

Redwood Region RISE Economic Development Finance (EDF) Working Group

February 12, 2024



Agenda

- Chairs Items
- ED&F 101
- EDF Tools Database
- EDF Survey Results
- Project Schedule & Agendas
- Discussion & Next Steps
- Other Items



Chairs Items

- WG Membership Considerations
- Example Project Discussions
- Other Items



Economic Development 101

Gurbax Sahota,
President/CEO



California Association for
Local Economic Development



California Association for Local Economic Development

- ✓ Founded in 1980
- ✓ 850+ Members – 75% cities & counties
- ✓ Dedicated to Economic Development – *helping businesses thrive and create vibrant economies to provide opportunity for residents*

RISE EDF Working Group – ED 101

- Defining Economic Development, Dispelling Myths
- Current Environment
- Types of Economic Development - Where to Begin
- Measuring Success
- Q&A

Economic Development is the creation of wealth through which community benefits are realized.

PERSPECTIVES on Economic Development

COMMUNITY

Local economic development translates the community vision into reality by integrating the needs of residents and business with municipal goals.

ELECTED OFFICIALS

Local economic development is more than a jobs program - it focuses the community on a shared, long-term vision and creates policies to enhance business vitality and increase the standard of living.

GOVERNMENT

Local economic development involves the allocation of resources that positively affect business activity, job creation, income generation, and fiscal sustainability.

BUSINESS

Local economic development includes public and private sector stakeholders that work with existing and potential employers to help them thrive.



*“From a public perspective, local economic development involves the **allocation of limited resources** – land, labor, capital and entrepreneurship in a way that has **positive effect on the level of business activity, employment, income distribution patterns, and fiscal solvency.**”*

Public Sector Role

- Maintain, increase & diversify tax base
- Increase revenues faster than cost of municipal services
- Economic vitality for retail, commercial & industrial areas
- Maximize property through highest & best use
- Create and retain jobs, increase per capita income
- Create economic opportunities for residents
- Generate revenue to pay for programs and invest in community development

Public Sector Role

To create certainty and foster a business-friendly environment to influence business investment and location decisions through:

- Taxes
- Spending
- Investment
- Regulations
- Incentives
- Marketing
- Quality Service
- Adding Value to Community Assets

Traditional Economic Development (Programs)

- **Business Retention & Expansion**
 - Facilities access
 - Incentive programs
 - Workforce intermediary
- **Business Attraction**
 - Site location assistance
 - Government and workforce liaison
- **Business Creation**
 - Innovation & entrepreneurship ecosystems
 - Opportunity / feasibility analysis

Projects/Transactions

- Revitalizing the downtown – BIDs/PBIDs
- Providing infrastructure to a new area
- Working with private partners to complete commercial or residential projects (New Market Tax Credits)
- Creating TIF districts (EIFD, CRIA, etc.)
- Developing industrial parks, buildings, retail, etc.
- EB-5
- PACE financing
- Brownfield financing and remediation
- Private Activity Bonds
- Public asset inventory
- Zoning for highest/best use

Quality Of Life

More local tax dollars and jobs raise the economic tide for the community, which generally increases the overall standard of living of the residents.

Economic Development Myths

- ✓ Only about jobs
- ✓ Focused on attraction – primarily retail
- ✓ Pro-business lobby
- ✓ Unclear connection to workforce, housing, specific industries
- ✓ Not connected to people & place

Environment – Post Pandemic

People, Language, Implementation
Strategically Create Your Preferred Future

Measuring Success

- ✓ Monitor the metrics of your economic development programs – tracking your investment
- ✓ Economic development is an investment in your community. It's more than a “Jobs Program”

Additional Resources

Want to Locate Your Tech-Based Business in California?

Read the 2023 FDI Guide

Primer on California's Tax Increment Financing Tools 2nd Edition

Complete projects with tax increment financing tools to further your economic development goals.

CALLED CALIFORNIA ASSOCIATION FOR LOCAL ECONOMIC DEVELOPMENT

Economic Development Recovery and Resiliency Playbook

CALLED California Association for Local Economic Development

Produced in partnership with the U.S. Economic Development Administration

CALIFORNIA RURAL INFRASTRUCTURE Finance Guidebook

September 2019

CALLED CALIFORNIA ASSOCIATION FOR LOCAL ECONOMIC DEVELOPMENT

Additional Resources

CALED's Economic Developme...
Gurbax Sahota
President & CEO, CALED
Malinda Matson
Economic Development Representative, U.S. Department of Commerce, Economic Development Administration
CALIFORNIA ASSOCIATION FOR LOCAL ECONOMIC DEVELOPMENT
2:14 / 26:50
YouTube

Building Resiliency into your Economic Development Strategy

CALED's Econ Dev Podcast: He...
Helen Schaubmayer
Program Manager, CALED
Colette Curtis
Recovery and Economic Development Director, Town of Paradise
Jesse Torres
Principal, ArroyoWest
CALIFORNIA ASSOCIATION FOR LOCAL ECONOMIC DEVELOPMENT
3:57 / 34:41
YouTube

CALED's Economic Developme...
Michelle Stephens
Program Director, CALED
Tara Schiff
Economic Development Specialist, Mariposa County
Brittany Miller
Deputy Emergency Preparedness Coordinator, City of Santa Rosa
CALIFORNIA ASSOCIATION FOR LOCAL ECONOMIC DEVELOPMENT
3:52 / 48:02
YouTube

Rural Recovery & Resiliency

Understanding Community Cul...
Michelle Stephens
Program Director, CALED
Heidi Pickman
Vice President, Engagement and External Relations, CAMEO
Aaron Wilcher
Workforce and Economic Development Consultant
CALIFORNIA ASSOCIATION FOR LOCAL ECONOMIC DEVELOPMENT
0:44 / 44:30
YouTube

Understanding Community Culture & Building Trust in Relation to Economic Resiliency and Disruption

Additional Resources



Gurbax Sahota, President/CEO



**California Association for
Local Economic Development**

(916) 448-8252 ext. 15

gsahota@caled.org

CA Jobs First

Established by Senate Bill 162 (Committee on Budget and Fiscal Review, Chapter 259, Statutes of 2021), the Community Economic Resilience Fund (CERF) program aims to build an equitable and sustainable economy across California's diverse regions and foster long-term economic resilience.

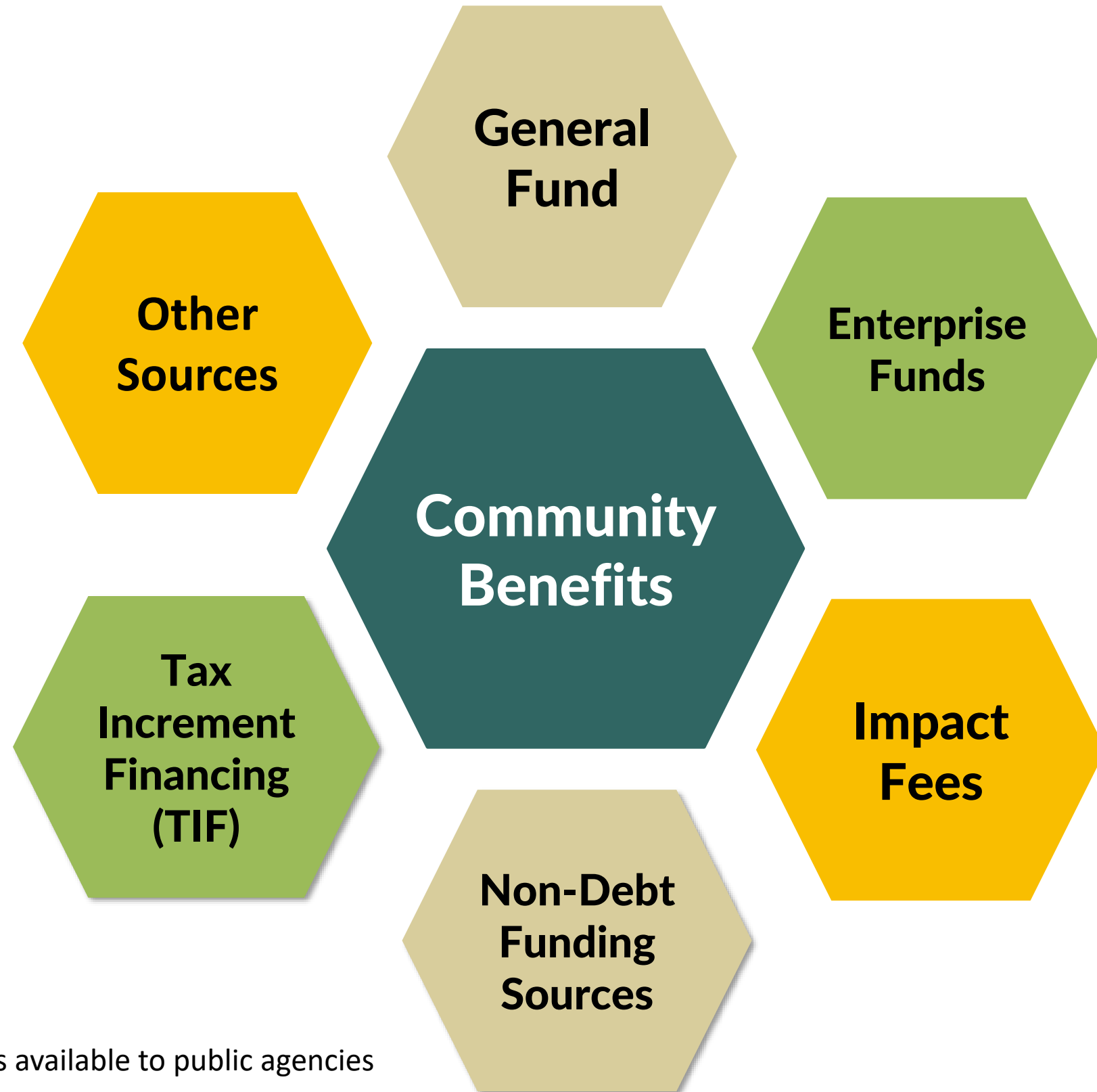
*Emphasizing Equity,
Sustainability &
Economic Resilience*



Program Values:

- Equity
- Sustainability
- Job Quality & Access
- Economic Competitiveness
- Economic Resilience

Funding Resources*



*Resources available to public agencies



EDF Sources

Revenue & Grants

- General Fund Revenues
- Developer Requirements & In-Lieu Contributions
- Special Assessments
- Impact Fees
- **Grants**
- Public Private Partnerships

Debt

- **Tax Increment Financing (TIF)**
- General Obligation Bonds
- Revenue Bonds
- Certificates of Participation (COPs)



Grants

- Generally competitive processes for limited resources
- Preparation steps:
 - **Develop project concept(s)**
 - Feasibility studies
 - Strategic plan integration
 - Community(s) of interest
 - **Identify specific target(s)**
 - Opportunistic vs strategic
 - Minimize scrambles
 - Consider public approval timelines



Grant Sources

- State
 - CA Jobs First, CalOSBA, ETP
 - Natural Resources Agency, etc
- Federal Grants
 - EDA, USDA, SBA, DOE, etc
- Philanthropy
 - Mission & relationship driven



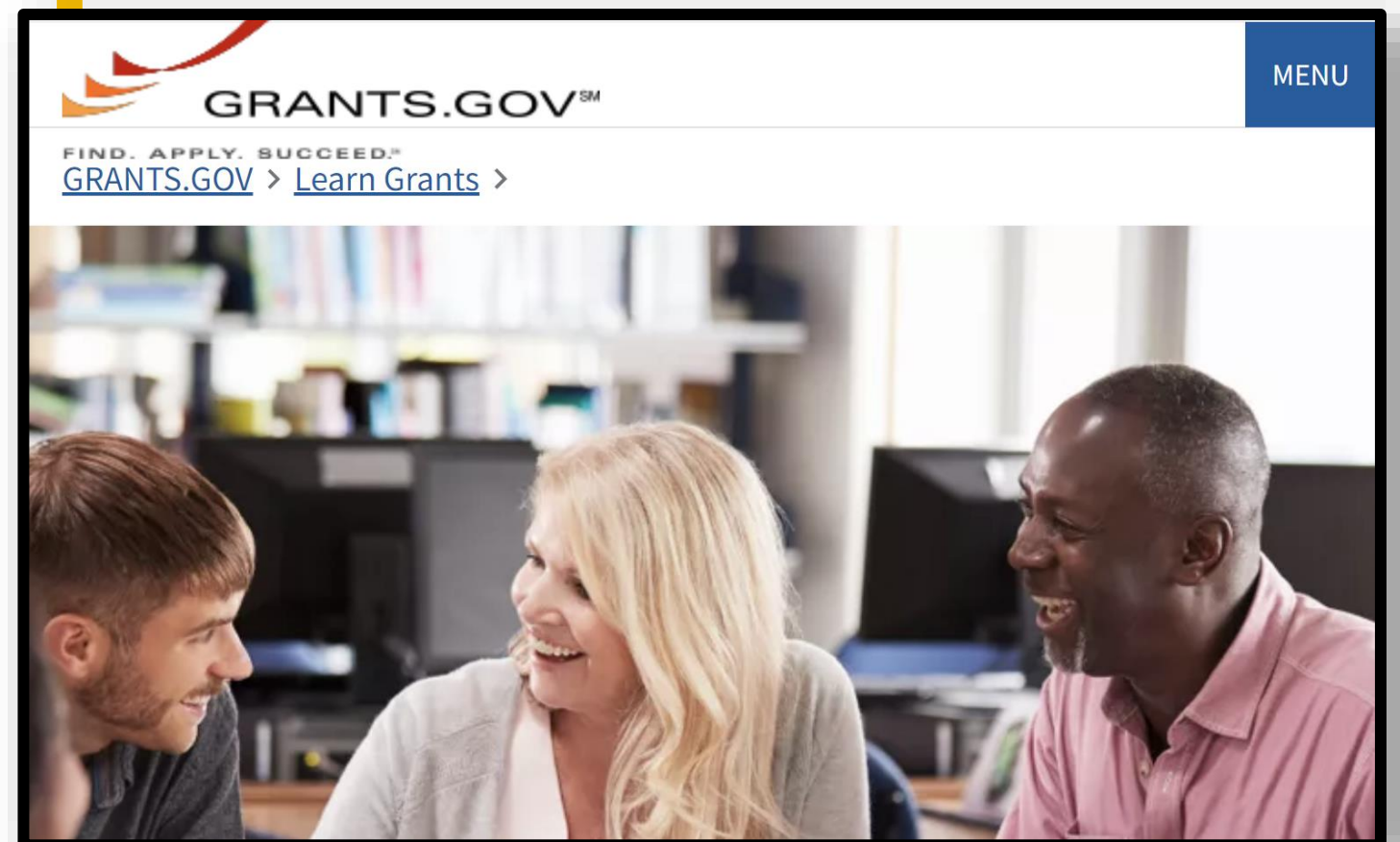
FIND YOUR OPPORTUNITY

I am looking for funding in sector with at least until the application deadline.

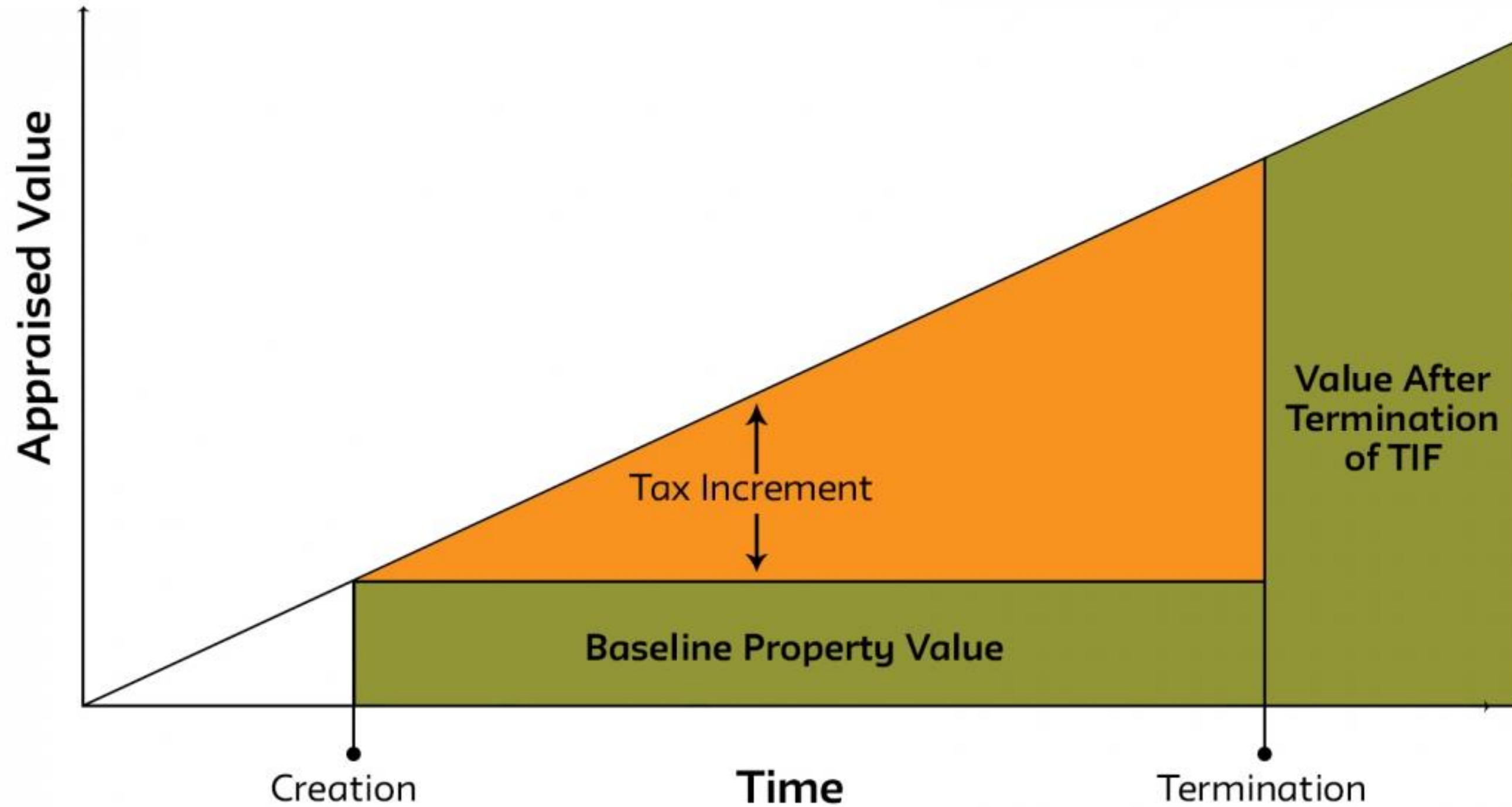
Show Me the Opportunities

SHOW ME EVERYTHING →

Strategic Opportunity:
Curation of funding/grant making opportunity resources (databases, communication processes, grant writing teams, coordination, etc)



Tax Increment Financing



Tax Increment Financing

- Infrastructure Financing Districts (IFD)
- [Enhanced Infrastructure Financing District \(EIFD\)](#)
- Infrastructure Revitalization Financing District (IRFD)
- [Community Revitalization and Investment Authority \(CRIA\)](#)
- [Climate Resilience Districts](#)
- [EIFD-CRIA Comparison Chart](#)

Primer on California's Tax Increment Financing Tools 2nd Edition

Complete projects with tax increment financing tools to further your economic development goals.

TAX INCREMENT FINANCING TOOLS COMPARISON CHART

POWERS

TOPIC	EIFD	CRIA
Infrastructure Financing	<input checked="" type="radio"/> Yes — for public capital facilities and projects of community-wide significance	<input checked="" type="radio"/> Yes
Land Acquisition	<input checked="" type="radio"/> Yes — finance acquisition only	<input checked="" type="radio"/> Yes — may acquire itself or finance acquisition
Eminent Domain	<input checked="" type="radio"/> Under Gatto only for environmental remediation	<input checked="" type="radio"/> Yes — 12 year limit
Land Conveyance	<input type="radio"/> No	<input checked="" type="radio"/> Yes — may convey surplus properties
Environmental Remediation	<input checked="" type="radio"/> Yes	<input checked="" type="radio"/> Yes
Affordable Housing	<input checked="" type="radio"/> Yes — no set-aside but any housing units assisted must be affordable	<input checked="" type="radio"/> Yes — 25% set-aside
Maintenance, Operations and Services	<input checked="" type="radio"/> Yes — maintenance of improvements financed by EIFD	<input type="radio"/> No

EDF Tools Database

Phase 1 Deliverable:

Plan for development of Redwood Region EDF tool financed projects database

- A. Describe range of finance tools and useful (& accessible) information to organize
- B. Define EDF Tools database structure
- C. Develop method for compiling information

EDF Tool Type	Project Type
Project Name	Project Lead
Project Location	Project Partners
Project Characteristics	Project Amount



RISE Projects Database



Let's Log & Lift Up Projects In Our Region: Fill Out Our Inventory Form

Join our efforts in cataloging projects from our Region — Tribal Lands, Del Norte, Humboldt, Lake, and Mendocino Counties — that align with the goals of the our Collaborative. Having an exhaustive list of projects and initiatives in our Region will help make the important work tangible, allow us to regionally align efforts, and strengthen our individual and collective competitiveness.

Projects listed here will be reviewed by the [Collaborative](#), and we will reach out to follow up in the coming months.



[Go To Our Project Inventory Form](#) →

Does your project align with RRRISE's vision? Review our Projects Decision Tree →



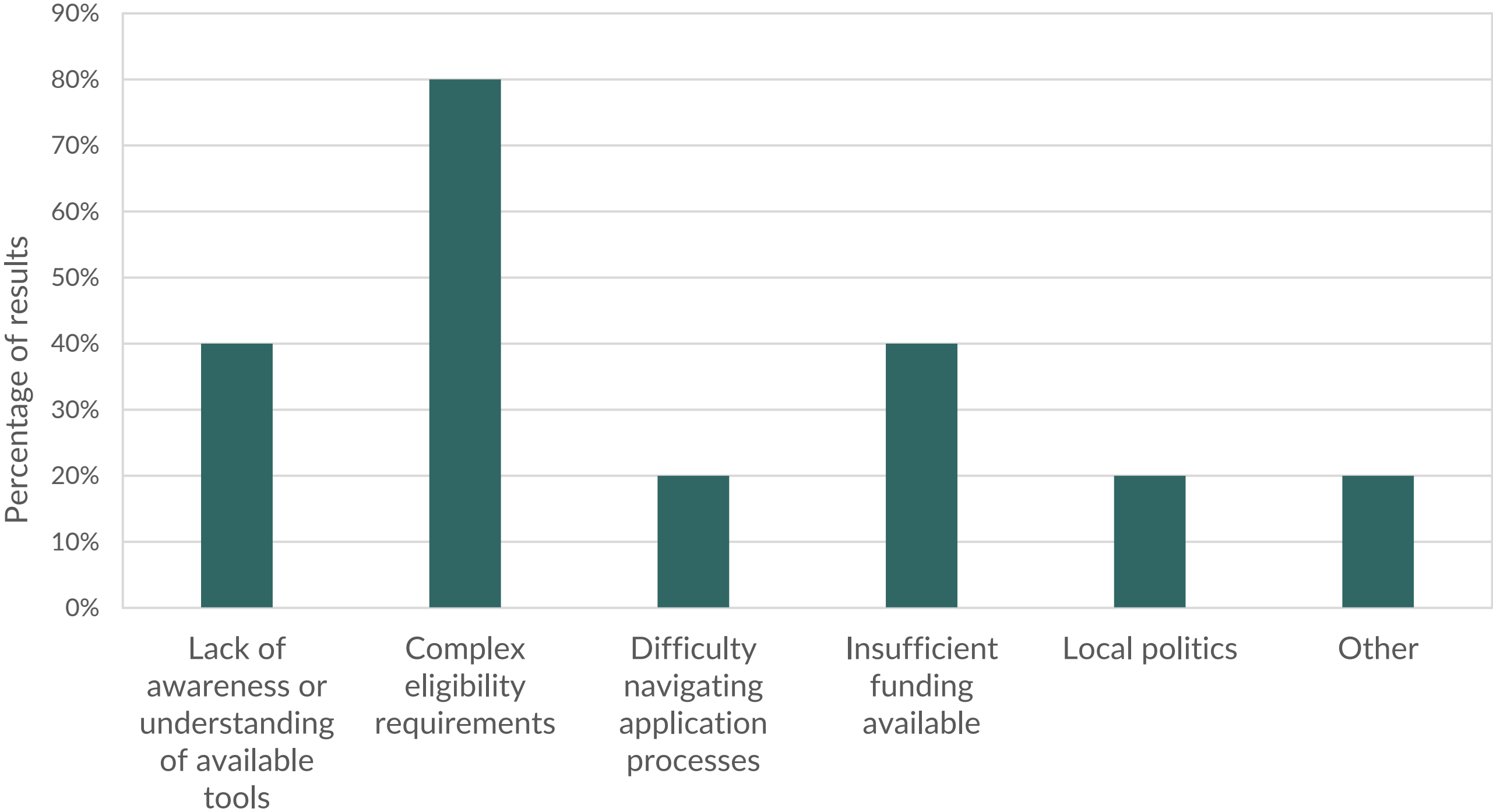
EDF Capacity Survey

- 5 of 12+ potential respondents
- **Topics of Interest:**
 - Biggest challenges
 - Desirable additional resources
 - Most helpful tools
- **Please complete survey!**

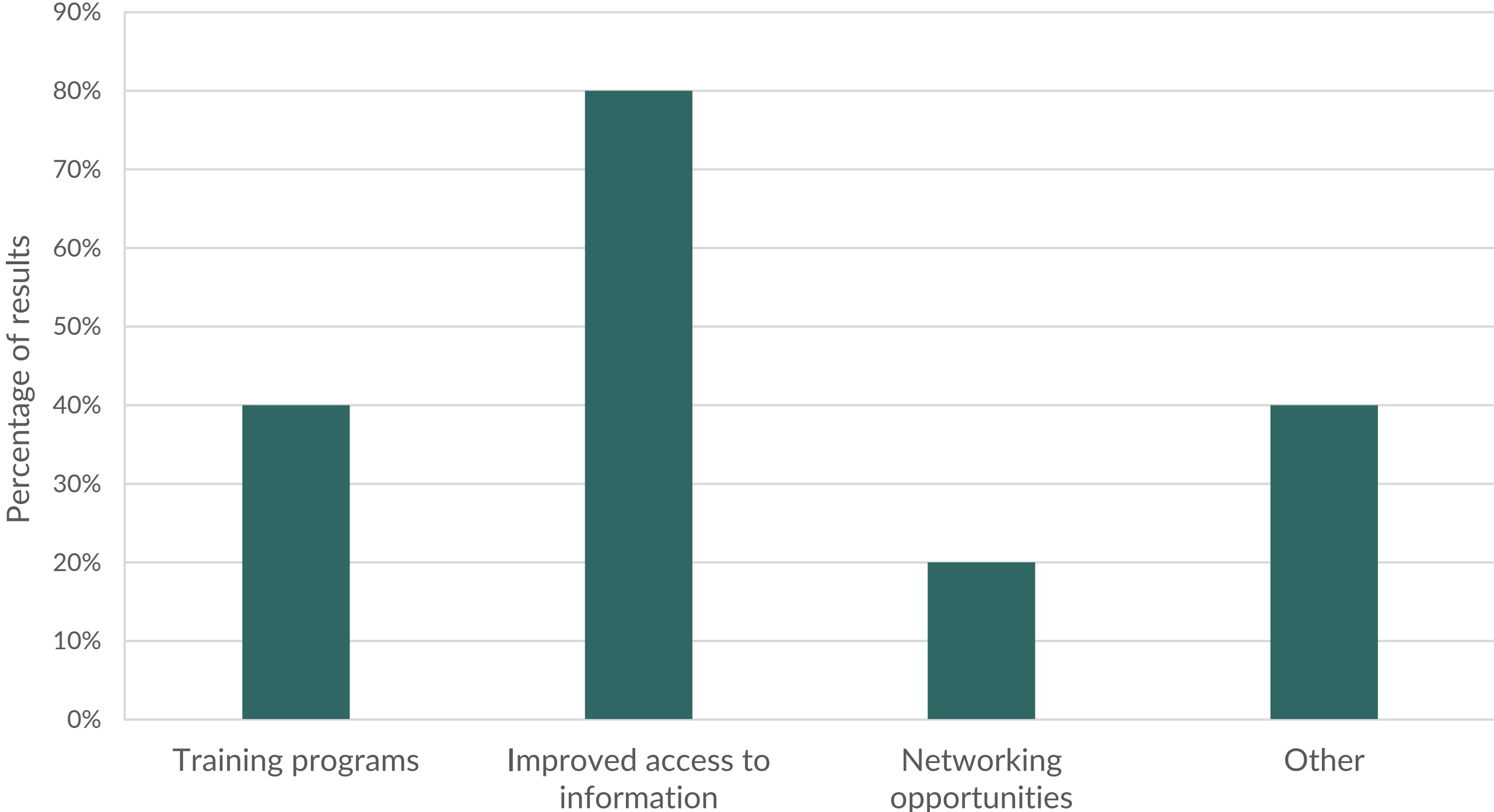
Take the survey today!



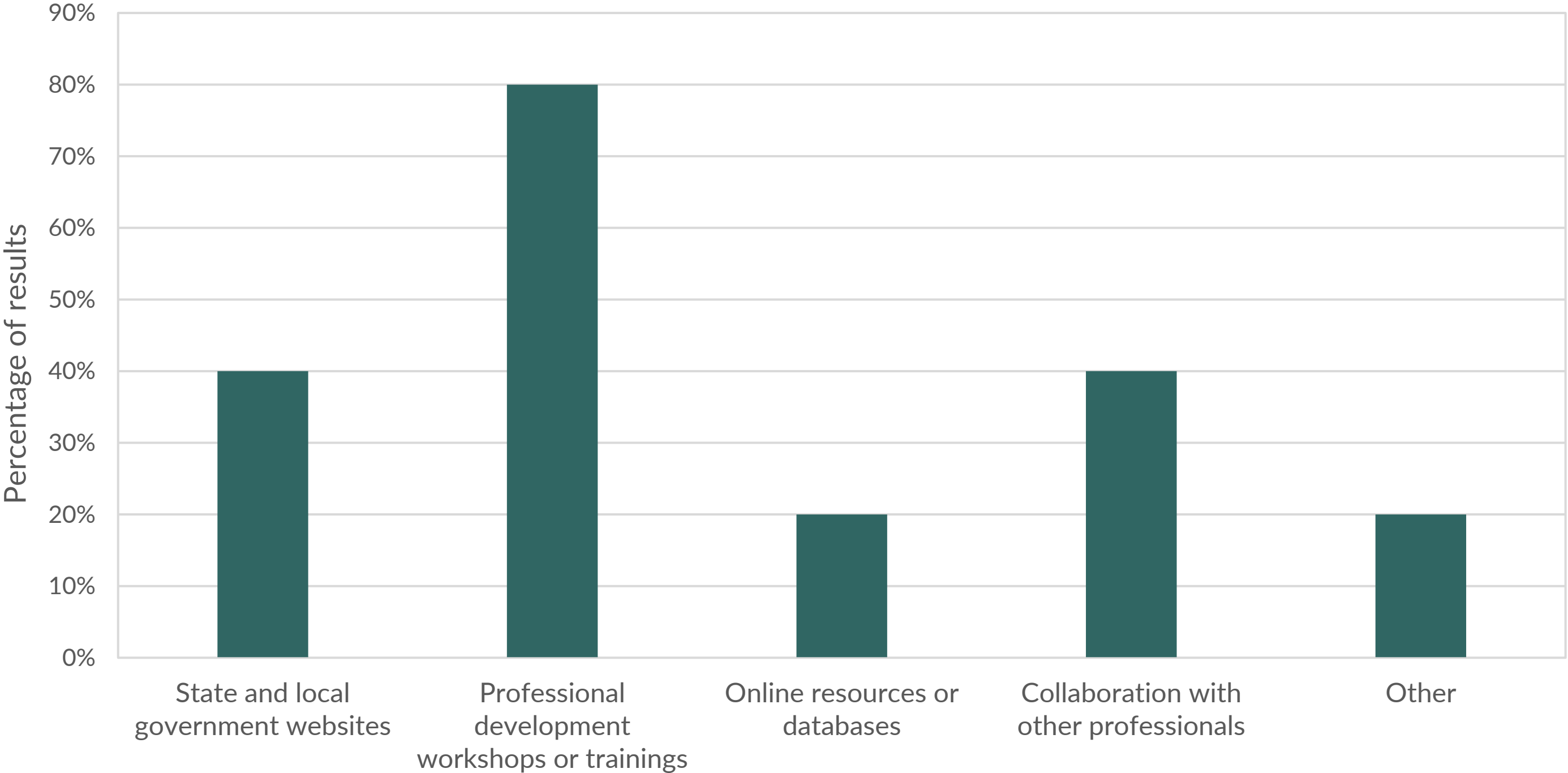
What are the biggest challenges you face when working with economic development financing tools available to California communities?



What additional resources or support do you believe would enhance your ability to effectively use economic development financing tools?



What resources have you found most helpful in learning about or using California's economic development financing tools?



Phase 1 Schedule & Agendas

**Proposed: Third Wednesday of
Every Month | 3:30-5:00 PM (PST)**

March 20, 2024

Proposed Agenda Topics:

- Regional EDF Tool-Use Database
- Stakeholder Engagement & Training Plan
- Collaborative Process, Working Group Integration Recommendations

April 17, 2024

Proposed Agenda Topics:

- Regional Awareness/Education Initiatives
- Capacity-building Focused Working Groups
- Funding Matrix with Sources and Constraints
- Cross-sector Capital Analysis Plan

May 15, 2024

Proposed Agenda Topics:

- Public Finance Capacity Report
- Public Financing Tools Resource Kit

June 19, 2024

Proposed Agenda Topics:

- Phase 2 Schedule, Budget and Workplan
- RISE Process Integration Recommendations



Deliverables

Phase 1:

- Public Finance Capacity Report
- Public Financing Tools Resource Kit
- Phase 2 Schedule, Budget and Workplan
- RISE Process integration recommendations

Phase 2:

- Working Group Education & Resources
- Project Funding Evaluation Matrix
- Regional Public Finance Project database
- Cross-sector (public, CDFI, Philanthropy) Capital analysis plan
- Other items



Discussion & Next Steps

- **Today's topics**
- **Proposed Next Meeting Agenda Items:**
 - Regional EDF Tool-Use Database
 - Stakeholder Engagement & Training Plan
 - Collaborative Process, Working Group Integration Recommendations
 - Other Meeting Agenda Items?
- **Other Items**



Thank You

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