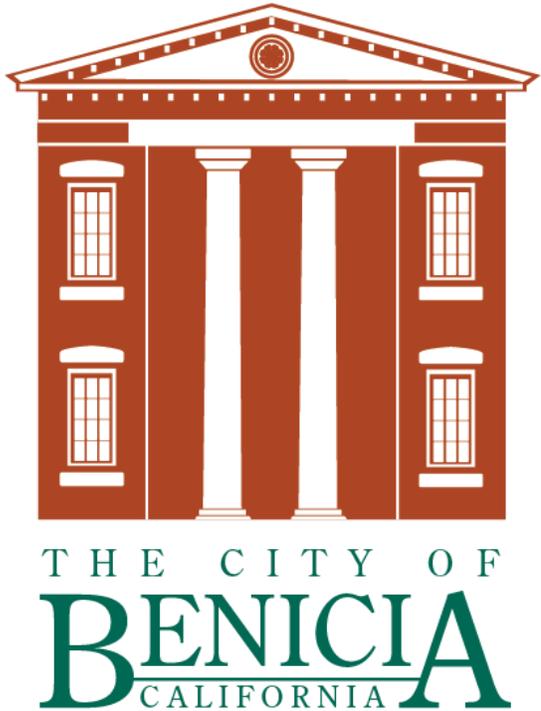




# Benicia City Council

Economic  
Development  
Workshop  
August 27, 2019

# Benicia's Economic Development Team





**Protect Community  
Health & Safety**

**Maintain &  
Enhance A High  
Quality of Life**

**Preserve &  
Enhance  
Infrastructure**

**Strengthen  
Economic & Fiscal  
Conditions**

**Protect &  
Enhance the  
Environment**

**High Performing  
Government**

# **Strengthen Economic & Fiscal Conditions**



What is **Economic  
Development?**

**Provide, maintain and enhance its public infrastructure systems to support the effective delivery of services, preserve its resources and meet the current and future needs of its residents, businesses and visitors**

**Focus on well-planned, well-regulated and strategic economic development efforts that strengthens the fiscal condition of the City and preserves the quality of life residents expect**

**Provide a safe, healthy, attractive and "business-friendly" environment that fosters and supports a competitive economic climate, which attracts and retains a well-balanced mix of business**

**Attract and retain a well-balanced mix and diversification of business and development, including industrial, retail, travel and tourism, that supports the culture of the community and focuses on sustainable job growth**

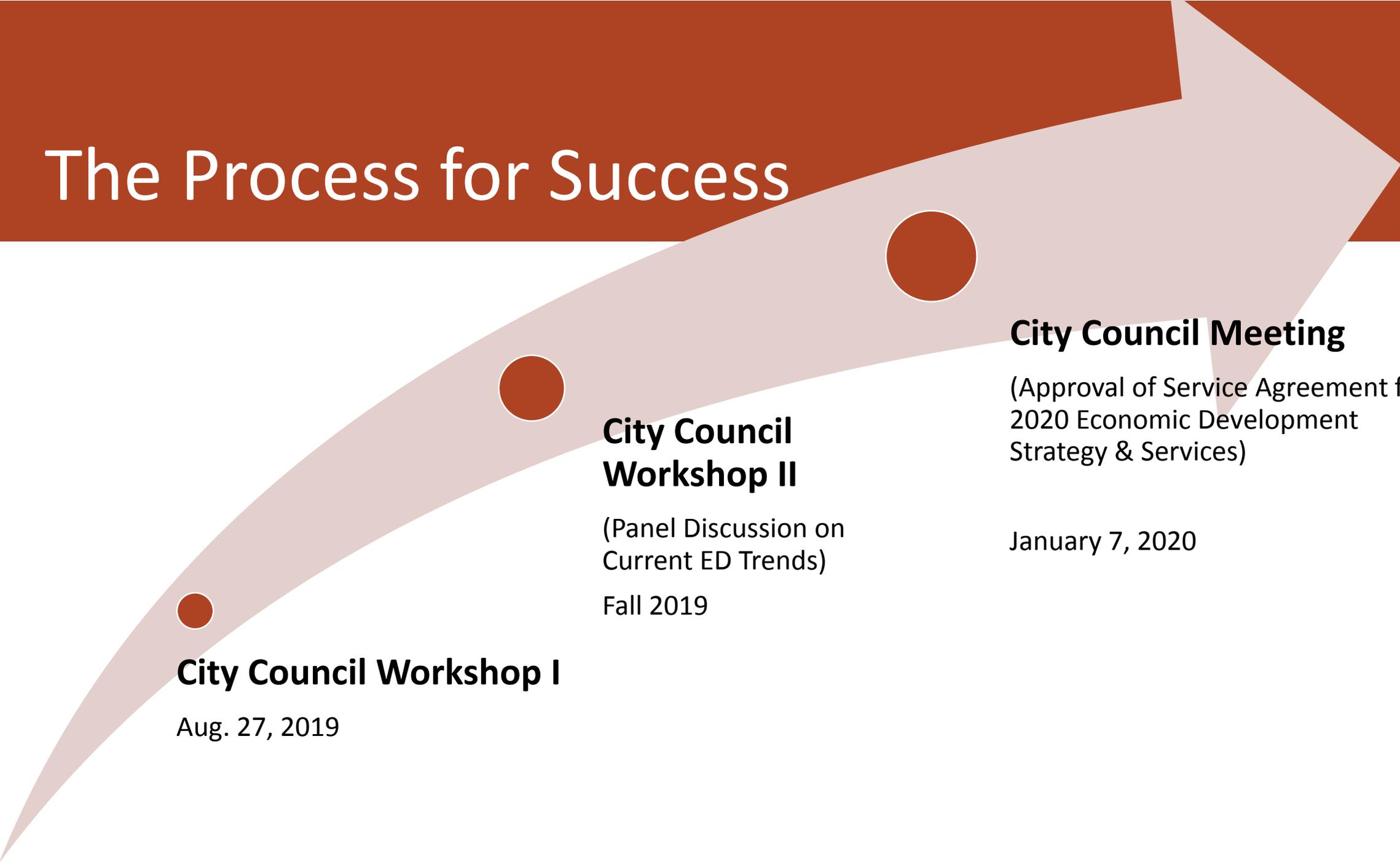


What is  
**Mario's job?**



tbs

# The Process for Success



**City Council Workshop I**

Aug. 27, 2019

**City Council  
Workshop II**

(Panel Discussion on  
Current ED Trends)

Fall 2019

**City Council Meeting**

(Approval of Service Agreement for  
2020 Economic Development  
Strategy & Services)

January 7, 2020

# Tonight's Agenda

---

---

## **Economic Development 101:**

Audrey Taylor, Chabin Concepts

---

## **Benicia's Economic Development Programs**

---

## **Interactive Economic Development**

---

## **Public Comment**

---

## **A Retrospective:**

Review of Current E.D. Plans, Strategies, & Accomplishments

---

## **A Look Ahead:**

Current and Upcoming Projects & Initiatives

---

## **Council Discussion & Direction**

---

# Economic Development

---

...is about positioning the economy  
on a higher growth trajectory

# Economic Development

---



...increases aggregate output, quality improvements, new goods and services and risk mitigation.



...makes effective use of all resources, including underutilized land and labor.



...works on career pathways for under- and unemployed workers.



...facilitates business growth—new and legacy—assist city stay competitive, brings market traction to downtown and other neighborhoods.

Why do cities do  
economic development?

---

# Why do cities do economic development?

---



Increase Job opportunities and investment



Generate economic activities and local impact



Increase and/or stabilize tax revenue to fund city services



Address challenges



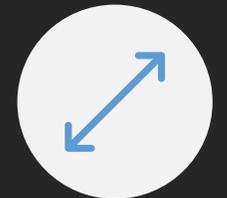
Improve infrastructure



Create impact from under-utilized assets



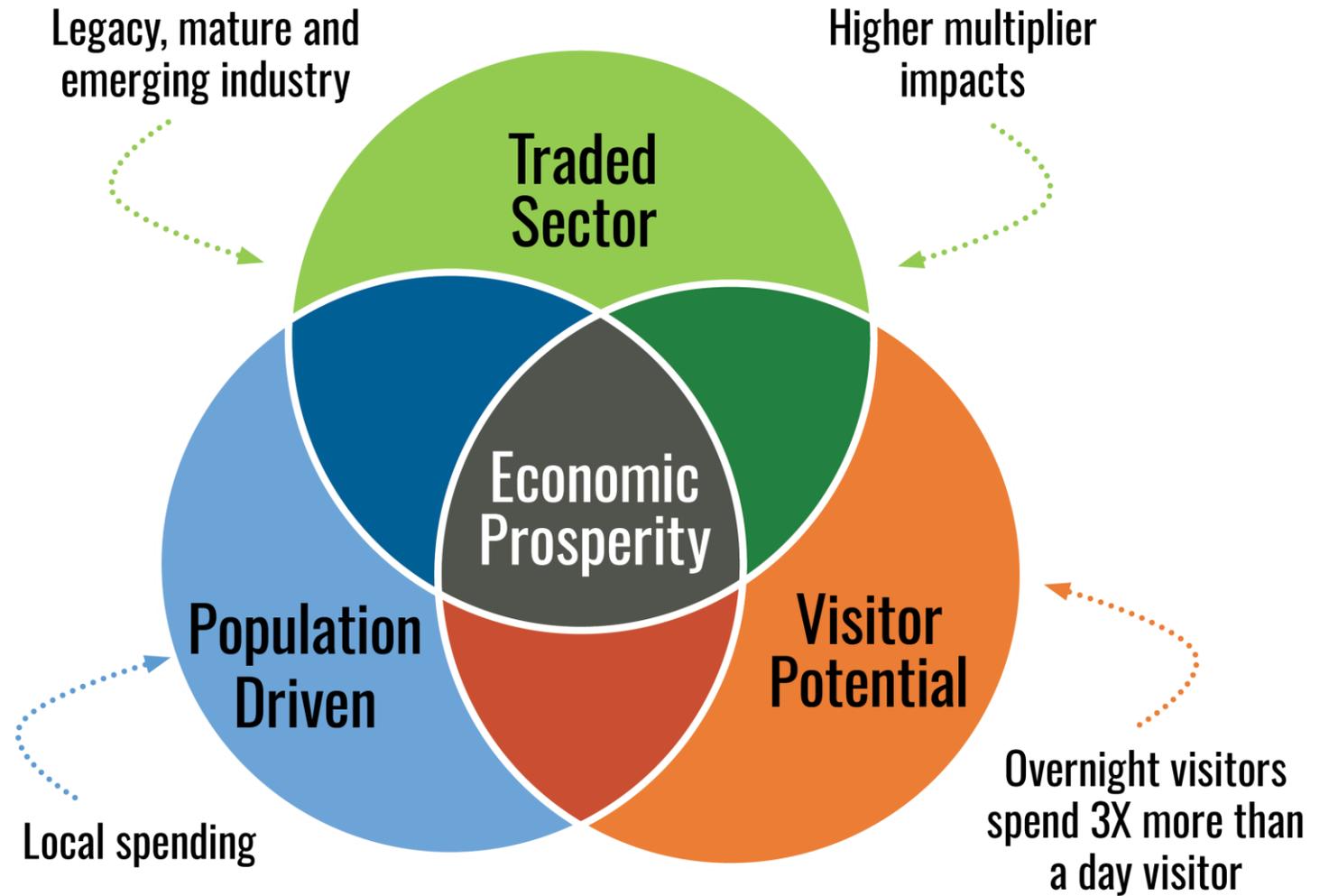
Improve areas within a city



Expand advantages of existing clusters and sectors unique to a city

# Who creates economic activity?

---



# What are key economic principles?

**Set right goals** – how to expand the economy and opportunity.

---

**Grow from within** – competitive new-emerging firms, talent, infrastructure.

---

**Boost trade** – facilitate growth, industry specializations, supply chains.

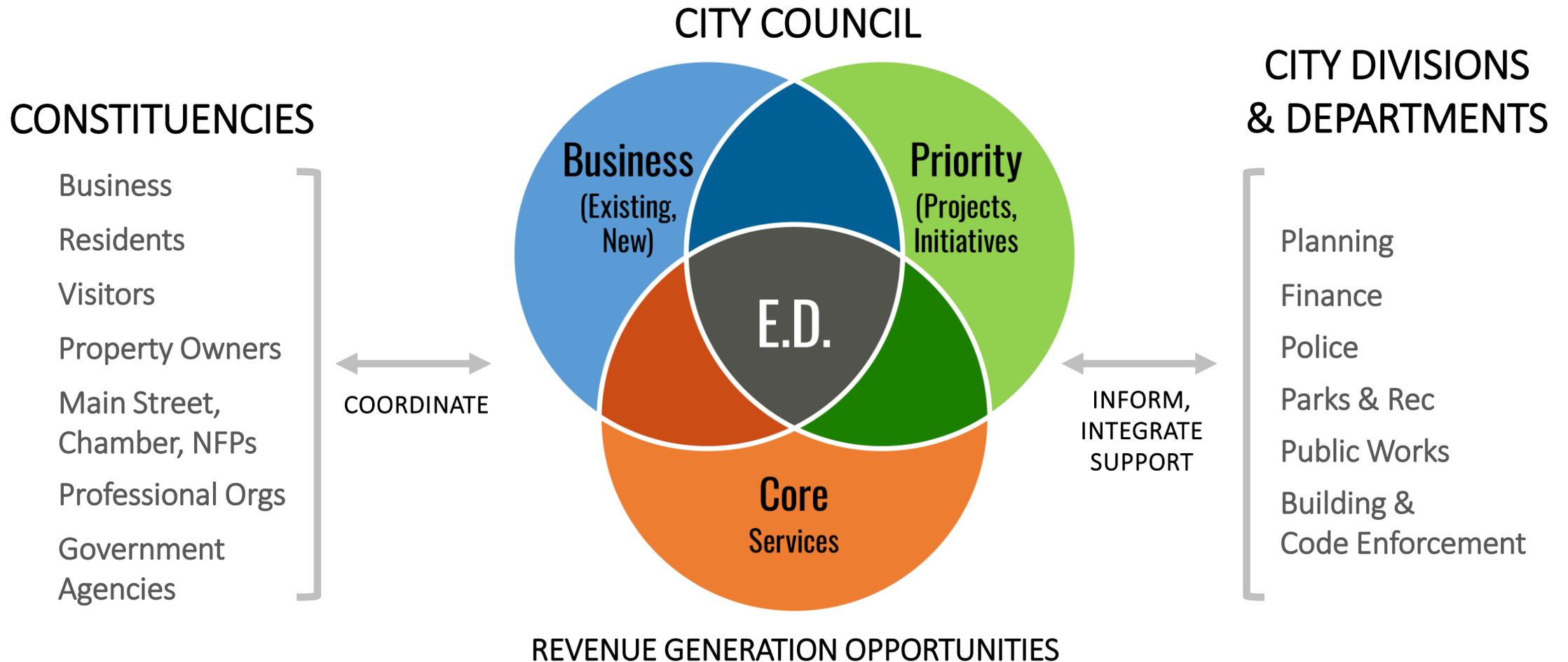
---

**People and skills** – skills development for workers.

---

**Place matters** – catalyze economic place making.

# Economic Development Function





What does economic  
development look like  
in **Benicia**?



Economic Development Board

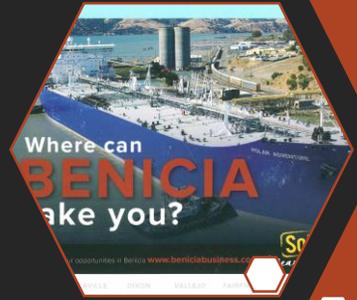
Measure C  
1¢ Sales Tax

Business Retention & Expansion

E. D. Incentive Program



Economic Indicators, Stats, Data



Business Attraction

Tourism & Marketing



Updated E.D. Website

Benicia Art Walk Coordination



Community Engagement and Public Relations



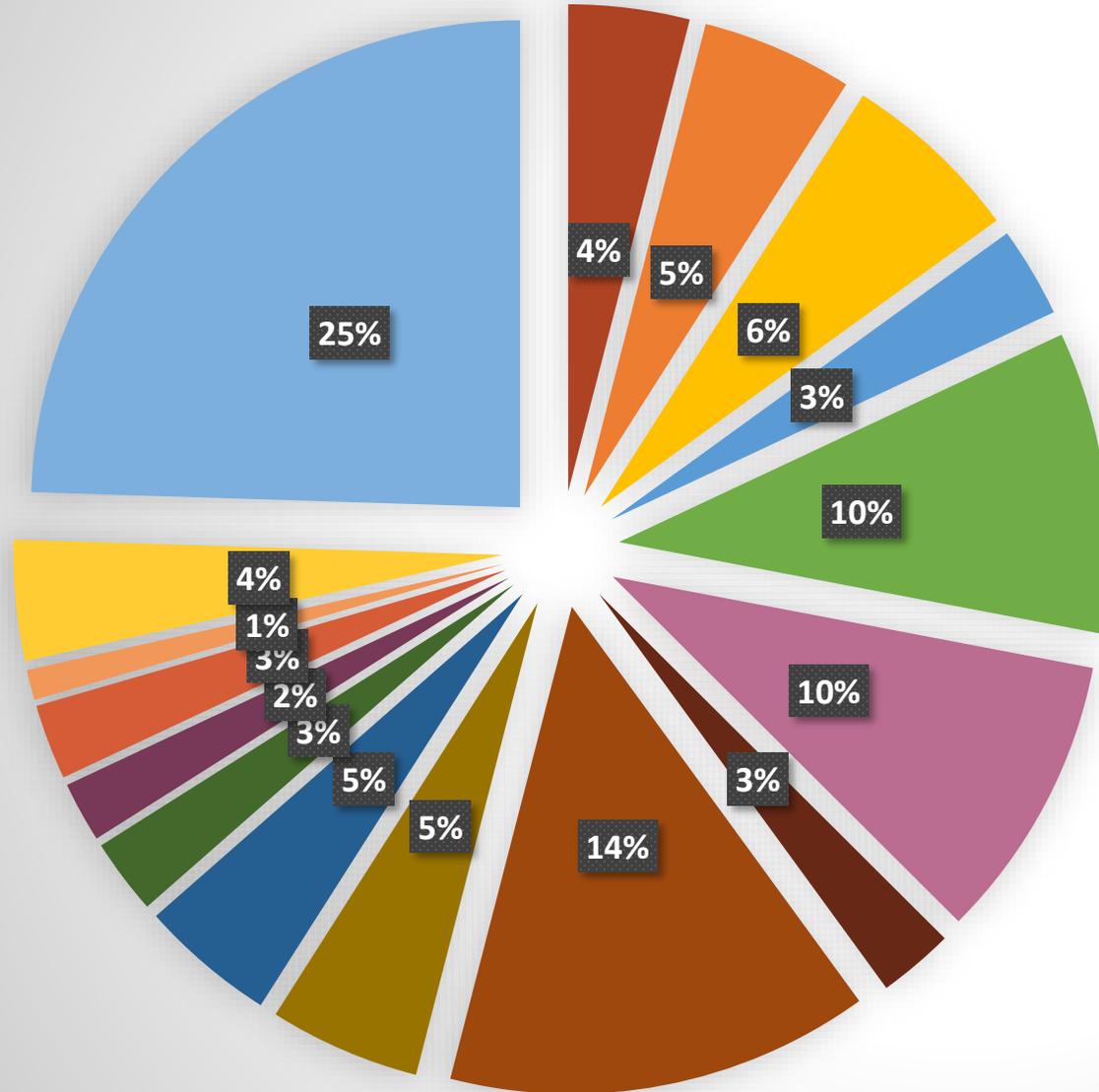
City of Benicia This Week  
read it - watch it - like it - share it



Management of City-owned Property

Special Projects Coordination

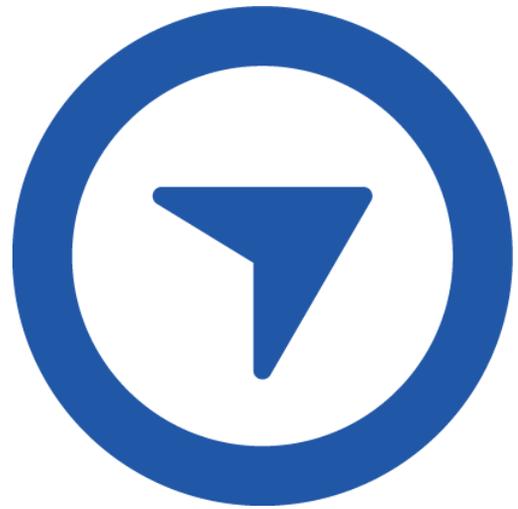
# Benicia's Economic Development Program (16 Programs)



- Administration - Economic Development
- Art Walk
- Economic Development Board
- Business Attraction
- Business Ombudsman
- Business Retention & Expansion
- City Council - Meetings
- Community Engagement and Public Relations - Economic Development
- E.D. Incentive Program Management
- E.D. Indicators, Statistics, and Demographics Data Management
- Economic Development Website and Electronic Communications
- Intergovernmental Relations - City Manager's Office
- Management of City-Owned Property
- Report and Track Revenue and Project Status
- Special Projects Coordination
- Tourism - Marketing





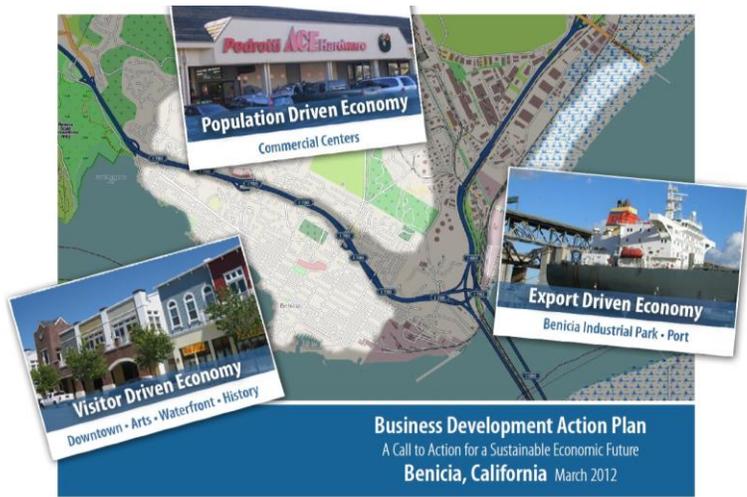


**OPENGOV**

**[otmeet.com/278](https://otmeet.com/278)**

# Public Comment





City of Benicia  
December 2014



## BENICIA INDUSTRIAL PARK MARKET STUDY

Assessing Short & Long-Term Market Competitiveness

Consulting Team:  
Chabin Concepts, Inc. and  
Keyser Marston Associates





**STUDY**

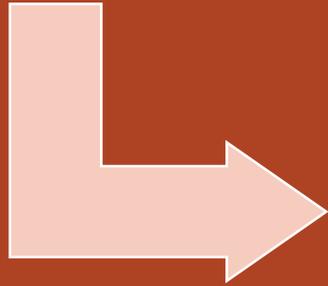


**ACTION**

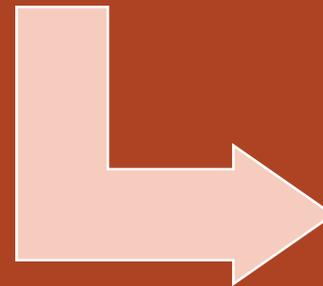


**OUTCOME**

**Business  
Development  
Action Plan**



**Action 1.6 BIP  
Sustainable  
Management Program**



# SUCCESSSES

The first phase of BRIP enabled the City of Benicia to benefit 23 businesses and make significant progress in reducing GHG emissions in the Benicia Industrial Park.

The City of Benicia has received three prestigious awards for the Business Resource Incentive Program and the unique approach to promoting both economic development and environmental sustainability in one program:



2012 International Economic Development Council - Excellence in Economic Development Gold Award.



California Association for Local Economic Development

2012 California Association for Local Economic Development – Economic Development Program Award of Merit



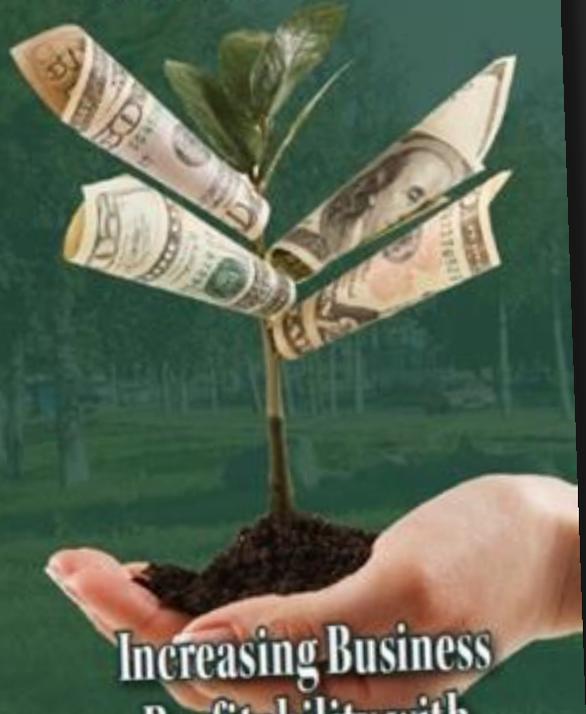
2014 League of California of California Cities



City of Benicia  
Office of Economic Development  
250 East L Street  
Benicia, California 94510

City of Benicia  
Office of Economic Development  
250 East L Street  
Benicia, CA 94510

# BUSINESS RESOURCE INCENTIVE PROGRAM



Increasing Business Profitability with Environmental Solutions

**ASSISTED 80 INDUSTRIAL  
PARK BUSINESSES AND  
23 DINE-IN  
RESTAURANTS**

**SAVED PARTICIPATING  
BUSINESSES  
\$430,639/YEAR IN  
ENERGY COST**

**REDUCED 470.26  
METRIC TONS OF GHG  
EMISSIONS/YEAR**

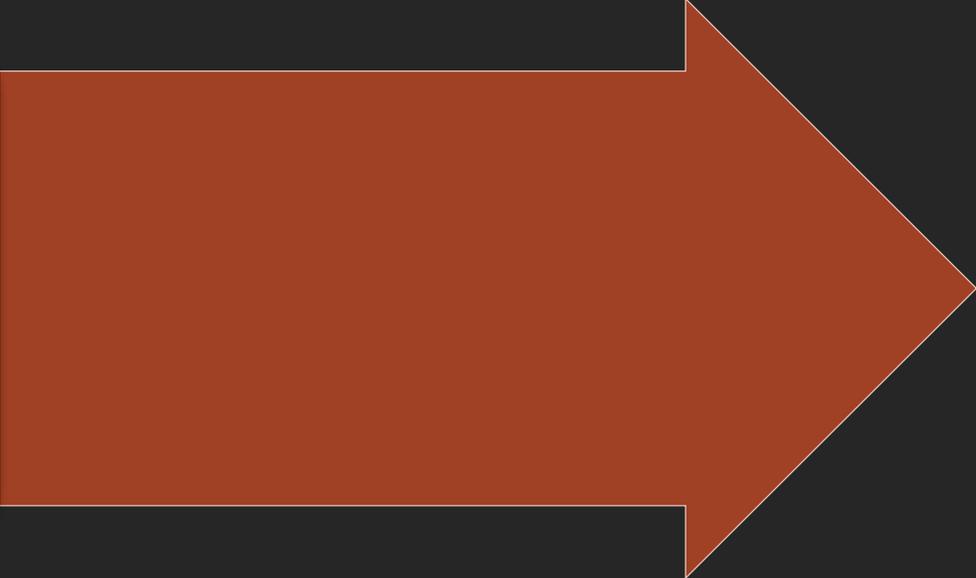
**REDUCED WATER USE BY  
2,500,000  
GALLONS/YEAR**

**GENERATED \$158,103 IN  
PG&E REBATES**

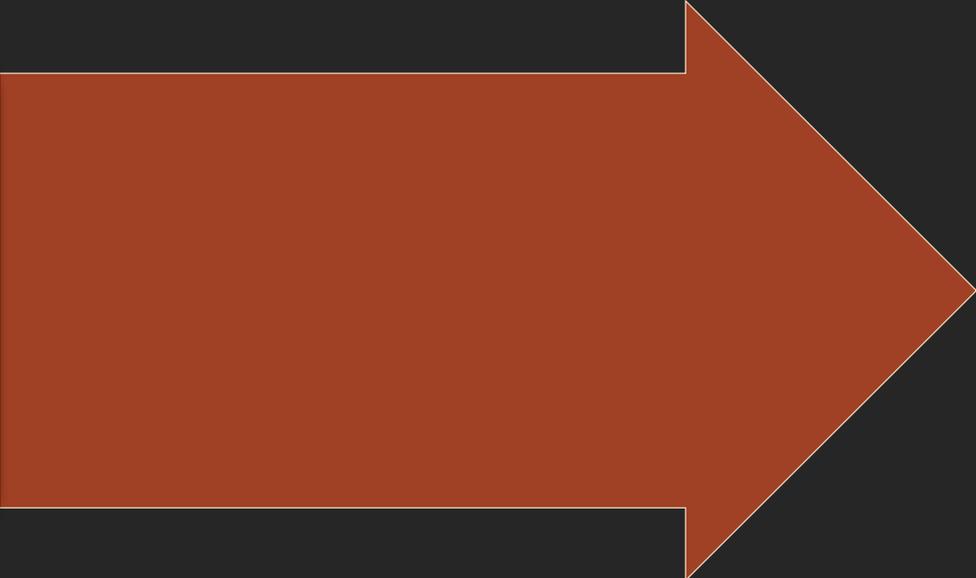
**LEVERAGED \$1,419,092**



Action Initiative  
3.3: Tourism  
Marketing



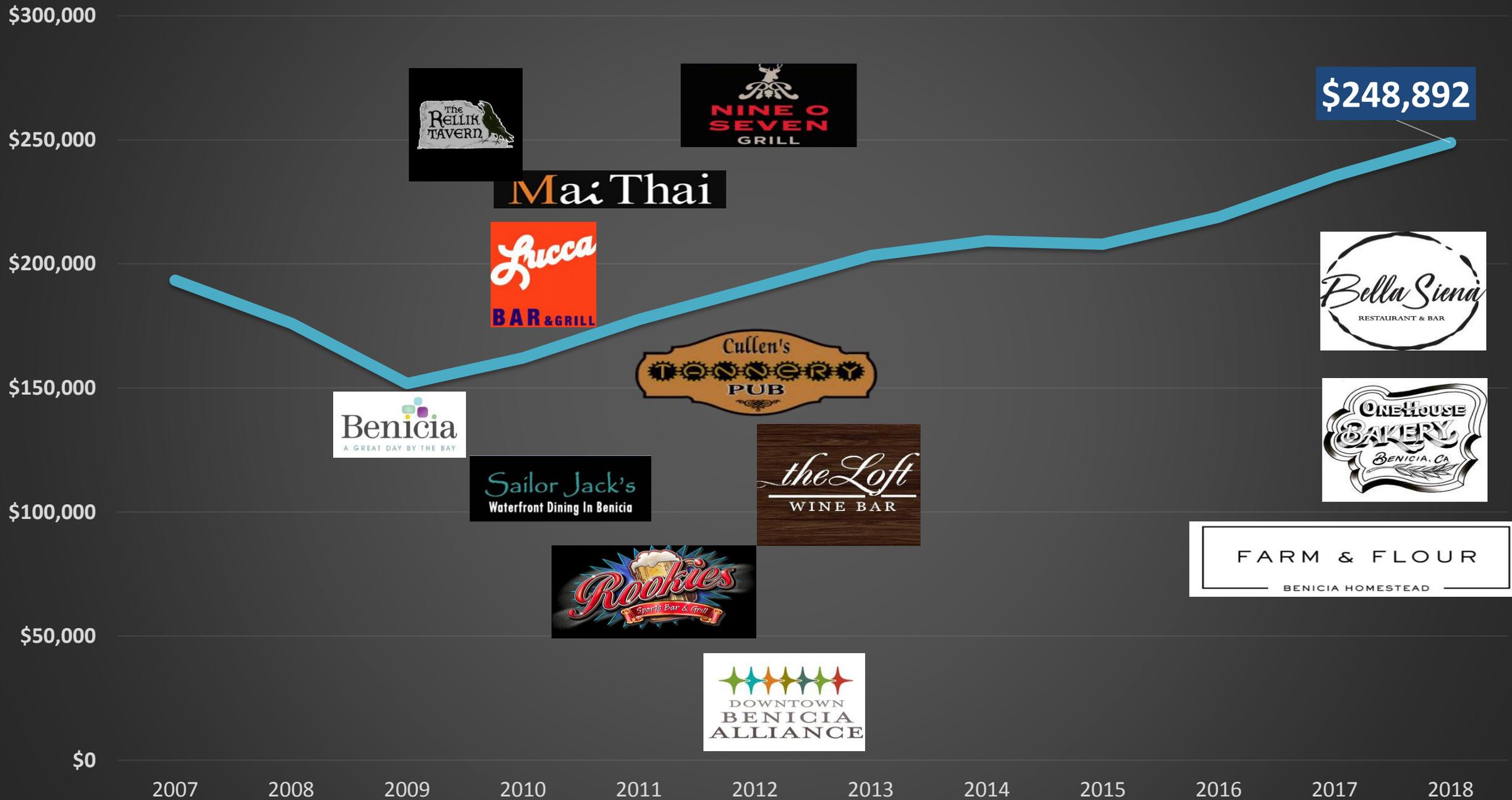
Action Initiative  
3.2: Downtown



# BENICIA ArtWALL 20



# Downtown (First Street) Sales Tax: 2007 - 2018

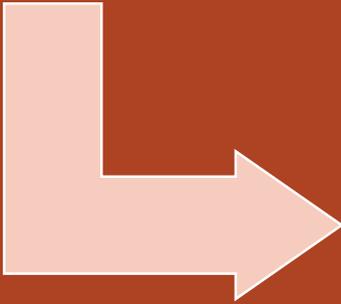


Action 6.C.1  
Increase  
Business  
Retention Visits

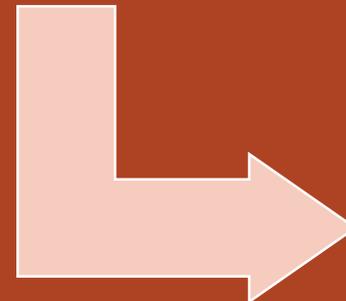
Action 6.C.2  
Promote Tax  
Credit  
Applications



**Market  
Study**



**Action 6.C.2: Submit  
California Competes Tax  
Credit Applications**





CITY HALL • 250 EAST L STREET • BENICIA, CA 94510 •

February 14, 2017

Governor's Office of Business and Economic Development (GO BIZ)  
The State of California  
1325 J Street, Suite 1800  
Sacramento, CA 95814

Project: CalCompetes Tax Credit Application, Flavor Insights Benicia, CA

As the Mayor of the City of Benicia, I am pleased to support the application located in Benicia, California for the CalCompetes State Tax Credit program.

Flavor Insights is a start-up founded in 2014, by Greg Pickett after selling a company he started in 1998. We are excited to see successful entrepreneurs start and scale new businesses in our local communities. Particularly businesses that are innovative, entrepreneurial, employ talented, high paying workers and have opportunity to grow.

Solano County and the City of Benicia, like many communities throughout California are working hard to improve our local economies through start-ups, expansions and new investment. For Benicia, new company locations are a challenge as the City is virtually built out with little space for economic growth. Companies like Flavor Insights are a perfect match for Benicia and we are excited they chose to start the company in the Benicia Industrial Park. The City of Benicia is working closely with the company to assist them in their growth plans.

Flavor Insights' technology in the functional food and beverage products sector is creating new natural, clean and organic flavorings that will fuel and enhance the growing clean food movement and will create new markets for our State's agricultural industry. With CalCompetes State tax credits, Flavor Insights can invest in additional equipment and R&D. This economic boost will assist them in becoming a West Coast leader in organic, clean and natural product flavoring.

ELIZABETH PATTERSON, Mayor  
Members of the City Council  
STEVE YOUNG, Vice Mayor • MARK C. HUGHES • ALAN M. SCHWARTZMAN • TOM CAMPBELL



BOARD OF SUPERVISORS  
Office of the 2<sup>nd</sup> District



SOLANO  
COUNTY

MONICA E. BROWN  
Supervisor  
mbrown@solanocounty.com  
(707) 784-3031  
675 Texas Street, Suite 6500  
Fairfield, CA 94533-6342  
Fax (707) 784-6665  
www.solanocounty.com

February 17, 2017

Governor's Office of Business and Economic Development (GO BIZ)  
The State of California  
1325 J Street, Suite 1800  
Sacramento, CA 95814

Project: CalCompetes Tax Credit Application, Flavor Insights Benicia, CA

As a Supervisor of Solano County, I am pleased to support the application located in Benicia, California for the CalCompetes State Tax Credit program.

Flavor Insights is a start-up founded in 2014, by Greg Pickett after selling a company he started in 1998. I am excited to see successful entrepreneurs start and scale new businesses in our local communities, particularly businesses that are innovative, entrepreneurial, employ talented, high paying workers, and have opportunity to grow.

Solano County and the City of Benicia, like many communities throughout California are working hard to improve our local economies through start-ups, expansions and new investment. For Benicia, new company locations are a challenge as the City is virtually built out with little space for economic growth. Companies like Flavor Insights are a perfect match for Benicia and we are excited they chose to start the company in the Benicia Industrial Park. The City of Benicia is working closely with the company to assist them in their growth plans.

Flavor Insights' technology in the functional food and beverage products sector is creating new natural, clean and organic flavorings that will fuel and enhance the growing clean food movement and will create new markets for our State's agricultural industry. With CalCompetes State tax credits, Flavor Insights can invest in additional equipment and R&D. This economic boost will assist them in becoming a West Coast leader in organic, clean and natural product flavoring.

I encourage your support of this tax credit application. If you need any additional information regarding my support for this exciting new company, please contact my office.

Very Truly Yours,  
*Monica Brown*  
Monica Brown, Supervisor District 2  
Solano County Board of Supervisors

California State Senate



STATE CAPITOL  
SACRAMENTO, CA 95814  
(916) 937-4000

SENATOR  
BILL DODD

THIRD SENATE DISTRICT

February 17, 2017

Governor's Office of Business and Economic Development (GO BIZ)  
The State of California  
1325 J Street, Suite 1800  
Sacramento, CA 95814

Project: CalCompetes Tax Credit Application, Flavor Insights - Benicia, California

As the California State Senator for District 3 and Assemblymember for District 14, we are pleased to support the application of Flavor Insights located in Benicia, California for the CalCompetes State Tax Credit program.

Flavor Insights is a start-up founded in 2014, by Greg Pickett after selling CytoSport, a company he started in 1998. It is exciting to see successful entrepreneurs start and scale new businesses in our district, particularly businesses such as Flavor Insights that are innovative, entrepreneurial, employ talented, high paying workers and have opportunity to grow.

Solano County and the City of Benicia, like many communities throughout California are working hard to improve their local economies through start-ups, expansions and new investment. For Benicia, new company locations are a challenge as the City is virtually built out with little space for economic growth. Companies like Flavor Insights are a perfect match for the Benicia Industrial Park. The City of Benicia is working closely with them company to assist with their growth plans.

Flavor Insights' technology in the functional food and beverage products sector is creating new natural, clean and organic flavorings that will fuel and enhance the growth of the clean food movement and will create new markets for our State's agricultural industry. With CalCompetes State tax credits, Flavor Insights can invest in additional equipment and R&D. This economic boost will assist them in becoming a West Coast leader in organic, clean and natural product flavorings.

We encourage your support of this tax credit application. If you need any additional information regarding our support for this exciting new company, please contact our offices.

Sincerely,

*Bill Dodd*  
Bill Dodd,  
Senator District 3

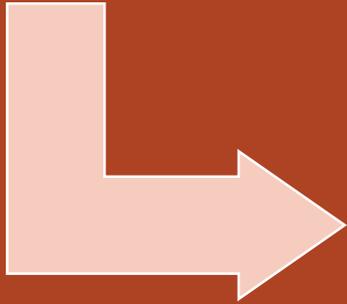
*Tim Grayson*  
Tim Grayson  
Assemblymember District 14



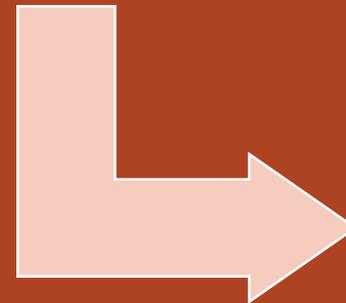
Received \$550,000  
Tax Credits

---

**Market  
Study**



**Action 6.C.7: Target  
Marketing**



CREATIVE  
**INNOVATION.**

Contact us about your opportunities in Benicia [www.beniciabusiness.com](http://www.beniciabusiness.com)

**Soiano**  
Means Business

SUISUN CITY VACAVILLE DIXON VALLEJO FAIRFIELD RIO VISTA **BENICIA**

ROOM TO GROW  
**WITH A VIEW.**

Contact us about your opportunities in Benicia [www.beniciabusiness.com](http://www.beniciabusiness.com)

**Soiano**  
Means Business

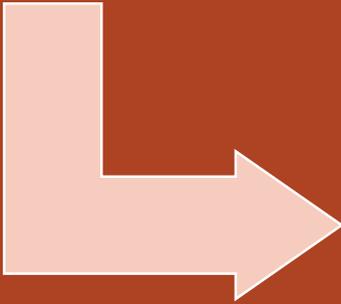
Where can  
**BENICIA**  
take you?

Contact us about your opportunities in Benicia [www.beniciabusiness.com](http://www.beniciabusiness.com)

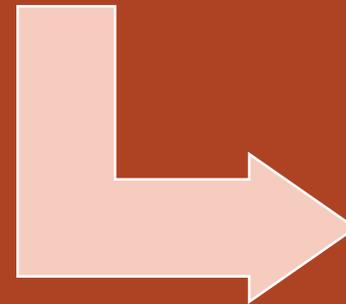
**So**  
Means

CITY VACAVILLE DIXON VALLEJO FAIRFIELD RIO VIST

**Market  
Study**



**Action 6.D: Explore  
Infrastructure Financing  
Districts**



# Tax Increment Financing



Year 1: Value = \$100

# Tax Increment Financing



Year 1: Value = \$100



Year 2: Value = \$103

# Tax Increment Financing



Year 1: Value = \$100



Year 2: Value = \$103

# Tax Increment Financing

\$3

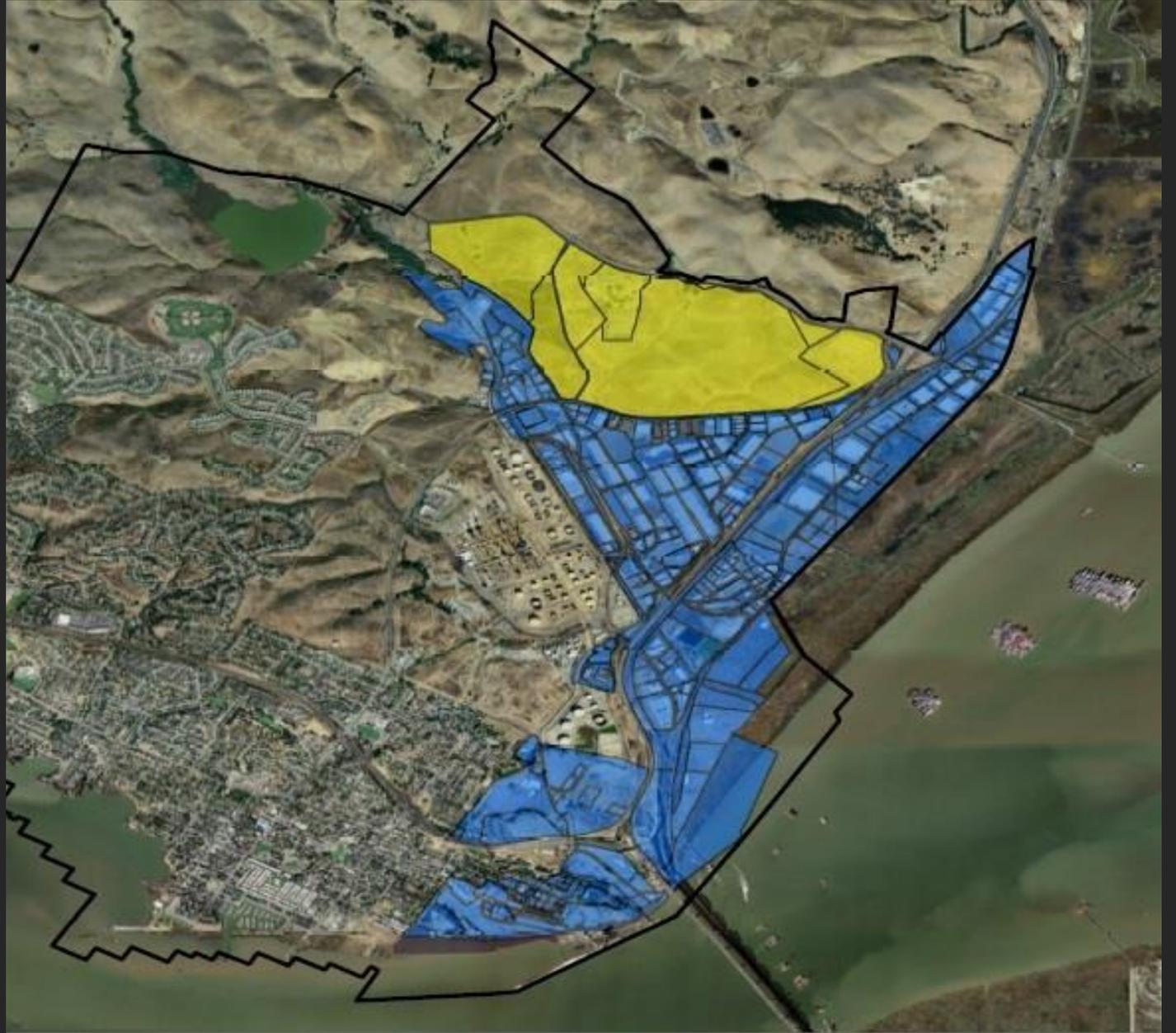
= \$.93

Benicia TIF District



# Enhanced Infrastructure Financing District (EIFD)

---



## Exhibit II-1: Otay Mesa EFD Boundary (1)



(1) The Otay Mesa EFD boundary is coterminous with the Otay Mesa CPA boundary.

**Table II-1: Existing Development vs. Incremental Development (1)**

	<i>Existing Development (2016) (2)</i>	<i>Total at Build-out (3)</i>	<i>Incremental Development</i>
<b>I. Residential (Units)</b>			
A. Single-Family	2,878	4,273	1,395
B. Multi-Family	<u>2,272</u>	<u>14,501</u>	<u>12,229</u>
C. Total	5,150	18,774	13,624
<b>II. Industrial (Acres)</b>	2,302	2,812 (4)	510
<b>III. Commercial – Retail (Acres)</b>	124	177	53
<b>IV. Commercial – Office (Acres)</b>	88	125	37

# Benicia is Well Positioned For:

## Benicia Industrial Park Market Study

Assessing BIP's  
Competitiveness  
January 2015



## Local Manufacturing

- Existing key businesses needing room for expansion;

## Warehousing & Distribution

- However, newer configured buildings are required to be competitive for this market;

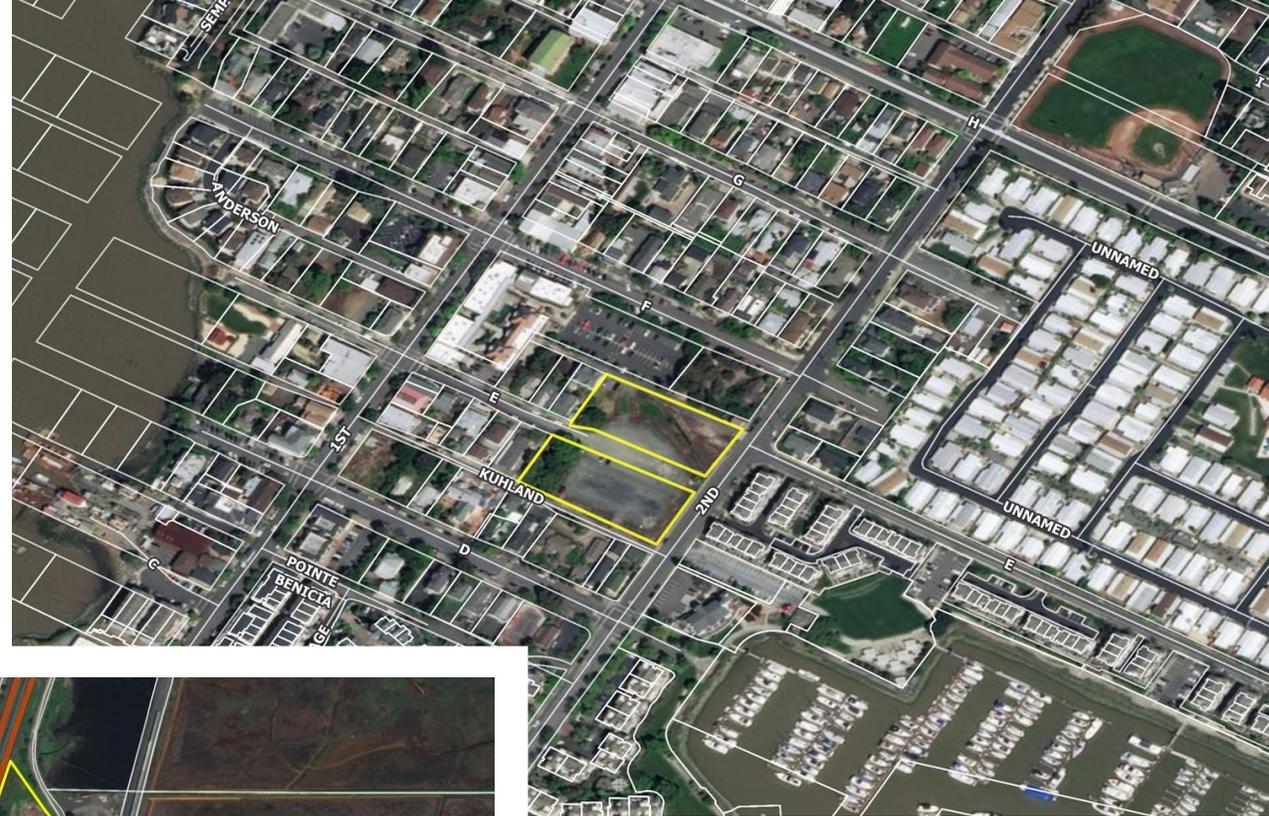
## Value-Added Manufacturing

- Traditional and high value manufacturing generate sales, utilities and property tax to the City;
- Shortage of true industrial parks serving light and heavy industrial clients in the market;
- Opportunity take advantage of tight markets for manufacturing industries in the Bay Area.

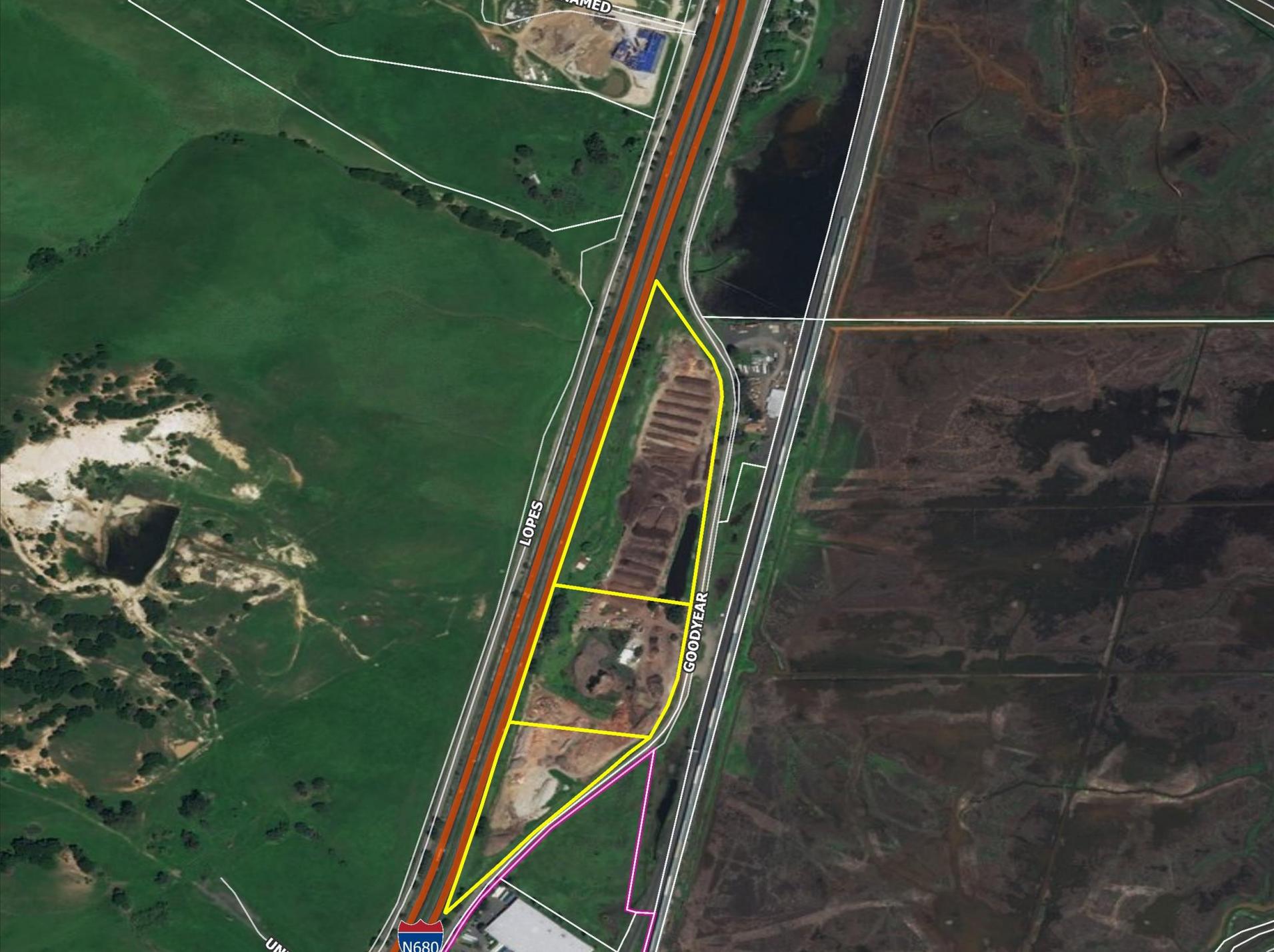


# Areas for New Development









LOPES

GOODYEAR

N680

AMED

UN





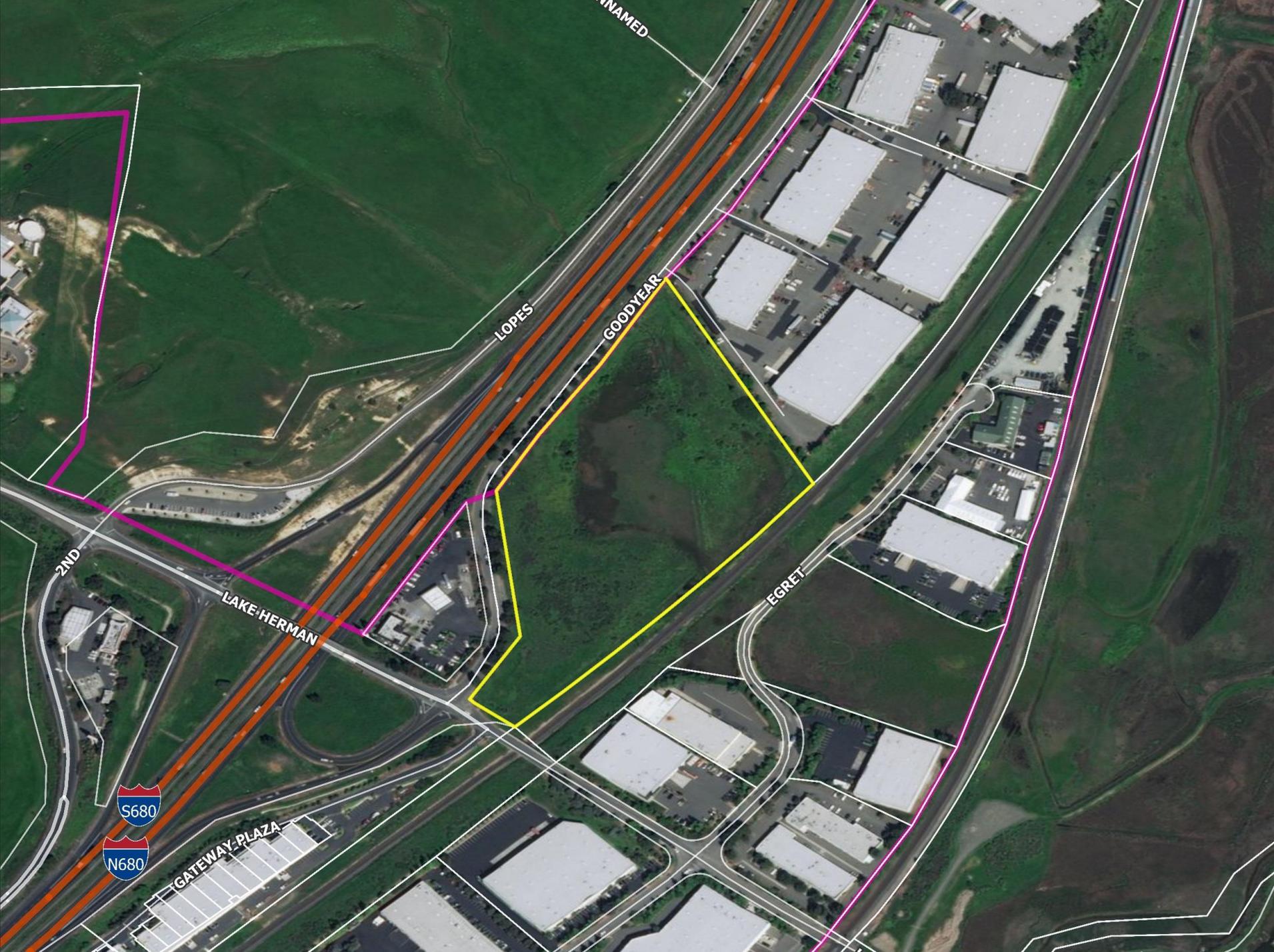
UNNAMED

LOPES

GOODYEAR

SECRET





UNAMED

LOPES

GOODYEAR

EGRET

LAKE HERMAN

2ND

S680

N680

GATEWAY PLAZA

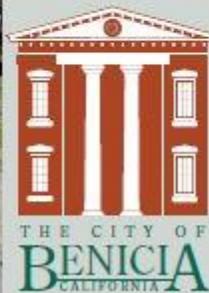


## Downtown Parking Study Workshop

Tuesday, August 20<sup>th</sup>, 9 - 11 a.m.

Benicia Veterans' Memorial Hall

1150 First Street



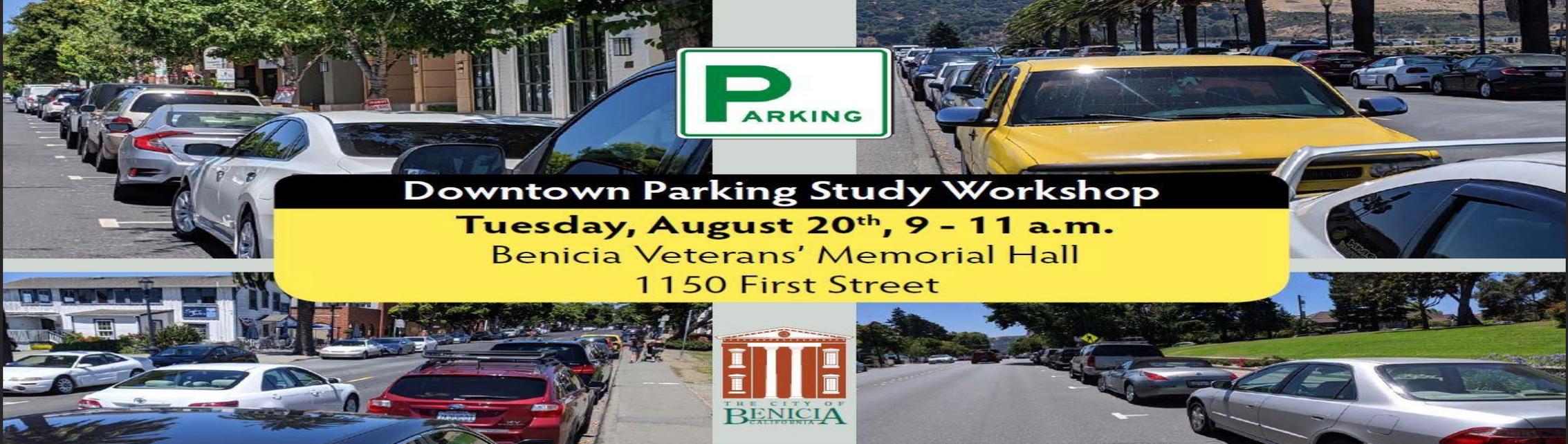


CULTIVATE  
**GROWTH.**

Contact us about your opportunities in Benicia [www.beniciabusiness.com](http://www.beniciabusiness.com)

**Soiano**  
*Means Business*

Steep Hill	Heather's Bookkeeping & Tax Services	General Cannabis Corp	Agrinos Global Headquarters	Demetrix	Lighthouse Worldwide Solutions	Cannabis Advising Partners	Goldleaf Scientific LLC
Sage Analytics	Avocanna	AIRAYA Farms	Airganics	Kiva Confections	Oaksterdam University	Trellis	Coda Signature
CW Analytical	Dark Heart Nursery	Jetty Extracts	Medicinal Organic Nursery	RISE Logistics	420Property.com	Competent Cannabis	NanoLux Technologies
TrailBlazer SEO	Cover Cannabis	Nine Point Strategies	4twenty Group, LLC	Envirotech Cultivation Solutions	TrolMaster Agro Instruments Ltd	CohnReznick	Owen Dunn Insurance Services
Seven Leaves	We Grow CA	Vibe Bioscience	Natura Life Science	Silver Star Protection Group - California	Clone Connect	Afficionado Seeds	Flow Kana
Meadow	Bloom Farms	GL Planning & Desgn	NorCal Cannabis Company	Whoopi & Maya	Wellness Insight Technologies Inc.	A&D Weighing	Elemental Seeds
Second Sun Grow	Plus Products	Applied Extracts	Nice Guys Delivery	Gehl Search Partners	Convergence Laboratories	Delta Separations	General Hydroponics-USA
Sonoma Lab Works	Summit Research	The Original Resinator	Dama Financial	AEssense Corporation	Hero Packaging	Emerald Trimmers	Kind Farms



E-mail to 1,400  
Bay Area Brokers  
**August 2019**

Postcards to an  
additional 110  
California  
Cannabis  
Businesses  
**September 2019**

Registered:  
New West  
Summit  
San Francisco,  
**Oct. 10-11, 2019**

Registered:  
International  
Cannabis Business  
Conference  
San Francisco  
**Feb 6-7, 2020**



# Tired of high excise taxes for operating your cannabis business?

The City of Benicia welcomes cannabis manufacturing, testing, distribution and cultivation with:

- The region's lowest excise tax
- Point person to steward your project
- A streamlined permit process
- No limit on number of licenses
- Buildings ready for Cannabis manufacturing from 2400 sq ft. to 100,000 sq ft.

Lowest Cannabis Excise Tax Rates in the Region		
Business Type	Excise Tax Rate	Unit
Distribution	1%	Gross Receipts
Testing	1%	Gross Receipts
Manufacturing	2% Year 1 2.5% Year 2 3.5% Year 3	Gross Receipts
Commercial Cultivation	\$5 Year 1 \$6 Year 2 \$7 year 3*	Per Square Foot

**We are ready for you, call today!**

## 4 STEPS TO START YOUR OPERATION

**STEP 1 CALL**  
  
**Mario Giuliani**  
*Economic Development Manager*  
 707.746.4289

**STEP 2**  
  
**PRE-APPLICATION MEETING**  
 At this stage all City staff will meet with you to review application:  
 • Pre-Meeting Request  
 • Cannabis Pre-Application Supplemental  
 • Forms: [www.ci.benicia.ca.us/cannabis](http://www.ci.benicia.ca.us/cannabis)

**STEP 3**  
  
**SUBMIT APPLICATION FOR CANNABIS PUBLIC SAFETY LICENSE**  
 State License  
 Application City of Benicia Cannabis Program  
[www.ci.benicia.ca.us/cannabis](http://www.ci.benicia.ca.us/cannabis)

**STEP 4**  
  
**SUBMIT APPLICATION FOR CANNABIS USE PERMIT**



# Cleantech Forum **San Francisco**

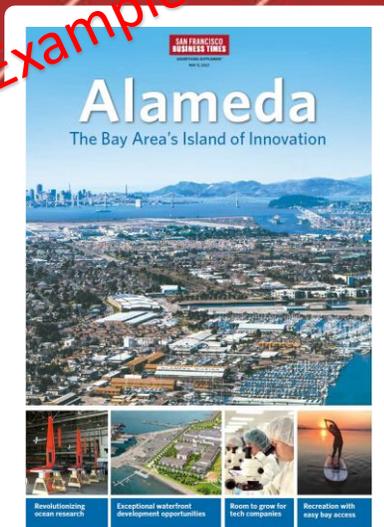
January 28-30, 2019

**Benicia Cleantech Expo**

**Fall 2020**

# SAN FRANCISCO BUSINESS TIMES

Example



January 24, 2020



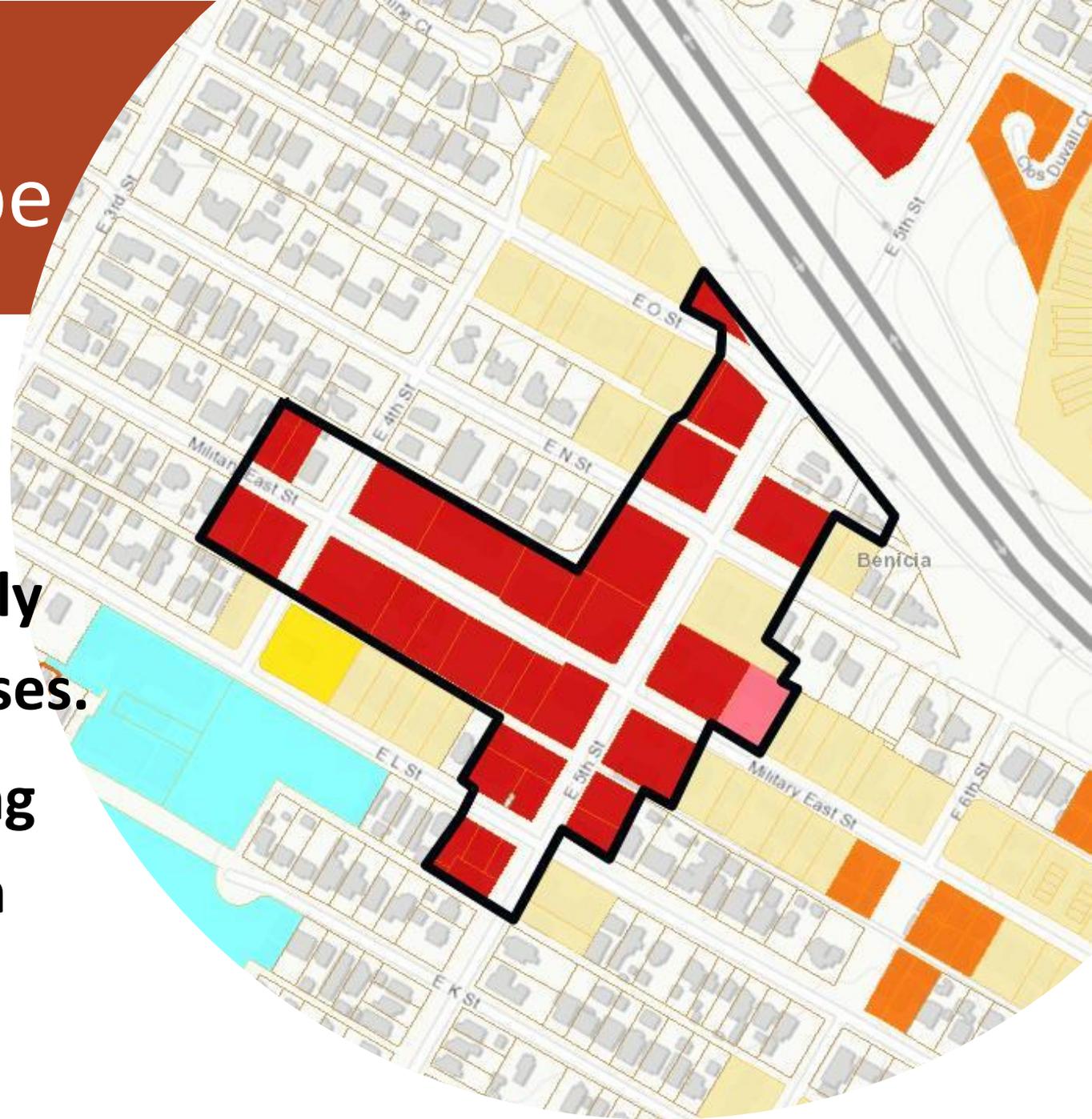
Placemaking

# Conceptual Project Scope

**Zoning amendment for Military East/East 5<sup>th</sup> vicinity**

**By-right permitting for multi-family above ground floor commercial uses.**

**Intent:** Accommodate new housing units within established area with access to services



# ECONOMIC PROSPERITY 5

THE ECONOMIC IMPACT OF NONPROFIT ARTS & CULTURAL ORGANIZATIONS & THEIR AUDIENCES

AMERICANS  
for the  
**ARTS**





Remodel Downtown Entry  
Sign Welcome Mural

---

# Exploring Ways to Enhance Entry Sign

---



## Assistance

[How We Help](#)

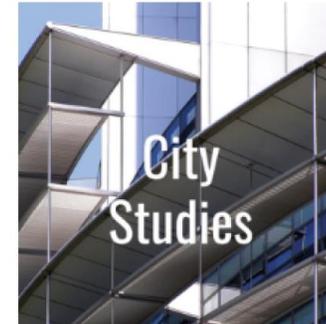
[Key Contacts](#)

[Benicia Profile](#)

[Business Toolbox](#)

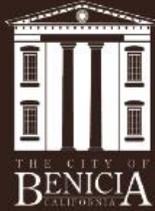
## Business Resource Toolbox

We are pleased to provide you with the resources below to further enhance the success of your business.



## Benicia: The Intersection Of Innovation And Artistry.

What if you could immerse your business in a culture of creative innovation, where surrounding companies share your same forward thinking vision combined with a



CITY OF BENICIA  
OFFICE OF ECONOMIC DEVELOPMENT

FY 2018-2019

# ANNUAL REPORT



## CROSSOVER TO EXCELLENCE

CITY OF BENICIA

# Future Economic Development Investment

---

Fiscal Years 19/20–20/21

1. Additional Staffing For Community Development Department:  
**\$420,000** (1.75 years)
2. Cannabis Fee Rebate Program:  
**\$180,000** (2 years)
3. Business Resource Incentive Program:  
**\$100,000** (2 years)
4. Clean Tech Expo Fall 2020:  
**\$20,000** (1 year)
5. Commercial Grants:  
**\$20,000** (2 years)

Total Additional Investment: **\$740,000**



City Council  
discussion

# Next E.D. Workshop

---

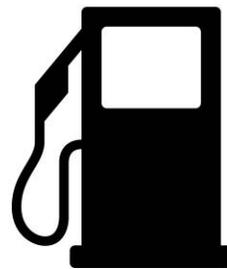
Ideas for Panel Discussion



# *Buying Local Makes a Difference!*

*Shopping, Fuel Sales and Dining Generated*

**\$2,501,012 Sales Tax in 2017**



*Helps fund our community's:*

**Police • Fire • Pool • Parks • Ballfields  
Tourism • Recreation Programs • Streets**

**Think Benicia First – Keep Your \$\$\$ Local**