

CalCompetes Leaves Lasting Impact on Businesses in CA

Everybody has a unique story for getting into this field. Why did you get involved in economic development?

My career has taken many interesting twists and turns. While earning my master's degree in public administration, I worked as an analyst for the US Environmental Protection Agency on a national program designed to improve environmental outcomes while reducing unnecessary costs and red tape for regulated industries. I carried this sentiment with me while serving as Deputy Chief of California's "bottle bill" recycling program. I then spent 9 years as a consultant working predominantly with non-profit organizations providing job training, education, and life skills for at-risk young adults. And in 2012, I was elected to my first term as a school board member in the Natomas suburb of Sacramento.

So, in early 2014 when I saw that the state was launching this new, innovative tax credit program designed to incentivize businesses to stay in (or come to) California and create high quality full-time jobs, I jumped at the chance. While I did not have an economic development background, per se, I saw this as an amazing opportunity to close the loop: I spend my days working with businesses to create new employment opportunities in California while dedicating my after-hours activities to ensuring that our students have the skills they need to become college and career ready global citizens.

In your economic development work experience, can you think of a specific economic development project of program that you worked on that stood out as making an impact? Can you tell me a little bit about it and when it started?

The California Competes Tax Credit (CalCompetes) launched in March 2014. I started with GO-Biz two days before this launch. In the last 5½ years I have seen over 1,000 businesses awarded tax credits in exchange for their commitments for new full-time job creation and capital investments in California. On a regular basis I receive calls from many of these businesses thanking GO-Biz for playing such a critical role in their California expansion.



A lot of projects/programs have ups and downs. Were there challenges you had to overcome to be successful and rewards working on this project/program?

In 2018, CalCompetes was renewed for an additional 5 years (through fiscal year 2022-23). As part of the renewal legislation, a new criterion was added that requires GO-Biz to evaluate the extent to which the tax credit will influence the applicant's ability and/or willingness to create new full-time jobs in California that might not otherwise be created by the applicant or another California business. It's challenging to get calls from businesses that were not awarded a credit

and to explain how we apply this required evaluation factor. We refer these businesses to other resources.

Can you share any impacts the project/program has had or will have on employment, expansion of local tax base & diversification of the area's economy?

One of the priorities of CalCompetes is to stimulate high-quality full-time job creation in areas of high unemployment and/or poverty. Businesses that commit to creating jobs in these areas automatically move into the second phase of the application process. We anticipate over the coming months providing even more guidance on these efforts as part of our “Regions Rise Together” initiative.

What advice would you give to other economic development professionals when working on a similar project/program?

CalCompetes is a model of both transparency and accountability. Awardees under our program sign a 5-year Agreement (contract) that clearly lays out how much credit businesses can claim *if* they achieve their annual job creation and investment milestones. The CalCompetes Awardee List is available on our website at www.business.ca.gov/CalCompetes.aspx - check it out. This list shows both the awards and credits that have been recaptured.

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