# Workshop: State and Local Resources for Small Business Defense Contractors



This workshop is funded in part through the Governor's Office of Business and Economic Development's CASCADE Program



# New City Incentive Programs Small Business Defense Workshop

November 22, 2019



# **Business Incentive Program**



# **Qualifying Businesses**

### **Economic Base Sector Firms**

Base sector firms produce goods and/or provide services that are **primarily** sold within and outside of San Diego County.











International Trade & Logistics



**Military & Defense** 



# **Qualifying Criteria**





OR

Create/Retain
10 or more jobs for at least three years
Pay 80%-120% of AMI



Create/Retain
3 or more jobs for at least three years located within LMI
Pay 80%-120% AMI



Make \$5M in new capital investment Investment used for business attraction, retention or expansion



# **Community Goals Areas**



Workforce



**Transportation / Mobility** 



**Education** 



**Sustainability** 



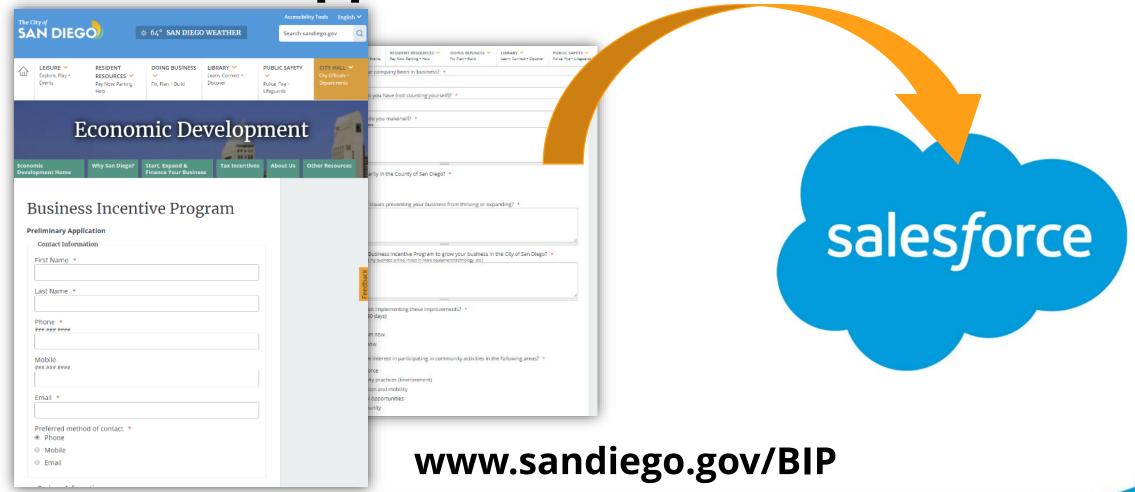
Location



**Community Investment** 



**BIP Online Application** 



# **Business Cooperation Program**



### **How does the BCP work?**

**EXAMPLE:** \$1,000,000 Taxable Sales/Purchasing Activity

(Local Tax = 1% or \$10,000)

### 1. Allocated to the County Pool (Typical)

City receives 48% of local tax (\$4,800)

### 2. BCP Sharing Agreement for 5-years

City always retains - 55%

Company receives up to - 45%

### 3. Directly Allocated to City of SD

City receives 100%

#### 4. Recovered Tax with BCP

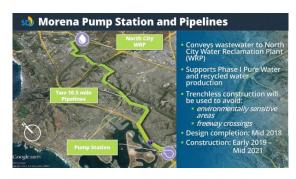
City receives \$5,200 more

After 5-years = 100%, or \$10,000 annually



# **Example- City Projects**

Morena Pipeline Construction Contract Value: \$26M



North City Water Reclamation Plant Construction Contract Value: \$147M



North City Pure Water Facility Contract Value: \$374M



Metro Biosolids Center Improvements Contract Value: \$28M



North City Pure Water Pipeline Contract Value: \$88M



# Water and Sewer Capacity Bank



### Concept

- Modeled after Sacramento County Regional Sanitation District
- Capacity charges imposed if property improved pursuant to CA Govt. Code
- Capacity rights are a property right
- Millions of Gallons Per Day (GPD) of capacity rights "stranded" when industrial sites are converted to commercial use
- Proposal will allow the City to buy-back or accept tax-deductible donations of stranded capacity which can be effectively re-sold to other users



## **Capacity Procurement**

- As sole buyer, only City can obtain stranded capacity
- City will acquire capacity via competitive process
- No rate-payer funds will be used
- Capacity Bank \$750,000 of EZ program income allocated



### **Customers and Sales**

- Capacity to be sold based on tiered rate structure based on cost
- Lower rates for manufacturing operations vs. R&D operations
- 25% of bank capacity reserved for small industrial businesses
- Capacity rights to be sold where capacity exists and is unutilized

# **Additional City Programs**

- Business Cooperation Program
- Business Finance Loan Program
- •CONNECT ALL @ the Jacobs Center

  Accelerator
- <u>Economic Development Funding</u>

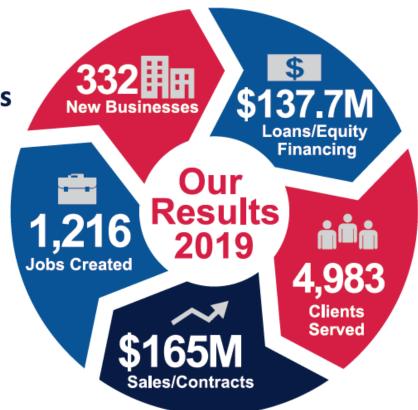
  <u>Grants</u>
- Fee Payment Incentive
- Foreign-Trade Zones Program

- Green Business Program
- •Guaranteed Water for Industry

  Program
- OpenCounter<sup>TM</sup> Online Business and Residential Portal
- Revolving Loan Fund
- Small/Emerging Nonprofits
- Storefront Improvement Program



- Business Loans
- Government Contracts
- Financial Projections
- Marketing Strategy
- Market Research
- Social Media
- Starting a Business
- Business Plans
- Licenses/Permits





















San Diego • Carlsbad • National City • El Cajon • Imperial

www.sdivSBDC.org



www.ptac-sandiego.org











- Data warehouse of detailed capabilities profiles: Industrial and Technology companies across all industries
- Regional, Internet Buyer-Supplier Network
- B2B tool and Economic Development Tool
- Old model grew through partnerships
- New model inserts automation, analytics, CRM



Connectory – Past, Present, Future

- •Response to economic challenge
  - Recovery from post-Cold War recession (1990s)
  - Identify new markets for core capabilities, capacities
- Value-added during growth periods
- Resiliency against economic upheaval
- Insight into cluster growth, emergence, convergence
- Original Goal: User-Driven Content Development via Regional Partners
- New Vision: Increased Content Automation fuels Big Data Analytics



What sets Connectory apart?

## Level of detail – data granularity on company:

- Products/Technologies/Services
- Capabilities/Core Competencies & Capacities
- Products/Technologies/Services
- Demographic Info:

Company names, locations, key personnel, NAICS, web site, email links, size and revenue ranges

# Industry sector agnostic:

Cuts across all industry sectors at every level of supply chain





Defining
Connectory.com®
Coverage - NAICS

1. Manufacturing	Sector 31, 32, 33	Product (proprietary), OEM, & Contract (Build to to Spec) Mfg.
2. Technology / R&D	Products- Sector 31-33; 51, Information, Sector 54 – Scientific & Professional Services	Firms develop/license technologies but do not manufacture
3 Industrial Suppliers	Sector 421 - durable goods, 422 – non-durable	Supplier focus; <u>NOT retail</u> .
4. Technical Services	Sectors 51 – Info, 54, Scientific & Professional, 48 – Transportation & Warehousing	NOT Personal services
5. Construction & Trades	Sector 23 - Construction	Contractors License required
6. Raw Materials: Agribusiness & Mining	Sector 11 – Agribusiness Sector 21 - Mining	Relatively recent addition to coverage



Connectory.com®
Profile Fields

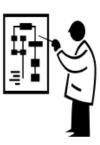
- Company Info
  - Location/Phone, Personnel, Website/Email, Annual Sales, Employees, Year Founded, Branches, Company Description
- Industry Codes
  - SIC, NAICS, NIGP
- Facility/Equipment
  - Make, Model, Quantity, Performance, Capacity
- Products/Technologies
  - Proprietary
  - · Lines Carried
  - · Protected Proprietary Area
- Capabilities
  - Unique Capabilities/Solutions
  - Applied Technologies
  - Special Materials

- Staff Expertise
  - Expertise
  - Education
  - Experience
- Certifications
  - Quality
  - License
  - Ownership
- Customer Base
  - Industry Sectors
  - Geographic Range
  - Descriptions (named customers, contract vehicles)
- Awards & Affiliations

Connectory harvests/builds Profiles based on website content;

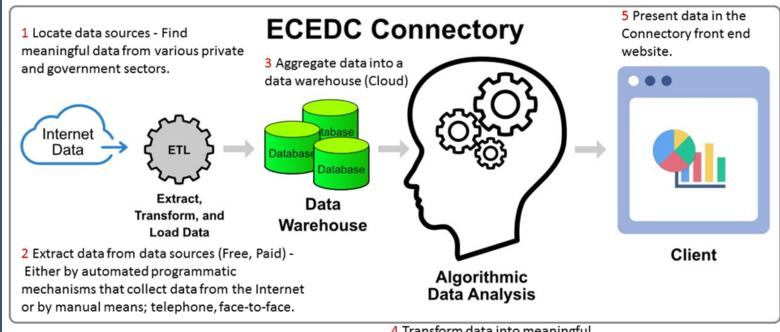
> Curated Data Sources







**Architecture** 



4 Transform data into meaningful solutions for various roles (Algorithms)



Connectory
Advantages for
Defense Companies

- Increased exposure to opportunities:
  - Government Contracting/Sourcing
  - Strategic Alliances/Team Building
  - Corporate/Subcontracting
  - Market Diversification
  - International Trade
  - Technology Transfer/Commercialization
- Communication/Networking Resource
- Internet Presence for Underserved Firms
- Promotion of Regional Industry/Technology
- Planned/Funded Improvements (CRM, Increased Analytics, Collaboration Tool)



**Benefits for Suppliers** 

- Assess and Define Core Competencies
- Research Potential Customer's Business/Needs
- Identify Potential Strategic Alliance Partners
  - ✓ Complement Strengths
  - ✓ Address Weaknesses
- Place Small Business in Path
  - ✓ Alliance/Teaming Opportunities
  - ✓ Untapped Markets/Customers/Investors
- Support Marketing, Presentations, Packaging



**Benefits for Buyers** 

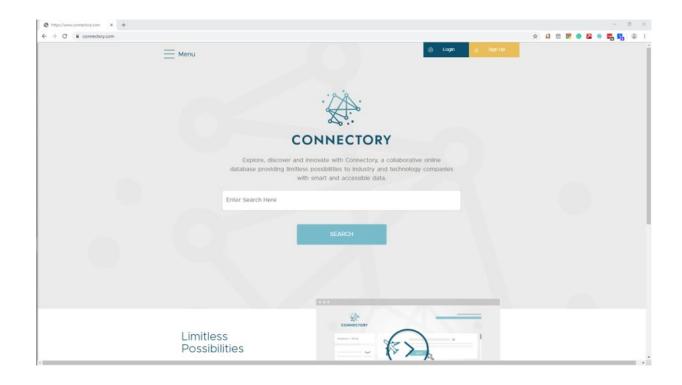
- Increases source pool of potential suppliers
- Information is deep and wide
- Coverage goal is comprehensive across
  - California defense industrial base
- Leverages long term investment
  - Both public and private
  - Infrastructure in-place
- Non-Profit "ownership" places high value on inclusiveness
  - Small, disadvantaged firms not precluded by cost
- Expansion ongoing, updates continuous



- Site URL
- Explainer Video
- Search as a free user
- Search as a registered user
- Dynamic Reports
- Collaboration Tool
- Trial

## Site URL

### http://www.connectory.com





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## **Explainer Video**

https://www.youtube.com/watch?v=HZY0IafNdEI

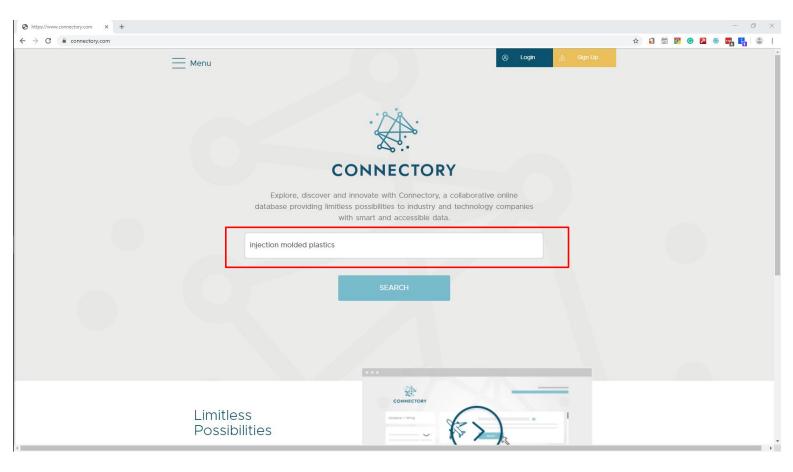




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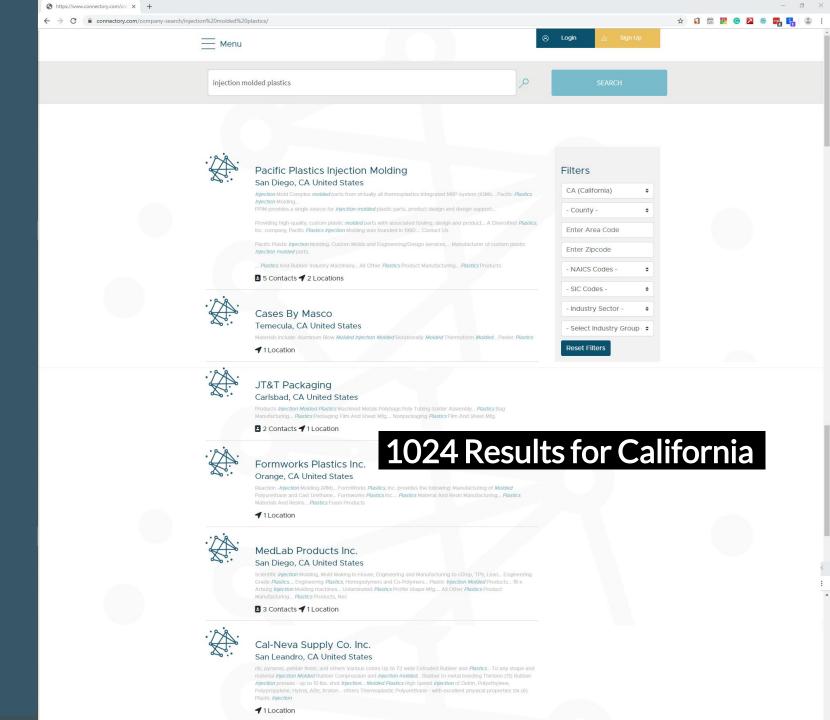
http://www.connectory.com



injection molded plastics

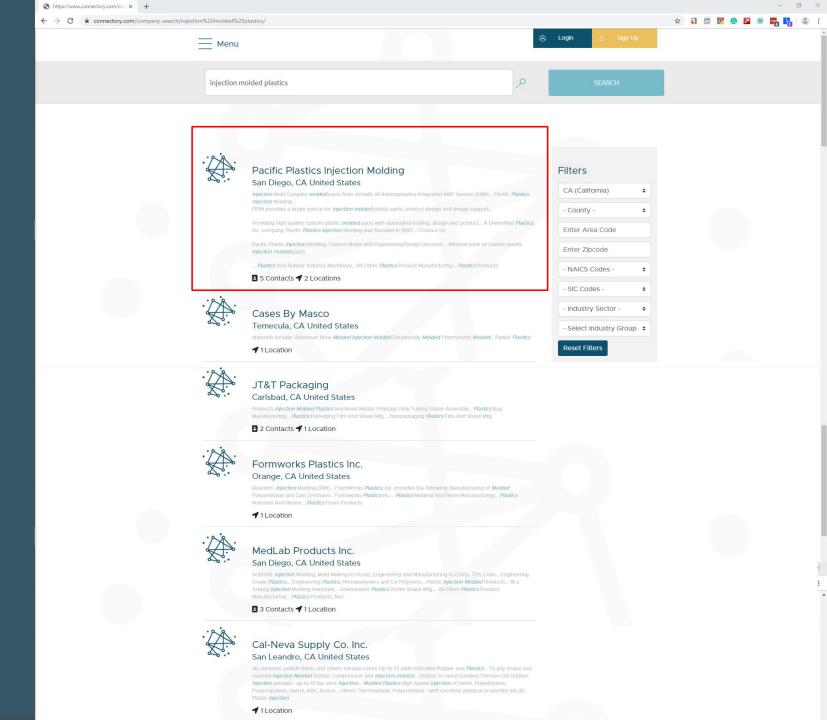


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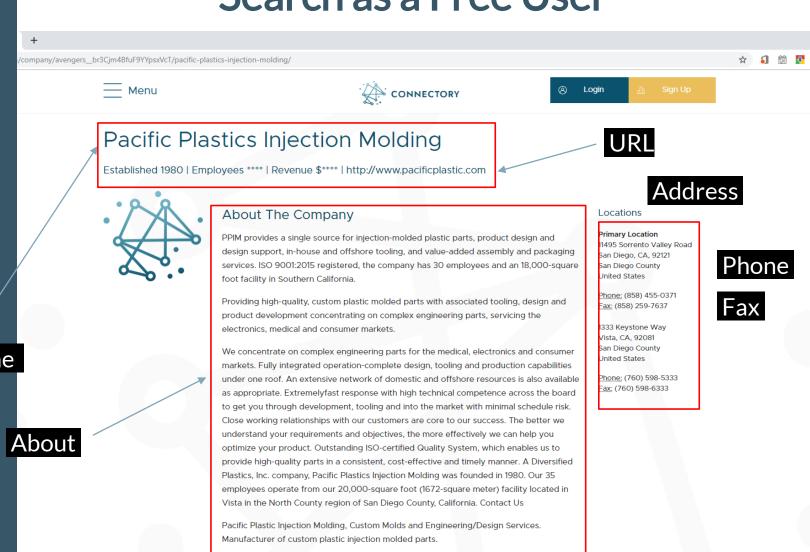




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Company Name

## Search as a Free User



Want to see more?

Click on the Sign Up button to create a Free Trial good till the end of the year!



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Manufacturer of custom plastic injection molded parts.

#### **Customer Base**

Primary markets are electronics, biomedical and consumer products-serving Southern California since 1980.

### Search Results as a registered User

#### **NAICS Codes**

Code	Description
333220	Plastics And Rubber Industry Machinery
333511	Industrial Mold Manufacturing
326199	All Other Plastics Product Manufacturing
32	32
3261	3261

#### Miscellaneous Technology

- Plastic, Packaging & Containers
- Manufacturing

#### Industry Group

Manufacturing

#### Geographic Area

- Locally
- Regionally

- **Customer Base**
- Naics
- Certificates

#### SIC Codes

Code	Description
308	308
30	Rubber And Misc. Plastics Products

#### Certificates

Agency	Type	Number	
Federal SBA (Self- Certified)	SBP (Small Business Program)		Owner
DLIS	CCR	CAGE# 6C527	Owner
	ISO 9001		Quality



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### Search Results as a registered User

#### **Key Personnel**

Name	Title	Email	Phone Mobile
Jae English	President		
Lucy Huynh	Office Manager		ustomer Base
Paul Harris	Tooling Manager		AICS
Johnny Rimas	Molding Manager		ertificates
Mark Allard			ey Personnel
Capability			apabilities
Injection Mold		• Ec	quipment

Complex molded parts from virtually all thermoplastics

Integrated MRP System (IQMS)

Customized production molding and inspection procedures

Domestic sourcing for higher quality, shorter pipelines, smaller inventory, reduced schedule risk

Easy communications and quick response to changes in demand or configuration

#### **Custom Molds**

Fully integrated operationeverything in-house to design, fabricate and validate your mold in a production-molding environment.

Quick responseno delays between tooling and molding.

Reduced costsQuick-turn production molds can eliminate throw-away prototype tooling.

Single-point of contact for simplified communications, reduced schedule risk, less financial risk.

#### **Engineering Design**

In-house design expertisewith Solid Works, and AutoCAD

#### Equipment

Make	Model	Specs	Performance	Qty



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### Search Results as a registered User

Make	Model	Specs	Performance	Qty
Fadal	4020	3-axis CNC mill		
Prototrack		2-axis CNC mills		2
		Lathes	n/a	2
Deckel			uipment	
		Cutter Grinder		
Shinwa Sieki	33 ton	1.5 oz, digital controls		1
Toyo	200	16 oz, digital		
Toyo	ton	controls		
Nissei	40	2oz		
	ton			
Cincinnati	33 ton	1.8 oz, digital controls		
	ton			
RAM Optical Instrumentation	OMIS II	6" x 12" video CMM		
Conventional mills				2
Lathes				3
Latties				
EDM, sinker				3
CNC EDM				1
EDM, wire				1
Precision surface grinders				4
Extensive tooling and				1
inspection Accessories				
CAD mold design				1



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Search Results as a registered User Conventional mills 2 Lathes 3 EDM, sinker 3 CNC EDM Equipment EDM, wire Precision surface grinders Extensive tooling and inspection Accessories CAD mold design AutoCAD, Mechanical Desktop SolidWorks MasterCAM Ultrasonic Welding Pad Printing 500 60 oz VanDorn ton Toyo 150 6.7 oz, digital controls Ton Toyo 90 5.5 oz, digital ton controls 30 AutoJector vertical 3 oz ton Arburg 28 1.6 oz ton

RAM Optical Instrumentation

**OMIS** 

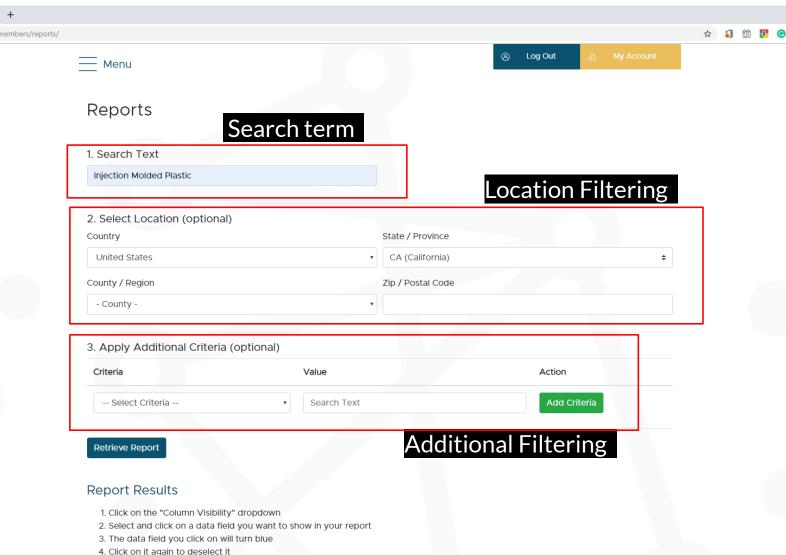
6" x 12" video



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#### **Dynamic Reports**

http://www.connectory.com



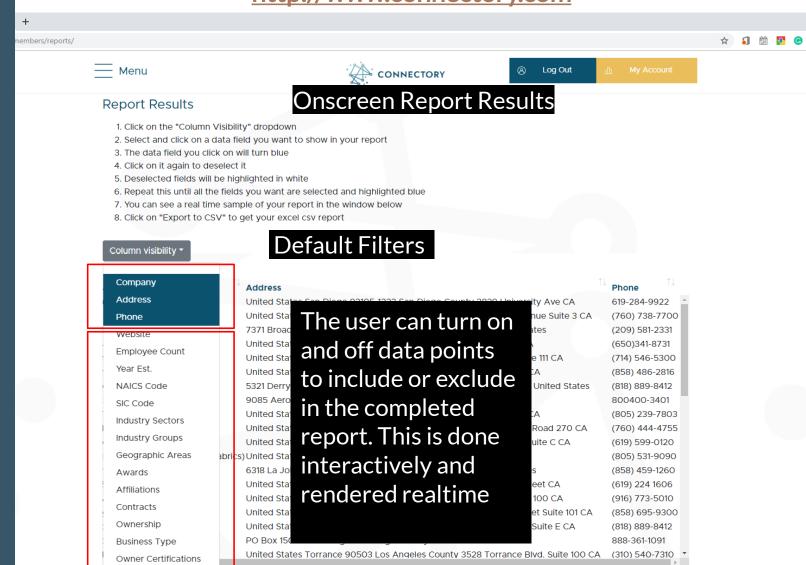
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On January 1, 2020 Connectory Upgraded Connectory users will have the ability to export out a CSV file of their generated Report.



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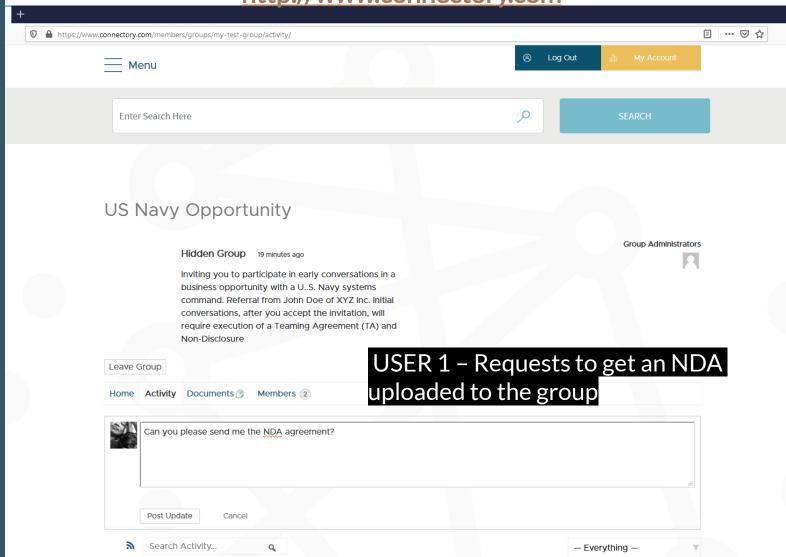
The collaboration tool allows Connectory Users to connect with other Connectory members through messages and document sharing.

- Publicly Any registered user can Collaborate
- Membership Request for Access to collaborate
- Private Only users that you invite can collaborate
- Ability to share files online publicly or privately



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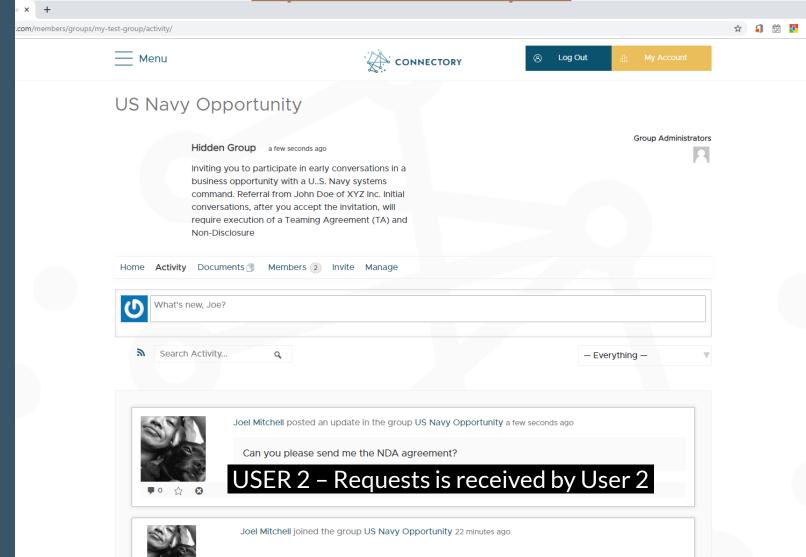
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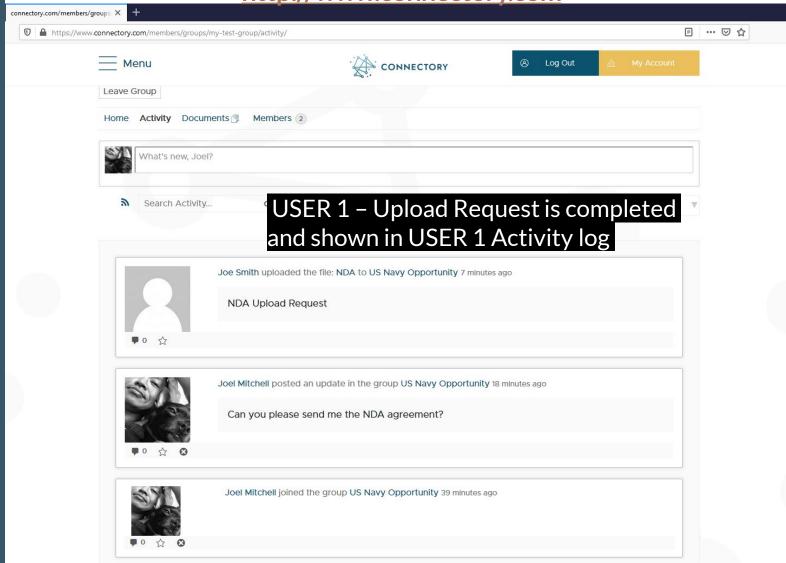
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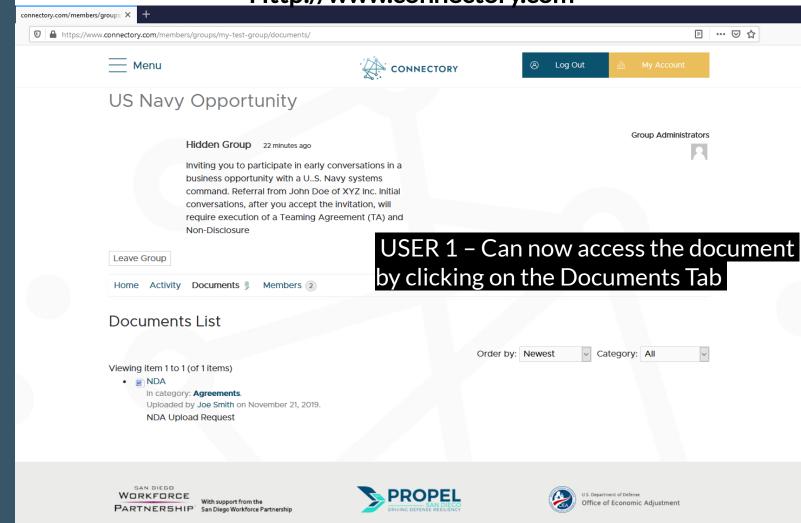
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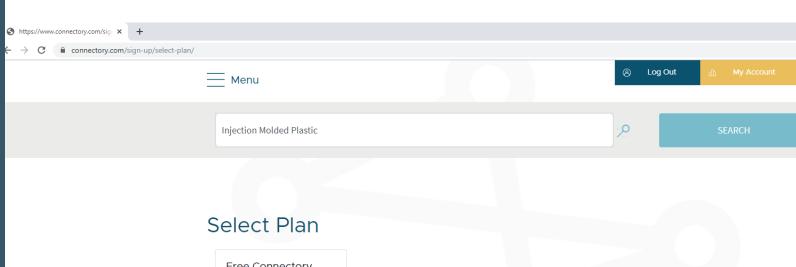




- Site URL
- **Explainer Video**
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- **Collaboration Tool**
- Trial

#### **Trial**

https://www.connectory.com/sign-up/select-plan/



Free Connectory Beta Account Free		
Single User Account		
Full Access to		
Connectory DB		
Select Plan		
- Return to Your Account		



**Connectory Offer** 

- Search for Your Company
  - Need a better profile? Email us URLs with specific info to harvest
  - Can't find you profile? Email us main URL + URLs with specific info to harvest.
- Sign-up for no-cost, full access trial
- Always No-Cost: Company Profile & Basic Search



#### What is MetroConnect?

# MetroConnect

presented by

JPMORGAN CHASE & CO.

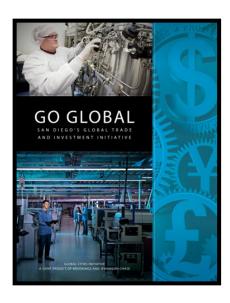
WTC San Diego's flagship export assistance program in which 15 - 20 companies are selected annually, through a competitive application process, to receive financial and programmatic support in an effort to boost international sales



#### Origin of MetroConnect (2014)



A Joint Project of Brookings and JPMorgan Chase



San Diego came out of this with a unified economic development and global competitiveness strategy

17th

largest metro by GRP

61st

in terms of export intensity

49th

in the US in terms of the percentage of jobs in foreign-owned firms



#### **Evolution of MetroConnect**

#### MetroConnect 2015

MetroConnect 2018

\$5K

**Export Grant** 

**Executive Workshops** 

Specialized Defense track

WTC

Staff Support



**Translation Services** 

Media & PR

\$35K

Grand prize

**Flight Discounts** 

Service Provider Network



### Program Sponsors today

## MetroConnect

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#### Industry Breakdown – 4 cohorts (65 companies total)

**Life Sciences** 

Tech

**Defense** 

**Consumer Goods** 

13

28

10

14









\*Logos represent Year 4 cohort (20 companies)



#### MetroConnect Results

65 total companies graduated

**\$755K**Grants disbursed

**\$85M**Net increase in exports

**500**New contracts signed

10 New overseas facilities **269**Jobs added in San Diego



#### Applications for MetroConnect Year 5 are Open

Applications for the fifth year of MetroConnect are now open through **January 24**, **2020**.

#### **Qualifications**

- Must be export-ready, meaning you are already exporting (goods/services) or are looking to pursue international sales as a near-term priority
- Must be headquartered in San Diego region
- Complete the online application: bit.ly/MetroConnect2020



#### MetroConnect Partner: U.S. Commercial Service

- Trade Counseling
  - Legal and regulatory issues
  - Documentation and product requirements
  - Trade finance and insurance
- Business Matchmaking
  - Contact lists
  - Partner Search
  - Trade Shows
- Market Intelligence
  - County and Industry Reports
  - Commercial Diplomacy
- The Gold Key Matching Service
  - Customized market and industry briefings with trade specialists
  - Market research
  - Appointments with prospective trade partners in key industry sectors



# MetroConnect

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Jesse Gipe Director, World Trade Center San Diego JG@sandiegobusiness.org





#### City of San Diego Economic Development Department

# Foreign-Trade Zone No. 153 Program Overview



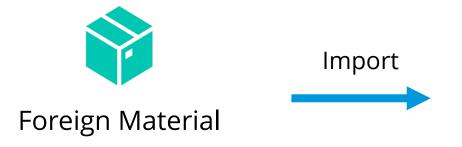


# Foreign-Trade Zone – Overview

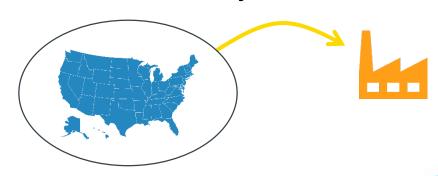


#### What is a Foreign-Trade Zone?

- (1) Federally Designated Area
- (2) Secured Facility outside of U.S. Customs Territory
- (3) Usage-Driven vs. Subzone
- (4) Production vs. Warehouse



U.S. Customs Territory



#### **Program Summary**

#### **History**

1934 - Congress passes 19 U.S.C. §81a-§81u to establish FTZ program

1988 – FTZ Board establishes Zone No. 153, City of San Diego assigned as Grantee

**2009** – Department of Commerce updates process; makes application & activation phases easier

#### **Governance**









**Duty & Inventory Control** 

#### **Foreign-Trade Zone Benefits**









Defer, Reduce, or Eliminate Duties

Logistics

**Quality Control and Exhibition** 

# Foreign-Trade Zone – No. 153



#### Foreign-Trade Zone No. 153 - Examples



Callaway Golf



**International Inbond Logistics** 



General Dynamics / NASSCO

# Foreign-Trade Zone - Process

#### **Site Activation Process**

- (1) Application Phase (~1 month\*)
  - ✓ Alternative Site Framework (ASF) App
  - ✓ Grantee Concurrence of ASF app
  - ✓ FTZ Board Approval
- (2) Activation Phase (~2-5 months\*)
  - ✓ CBP Onsite Inspection
  - ✓ CBP Survey Form and Background Checks
  - ✓ CBP Approval
  - ✓ Operating Agreement executed with Grantee



FTZ Operator General Dynamics / NASSCO

**Total Processing Time = 3-6 months** 

#### **Fee Schedule**

Category	Usage-Driven	Subzone
Application Fees ( <u>one-time</u> ):		
Site Establishment / Boundary	\$1,600	\$2,500
Production / Manufacturing Facility	\$3,500	\$3,500
Operating Agreement Fees ( <u>one-time</u> ):	\$1,200	\$1,500
Annual Fees* ( <u>recurring</u> ):		
Usage-Driven Operator	\$7,200	-
Subzone Operator	-	\$10,000

<sup>\*</sup>The annual fee for <u>new operators</u> will be "prorated" to reflect the actual FY date of activation.

#### **Zone Deactivation**

#### FTZ operators may opt at anytime to deactivate their facility

- ✓ Requires Operator letter to Grantee requesting deactivation, and FTZ Board acknowledgement of deactivation status
- ✓ No fee required to deactivate
- ✓ No reimbursement of operator annual fees paid at time of deactivation

#### **Annual Responsibilities**



Annual Fee to Grantee



Record Keeping for CBP



Annual Report to FTZ Board

# Questions?

**Drew Garrison, Certified Customs Specialist** 

Foreign-Trade Zone Program Administrator City of San Diego

**Economic Development Department** 

Email: <a href="mailto:dgarrison@sandiego.gov">dgarrison@sandiego.gov</a>

Phone: 619-236-6607









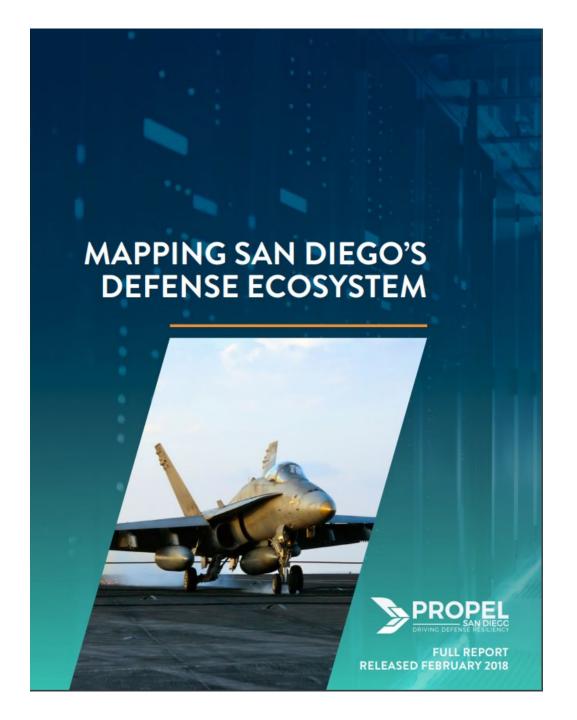


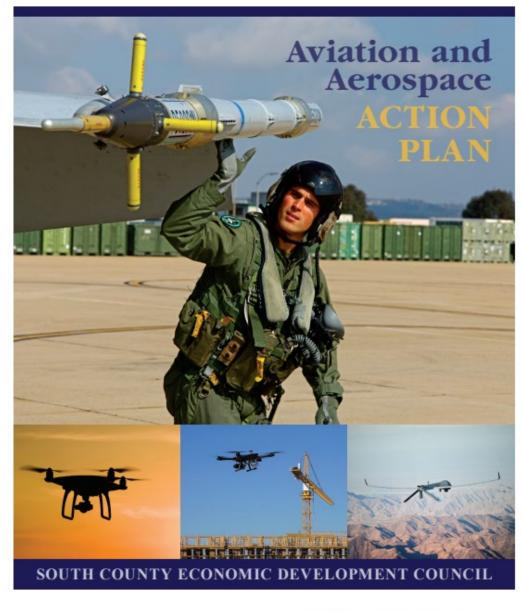






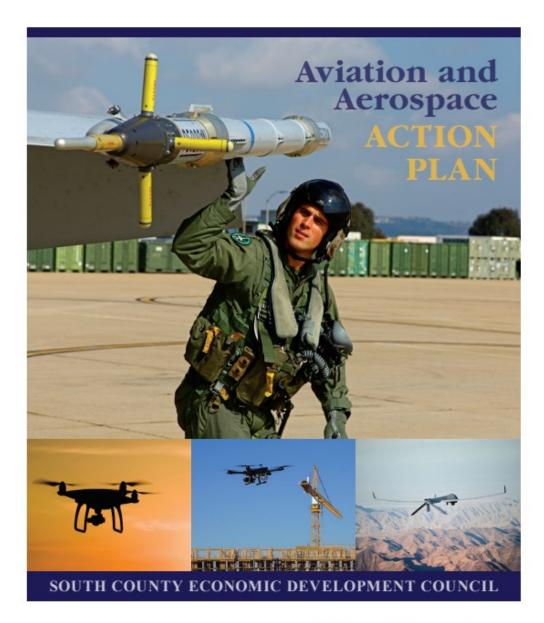






1111 Bay Blvd., Suite E. Chula Vista, CA 91911 Phone: 619.424.5143 | Fax: 619.424.5738 www.SouthCountyEDC.com





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### South County's Maritime Industry Action Plan









SOUTH COUNTY ECONOMIC DEVELOPMENT COUNCIL



1111 Bay Blvd. Suite E. Chula Vista, Ca 91911 Phone: 619.424.5143 | Fax: 619.424.5738 www.SouthCountyEDC.com Propel San Diego is a Department of Defense (DoD) funded grant initiative lead by the City of San Diego, South County Economic Development Council, San Diego Regional Economic Development Corporation, East County Economic Development Council and the San Diego Military Advisory Council. The goal of this effort is to better understand the needs and opportunities for regional businesses that conduct defense-related work. Additionally, Propel San Diego aims to develop a resilient defense supply chain in the San Diego region that remains stable, despite changing budget priorities, and addresses both regional economic and DoD readiness priorities.



This project is funded in whole or in part with Community Economic Adjustment Assistance for Reductions in Onlines Industry Employment funds provided by the U.S. Department of Defense - Office of Economic Adjustment to the City of San Diego.

MEDC has made every affect as ensure the information consequed in this Number Insertines Matrix to their wind consents as of its publication Clean the eventurings in constant Proper Sen Diago parameter to find an the most assent incentive assistable to furnishment error the publication of this motiva.

## BUSINESS INCENTIVES MATRIX FOR THE SAN DIEGO REGION



#### **BUSINESS INCENTIVES FOR THE SAN DIEGO REGION**



Rates & Rebates													170-						
Jurisdiction	Carlsbad	Chula Vista	Caranado	Del Mar	El Cajon	Encinitas	Escondido	Imperial Beach	La Mora	Lemon Grave	National City	Oceanside	Poway	San Diego	San Marcos	Santee	Solana Beach	Vista	Unincorporated Areas
Sales Tax Retrees		- All												H2					
Property Tax Relate		R11	2	9				1						-					
HVAC Equipment Rebone												RIA							
Medical & Dental Equipment												817	9						
Energy Programs		RS, R10		85	R5,R10	RS, R30		95			85,810	85,810	RS			8.5	RS, R10 :	R5.R10	839
Energy Efficiency Business Rebate (SDGAE)	9.4	8.4	84	84	84	2.4	84	9.4	84	34	84	84	B4.	.84	84	84	9.4	84	84
Solar Rebone		89									8.9								
Landscaping Equipment Relate	- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1											815	4	6	J				
Water Savings Incomove Program (SDCWA)	A(2	K12	RUL	RIT	812	JAIR.	812	812	8.12	8/2	8/2	812	MIX	102	112	1.12	802	K12	612
Waser Efficient Plumbing Fature Rebote (SDCWA)	8.7	8.7	3.7	8.7	87	87.	87	-87	8.7	107	9.7	814.87	. 10	8.7	87.	8.7	8.7	. R7	87.
Discourae Water Asse				6										1.5			H		
Corporate Income Tax Credits for R&D (state)	520	R20	R20	R20	R20	R20	820	R.20	R20	820	R20	820	H20	820	R20 :	R20	9(20)	R20	R20
Fire & YV Tax Credit (case)	9.6	8.6	8.6	84	86	86	86	84	86.	ns.	86	116	- BA	.04	86	Ba.	9.6	86	9.6
Manufacturing Equipment Sales Tax Rebate (state)	8.6	8.0	(8.)	8.1	BI	At	8.1	BI	8.1	RI	81	RE	RI	.81	81	8.6	8.1.	Bi	BE:

Financing and Incentives																			
Jurisdiction	Carlshad	Chula Vista	Coronado	Del Mar	El Cajon	Encision	Escondido	Imperial Beach	La Hers	Lemon Grove	National City	Oceanside	Poway	San Diego	San Marcos	Santre	Solana Beach	Vista	Unincorporated Areas
Loan Program		13									.87			F2					
Papale Improvement Programs			0	1		. 14	74		- 6		54				J.			14	
Industrial Development Bonds												N.	76	FE					
Tax Exempt Bond Presiding for Air Poll Control Equipment (state)	. 65	15	B	15	FS	15	P5	76	. 15	rs.	. 75	P5	15	75	. FS	. 15	PS.	FS	95
Cal Competes (ILILE)	PI.	81	- 91	75N	1 /4 3	- 81	191	20	191	- 81	31	PS:	94	91	FI	19	(6)	3 24 1	8:

Permits																			
uriediction	Cartibad	Chula Vista	Coronado	Del Mar	El Cajon	Encirios	Escondido	Imperial Beach	La Mesa	Lemon Grave	National City	Oceanside	Poway	San Diego	San Marcos	Santee	Solana Beach	Vista	Unincorporated Areas
Deferral of Development Impact Fees		19			PIB		PIS	PIX	213					POX					PIS
Ombudanan Services		197		27	PIT	. 27.		27	P26		.07	87			. 67	P7		27	
Site Search Assessance	P12	P12			P12		P12	P12	P16		P12	(1)2	PI.	1972	P12	P12,P16		P12	P(2
Permit Pea Deferral		P21					PE		P21					PH 1:	P23				
Period fee Water				6			- 23		P25								II.		
Early Assistance Meetings/Pro-Development Meetings		P14		P14	F14		P14	P14	P14	P14	P14	P14	. 14	P14	P14	P14	P14	F14	P14
Perrett Departing	924	P2			PIS		PIS	P27 -	P15	107	PIS	P27	PW	PI	922	F27:			P30
Permit Fee Reduction			-	3 1			P19	1 8			P19	1		1			V.		

Additional Incentives																			
urisdiction	Cartebook	Chula Vista	Coronado	Del Mar	El Cajon	Encision	Escondido	Imperial Beach	La Mesa	Lemon Grave	National City	Oceanside	Poway	San Diego	San Marcos	Santee	Solana Beach	Vista	Unincorporated Areas
Local Constanting Preference Points		AG										Adi		Al				AB	
Recycling Market Development Zone		A2				A2	A2				A2 :			A2 -			A2		
HLB Zone		84			A4												ti i		
Furwige-Trade Zones	AS	AS	AS	A5	A5	A5 .	A5-	A5	A5	A5	AS	A5	A5	A5	A5 .	A5	A5	AS	A5
HR Hodas (SDMP)	A9	7/9	A9	A5	A9	A9	A9-	A9	A5	AS	A9	A9	A9.	A9	A9	89	Att	A9	Alf
Customized Training (SDWF)	Allo	A10	AI0	A10	AID	A10	AID	AIG	A10	AIR	Att	A)0	Al0	AI0	AID	AID	AIR	AID	AID
On-the-job-Training (SEWIF)	All	AH	ALL	Alf	Atl	All	All	AH.	Alf	ALL	All	All	AH	AR	AH	All	All	Att	ALL
Employee Resention Program/Layoff Aversion (SEWP)	A12	AII	A12	A12	A12	A12	A12	A12	A12	AI2	At2	A12	A12	Al1	A12	Al2	. A12	Al2	Al2
C-gaes (sawr)	AD.	All	All	A13	Al3	AI3	A13	Ai3:	A13	AU	Al3	EIA	A13	All	Al2	Al3	AII	Al3	Al3
Talent Accruation Marketing Assistance	A3			0															

SDCWA = San Diego County West Authority SDWP = San Diego Workforce Partnership

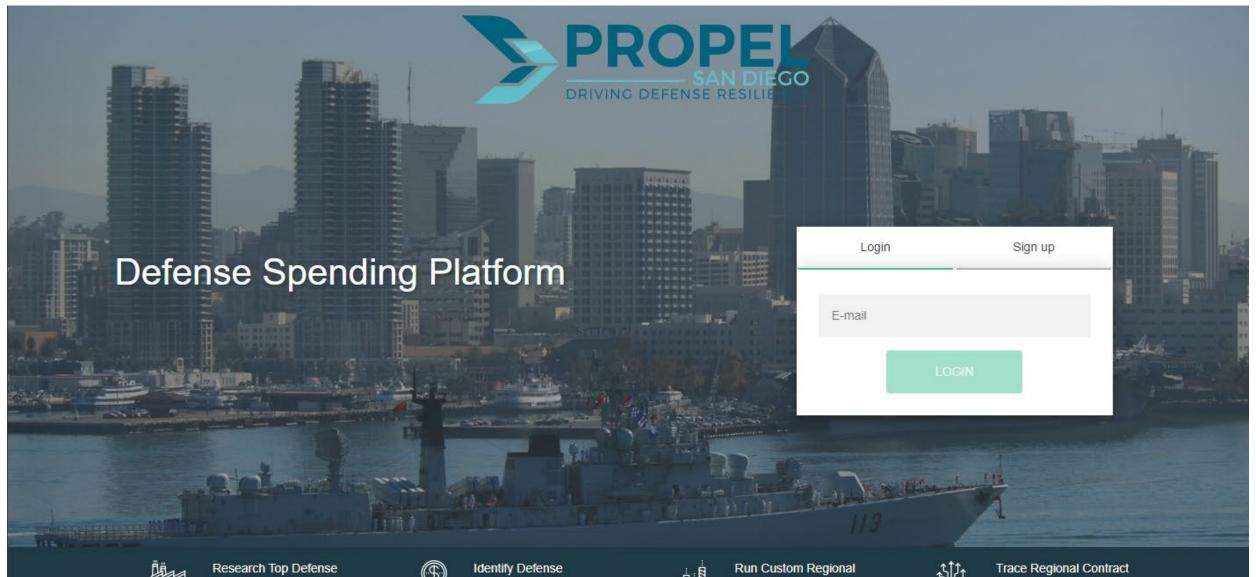
Unincorported Areas "Areas geographically located within the County of San Diego, but not located within City limits.

- Al Small Local Business (SLB) Program Register online with the city as a small business to receive benefits when bidding on city contracts.
- A2 The Recycling Marketing Zone (RMOZ) provides economic incentives and technical services to businesses that others waste from California's landfills while additing lobs and reservates to the local economy.
- A3 The City of Carlotted offers Talent Astraction Marketing Assistance through its talent attraction based, "Life in Accion," where businesses can get resources to market Carloted as an astractive location for employees in the City's less industry classes.
- A4 The HUB Zone Program helps small businesses in urban and rural communities gain preferential access to federal procurement opportunities (federal contracts).

  A5 A Foreign-Trade Zone (FTZ) is a designated area that is physically located within
- the United States where merchandles imported into the FTZ is exempt from U.S. Customs' tariff while in the Zone.
- A6 Local contracting preference points
- A7 For large projects
- A8 Venerare nely
- A7 HR Hotine that snawers questions about workers compensation, changes to labor law & minimum wage, terminations, employee handbooks, harassment issues, disciplinary issues, complance and much more.
- A16 Customized training reimburnes employers up to 50 percent of the training costs, associated with training rose hires or costsing employees. Employers determine the type and duration of the training.
- ATT On-the-job-Training helps businesses offset the cost of training new employees on the job by membursing up so 50 percent of a new hire's wages for a maximum of 1,040 hours!
- A12 Provides businesses at risk of laying off employees with business process improvement services in order to event layoffs stabilities companies and prevent downstring.
- A13 The CaljOBS system is California's ordine resource to help job seekers and employer's meigras the states worldone services. The enhanced system allows users to easily find qualified coolidates for employment.
- P1 Competitive flexible tax credit shrough the state of California
- F2 Provides gap loans to small and medium-sized businesses that do not meet the terms of traditional banks.
- F3 San Diego Regional Revolving Loon Fund (SDRRUP) goal is to provide small business assistance and generate neighborhood commercial district revitalization.
- F4 The Papade & Property Improvement Program (PPIP) Investiges public and private Aurila to make quality setterior improvements and enfrancements to business properties.
- 75 The Pollution Control Tuo-Ecempe Bond Financing Program provides private activity tax-enempt bond financing to California basinesses for the acquisition, construction, or installation of qualified pollution control, waster disposal, waster recovery facilities, and the acquisition and installation of new sessionses.
- P6 Industrial Development Bonds (IDBS) provide manufacturing and processing companies low-core, funvioneess financing for capital expenditures. Bigible capital expenditures include the sequestion of land, halding construction, building renovation and the purchase of machinery and equipment.
- F7 Louis program
- Certain Sun Diego businesses may be sligible to receive expedited review and approval of building and development-related permit entitlements.
- P2 Expedited permitting allows businesses to complete their permitting process in a quicker simeframe. Please note that only businesses that meet specific.
- P3 For Targeted Commercial Areas: The South Escandido Boulevard and Esc Valley
- P4 Businesses planning to exabilish or expand their facilities in Powey may arrange a pre-development meeting with Development Services and no better understand O requirements for specific sites.
- PS PickPowercom is Powey's customized site selection website designed to help businesses find locations in the City of Powey that best suit their needs.
- P6 The City of Poway offers Express Plan Check turneround times for certain types of building permit applications. These are typically building permits that are not complex and do not have many issues associated with them, and incluids commercial and industrial tensor improvements less than 2.500 agains feet.
- P7 The Business Ornburbarran sastess in resolving business related issues or challenges for the City's businesses.

- PS To be eligible, you must have a business that is either expanding its floor area or constructing a new building within the Excendido city limits.
- P9 The Wessern Chala Vista CFD (CFD 17-1) allows for the deleral of certain development impacts has for projects located in industrial, convenental and high desidy residential zones located throughout Messern Chala Vista and the Chala Vista Assat Park. The program allows the fism to be deferred for 19 years, with repayment in warr 11 30. Deferred the second interests a time section 2 to the section Chala Vista Assat Park.
- P11 Permit fee deferral eligible for new construction only
- 2 Sto murch assistance
- P13 Deferral of development impact fees
- P14 Early assistance meetingstone development meetings
- P15 If workload permits
  P16 Vacancies listed on website
- P17 Has development trains in project statistance center
- PIB No development impact feet
- P19 Permit fee reduction
- P20 Expedited permit processing for lower income housing developments
- P21 Permit fee deferral
- P22 For larger projects serving the greater good
- P23 Projects with a large impact
- P24 Informal process; depends on type of project
- P25 Permit fee waiver
  P26 Informal service
- P26 Antonius service
- 27 Permit expediting
- R.I. Partol Salex Too Exemption affords businesses a 4.19 percent state toles tax esemption to reduce the tax on manufacturing and research & development equipment purchases.
- R2 Business Cooperation Program can provide sales and use tax rebates of \$0.25! dollar of local tax electand to the City of San Diago when a business impliements new practices for take, purchasing or tax accountries.
- R3 Guaranneed Water for Industry Program Savings on water rates and exemption from conservation measures.
- 8.4 Take advantage of Energy Efficiency Business Rebuses that help your business offset the cost of installing energy-efficient equipment.
- RS Property Assessed Clear Energy (PACE) frauncing allows property owners to make energy efficiency, menyadate energy, and water conservation improvements to their property and map the cost owner than on their property as kills. Property consens can finance energy and water improvements for up to 20 years and repay through the property cases.
- R6 Arred at resaining and attracting production jobs and economic activity across the state, the California Film Commission's Film and TV Tax Credit Program 2.0 provides incentives for a wide range of project types including big-budget feature film, TV pilots and 1-to TV series for any distribution outlet.
- R7 Water efficient plumbing facture relate through the San Diego County Water Authority.
- RB Soles tax retote
- R9 Solar religions
- R10 California HERO energy program
- Property sax rebase
- R12 Water savings inconcine program provides financial incentives so non-residential customers for customized water-efficiency projects.
- RI3 for large projects.
  RI4 Low water plumbing flatures.
- RIS Landicaping equipment
- R16 HWAC equipment rebute
- RIO MAC equipment retains

  RI7 Medical and dermal equipment
- R19 The County of San Diago Green Building Incentive Program is designed to promote awargy afficiency, use of resource afficient construction materials, and water conservation in new and remodeled nesidential and commercial buildings. Biglieb participants can benefit from various program incentives.
- R20 The California Research Credit reduces income or franchise tax. Businesses qualify for the credit if they paid or incurred qualified research expenses while conducting qualified research in California.





Research Top Defense Industries and Occupations



Identify Defense Contractors



Run Custom Regional Impact Scenarios



Trace Regional Contract Leakages at the County Level



#### San Diego Defense Spending Platform

'ear 2019 **\$** 

Region

City

/ \$

San Diego

**\$** 

Overview

Supply Chain

Impact Analysis

Search Business Profiles

#### Create Custom Impact Scenario

Add an industry to the scenario to model the impacts of changes in DoD contract values. Use the search bar to find an industry or add a top industry from the list below to create your scenario. Once industries are selected, enter positive or negative changes to anticipate regional impacts. Select up to three industries.

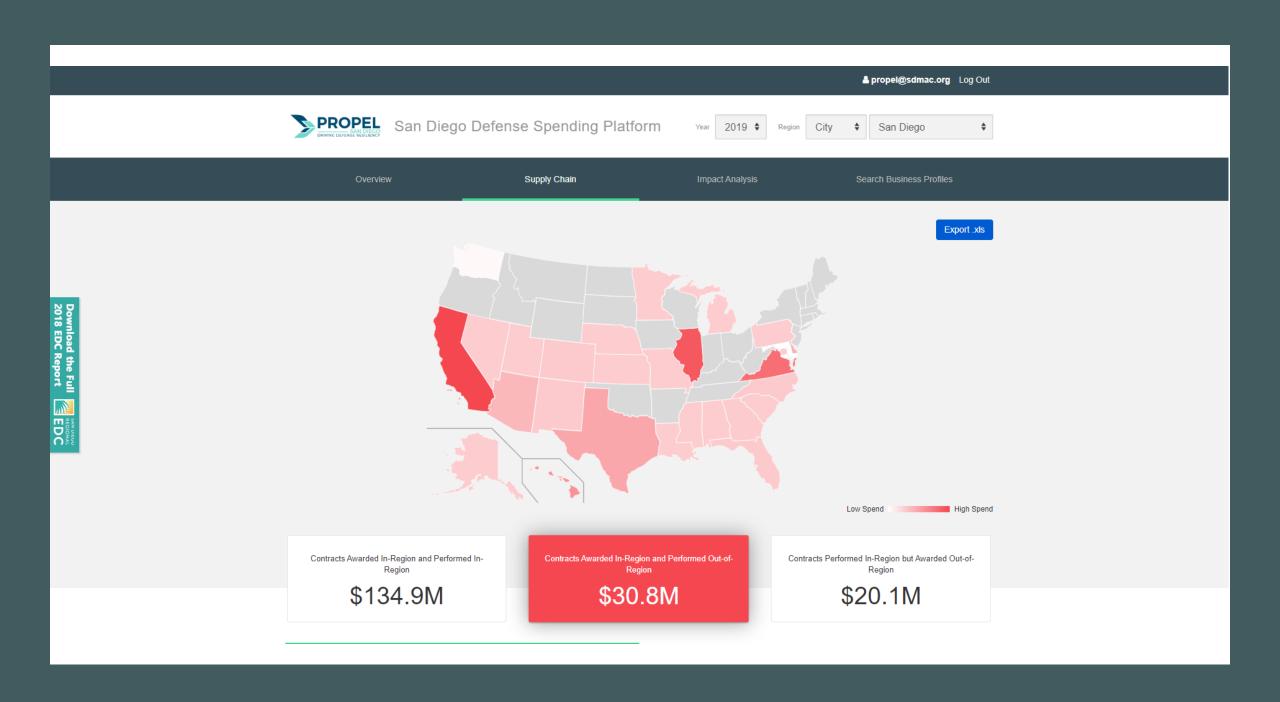
Browse by Cluster

Q Industry

Run Impact Analysis

#### Top Defense Industries in San Diego

NAICS	Description	◆ Selected Year  Contract Outlays   ●	Contractor Related Jobs <b>3</b>	Add to Impact Scenario
336611	Ship Building and Repairing	\$70,037,933	283	• Î
334413	Semiconductor and Related Device Manufacturing	\$10,518,692	0	•
541512	Computer Systems Design Services	\$8,537,098	0	0
334220	Radio and Television Broadcasting and Wireless Communications E	\$8,374,799	14	0
541511	Custom Computer Programming Services	\$8,335,048	1	0





#### San Diego Defense Spending Platform

Year 2019 **♦** 

Region City

San Diego

Contracts Awarded In-Region and Performed In-Region

\$134.9M

Contracts Awarded In-Region and Performed Out-of-Region

\$30.8M

Contracts Performed In-Region but Awarded Out-of-Region

\$20.1M

nu	ac	5

Industries

Rank	Contractor Name	Active Contract Count	◆ Selected Year Contract Awards <b>①</b>	Awarded & Performed In-Region 1	Awarded In-Region Performed Out-Of-Region 6
1	National Steel And Shipbuilding Company	9	\$69.0M	\$69.0M	\$8.5K
2	Tapestry Solutions, Inc.	3	\$18.3M	\$1.5M	\$16.8M
3	Job Options, Incorporated	9	\$12.6M	\$0.0	\$12.6M
4	Cubic Global Defense, Inc	7	\$12.0M	\$0.0	\$12.0M
5	Cypher Analytics, Inc	4	\$10.5M	\$10.5M	\$0.0
6	Signal Engineering Inc	1	\$8.6M	\$8.6M	\$0.0
7	Northrop Grumman Corporation	3	\$5.5M	\$5.5M	\$0.0
8	Bae Systems National Security Solutions Inc.	2	\$5.3M	\$5.3M	\$0.0
9	Blue Tech Inc.	36	\$4.0M	\$3.7M	\$274.4K



### CUBIC GLOBAL DEFENSE, INC

Annual Total business Revenue

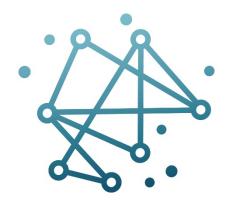
Total Defense Contracts Won

\$12M

Current Employees

Contracts

Rank Product Awarded Prime/Sub In Area/Out of Area J069:MAINT/REPAIR/REBUILD OF EQUIPMENT- TRAINING AIDS AND DEVICES \$4.9M Prime In County 2 U099:EDUCATION/TRAINING- OTHER \$1.5M Prime Out of County 3 B599:SPECIAL STUDIES/ANALYSIS- OTHER \$4.7M Prime Out of County \$943.6K 4 M1BB:OPERATION OF AIR TRAFFIC CONTROL TRAINING FACILITIES Prime Out of County 5 R425:SUPPORT- PROFESSIONAL: ENGINEERING/TECHNICAL \$49.8K Prime Out of County 6 R408:SUPPORT- PROFESSIONAL: PROGRAM MANAGEMENT/SUPPORT \$0.0 Prime Out of County U099:EDUCATION/TRAINING- OTHER \$0.0 Prime In County



### CONNECTORY

Jo Marie Diamond CEO East County EDC

Sarah Burns
Director of Research
San Diego Workforce Partnership





### **Cybersecurity Learning Labs**

5 Professionally led session.

5 hours per session.

Curriculum specific for small business.

Current success stories and practical applications from two small business owners.

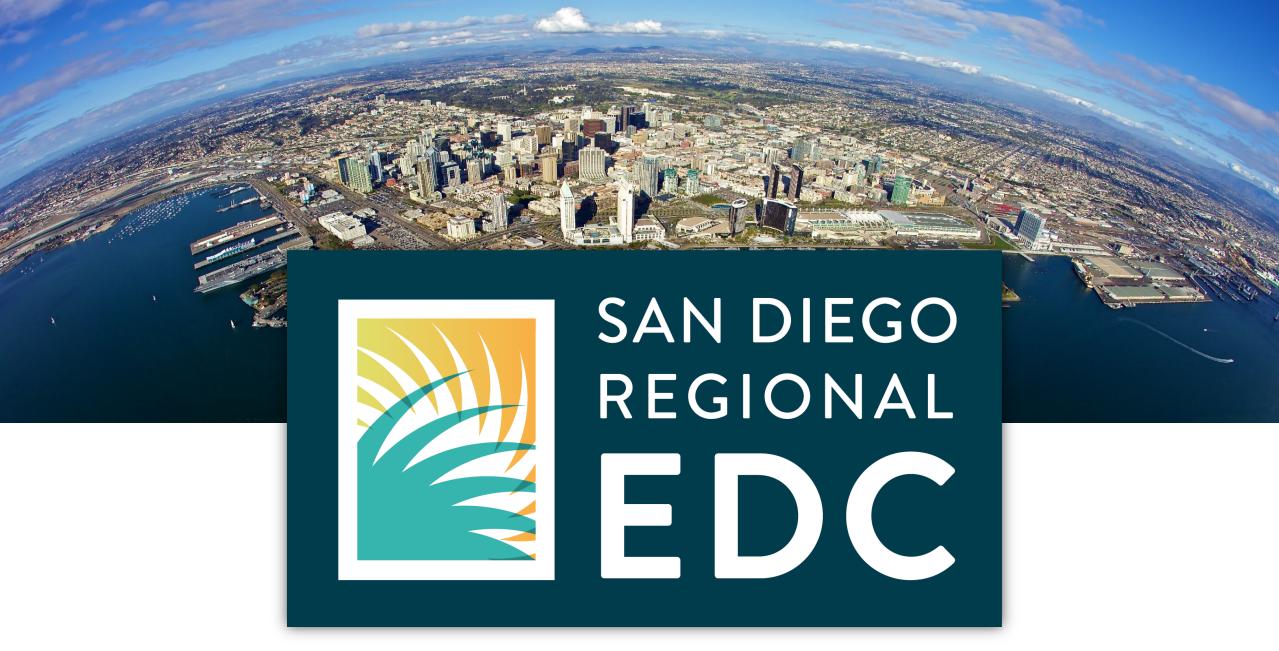
Preparations for the new Cyber Maturity Model Certification which will impact doing business with the GOV.





The progression of the Learning Labs will ideally follow this model:

- Informing the cohort companies of the threats the Department of Defense (DOD) supply chain faces.
- 2. Understand the actions the DOD has taken to protect their information.
- 3. Reviewing and explaining the cybersecurity controls required by the DOD.
- 4. Crafting a company specific plan to comply with these cybersecurity controls and putting these controls into action within their organizations.
- Continually reviewing and updating these policies/controls/processes to make sure they are as secure as possible.



Regionally Focused. Globally Competitive.

### Defense Innovation Voucher Program (DIV)







Booz | Allen | Hamilton

San Diego Regional EDC launched the <u>Defense Innovation Voucher Program</u> (DIV) to enhance the competitiveness of 15 small defense contractors by offering complimentary consulting services and curriculum to help companies compete for government or defense contracts and/or explore pivoting products and services to commercial markets.





### DIV – Program Structure





- **\$15,000** consulting services:
  - DoD Certifications: SDVOSB, AS9100, AS5553, ISO 9001
  - Lean Supply Chain & Additive Manufacturing Tools
  - Strategic Planning
  - Marketing & Branding
  - Accounting Compliance
- Opportunity to compete for \$25,000 grand prize

- **Six** Custom Workshops:
  - Corporate Strategies for Diversification
  - Small Business Financing & Commercial Loan
  - **Small Business Competitiveness**
  - Cybersecurity Compliance & New Customer Identification
  - Marketing and Branding Strategies
  - **Venture Capital Fundraising Strategies**
- Industry insight from San Diego Companies:















GENERAL DYNAMICS

Booz | Allen | Hamilton



### DIV - Company Support







- \$15K Consulting Grant Supply Chain
- \$25k Grand Prize winner Marketing & Branding Strategies
- Takeover Tuesday feature on SD Life. Changing.
- **DoD Certification:** ISO9001 Consulting Services



- \$15K Consulting Grant Supply Chain
- \$125K Cal Competes Tax Credit
- Exporting Logistical support with WTCSD
- Hired 6 New Employees



### State Resources





#### California Competes Tax Credit

- Income tax credit available to businesses with plans to grow in California
- Companies outline planned investments and additional full-time hires over a five-year period
- Agreement with the state which awards credits annually as growth milestones are achieved

#### Research and Development Tax Credit

- Up to 15% credit for qualified in-house research expenses
- 24% credit for basic research payments to an outside organization
- Offered to companies that conduct qualified research activities in California.
- A federal research credit is also available

### Manufacturing and R&D Equipment Exemption

Qualified companies will pay only 3.3125 percent sales or use tax until 2022 on qualifying purchases and leases





Matt Sanford Senior Director, Economic Development San Diego Regional EDC

ms@sandiegobusiness.org



### Thank you

# Funded in part through the Governor's Office of Business and Economic Development's CASCADE Program





For more information on <u>CASCADE</u> program and <u>Governor's Office of Business and Economic</u>

<u>Development</u> (GO-Biz), please visit their websites.