

From the Desk of the CEO



Dear CALED Members and Friends,

2021 is on course to be a memorable year for publicly funded economic development. Like many of you, we are spending considerable time tracking, trying to influence, and sharing opportunities and funding to support local economic development efforts. The number one question we've received over the last few months has been, "do you know any creative economic development uses of American Rescue Plan Act (ARPA) funds from other jurisdictions?"

There's a lot to unpack in the answer to that question. First, since economic development is not a one-size-fits all proposition, looking at uses for stimulus and other dollars should be tied directly to your strategic goals and any pivots you need to make as a result of impacts from COVID-19 or to address various inequities in your communities.

Second, what is creative to one community is not necessarily new to another. If you can clearly identify your competitive advantages and disadvantages as well as your economic development goals, it helps to narrow down what type of programs might be helpful to you.

Third, ARPA funds are not the only funding available to further your economic development goals. As we look for additional clarity on how to use these funds, other pots of funding will be available to assist you. Thanks to Governor Newsom and the California Legislature, the State of California's budget has over 400 newly funded programs, including:

- \$290 million for GO-Biz Cal Competes Tax Credits
- \$120 million for a new GO-Biz Cal Competes Grant Program
- \$250 million for assistance to public ports
- \$150 million in relief grants to entertainment venues, live events businesses, and minor league sports
- \$95 million to Visit California for tourism marketing activities
- \$70 million extension for hiring tax credits
- \$70 million for small business financing, of which \$50 million is allocated to assist underserved small businesses and \$20 million to the Small Business Loan Guarantee Program
- \$50 million for direct relief grants through the Office of the Small Business Advocate to eligible microbusinesses
- \$50 million in grants to small nonprofit performing arts organizations
- \$35 million to the California Dream Fund
- \$30 million to the film industry and \$10 million to the Film Commission
- \$20 million for cannabis equity grants to local agencies
- \$17 million to the Small Business Technical Assistance Expansion Program. Changes to this program are included in the trailer bill SB 151
- \$5 million in matching grants for "brand-neutral" efforts to increase consumer awareness of zero-emission vehicle technology

This list is just one snippet of the support available to local economic developers. CALED is working diligently to create resources and alerts to get this out to you as it becomes available. Keep your eye out for this information, and we will continue to work on your behalf to assist with your economic development recovery and resiliency efforts. As always, please feel free to reach out to us if you have questions or suggestions regarding our work or the information we share.

Sincerely,

Gurbax Sahota