



STAFF REPORT

Resolution Amending the Compensation Plan Regarding the Economic Development Manager Position and Eliminating the Economic Development Coordinator Position

Honorable Mayor and Council Members:

Summary

The RDA Board provided direction on economic development priorities and desired staffing at the meeting of August 10. As a result of that discussion, staff is requesting authorization from City Council to eliminate the unfunded part-time Economic Development Coordinator position and increase the salary for a full-time Economic Development Manager position, to be paid for out of the Redevelopment Administration account.

Background

The position of Economic Development Coordinator was filled from April, 1999 to April, 2000 on a part-time basis. The position has been vacant since then, and much discussion has occurred in the intervening period regarding the appropriate economic development approach and priorities for the City.

Last fall, a community Economic Development team developed a comprehensive Economic Development Strategy in concert with Bay Area Economics (BAE). In addition, on April 13 of this year, the Agency received and discussed a report titled "Economic Development Implementation and Finance Options." The report provided an analysis of the ballots from the January Economic Development Summit, a January proposal for services from the Chamber of Commerce, and a summary of possible economic development strategic themes (Planning for the Future of Downtown, Dressing Up the Boulevard, etc.). At the August 10 meeting, the Agency was presented a draft proposal for both a five-year capital spending plan as well as an Administrative Initiatives plan.

Clear direction was given at the last meeting to hire a full-time, in-house economic development staff member. Terms such as "proven track record" and "pro-active" were used to describe the type of person desired. It was also stated the position should be a senior one and report to the City Manager.

Several years ago, as part of the budget process, funding for the Economic Development Coordinator position was eliminated from the budget and funding for a full-time Economic

Development Manager was added. Thus, the staffing plan in the FY05 budget shows one management position and lists the Coordinator position with a "0." It is recommended that this position be formally deleted as a classification.

The annual salary currently in the budget for the economic development position is approximately \$90,000 (\$7,473/month = top of range). Given the level of experience desired by Council, staff is concerned that this salary will not be sufficient to attract superior candidates. There is considerable variation among other agencies regarding how economic development functions are staffed. Only four of the twelve cities we normally use for salary comparisons have similar positions, and the median top step is \$9,111/month. Menlo Park is the lowest of the three, at \$8,138 per month. A review of similar positions (managers, not coordinators or directors) in other greater Bay Area cities finds 19 positions with monthly salaries ranging from \$7,605 in Fairfield to \$10,540 in Redwood City, with a median of \$8,773. A recently open position in Los Gatos was advertised at \$8,535.

The current job description for the Economic Development Coordinator position suggests two years of experience is desired. Staff feels four years experience is more appropriate for the manager position to get a well-qualified pool of applicants.

Considering the market factors, the level of experience desired, and the need for some level of internal equity (how the salary of this position compares to others in the City), staff recommends the Economic Development Manager position should be funded at a top step of \$8,064 per month. This is the same salary as the Assistant Finance Director/Controller. This is an additional \$7,092 per year (plus benefits) over the current salary.

Should the Council not be comfortable with the proposed salary adjustment, you may consider other alternatives, such as:

- Proceed with the recruitment at the current salary and see what level of applicants we get. If staff is not satisfied with the experience and qualifications of the candidate pool, we could come back to Council at that point and request a salary adjustment.
- Advertise the position at the current salary but note "salary under review" which might lead otherwise uninterested candidates to apply on the assumption there is some flexibility on the salary. To change it later would still require Council action.
- Adopt a higher top salary.

Please note that the proposed salary increase requires a meet and confer process with the Mid-Management and Confidential Employees Association, which has been completed. The Association has taken no exception to the proposed salary.

Work has already begun to finalize the job description (Attachment B) and prepare the recruitment material. Subsequent to Council action, staff will begin the recruitment process, with an anticipated close date of October 27.

Fiscal Impact

There is no fiscal impact in FY05 as the position will not be full for the entire year. In future years, there may be a minor fiscal impact on the Administrative budget of the RDA, but the amount, if any, and in what year, will depend on the salary step at which the new employee is hired, how much funding is provided to the Chamber of Commerce (or other outside agent), and how long the City maintains a consultant for the Harbor Industrial Area annexation.

Recommendation

It is recommended City Council adopt the attached resolution to:

- a) Eliminate the Economic Development Coordinator position
- b) Amend the salary range for the Economic Development Manager position

Alternatives

1. Approve an alternative salary schedule for the Economic Development Manager
2. Maintain the current salary and recruit at that level
3. Maintain the current salary and recruit at that level but note “salary under review”
4. Provide alternative direction
5. Take no action at this time

Attachments

- A. Resolution
- B. Updated Job Description

Respectfully submitted,

Deirdre Dolan
Human Resources Director

Daniel Rich
Interim City Manager

RESOLUTION AMENDING THE COMPENSATION PLAN REGARDING THE ECONOMIC DEVELOPMENT MANAGER POSITION AND ELIMINATING THE ECONOMIC DEVELOPMENT COORDINATOR POSITION

WHEREAS, the City is interested in hiring an experienced manager to lead economic development efforts; and,

WHEREAS, a part-time Economic Development Coordinator position and the current salary are insufficient to meet the needs of the City; and,

WHEREAS, City Council action is required to amend the compensation plan to reflect the changes being implemented.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BELMONT that:

Section 1.

The City's Compensation Plan is hereby amended as follows:

- 1) Economic Development Manager position salary range of \$6,318 - \$8,064 per month; and
- 2) Eliminate the Economic Development Coordinator position.

Section 2.

City staff is hereby authorized and directed to take all actions necessary to implement this Resolution.

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on September 14, 2004.

AYES, COUNCILMEMBER (S): _____

NOES, COUNCILMEMBER (S): _____

ABSTAIN, COUNCILMEMBER (S): _____

ABSENT, COUNCILMEMBER (S): _____

Clerk of the City of Belmont

APPROVED:

Mayor of the City of Belmont