

Appendix A

GO-Biz Response to JEDE Information Requests

Below are a series of questions and data requests. The Chair is requesting the information be provided to the Committee on or before the close of business on Friday, February 19, 2016.

General Overview

JEDE Question/Request: Looking back over the past several years, what have been the primary roles The Governor's Office of Business and Economic Development (Go-Biz) has played within the state's economic development network?

General Background:

The Governor's Office of Business and Economic Development (GO-Biz) was created by Governor Brown to serve as California's single point of contact for economic development and job creation efforts. GO-Biz offers a range of services to business owners including: attraction, retention and expansion services, site selection and incentive identification, permit assistance and clearing of regulatory hurdles, small business assistance, international trade development and foreign direct investment, assistance with state government, and more.

In October of 2011, Governor Brown signed AB 29 (Perez, Chapter 475, Statutes of 2011), codifying the office in statute and renaming it to the Governor's Office of Business and Economic Development. This bill became effective January 1, 2012. Budget authority for the initial GO-Biz positions came in the 2012-2013 Fiscal Year Budget, which took effect July 1, 2012. The first round of Deputy Director and leadership appointments took place in September 2012, with another round following in January 2013.

The Governor's Reorganization Plan 2, implemented in August 2012, moved the State Infrastructure and Economic Development Bank, Film Commission, and Tourism Commission, under the purview of the Governor's Office of Business and Economic Development. GO-Biz, in addition to the programs and services it offers, also serves as the administrative control agency for these organizations.

Also in 2012, Governor Brown signed AB 2012 (Perez, Chapter 294, Statutes of 2012), which created the International Trade and Investment Program within GO-Biz. The bill made GO-Biz the lead state agency for international trade and investment activities. This includes creating international trade and investment offices outside of the United States, and accepting private donations for those purposes. In October 2012, GO-Biz signed a partnership agreement with the Bay Area Council, a San Francisco-headquartered nonprofit business organization, to operate a California Trade and Investment office in Shanghai and organize trade and investment missions to China. Governor Brown announced during his State of the State address in January 2013 that he would head the first such mission to open the office in April 2013.

In 2013, Governor Brown also initiated the Governor's Economic Development Initiative, which ended the old Enterprise Zone program and replaced it with three new economic development tools; a partial sales and use tax exemption for manufacturing and research and development equipment purchases, a targeted new employment credit, and the California Competes Tax Credit. The California Competes Tax Credit became a program within GO-Biz (SB 90, Galgiani, Chapter 70, Statutes of 2013, and AB 93, Committee on Budget, Chapter 69, Statutes of 2013). Governor Brown also signed legislation that created the "Made in California" labeling program, and placed that program within GO-Biz (SB 12,

Corbett, Chapter 541, Statutes of 2013) as well as codified the Innovation Hub Program (AB 250, Chapter 530, Statutes of 2013). GO-Biz also opened the State's first International Trade Office in Shanghai, China in April 2013.

In 2014, Governor Brown worked signed legislation to adopt a new Film and Television Tax Credit Program (AB 1839, Gatto, Chapter 413, Statutes of 2014). He also signed legislation that increased the amount of funding available for Visit California's tourism marketing efforts on behalf of the state (SB 1119, Leno, Chapter 320, Statutes of 2014). Additionally, through a partnership with OPR and CEC, the legislature approved budget action that created the state Zero Emission Vehicle Infrastructure Project manager position within GO-Biz to focus on ZEV fueling station development across the state. GO-Biz also piloted, for the first time, the Capital Infusion Grant Program, a competitive grant program for small business development centers funded by a one-time \$2 million appropriation for fiscal year 2014-2015. GO-Biz also launched the Lean 6 Sigma Training Program for state departments, with 14 projects from 12 departments.

In 2015, GO-Biz launched the California Business Portal, a one stop tool for businesses needing tools or resources (www.businessportal.ca.gov). IBank launched its California Lending for Environmental and Economic Needs (CLEEN) program, to focus on providing lending services to municipalities, universities, schools, and hospitals for environmental and energy efficiency projects. Growing on the success of the first round, GO-Biz also continued the Capital Infusion Grant Program for fiscal year 2015-2016 with a second \$2 million general fund appropriation. Also for its second year, GO-Biz operated the Lean 6 Sigma Training Program, with 24 projects from 16 departments across state government.

Understanding the Layers of Economic Development Partners:

Economic development in California involves multiple partners. Economic Development is truly a locally driven activity, which is why nearly every city and county has designated economic development staff. Recognizing the importance and value of regional economies and regional collaboration, nearly every local jurisdiction in the state is a member of a regional economic development organization. These organizations provide economic development services, particularly business attraction, expansion, and retention. Local Chambers of Commerce, Workforce Investment Boards, and the Small Business Development Centers (SBDC's) also provide services at the local and regional level. At the State level, the California Association of Local Economic Development serves as the practitioner association for economic developers, and Team California serves as a statewide marketing arm for California communities and regions providing access to key national and international trade shows and events.

Primary Roles of GO-Biz:

GO-Biz's role is to serve as the state point of contact for economic development activity. We serve as a convener for all of these organizations, as well as the go-to entity for challenges or opportunities that any of the aforementioned entities may have. We coordinate activity at the state level between both local and state activities. We promote and educate our partners and businesses on the many services and opportunities that exist in California. We serve as a point of access for businesses and other economic development organizations to learn about state programs and resolve permitting and regulatory issues. We work to leverage local, state, and federal resources to have a maximum impact on economic development.

GO-Biz has played a role in the attraction of several large scale business expansion projects to the state. We've also focused resources specifically on protecting several of California's key industries, including film, aerospace, manufacturing, travel and tourism, agriculture and food processing,

information technology, and many more. We've also looked closely at where there are gaps in economic development programs or services and have worked hard to address them. Specifically, this administration repealed the old enterprise program and replaced it with three new incentives (a targeted hiring credit, manufacturing partial sales and use tax exemption, and the California Competes Tax Credit). We've worked with the Legislature to provide additional funding for the SBDC's to provide capital readiness and training as we have learned about the challenges to access to capital that small businesses have. We've opened the first California trade office since the demise of the California Trade and Commerce Agency in 2003 and expanded our relationships with international trade partners to both improve California exports and increase foreign direct investment into California. We've worked with countless local, state, and federal entities to remove barriers businesses have encountered, relaunched [CalGOLD](#), the online permit assistance center, and launched the brand new [California Business Portal](#) to provide businesses easy access to the information, tools, and resources they need.

JEDE Question/Request: What was the largest number of people that were employed directly by GO-Biz in 2014 and 2015? Please list the number of individuals in each GO-Biz organizational unit.

The largest number of people that were employed by GO-Biz was in December 2015, with a total employee count of 99. This count is broken down below by budget unit.

Unit Number	Employee Count
GO-Biz	45
Film Commission	17
Tourism Commission	5
IBank	32
Total	99

JEDE Question/Request: In 2014 or 2015, were people working at GO-Biz through an interagency transfer agreement? If so, please identify their position at GO-Biz, including classification and the government entity from which they were formally aligned.

In Fiscal Year 2014-2015, we had one employee working at GO-Biz via an interagency agreement. The employee is from the Governor's Office. This employee works on our Zero Emission Infrastructure Project Management Team.

JEDE Question/Request: Attached is a list of selected legislation signed by the Governor relating to GO-Biz. Please indicate on the list whether the bill has been (1) fully implemented; (2) partially implemented; (3) not implemented. Include other information, as appropriate.

See attached document "Legislation Impacting GO-Biz 2011 to 2015 Responses."

JEDE Question/Request: Under each of these organizational units, please list the program and services available.

○ **California Business Investment Services unit**

This unit provides comprehensive site selection and incentive identification assistance to businesses looking to locate or expand in California. It also coordinates statewide business attraction, expansion, and retention efforts. This unit works directly with regional economic development organizations,

cities, counties, trade groups, site selectors and consultants, and businesses on a daily basis. The CalBIS team also leads statewide site selection processes.

The CalBIS team has a responsibility in the CPUC approval process for investor owned utilities who offer an economic development rate. The Investor Owned Utilities (IOUs) Pacific Gas & Electric (PG&E) and Southern California Edison (SCE) offer an economic development rate (EDR) authorized by California Public Utilities Commission (CPUC) 2013 Decision 13-10-019 and 2015 CPUC Decision 15-04-006 respectively. Both IOUs can provide either a 12% discount over five years to a qualified company in their service territory or a 30% discount for five years for a qualified company in their service territory that is in an economically distressed area. An applicant must certify that they are considering an out of state location or that the project will not happen in the State but for the EDR.

The utility will preapprove an applicant, and then refer the applicant to CalBIS for an independent business case that is required by the two CPUC decisions. Upon completion of the business case, a decision is made by GO-Biz to support or not support the applicant and an appropriate letter is sent to the utility company. The utility then makes a final decision and if approved sends a contract to the company.

CalBis also plays a role with the critical proposal process that is part of the Employment Training Program (ETP) as described in California Code of Regulations, Title 22, Section 4402.2. CalBIS can request a designation from the Executive Director of ETP for any company. A critical proposal provides the benefit of preferred consideration, expedited processing and/or a higher maximum cap for funding. A recommendation can be made by the Deputy Director of CalBIS, but the designation is at the discretion of the ETP Executive Director. The Panel has final approval of a critical proposal.

○ **Permit Assistance Unit**

The permit assistance unit provides one-on-one direct permitting assistance to business owners. This assistance includes helping businesses understand permitting and licensing processes, navigating the actual process, and helping resolve conflicts between the permitting or regulatory entity and the business applicant. This team also administers [CalGOLD](#), the state's electronic on-line permit assistance center.

This unit also works collaboratively with departments across state government to modernize existing business processes that impact economic development. This includes operating the Lean-6Sigma program, which is currently in its third year of operation. As a result of this program, 38 successful projects have been completed across several departments and agencies that have improved the effectiveness and efficiencies of processes that impact customers. For more information please see [here](#).

Finally, this unit is also responsible for serving as a liaison to the Department of Finance for purposes of reviewing major regulations as defined by statute. Existing regulations require DOF to provide notice to GO-Biz of submitted Standard Regulatory Impact Assessments. GO-Biz reviews these assessments, takes feedback from the related impact community, and provides informal feedback to DOF on the contents of the SRIA's as prepared by the department or agency. GO-Biz has reviewed 17 Major Regulation Packages since implementation of the program in 2014.

○ **Innovation and Entrepreneurship Unit**

The Innovation and Entrepreneurship unit is the state's primary point of contact for promoting

California's innovation infrastructure. It functions to develop an environment that encourages entrepreneurship, promotes long term economic growth and facilitates job creation through innovation. This unit is primarily responsible for the administration of California's Innovation Hub (iHub) Program.

- **California Infrastructure and Economic Development Bank**

The California Infrastructure and Economic Development Bank (IBank) was created in 1994 to finance public infrastructure and private development that promote a healthy climate for jobs, contribute to a strong economy and improve the quality of life in California communities. IBank has broad authority to issue tax-exempt and taxable revenue bonds, provide financing to public agencies, provide credit enhancements, acquire or lease facilities, and leverage State and Federal funds. IBank's current programs include the Infrastructure State Revolving Fund (ISRF) Loan Program, Statewide Energy Efficiency Program (SWEET), 501(c)(3) Revenue Bond Program, Industrial Development Revenue Bond Program, Exempt Facility Revenue Bond Program, Governmental Bond Program and the Small Business Loan Guarantee Program. Please see the attached factsheets for more information.

- **Office of the Small Business Advocate**

The Office of the Small Business Advocate (OSBA) provides information and assistance to small businesses so they can succeed in the California marketplace. OSBA hosts workshops and webinars on varying topics. In partnership with GO-Biz's Permit Assistance Unit, OSBA also convenes a State interagency working group to represent small business interests in the state's regulatory policies. OSBA administers two programs – The Made in California labeling program, and the Small Business Development Center Capital Infusion Grant Program.

OSBA oversees the Capital Infusion Program. The program enables the California Small Business Development Center (SBDC) Networks to expand their one-to-one, no-cost, confidential consulting to small business owners to help them attain loans, investor capital, understand and resolve their credit readiness issues and develop funding strategies for business expansion or startup.

Funding for this program was first authorized as part of the fiscal year 2014-2015 state budget and again as part of the 2015-2016 budget. The Capital Infusion Program provides \$2 million in competitive grant funding to the SBDC Network, the largest technical assistance program for small businesses in California. The California SBDC Network is comprised of six regional networks, each having one administrative hub or "Lead Center" and a network of small business development centers. Funds are matched 1:1 by the U.S. SBA. In fiscal year 2014-15, 34 small business development centers across California received grant funds. In fiscal year 2015-16, 41 centers will receive grant funds. OSBA administers the program and oversees all aspects including program management, compliance, and performance progress and outcomes.

Annual metric reports were submitted by the six California SBDC regional networks to OSBA in December 2015. In the first year of the program, the Capital Infusion Program resulted in \$202,645,464 in documented capital infusion, exceeding the capital infusion goal for the program by more than 50%. The program served 9,702 small business owners across the state.

Region	Funding Received	Capital Infusion	Clients Served
Northern CA SBDC	\$382,124	\$30,128,694	2,312
Northeastern CA SBDC	\$192,708	\$17,731,645	569
UC Merced SBDC (Central CA)	\$208,795	\$12,536,699	1,141
Los Angeles SBDC	\$540,000	\$33,933,198	3,147

Orange County/Inland Empire SBDC	\$393,665	\$101,257,667	1,003
San Diego/Imperial Valley SBDC	\$198,000	\$4,304,862	1,051
Pasadena City College SBDC	\$54,708	\$2,477,700	344
University of La Verne SBDC	\$30,000	\$275,000	135
Total	\$2,000,000	\$202,645,465	9,702

○ **Small Business Finance Center (Within the IBank)**

The Small Business Finance Center Currently houses the Small Business Loan Guarantee Program (SBLGP). The SBLGP provides repayment guarantees to lenders of loans to small businesses having difficulty securing financing on their own. The guarantees are issued by non-profit Financial Development Corporations. The Financial Development Corporations partner with community banks to help small business owner's finance their plans including expanding operations, purchasing new equipment and infusing businesses with working capital. Guarantees may also be issued on loans for start-up costs. Please see the attached factsheet for more information.

○ **International Affairs and Trade Development Unit**

The main purpose of the International Affairs and Trade Development unit is to provide assistance to small and medium sized California companies looking to export or increase their export presence internationally as well as to facilitate foreign direct investment into California. The Office also oversees the operation of the California China Trade Office in Shanghai.

○ **California Competes Tax Credit**

The California Competes Tax Credit Program is a competitive tax credit that awards companies for job creation and new investments made in the state. This includes conducting outreach workshops statewide to potential applicants, assisting applicants through the application process, analyzing applicant's information, and making recommendations to the California Competes Tax Credit Committee on potential awardees. The team also connects clients who request it to the Cal-BIS team should they have an additional need for GO-Biz services.

○ **Office of External Affairs**

GO-Biz does not have an Office of External Affairs. GO-Biz does have a Deputy Director for External Affairs. This position has been vacant since July 2015. The Governor's Office is currently in the process of selecting a new appointee for this position. The purpose of this position is to provide statewide coordination and collaboration with key economic development stakeholders as well as internal collaboration on external events with a focus on maximizing our opportunities statewide.

Data on Business Assistance

JEDE Question/Request: How do you track your business assistance activities?

When GO-Biz was first created, several of our programs developed databases to track the respective business assistance activities they provide. CalBIS has and currently uses a legacy customer relationship management (CRM) system. Until July 2015, all of these tracking systems operated independently.

In 2015, GO-Biz launched the California Business Portal (www.businessportal.ca.gov). The California

Business Portal (CBP) is a one-stop-shop, assisting *business* owners through the different stages of *business* development. The CBP was initially developed from October 2014 – June 2015 by the CA Department of Technology's Information Technology Leadership Academy (ITLA) with the Governor's Office of Business and Economic Development (GO-Biz) as the Executive Sponsor. CBP partners include the Franchise Tax Board, Secretary of State, Board of Equalization and Employment Development Department. The portal has several key features, including:

- 1. Businessportal.ca.gov** - Provides businesses information about incentives, financing, taxes, regulatory requirements, permits, certifications, licenses, and workforce.
- 2. Business Service Desk** - Provides answers to frequently asked questions (FAQs) related to business activity in California. Questions and answers are searchable through keywords. The service desk aggregates questions and answers across state agencies. Users can submit questions to be answered by CBP Subject Matter Experts.
- 3. Business Mapping Tool** – Provides 65 different mapping layers related to business assistance organizations, permit authorities, and workforce information. Users can find specific location-based information for their business requirements.
- 4. Business Navigator** – Application that guides businesses through a series of questions to provide customized regulation, permit, and business incentive information.

Currently GO-Biz small business and permitting related business assistance requests have been centralized into the Business Service Desk. GO-Biz is currently in the process of integrating a new CRM system into the business portal that will replace the legacy system CalBIS is currently using. This transition will allow for improved data collection on active projects and streamlined reporting.

JEDE Question/Request: How many California businesses were assisted by GO-Biz in 2014 and in 2015? Do you have data on the general geographic location of these businesses? Do you know the general size of the businesses and industry sectors assisted? If so, please provide.

These numbers were derived by adding together unit specific data on business assistance for the following programs: Permit Assistance, International (including EB 5 letters), CalBis projects (not all direct contacts), Small Business Assistance provided, and clients served through the Capital Infusion Grant Program. Data from California Competes applicants and awardees are not included in these numbers, although they may have received services from another unit. This data also does not include businesses assisted through the Small Business Loan Guarantee Program or permit assistance provided to production companies by the California Film Commission. Additionally, these numbers are rounded down to account for any double counting by businesses that may have received services from multiple units.

2012: 5,300+ businesses
2013: 6,500+ businesses
2014: 10,250+* businesses
2015: 12,650+** businesses

*This number is higher than previously reported. The higher number reflects additional businesses served through the Capital Infusion Grant Program for 2014. This data was not available at the time this number was previously reported.

**This number includes only program data from Q1-Q3 of 2015 for the Capital Infusion Grant Program. Q4 metrics are still being reported. As a result, this number is anticipated to increase.

JEDE Question/Request: How many businesses from outside California were assisted by GO-Biz in 2014? How many in 2015? Where were the headquarters of these businesses located? Do you know the general size of the businesses and industry sectors assisted? If so, please provide.

GO-Biz assisted hundreds of businesses from outside California each year. Many of them are small businesses who are interested in starting or expanding their existing business into California. CalBIS and the International Unit work closely with companies looking to establish a first time presence in California, be it from another state or an international location. Our current business assistance tracking does not allow for us to separate out of state businesses without significant staff resources.

JEDE Question/Request: Do you track site location referrals? If so, please explain the monitoring process, including data on outcomes. Do you know which areas of the state receive the most referrals? What are the most commonly requested site location requirements?

The California Business Investment Services (CalBIS) unit works with companies to expand and or retain their presence in California by streamlining the site selection process and offsetting the cost of doing business with the use of local, state, and federal incentives. One of CalBis' core services is providing companies and clients with a confidential site selection service. CalBIS has a vetted and effective internal site selection process that each project follows. See Attachment titled "Site Selection Process PowerPoint" for a step by step presentation on the site selection process.

Whenever a client comes to CalBIS with a project, the client is assigned to a senior business development specialist who guides the client through the site identification and selection process. Our team will gather information about the businesses location requirements and create a "project" with our CRM system. This information is used to create a Request for Information (RFI) that is then sent to the various local economic development corporations (EDC's), cities and counties as directed by the client. If a lead comes from a local community, CalBIS works exclusively with that local community unless the company expressly requests to evaluate another community.

The RFI provides detailed instructions to community recipients on how to respond to the opportunity. Communities interested in vying for a project opportunity submit to CalBIS all relevant information as may be available regarding a site that best matches the client's criteria. All responses are collected electronically. To the extent allowable, CalBIS generally provides communities two weeks to provide a response. However, the client may impose response deadlines with much shorter durations.

After reviewing RFI responses received from each community partner, CalBIS assembles a response package to the client. The response package generally identifies applicable State (and any provided local) economic incentives as well as relevant state (and local if provided) supported resource programs that may benefit the client or assist in making a site selection decision. Once the client has reviewed the state's response package, they provide direction with regard to next steps. They may select a finalist site, short list several sites for comparison, request additional information, delay the decision, or choose not to proceed.

The following is a list of the most frequently requested site requirements by projects. These are often the factors in which communities will be eliminated by the client or continue on in RFI process. These requirements include: land cost, utility cost and availability, available acreage, zoning, overall site readiness, rail service, water/sewer capacity and cost, and a ready and applicably trained workforce.

JEDE Question/Request: How many letters of business assistance has GO-Biz prepared in 2014? How many in 2015? Do you conduct follow-up with the businesses and individuals to which the letters were provided? Do you track outcomes from these letters? If so, please explain and provide related data.

CalBIS works with businesses on a daily basis as part of their general role in business attraction, expansion, and retention. Not all interactions result in projects. CalBIS starts a new project whenever a business is actively engaged with CalBIS and in need of specific services they offer. In 2014, CalBIS had approximately 285 projects. In 2015 CalBIS had approximately 243 active projects. All clients involved in active projects receive a customized letter that outlines incentives that may be available. Ongoing dialogue, support, and follow-up continue for the life of the project and beyond. We've provided a draft template of the letter we provide to each active projects.

JEDE Question/Request: For businesses that received assistance in 2015, can you give examples of the types of services most often provided?

The answer is dependent on the unit providing service. For CalBIS, the types of services most requested are site selection and incentive identification. For Permit Assistance, the most frequently requested needs focus on resolving complex permitting issues and general information on how to start a business. For Small Business, the needs focus around small business resources and access to capital. Outreach Activities and Technical Assistance

JEDE Question/Request: Please provide a list of outreach activities GO-Biz hosted in 2014 and 2015, including the purpose of the event, location, and number of individuals who attended. Among other events, the information should include, but not be limited to, SBLG events, California Competes Workshops, and the Grow California Summit.

GO-Biz regularly hosts economic development organizations and groups visiting Sacramento, including regional economic development organizations, cities, counties, associations, trade organizations, and delegations from around the world. From 2014-2015, GO-Biz hosted delegations from Brazil, China (several), Japan, Mexico, South Africa, Hong Kong, Poland, and United Arab Emirates. While the list is not exhaustive, we've tried to provide as much information as possible given the time frame on our outreach.

Please see the attached:

- CCTC Workshop Locations and Dates
- GO-Biz Hosted Outreach for 2014-2015 (Includes Cal Competes Info)

JEDE Question/Request: Please provide a list of outreach activities GO-Biz participated in that another group hosted in 2014 and 2015. Include the host organization, purpose of the event, and number of individuals in attendance (if known).

GO-Biz is asked to participate in events across the state on a variety of topics. We've participated in major statewide conferences, national trade shows that are being hosted by California, and regional and local events hosted by organizations of various sizes. In 2015 we attended the Select USA Summit with 9 economic development organizations representing California. We also helped host Bio 2015 in San Diego.

The total list is extensive and staff resources do not allow for pulling this information completely

without significantly impacting the services we are providing on a daily basis. As an alternative, we're offering highlights from some of the organizational units within GO-Biz. While the list is not exhaustive, we've tried to provide as much information as possible given the time frame on our outreach.

Please see the attached:

- GO-Biz Participated Outreach for 2014-2015

JEDE Question/Request: Can you explain how GO-Biz measures the success of its outreach activities? If GO-Biz tracked outcomes from outreach events, please explain the tracking system and provide information about the results of these activities.

As a new agency, we face a significant challenge in just getting information out to the business community that we exist and what services we offer. Despite our continued efforts, we still interact with businesses every day that are learning about us for the first time. Much of our outreach is focused on getting the word out on our programs and services and educating other service providers on what we do so they can share that information with the businesses they work with in their respective communities.

The purpose of each outreach event is different. In most cases, the purpose of our outreach is to familiarize members of the business community and local and regional partners with our programs and services. To that end, we measure success through many measures, including attendance, new leads, business assistance requests, and increases in web traffic and user interface with the website. While we look at several measures, we recognize that successfully educating someone on our programs and services may not be reflected in any single measure.

JEDE Question/Request: Please provide a list of technical assistance provided by GO-Biz to businesses in 2014 and 2015. Give examples of the types of assistance provided, including how this differs from any outreach activities described under a separate question.

We work closely with the Small Business Development Centers, SCORE, the WIB's, and other business assistance organizations to refer business needing assistance to someone in their local area who can assist them. Additionally, we provide extensive hands on technical assistance in our permitting and international unit on the following topics:

Permitting Unit:

-Identifying Permits for Business Owners: Permitting Unit staff assists business owners in identifying the permits and other regulatory requirements needed to start a new business or expand an existing one.

-Resolving Regulatory Compliance Issues for Businesses: Permitting Unit staff also schedule meetings between businesses and the appropriate regulatory agencies to help streamline permitting processes and/or resolve more complex issues that arise through the permitting process.

International Unit:

-Export and import resources, information and assistance: International Unit staff provide guidance to web based customs and immigration resources and offer information on exporting/ importing regulations

Policy Leadership including Legislation

- Please provide a list of conferences, summits, and town halls that GO-Biz attended in 2014 and 2015, which are not otherwise listed under outreach and technical assistance. Include the purpose of the event, location, and any other information you determine to be relevant. There is no need to identify every meeting in which GO-Biz staff participated. As the state's leading entity for economic development, the JEDE members are interested in your participation with the broader economic development community.

This list would be extensive and staff resources do not allow for pulling this information completely without significantly impacting the services we are providing on a daily basis. To provide a taste of the broad network of stakeholders we engage with, we've provided a list of events that GO-Biz, IBank, and the FDC's who partner with IBank to administer the SBLGP participated in for 2014 and 2015. This list is not at all meant to be exhaustive of GO-Biz activities.

Please see attached:

-GO-Biz Attended Only Outreach for 2014-2015

JEDE Question/Request: Please provide a list of legislation sponsored by or supported by GO-Biz from 2012 through 2015.

GO-Biz provides analysis and policy recommendations to the Governor or all pending legislation that impacts economic development policy and regularly works with stakeholders and members of the legislature on key economic development policy goals, legislation, and regulatory development and implementation.

GO-Biz has directly sponsored 2 bills:

- AB 2389 (Fox, Chapter 116, Statutes of 2014)
- SB 936 (Hertzberg, 2016)

Additionally GO-Biz, for both the 2013-2014 Fiscal Year and 2014-2015 Fiscal Year, sponsored budget action that provided \$2 million in performance based grant funding for the SBDC program (the Capital Infusion Program described above under Office of Small Business Advocate). This year, through IBank, GO-Biz is requesting \$20 million for funding of the CLEEN Center to support infrastructure projects that support energy efficiency or other environmental goals.

JEDE Question/Request: Please provide a list of state or federal policies, programs, regulations, strategies, plans, or other government documents on which GO-Biz formally submitted comments in 2013, 2014, and 2015.

GO-Biz, as a direct arm of the administration, does not formally submit comments on federal policies, programs, regulations, strategies, plans, or other governmental documents.

JEDE Question/Request: Please provide a list of public and nonprofit boards, commissions, or advisory bodies on which GO-Biz served in 2013, 2014, and 2015, including nonvoting members.

Please see the attached document titled "Board, Commission, and Advisory Bodies" for a list of statutorily mandated and participatory bodies.

JEDE Question/Request: Please provide a list of MOUs and similar agreements between California and a foreign state, regional, or national government, and specifically identify GO-Biz' role and responsibilities under the agreement. If you would like, include examples of specific activities GO-Biz has taken or facilitated related to these agreements.

Below are MOUs which are either specifically trade and investment MOUs or, have a trade and investment component to them. GO-Biz's role/responsibility in all these MOUs - whether specifically stated or implied (some MOUs do not specifically mention GO-Biz), is to serve as the point of contact and/or liaison office for trade and investment promotion activities under the MOU; and if the MOU establishes a bilateral working group to oversee implementation of the MOU's trade and investment promotion, to serve as the lead for the California side. These MOUs primarily call for closer cooperation in expanding trade and investment (e.g., trade missions), and in exchanging information for trade and investment opportunities.

- [National Ministry of Commerce](#) *April 10, 2013*
- [Province of Jiangsu](#) *April 14, 2013*
- [Province of Guangdong](#) *April 15, 2013*
- [Municipality of Chongqing](#) *April 16, 2013*
 - This MOU was signed by GO-Biz and also the City of Sacramento
- [Inner Mongolia Autonomous Region](#) *October 14, 2013*
- [Province of Guangdong - Sister State](#)
- [State of Israel](#) *March 5, 2014*
- [State of Israel - Addendum](#) *June 11, 2014*
 - Signed by GO-Biz; goal (subject to availability of funds) is to work with the Israeli Office of the Chief Scientist of the Ministry of the Economy to facilitate, support and encourage cooperation projects in the field of Industrial R&D that can be marketed and commercialized
- [Prefecture of Osaka](#) *June 24, 2013*
- [Japan](#) *September 5, 2014*
- [Mexico National Ministry of Economy](#) *July 30, 2014*
- [State of Peru](#) *February 26, 2014*
- [Government of Catalonia](#) *April 6, 2015*

JEDE Question/Request: What were the purpose and the outcomes from the January 2016 California and Mexico event in San Diego? What follow-up actions related to business and economic development were discussed?

The primary purpose was to highlight trade and investment opportunities between California and Mexico utilizing the MOU as a platform with a focus on the mega-region of San Diego, Imperial Valley and Baja. The session was divided into two parts – a symposium in the morning which provided panel discussions about incentives and programs available to businesses to export and/or invest in California, opportunities in renewable energy and local business experiences/success stories. The second part of the session was a business networking event. Follow ups included building a contact list and GO-Biz collaboration with the SD Chamber of Commerce's trade mission to Mexico City in April. We plan to hold similar events in other parts of the state with the next one scheduled for early/mid-April in Los Angeles.

JEDE Question/Request: Does the Governor plan to open a trade office in Mexico? If so, what would be the timeframe?

GO-Biz cannot speak on behalf of the Governor. By statute, GO-Biz is authorized to open trade offices through public-private partnerships as is the case with the China Trade Office. To date, no private sector organization has submitted a proposal to open a trade office in Mexico. If such a proposal is received we will consider the merits of opening an office.

JEDE Question/Request: If funding was available, would the Governor be supportive of trade offices in Europe and Asia?

Again, GO-Biz cannot speak on behalf of the Governor. GO-Biz would consider any private sector organization proposal to open an overseas trade office based on the merits of possible trade and investment opportunities for CA businesses in that particular country.

JEDE Question/Request: Please explain GO-Biz' activities related to the EB-5 investment visa program including activities with regional centers and foreign investors.

The state's/GO-Biz's role is very limited with regard to this federal program – specifically, GO-Biz designates and certifies targeted employment areas in the state that would qualify for EB-5 investment by potential foreign investors. In addition, we conduct an annual survey among regional centers requesting information about the types of projects they are involved with so as to provide information to businesses seeking EB-5 investment. Responses are voluntary and the results are published on our website. With regard to foreign investors we have participated in SelectUSA summits and related events which draw foreign investors from around the world. We also highlight the various state incentives for businesses coming to or expanding in California.

California Competes

JEDE Question/Request: How many tax credit awards have been awarded since inception? What is the total value of tax credits awarded for all taxpayers and for small business taxpayers? Any credits returned?

Please see the attachment in the appendix titled “CCTC Aggregate Statistics” that provides detailed information to these questions.

JEDE Question/Request: What is the average size of credit awards for small business taxpayers? What is the average size of credit awards for all businesses, excluding the small business taxpayers?

Please see the attachment in the appendix titled “CCTC Aggregate Statistics” that provides detailed information to these questions.

JEDE Question/Request: Based on the tax credit agreements, how many new jobs are anticipated to be created and how many jobs are anticipated to be retained?

The CCTC program measures job growth as the net increase of full-time employees determined on an annual full-time equivalent (AFTE) basis compared to an applicant's “base year” (the applicant's most

recently completed tax year). CCTC recipients have committed to a net increase of over 42,000 full-time jobs while also maintaining (retaining) the number of full-time employees in their “base year” calculated on an AFTE basis. To date, the CCTC program has not awarded a credit to a purely “retention-only” applicant. Almost all retention applicants also have at least some growth associated with their proposed projects.

JEDE Question/Request: How many and what is the dollar amount of credits made to taxpayers doing business in a high unemployment or high poverty areas since the program's inception? Provide a list of the names of the companies and the specific geographic locations including the tax credit amount, number of jobs, investment.

Please see the attachment in the appendix titled “CCTC Awardees in Locations with High Poverty and or High Unemployment.”

JEDE Question/Request: Please provide a description of how the tax credit agreements are being monitored?

Each CCTC recipient signs a tax credit agreement (a legally binding contract) which spells out milestones, and terms and conditions that must be adhered to in order to earn the credit and avoid a recapture of the credit. Each agreement spells out the requirements (milestones) for claiming a credit for each tax year of the agreement. These milestones are based on information provided by the recipient during the application process and include: net increase of full-time employees, minimum/average salaries for new full-time employees, and the capital investments in real and personal property made to support the jobs created. Recipients have the entire 5 tax years of the agreement to achieve their milestones. If a recipient misses an individual year’s milestones, it can earn the credit at any point until the last year of the agreement.

The Franchise Tax Board (FTB) has the statutory responsibility of reviewing the books of records of all non- small business credit recipients to determine if the recipient has complied with the requirements of the agreement. FTB, at its discretion, may review the books and records of small businesses. If during its books and records review FTB discovers a material breach of the agreement, FTB will notify GO-Biz of the nature of the breach. At that point, GO-Biz would contact the recipient to determine if it can cure the breach pursuant to the terms and conditions of the agreement. If the recipient is unable to cure the breach, GO-Biz would make a recommendation to the California Competes Tax Credit Committee which has the ultimate authority to determine whether or not a recapture of the credit is warranted. It is important to note that it is unlikely that a recipient will be found in material breach until the end of the 5 year agreement as it has the entire five years to achieve each and all of its annual milestones.

JEDE Question/Request: What industry sectors have applied most often for tax credits? Which industry sectors have received the most credits by dollar amount? Which industry sectors have submitted applications for the greatest capital investment? Which industry sectors have submitted applications for the highest number of jobs?

Please see the attachment in the appendix titled “CCTC Aggregate Statistics” that provides information by industry sector.

Innovation and Entrepreneurship

JEDE Question/Request: Please provide a list of iHubs. The list should include the name(s) of lead partners, a one to two sentence description of each iHub's purpose, and the geographic areas the iHub covers.

1. **Inland SoCal Link** —
Region: Western Riverside County and the County of San Bernardino
Lead: Rob Moran, Riverside County Economic Development Agency
The mission of the InLand SoCal Link iHub is to promote collaboration and industry development in the port tech, advanced manufacturing and logistics sectors.
2. **CNMI** (California Network of Manufacturing Innovation)
— Region: Statewide
Lead: James Watson, President & CEO CMTC
The mission of the CNMI iHub is to serve as a statewide collaborative organization to support and foster the manufacturing sector.
3. **iHub LA**
Region: City of Los Angeles/LA County
Lead: Fred Walti, President & CEO, LA Cleantech Incubator (LACI)
Mike Swords, VP of Partnerships, LA Cleantech Incubator (LACI)
The mission of iHub LA is to support early stage companies, targeted R&D, and collaboration among the region's key stakeholders, assisting to deliver on the regions goals of sustainability, livability and job creation.
4. **iGATE** —
Region: Livermore and the Tri Valley
Lead: Brandon Cardwell, Executive Director
Marilyn Eakin, Community Manager
The mission of the iGATE iHub is to power the Tri-Valley startup community through technology showcases, startup education, and shared lab and workspaces as well as bringing national lab technology into the market.
5. **iHub San Joaquin** —
Region: San Joaquin County
Lead: Elena Reyes, Sr. Deputy County Administrator, County Administrator's Office
The mission of iHub San Joaquin is to support health care, sustainable construction technology and agriculture technology.
6. **iHub Sacramento** —
Region: Sacramento, Butte, Nevada, El Dorado, Placer, Yuba, Sutter, Yolo, and Solano Counties
Lead: In Transition
The mission of the Sacramento iHub is to empower the region's natural competitive advantages in agro-sciences, medical services, clean energy, entrepreneurship and government technology to become globally competitive growth clusters.
7. **North Bay iHub** —
Region: Sonoma, Marin, Napa Counties
Lead: Ameer Sas, Executive Director SoCo Nexus
The mission of the North Bay iHub is to create high value jobs in the region by enabling and accelerating the success of technology start-ups within a dynamic, sustainable and synergistic environment.
8. **SF iHub** —

- Region: County & City of San Francisco
 Lead: Dennis Conaghan, Executive Director, San Francisco Center for Economic Development
 Kelsey Mead, Economic Development Coordinator, San Francisco Center for Economic Development
 The mission of the SF iHub is to serve as a conduit, problem-solver and facilitator for creating new businesses and new jobs sectors ranging from biotechnology to fashion. Their goal is to help companies of all sizes, particularly start-ups and small businesses, navigate through processes and challenges to achieve success.
9. **Innovate North State iHub —**
 Region: Butte, Sierra, Nevada, Tehama, Shasta and Plumas Counties
 Lead: *(Naming a new lead as former just resigned)*
 Operates a new business incubator, The Innovation Lab, which is focused on 5 sectors: Manufacturing, clean tech, medical technology, information technology, and agri-technology/food products.
10. **The Central Valley iHub (formerly the CalValleyTech iHub) —**
 Region: Merced, Madera, Fresno, Kings and Tulare Counties
 Lead: Karmjot Grewal, Program Manager, Office of Community & Economic Development Cal State University, Fresno
 Diane Howerton, Regional Director, UC Merced SBDC Regional Network
 The mission of the Central Valley iHub is to foster new knowledge and innovative technologies that address the needs of the Central San Joaquin Valley especially water and agriculture.
11. **San Jose/Silicon Valley iHub —**
 Region: San Jose & Greater Silicon Valley
 Lead: Chris Burton, Sr. Business Development Manager City of San Jose
 The mission of the San Jose/Silicon Valley iHub is to coordinate and catalyze activities that increase the job base, entrepreneurship, and research funding in the region.
12. **iDEA iHub --**
 Region: Kern, Ventura, Orange, Los Angeles, Santa Barbara, San Luis Obispo and San Diego Counties
 Lead: Bill Hogan, iDEA Hub Executive Director
 The mission of the iDEA Hub is to provide an ideal backdrop to incubate and grow Defense, Energy and Aerospace technology businesses.
13. **OCTANe —**
 Region: Orange County
 Lead: Paul Symczak, VP Entrepreneurship/Executive Director, LaunchPad SBDC
 The mission of the OCTANe iHub is to enable life science technology, information technology, sports technology, and clean technology companies in Orange County to get started and grow.
14. **Palm Spring iHub (Formerly the Coachella Valley iHub) —**
 Region: Cities of Palm Springs, Desert Hot Springs and Cathedral City
 Lead: Joe Wallace, Executive Director Coachella Valley Economic Partnership
 The mission of the Palm Springs iHub is to be an incubator that provides programs, services, and incentives to start-up businesses focused on clean technology and renewable energy.
15. **San Diego iHub —**
 Region: San Diego & Imperial Counties and Western Riverside County
 Lead: Greg McKee, President & CEO of CONNECT

The mission of iHub San Diego is to build upon the region's existing innovation infrastructure and strong culture of collaboration to create convergence among such clusters as cyber security, mobile health, biofuels, solar and energy storage as well as emerging sectors such as biomimicry.

- Please describe how the progress of iHub activities is monitored?

GO-Biz holds up to two in person meeting per year with each iHub. We also convene monthly conference calls with all iHubs to discuss progress, partnership, best practices and changes affecting the California innovation ecosystem. The iHubs are also required to annually self-report progress to GO-Biz. The 2015 report is currently being drafted.

Additional Information

JEDE Question/Request: Please provide any additional information the JEDE Committee may find useful including case studies, data of program outcomes, and reports by other government and nongovernment entities.

- Previously Included:
 - Cal Competes LAO Report: 2014
 - International Trade Office Annual Reports 2013, 2014 ,2015
 - International Trade Strategy Report: 2014
 - OSBA and MIC Annual Reports: 2013, 2014, 2015
 - IBANK Annual Activity Report: 2014, 2015
 - SBLGP Annual Report: 2013, 2014, 2015
 - Efforts and Activities of GO-Biz LAO Report: 2013
 - Little Hoover Commission Report, "Creating a Governor's Office of Business and Economic Development." 2010
 - IBank Program Fact Sheets

