



CITY COUNCIL AGENDA REPORT

MEETING DATE: January 3, 2012

ITEM NUMBER:

SUBJECT: CREATION OF ECONOMIC DEVELOPMENT DIRECTOR JOB CLASSIFICATION AND CORRESPONDING SALARY RANGE

DATE: DECEMBER 20, 2011

FROM: OFFICE OF CEO

PRESENTATION THOMAS R. HATCH, CEO

BY:

FOR FURTHER INFORMATION CONTACT: Tom Hatch @ (714) 754-5328

RECOMMENDATION:

1. Create an Economic Development Director position to proactively support the retention and attraction of businesses by restructuring existing appropriations; and
2. Adopt Resolution No. 11-_____ (Attachment 1), which amends Resolution No. 08-59 by establishing the new Economic Development Director job classification with a salary range of \$185,760 per year (\$11,551 to \$15,480 per month) under the Executive Salary Resolution.

BACKGROUND:

With the adoption of the FY 2011-2012 Budget, the City Council set aside \$50,000 for a new initiative that would enhance our efforts at economic development for the City. It is clear that Costa Mesa would benefit from a coordinated strategy for retaining and attracting businesses. In addition, a person focused on updating our economic development strategy (Attachment 2) would better define a specific work plan for future success in this area. Any new efforts by the City would be coordinated with the Chamber of Commerce and the South Coast Metro Alliance along with the Costa Mesa Conference and Visitor Bureau as appropriate.

In addition, the CEO wants to ensure even better coordination between two critical departments, Public Services Department and Development Services Department, for important development related issues. There clearly is a need for more detailed management of development related issues at this point. Specifically, with many large and complex issues as well as an aggressive capital improvement program, more management and coordination is critical. Examples of significant projects and studies requiring attention right now include: Newport Banning Ranch Development, Harbor Boulevard Beautification Project, City/NMUSD Sport Fields Master Plans, Fairview Park improvements, SR-55/Newport Blvd. Project, General Plan update, TeWinkle Sports Park Project, Lions Park improvements, and others as assigned by the CEO.

The CEO is interested in appointing Interim Assistant CEO Peter Naghavi into a new Economic Development Director position. Mr. Naghavi would report to the CEO and assist the CEO with coordinating key development issues and helping to expedite capital projects and resolve development related impacts/concerns. Mr. Naghavi has the experience and institutional knowledge to help the Interim Development Services Director and the Interim Public Services Director resolve issues.

ANALYSIS:

A new Economic Development Director position would allow the City to proactively partner with existing and prospective businesses. A key responsibility for this new position would be to develop/update the City's economic development strategy and once adopted by the City Council, a new strategy would guide the future work plan for the position. The position would seek input from local businesses to proactively resolve issues and support job growth. In addition, the position would be the City's key Liaison to the Chamber of Commerce and the South Coast Metro Alliance. Attachment 3 is a proposed job description for this position.

Per Administrative Regulation 2.20 (Attachment 4), the CEO administratively authorizes the use of the "Deputy CEO" title in conjunction with the Economic Development Director title. This would allow the Economic Development Director/Deputy CEO to have some day-to-day supervisory authority over the Interim Development Services Director and the Interim Public Services Director. The CEO would remain the key supervisor with the assistance of the new Assistant CEO. The Economic Development Director/Deputy CEO position would help ensure a higher level of coordination between these two key departments as needed for a period of time.

ALTERNATIVES CONSIDERED:

Based on the current needs of the organization, the knowledge/expertise of current staff and the significant workload at this time, the proposed solution is the best alternative and no other alternatives were considered. Since this is a new classification, the Human Resources Division, with input from the CEO, was responsible for developing the job description and recommending the appropriate salary range.

FISCAL REVIEW:

The Finance and Information Technology Director estimates the total compensation costs for the Economic Development Director position for the remaining six months of this fiscal year to be \$120,000. Funding for this position will come from funds that are already budgeted. An amount of \$50,000 was budgeted this fiscal year to start a new program of economic development activities. In addition, creating this new position causes a vacancy in another position and it is anticipated that the City will generate salary saving of \$70,000 by keeping a vacant Senior Engineer in the Public Services Department position open at least through the end of this fiscal year.

Funding for the next fiscal year for the Economic Development Director position will be included as part of the budget development process with a review of alternative funding sources to reduce any impact to the General Fund. It is also anticipated that at the Mid-

Year Budget Review, staff will be proposing the elimination of several other vacant positions to ensure the organization does not increase the number of positions but continues to restructure and reduce its on-going costs to provide services.

LEGAL REVIEW:

The City Attorney's Office has reviewed the attached documents and, where appropriate, approved them as to form.

CONCLUSION:

It is recommended that the City Council adopt Executive Salary Resolution 11-_____ that establishes the new classification and salary range for Economic Development Director as set forth in the attached documents.

THOMAS R. HATCH
Chief Executive Officer

LANCE NAKAMOTO
Human Resources Manager

BOBBY YOUNG
Finance & IT Director

THOMAS P. DUARTE
City Attorney

ATTACHMENTS: 1 [Executive Salary Resolution](#)
 2 [Economic Development Strategy](#)
 3 [Proposed Job Description](#)
 4 [A.R. 2.20](#)

Establish Econ Dev Dir Staff Report