

SMALL BUSINESS COUNCIL

CA Competitiveness Report August 2, 2023





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- Report Overview
- Dustin McDonald, Go-Biz
- Chris Earl, CalOSBA
- Q&A
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Small Business Council Chairs



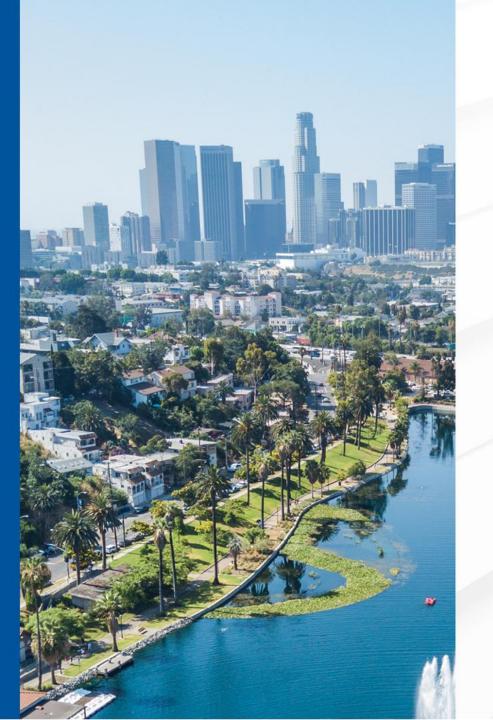
Michael Ochoa CEO, Transcend Chair, Small Business Council



Schenae Rourk' Principal, Redwood Resources Co-Chair, Small Business Council



Kevin Keane COO, Directed Action, Inc. Co-Chair, Small Business Council





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CALIFORNIA'S COMPETITIVENESS: A REGIONAL APPROACH



CALIFORNIA IS A CROWN JEWEL FOR ECONOMIC DEVELOPMENT AND INVESTMENT

- The economy of California is the largest in the country, with a \$3.598 trillion (GSP) as of 2022.
- It is the largest subnational economy in the world.
- If California were a sovereign nation, it would rank in terms of nominal GDP as the world's fifth-largest economy, behind Germany and ahead of India.



THE L.A. AREA CHAMBER COMMISSIONED A REPORT

- Commissioned by the Los Angeles Area Chamber of Commerce and produced in collaboration with the Inland Empire Economic Center (IEEC) and funded by a grant provided by Bank of America.
- The report outlines steps California must take to maintain its advantage over other states in the coming years.



California must develop partnerships between higher education and industry

- To promote occupational upskilling
- To satisfy the demand for talent and skills from the local industry clusters
- To fuel interconnections with the rest of the world.





California must develop an economic strategy that considers and supports regional differences among highproductivity industry clusters such as

- Entertainment Los Angeles
- Information Technology Silicon Valley
- Logistics Inland Empire
- Biomed San Diego





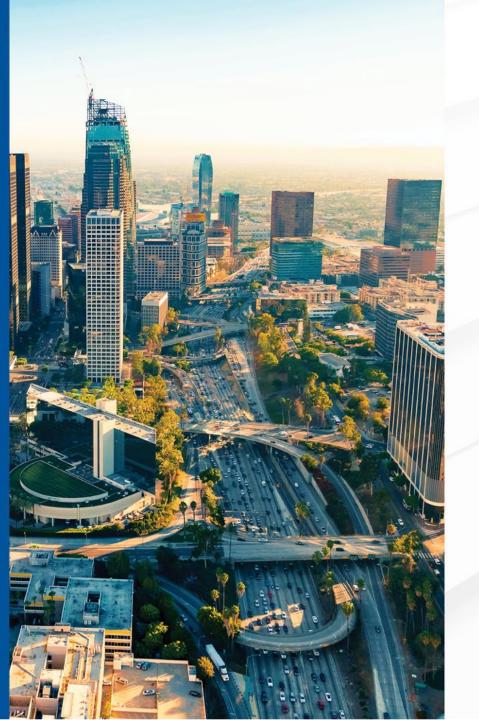
California must **define business attraction and retention strategies at the regional level** which **drive innovation** in leading regional clusters and are **supported by a statewide plan**.

- Regional strategies must account for and exploit regional industryspecific advantages in order to maintain a region's competitive edge.
- Regions must leverage their assets to compete for workers & firms.
- Address high cost of living by & ensure community amenities are on par with those in other states.



California must **build entrepreneurial infrastructure** and support to **attract new firms** while **lowering the barriers to entrepreneurship** for its homegrown talent.



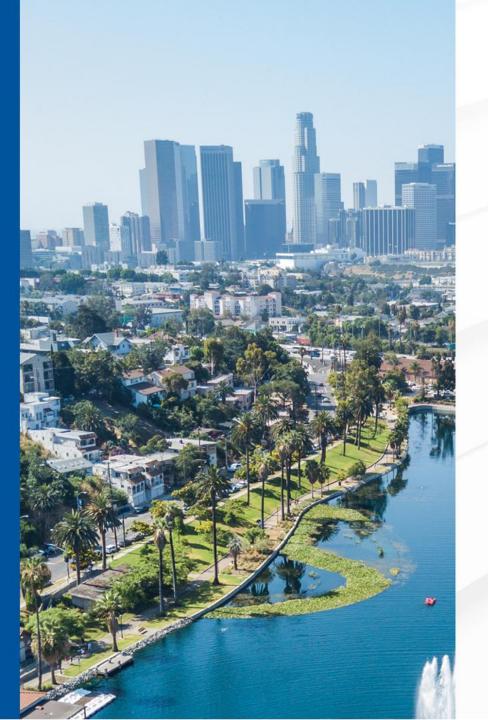




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RECOMMENDATIONS

Any program designed to curtail business flight to other states needs **statewide leadership and coordination** with local government and business organizations.





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We need a well-coordinated effort by policymakers and state leaders across all levels of government to implement these recommendations and commit to an economic plan serving the various California regions.

Without it, further **business erosion and investment outside California** may continue.





Dustin McDonald

Regional Business Development Specialist California Governor's Office of Business and Economic Development (GO-Biz)





GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT (GO-BIZ)

THE GO-BIZ TEAM







Community & Place Based Solutions



Permits



Small Business



International Affairs



Film Commission (CA Film Commission)



Zero Emission Vehicles Infrastructure



Travel & Tourism (Visit CA)

CalBIS BUSINESS INVESTMENT SERVICES



HTTP://BUSINESS.CA.GOV/RELOCATEEXPAND.ASPX

Incentives for California Businesses

GO-Biz provides no-cost, confidential services for incentive navigation.

TIMING!!!

Short Term vs Long Term Goals

Packaging Programs Together

<u>Types of Incentives</u> Based on Operations & Activity

Based on Industry

www.grants.ca.gov

Job Creation, Investment & Retention

- <u>California Competes Tax Credit (CCTC)</u>
- Utility Economic Development Rate Program (PG&E, SCE, SDG&E)

Investments & Equipment Purchases

- <u>Research and Development Tax Credit (R&D)</u>
- Partial Sales & Use Tax Exemption
- Full Sales & Use Tax Exclusion (CAEATFA)

Employment Training & Hiring

- <u>Employment Training Panel (ETP)</u>
- Homeless Hiring Tax Credit
- <u>New Employment Credit (NEC)</u>

Financing

- Industrial Development Bond (IDB)
- Small Business Loan Guarantee
- CA Pollution Control Financing Authority & CalCAP

State Funding Spotlight: California Grants Portal

Grants.ca.gov is managed and hosted by the California State Library and provides a centralized location to find state grant opportunities in the State of California.

		FIN SAVE CURRENT R	D GRAN	ſS				Visit our <u>Glossar</u> to describe grant	oful Resources y for definitions of terms used copportunities, or visit our to common questions.
CALIFORNIA GRANTS PORTAL Find Grants About This Site Using This Site For State Agencies	Subscribe News Contact	REFINE RE Keyword so What are you Search	earch: 0		AGE	ny Agency	0	CATEGORY Housing, Com	nmunity and Eco
Subscribe to our newsletter to receive email notifications on state grant or loan opportunities that are posted by state agencies.		Show: Forecast Do not sho Loan Op	w:	Closed	B	GIBLE APPLICAN Iusiness, Public Agenc	w 📀	D I S B U R S E M B	
FIND YOUR OPPORTU							Displayi	ng 1 - 9 of 9	0 0 60 +
I am Business, Public Agency 📀 looking for funding in		Deedline 🔺	Grant Title ≑	Open Date 🌩	State Ägency / Department	Match Funding?	Estimated Total ¢ Funding	Estimated Low/High	Funds Disbursement
Housing, Community and Economic Development 📀 sector with at least	Any Timeframe 💿 until	4/30/21 Active	2021 Community Development Block Grant NOFA MORE INFO	Feb 10, 2021	Department of Housing and Community Development	No	\$30,000,000	Dependent	Reimbursement(s)
the application deadline.	 any timeframe 1 month 3 months 	6/30/21 Active	California State Library High-Speed Broadband Grant MORE INFO	Aug 21, 2020	CA State Library	N/A	\$5,000,000	Dependent	Advance(s)
Show Me the Opportunities SHOW ME EVERYTHING		Ongoing Active	Vibrant Recreation and Tourism Directed Grant Program MORE INFO	Jul 13, 2020	Sierra Nevada Conservancy	No	\$1,000,000	Dependent	Advances & Reimbursement(s)
		Ongoing Active	Sales Tax Exclusion (STE) Program	Jan 1, 2020	State Treasurer's Office	No	\$100,000,000	Dependent	Advances & Reimbursement(s)

grants.ca.gov

Staying Connected		<u> 1. Sign up CA GO-Biz General / COVID-19 Updates</u>				
	Connected	2. Sign up CA GO-Biz Small Business OSBA Updates				
	> Sign Up	gn Up <u>3. Sign up Local Econ Development / OZ Updates</u>				
	> Follow	4. Sign up GO-Biz International Newsletter				
	> Reach out	5. Federal Grants E-List				
		<u>6. CA State Grants Portal Updates</u>				
		7. Follow GO-Biz on Twitter 8. Follow CAL OSBA on Twitter				
		TEONOMIC DEVELOPMENT				



Dustin McDonald Regional Business Development Greater Los Angeles Region dustin.mcdonald@gobiz.ca.gov | (916) 384-7063









Chris Earl

Assistant Deputy Director & Southern California Regional Advisor California Office of the Small Business Advocate (CalOSBA)



Office of the Small Business Advocate

Christopher Earl Assistant Deputy Director, Innovation & Entrepreneurship Southern California Regional Advisor

@CaliforniaOSBA Email: business.ca.gov/zendesk



CalOSBA Mission & Objectives

Mission: CalOSBA supports economic growth and innovation and ensures that ALL California small businesses and innovative startups have the information and direct support they need to better navigate resources, programs and regulations.

CalOSBA serves as the voice of small business, representing their views and interests across the state and advocating for equitable access to capital, markets, and networks so that all California small businesses successfully start, manage, grow and become more resilient.

Objective: Information and Resources | Advocacy | Resilience



CalOSBA 2023 Program Wind down

- California Small Business COVID-19 Relief Grant Program (SBCRG)
- California Microbusiness COVID-19 Relief Grant Program (MCRGP)
- California Venues Grant Program (CVGP)
- California Dream Fund
- California Nonprofit Performing Arts Grants Program (NPAGP)



CalOSBA: Conduit to Resources & Direct Assistance

- Technical Assistance for Small Businesses:
- \$26M ongoing, was appropriated to permanently extend the Cal OSBA Technical Assistance Program (102 providers statewide)
- \$8 million one-time General Fund to support Women's Business Centers.
- Direct Support: Entrepreneurial education and 1:1 counseling/mentoring
- Local Assistance: Network of Small Business Centers: <u>https://calosba.ca.gov/centers</u>

California Network of Small Business Technical Assistance Centers

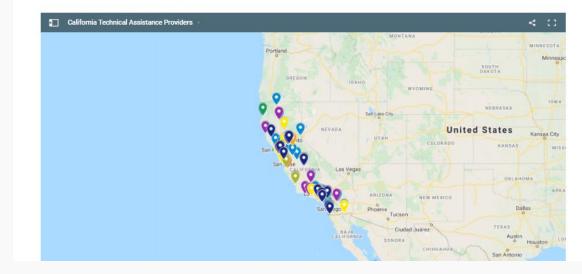
California supports a network of small business technical assistance centers that provide free one-on-one consulting and no-cost or low-cost trainings, in over 30 languages, to help businesses get funded, enter new markets, strengthen operations, build resiliency and more. Additionally, there are nonprofit lenders who work with California to help you access state loan programs.



Small Business Centers Map

Use this map to quickly locate a center and connect with a local advisor

Click the sidebar icon () to open legend to search different small business technical assistance centers. Click the expand icon () to open the full map to search different service offerings, languages offered, and lenders.





Expanding and Proposed Grant Programs

- Small Business and Nonprofit COVID-19 Supplemental Paid Sick Leave Relief Grant Program - \$250 million for qualified businesses and nonprofits with 26-49 employees that incurred COVID-19 supplemental paid sick leave costs from 1/1/22 -12/31/22 (Assembly Bill 152). Round 1 of the program has closed. Round 2 open date TBD.
- Accelerate California: Inclusive Innovation Hubs Program -\$13 million to expand services from ten to thirteen iHubs and add \$6.5M in acceleration grants to spur high-growth industries. (Senate Bill 193) Round 1 RFP complete. Round 2 currently open currently: <u>Accelerate CA: Inclusive Innovation Hub Program Round 2 -California Grants Portal</u>
- California Regional Initiative for Social Enterprises (RISE) Program - \$25 million to accelerate economic mobility and inclusion for individuals who experience employment barriers. Grants size will range between \$250K - \$500K per award. (Senate Bill 193)



Expanding and Proposed Grant Programs

- Small Agricultural Business Drought Relief Grant Program
 \$75 million to assist qualified small agricultural business affected by severe drought (Assembly Bill 157)
- \$25 million to assist qualified small agricultural businesses severely affected by the flood.
- State Small Business Credit Initiative (SSBCI) Technical Assistance Program - The American Rescue Plan Act of 2021 reauthorizes the State Small Business Credit Initiative (SSBCI) Program. SSBCI provides a combined \$1.1 billion to CA to expand access to capital for small businesses and roughly \$25 million for statewide technical assistance support which will be led and managed by OSBA.
- Sign up for the CalOSBA newsletter to receive updates about these programs <u>here.</u>



THANK YOU

Find Us Online & Subscribe to updates at: business.ca.gov/calosbasubscribe

















Announcements | Resilient Business Advising Program

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Help your business grow with one-on-one advising

Resilient Business Advising Program

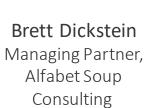
- Free 1:1 advising
- Access to capital
- Learn marketing strategy
- Learn to implement health and safety protocols
- Secure local, state, and
 - federal contracts

Sign up here.



Our Advisors









Patty Ross Immediate Past President NAWBO LA, Golden State Marketing



Lorana Quintero President/CEO,LQMG Consulting, Managing Director, Golden Seeds



Shenell Glover CEO and Managing Director Ambitious Strategies LLC

Announcements | Small Business Strong



Navigating your cashflow August 24th 12:30 - 1:30 P.M.

Register Today!

Announcements |

Sign up for Verizon's Small Business Digital Ready Program <u>here.</u> LOS ANGELES AREA CHAMBER OF COMMERCE FOUNDATION

Verizon Small Business Digital Ready

Grow Your Business

SIGN UP TODAY!







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FOUNDATION THANK YOU!

For more information, visit lachamber.com



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