. Quality of place helps in attracting and retaining new businesses and it helps in attracting and retaining a young and dynamic workforce. Young and dynamic workers are attracted to regions with an exceptional quality of place.

The ingredients for creating an exceptional quality of place are affordable, diverse housing options, job diversity, healthy and clean environment, quality schools and lifelong learning opportunities, safe and accessible meeting and gathering places (retail centers, parks, trails, cultural, arts, and historical centers), quality health care, a diverse population, progressive thinking, and inclusive attitudes toward a broad range of individual characteristics.

Regions that have been successful in diversifying and strengthening their economy have aggressively pursued strategies to leverage their environmental quality, natural amenities, and lifestyle offerings to attract and retain talent, and have made this part of broad, sustained and inclusive civic efforts. A regions' ability to create and sustain economic prosperity must be supported by a commitment to enhance the quality of place.

Many quality of place factors are addressed elsewhere in this plan (jobs, education and technology). However, it is important to understand the interrelationship between each of these characteristics, and to consider them as parts of a whole. Many communities throughout the state and nation address the quality of place factors under the moniker of "*smart growth*" or "*sustainable development*".

There is one goal for Strategic Initiative 7:

Goal: Quality-of-Place principles and policies

19.0 Goal: Develop quality-of-place principles and policies.

19.1 Action: The County should incorporate sustainable growth and quality of place principles and policies in planning documents.

"Sustainable development" and "smart growth" principles and policies should be incorporated in the County General Plan and supporting land use and policy documents (i.e. community plans for the unincorporated urbanizing areas).

For example, Delhi's draft vision statement, as provided in the Delhi Community Plan Update (scheduled for completion this year) includes a commitment to implement "smart growth principles and a greater sense of place." The County should support these efforts by providing guiding principles and policies that reflect the regional perspective that each community can use when updating their community plan.

Sustainable development and smart growth quality of place principles include:

- Create a range of housing opportunities and choices
- Create walkable neighborhoods
- Encourage community and stakeholder collaboration
- Foster distinctive, attractive places with a strong sense of place
- Make development decisions predictable, fair and cost effective
- Mix land uses
- Preserve open space, farmland, natural beauty and critical environmental areas
- Provide a variety of transportation choices
- Strengthen and direct development towards existing communities
- Take advantage of compact building design

19.2 Action: Encourage broad participation and engage leadership of community residents and businesses in the development of quality of place initiatives.

- ❑ For unincorporated communities with a planned update of their Community Plan (Delhi and Planada), County staff should work with existing community leadership groups to encourage incorporation of quality of place initiatives into community plans. However, for communities that do not have a near-term scheduled update to their community plan, or no community plan, the County should host a series of community meetings (while the County is developing sustainable development and smart growth quality of place principles and policies) to obtain community input and support for the inclusion of the principles and policies in County planning documents.

19.3 Action: Support (and collaborate with) the cities in their efforts to develop quality of place strategies, particularly downtown revitalization.

- ❑ The County should commit staff and or/Board members to participate on city task forces for downtown revitalization. The “*sense of a place*” for a community’s values, pride and vibrancy is often determined by the downtown. How successful Merced County cities are in revitalizing their downtowns will impact the County’s long-term economic performance. Downtowns set the image and tone for the community. Communities that have successfully transitioned their economic prosperity have vibrant and active downtowns and urban centers – it has become a quality measurement.

Planning Schedule
Strategic Initiative 7: Vibrant and Safe Quality of Place

Goal 19.0: Develop quality-of-place principles and policies

Action	Leadership	Partners	Start Date
19.1 The County should incorporate sustainable growth and quality of place principles and policies in planning documents.	Merced County Planning and Community Development Department, County Board of Supervisors	MCEDCO, MCAG, Great Valley Center	
19.2 Encourage broad participation and engage leadership of community residents and businesses in the development of quality of place initiatives.	Merced County Planning and Community Development Department, County Board of Supervisors	MCEDCO, MCAG, Great Valley Center	
19.3 Support (and collaborate with) the cities efforts to develop quality of place strategies, particularly downtown revitalization.	Merced County Planning and Community Development Department, County Board of Supervisors	Cities, MCEDCO, MCAG, Great Valley Center	