

Four Resources for Manufactures

A Webinar Produced by

San Diego North Economic Development Council

Vista Chamber of Commerce



GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT

STATE OF CALIFORNIA ♦ OFFICE OF GOVERNOR GAVIN NEWSOM



California Competes Tax Credit Application Workshop

Fiscal Year 2020-2021



Agenda

California Competes Tax Credit Program

- Program Information
- Evaluation Criteria
- Application Deadlines, Process, and Guide
- Example
- Q&A

The California Competes Tax Credit

California Competes Tax Credit

- Credit against the income tax due the Franchise Tax Board
- Non-refundable
- 6 tax year carryover

Accountability:

- Tied to achieving contractual (hiring/investment) milestones
- Recapture provisions

California Competes Tax Credit (Continued)

Credit awards are based on 12 factors:

- Number of jobs created or retained
- Compensation paid to employees
- Amount of investment
- Duration of proposed project and commitment to remain in this state
- Extent of unemployment or poverty in business area
- Extent the benefit to the state exceeds the amount of the tax credit
- Incentives available in other states
- Opportunity for future growth and expansion
- Other incentives available in California
- Overall economic impact
- Strategic importance to the state, region, or locality
- Training opportunities offered to employees

California Competes Tax Credit (Continued)

GO-Biz is also required to evaluate the extent to which the 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

- How will this credit and – more specifically – the *amount* of credit being requested factor into the applicant's ability or willingness to expand in California?
- The Frequently Asked Questions on the GO-Biz website provide additional guidance.

California Competes Tax Credit Availability

Amount of Credits Available



\$180 million per fiscal year 2018/19 through 2022/23



No more than 20% may go to any one applicant per fiscal year

Application Periods

A total of \$231,135,999 in California Competes Tax Credit is available for allocation in the 2020-2021 fiscal year. The Director of GO-Biz sets the application periods each fiscal year:

Fiscal Year 2020-2021

July 27, 2020 – August 17, 2020

\$80 million available

January 4, 2021 – January 25, 2021

\$80 million available

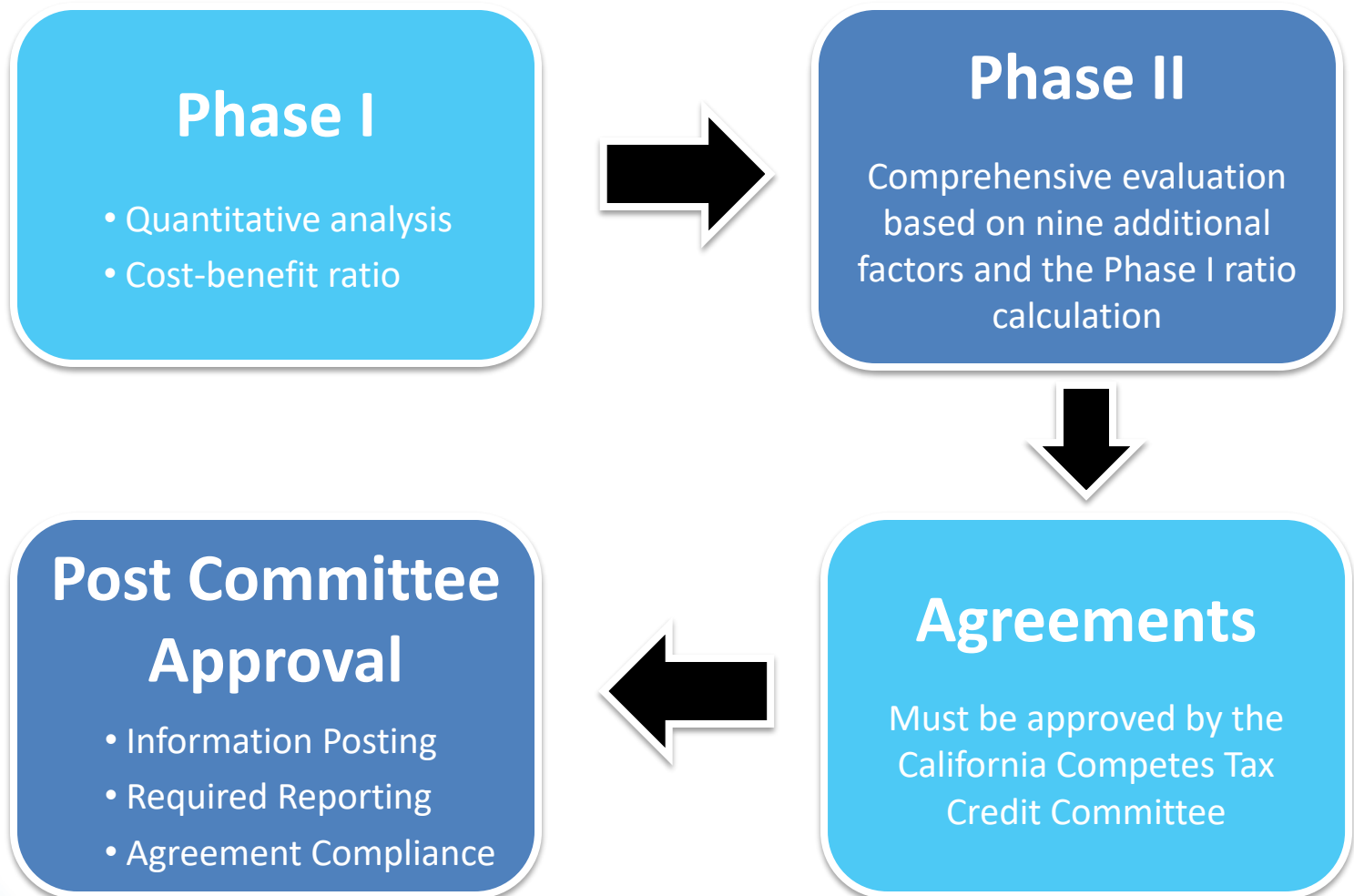
March 8, 2021 – March 29, 2021

Any unallocated remaining amounts

Application Process

- Online application submission:
<https://www.calcompetes.ca.gov>
- Notices and technical assistance:
<https://business.ca.gov/california-competes-tax-credit/>
- Unsuccessful applicants may resubmit applications after updating the **Employees** and **Investment** sections and **Current Tax Year**

Credit Application and Award Process



Phase I Evaluation

Cost-Benefit Ratio:

Amount of Credit Requested

Aggregate Employee
Compensation

+

Aggregate
Investment

Applications with the most advantageous cost-benefit ratio will be moved to Phase II

There will be a review of the top 200% of applicants

Exemptions to the Phase I Calculation

GO-Biz may move an application to Phase II, regardless of ratio the applicant certifies that:

- a. absent award of the credit, the applicant's project may/will occur in another state, or the applicant may/will terminate or relocate all or a portion of its employees to another state, or
- b. at least 75% of the applicant's net increase of full time employees work at least 75% of the time in an area of high unemployment or high poverty

High Poverty and Unemployment Areas

High Poverty Area

- A city and/or county within California with a poverty rate of at least 150% of the California statewide poverty rate per the most recently updated data available from the U.S. Census Bureau's American Community Survey thirty days prior to the first day of the applicable application period.

High Unemployment Area

- A city and/or county within California with an unemployment rate of at least 150% of the California statewide unemployment rate per the most recently updated data available from the California Employment Development Department thirty days prior to the first day of the applicable application period.

A list of qualifying high unemployment and high poverty areas will be posted on the California Competes [website](#) approximately 30 days prior to the close of an upcoming application period.

Phase II Evaluation

- Phase I information
- Extent of unemployment/poverty
- Economic impact
- Number of retained employees
- Opportunity for growth/expansion
- Other incentives available
- Wages/benefits
- Strategic importance
- Training opportunities offered to employees
- Other information requested

Note: Evaluated factors are in no particular order

Agreements

Terms and conditions of the agreements include:

- Minimum employee compensation and retention period
- Credit distribution period
- Recapture provisions if applicant fails to meet commitments

Tax credit agreements must be approved by California Competes Tax Credit Committee

- Committee Members: State Treasurer, Director of the Department of Finance, two legislative appointees, and the Director of GO-Biz (Chair)

Agreements

Taxpayer: Widget Manufacturing, Inc.

	2019 Tax Year (Base)	2020 Tax Year	2021 Tax Year	2022 Tax Year	2023 Tax Year	2024 Tax Year	Total	
Total California Full-Time Employees ¹	48	56	78	84	88	88		
Net Increase of Full-Time Employees Compared to the Base Year		8	30	36	40	40		
Minimum Annual Wage of California Full-Time Employees Hired		\$35,000	\$35,000	\$35,000	\$35,000	\$35,000		
Cumulative Average Annual Wage of California Full-Time Employees Hired		\$40,000	\$40,000	\$50,000	\$50,000	\$50,000		
Investments		\$0	\$10,000,000	\$7,660,000	\$0	\$0		\$17,660,000
Tax Credit Allocation		\$160,000	\$160,000	\$160,000	\$160,000	\$160,000		\$800,000

¹ Determined on an annual full-time equivalent basis

Post Committee Approval

GO-Biz is required to post information on its website for all awardees

Name	Primary Location(s)	Industry	Net Increase of Full-Time Employees	Investments	Amount of Tax Credit	Amount Recaptured
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For a list of all awardees, visit the [awardee list](#).

Oversight/Accountability

Franchise Tax Board (FTB)

- Access to application and all documentation
- Must review books/records for agreement compliance*

Material Breach

- FTB informs GO-Biz
- Committee approves or denies recapture

* Discretionary for businesses with base year gross receipts under \$2 million

California Competes Tax Credit

Questions?



Apply: www.calcompetes.ca.gov

Email: calcompetes@gobiz.ca.gov

Phone: (916) 322-4051

Governor's Office of Business & Economic Development
1325 J Street, Suite 1800
Sacramento, CA 95814

<https://business.ca.gov/california-competes-tax-credit/>



Robert Sanger

Workforce Incentives, CMTA

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1. Employment Training Panel Overview

- Eligibility Requirements for ETP Funds
- Ways to Apply, Direct vs. CMTA funding
- Covid-19 Hiring Incentive Grant, Direct vs. CMTA funding

2. Federal Grant Opportunities

- West LA College DOL Grant



COVID-19 HIRING INCENTIVE

FOOD, AG, MEDICAL
SUPPLY CHAIN

Earn up to \$2K per employee

CMTA and CA ETP COVID-19 Hiring Incentive

This Employment Training Panel Program offers employers that are hiring employees up to \$2,000 in hiring reimbursement per person. Each newly hired or re-hired individual must make at least \$17.50 per hour and must receive 4 hours of training.

How does my company qualify?

Your company must have the following NAICS code:

- 62 Healthcare
- 44611 Pharmacies
- 3254 Medical and Pharmaceutical manufacturing
- 3345 Measuring Device manufacturing
- 3391 Medical Equipment manufacturing
- 541380 Testing Laboratories
- 11 Agriculture
- 311 Food Manufacturing
- 3121 Beverage Manufacturing
- 3256 Soap & Toilet Paper Manufacturing
- 445 Food & Beverage (ie Grocery) Stores

What is the most money my company can earn?

Up to \$200k if you hire 100 new employees.

GET STARTED TODAY

Call Rob Sanger 916.233.9329, rsanger@cmta.net



Use the State of California Funding to increase your training

Did you know that your company can get paid by the State of California to deliver training to your employees? California Manufacturers & Technology Association (CMTA) is partnering with the State of California Employment Training Panel (ETP) to help fund your internal training programs.

This looks too good to be true. Is this for real?

Many companies pass up this opportunity because they think, "This can't be for real, what's the catch?" Most California companies pay into this training fund but only certain companies are eligible to use the funds.

How is the California Manufacturers & Technology Association (CMTA) involved?

CMTA started a new round of ETP funding in 2020. CMTA holds the contract with the ETP instead of your company and this makes the paperwork a breeze. Your company may be eligible to get started training in as little as a week, and CMTA has developed a database to track all of your training electronically. We will assist you with all aspects of administration of the contract.

Can I use my employees to deliver training?

You may use your internal subject-matter experts to deliver the training or external training vendors.

What state agency runs this program and how does it reimburse our company for training?

The Employment Training Panel (ETP) is a state of California agency that provides up to \$75 million in job training funds annually to employers throughout the state. The training funds are paid to the state by all private sector employers.

What type of training can these funds be used for?

Class Topics - training hours can consist of one subject or combination of topics, including:

- Business Skills such as Customer Service or

Accounting

- Commercial Skills such as Construction Skills
- Computer Skills such as Microsoft or Oracle programs
- Continuous Improvement, such as Lean Manufacturing
- Management Skills such as Leading a Team
- Manufacturing and Warehousing Skills such as Cross-Training in Production Operations
- Literacy Skills such as Vocational English or Math

Here are your company's responsibilities:

- Determine training needs
- Identify employees for training: managers, supervisors, hourly workers, etc.
- Select internal or outside trainers
- Review your training program with CMTA
- Submit required information to CMTA
- Track employee training via our free software
- Earn training reimbursement

Here are some of the services offered by CMTA at no charge:

- Evaluate company's training needs relative to the ETP program rules
- Review the program with your company representative
- Refer outside trainers if necessary
- Assist in assembling and completing all necessary documents to participate
- Provide free software to track all your training
- Complete all state required data entry and invoicing
- Reimburse your company for all ETP-eligible training with our training grant

To take advantage of California training reimbursement money

Contact: Rob Sanger at 916-233-9329

Email: rsanger@cmta.net

LinkedIn: www.linkedin.com/in/robsanger

LIVE WEB-BASED ONLINE TRAINING

In an effort to help keep employees and organizations healthy, productive and engaged during this unprecedented crisis, CMTA will be offering free, live video-based training to qualified companies under a State of California Training grant.



FREE live video-based training to qualified companies

Live Web-Based online training courses supplied by Custom Corporate Communications:

- Full Microsoft Office suite computer training
- Leadership Development
- Process Improvement (Lean/Six Sigma)
- Time Management (while working at home)
- Project Management
- COVID-19 safety guidelines for organizations
- and many more

CMTA can also assist companies with computer-based (non-instructor-led) training from Tooling U (www.toolingu.com) and Udemy for Business (www.udemy.com), with content in multiple languages. Some of this training can likely be reimbursed under CMTA's Employment Training Panel grant.

If you are looking for training or subject matter experts in a variety of topics please contact CMTA's Rob Sanger at rsanger@cmta.net.

Get Started

Contact Rob Sanger at rsanger@cmta.net.

1121 L Street, Suite 700
Sacramento CA 95814
www.cmta.net | [@cmta](https://twitter.com/cmta) | [#MakingCA](https://www.facebook.com/makingca)

\$12 Million DOL Grant and other Federal Opportunities

West Los Angeles College received a \$12 million Dept. of Labor grant to help advanced manufacturing companies in CA. The grant focuses on the following:

- Helping manufacturing companies find talent through local community colleges and workforce investment board training programs
- Helping new employees develop their skill sets and leadership skills
- Helping existing employees learn new skill sets so they can do more and/or advance within the company
- Assists employers with formalizing or developing internal and external training programs (i.e. community college courses, Tooling U modules, etc.) with funding available to offset the cost



DOL SCALING APPRENTICESHIP GRANT

GROWING ADVANCED MANUFACTURING APPRENTICES ACROSS AMERICA (GAMAAA)

U.S. Department of Labor Awards \$12 Million Grant to West LA College/
South Bay Workforce Investment Board (SBWIB) Led Collaborative to Prepare
5,000 Apprentices for Advanced Manufacturing, Bioscience & IT Careers

- *Non-Traditional Apprenticeship Earn and Learn Models*
- *Build vs. Buy your Talent*
- *Develop your Talent Pipeline*
- *Train to Your Defined Job Competencies*
- *Receive Grant Funding to Offset your Investment in Apprenticeship*

Contact Us To Learn More



Companies interested in this opportunity should contact:
Deborah Shepard at (310) 970-7700
for more information

ETP Contract Dollars Earned with CMTA Consulting

(2008-2010) SEC =	\$1,001,373
(2011-2013) CMTA MEC =	\$92,220
(2012– 2014) CMTA MEC =	\$156,988
(2013 – 2015) SEC =	\$601,600
(2016 – 2018) SEC =	\$740,000, Plus \$100k MEC



E&J. Gallo Winery

Developed Registered Apprenticeship Standards for the following job roles:

- Winery Technician
- Manufacturing Technician – Production
- Manufacturing Technician- Winery
- Maintenance Technician
- Controls and Automation Technician
- Advanced Material Handler

CMTA assisted with the Regional MEC with Opportunity Stanislaus

Gallo worked with Community Colleges on curriculum and local WIBs



QUESTIONS?

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A  Sempra Energy utility®

SDG&E Resources for Manufacturers

Chris Nanson

9/29/2020



Agenda



Energy Efficiency Programs

- Rebate/Incentive Programs
- Audit Programs
- Financing and Education

Rate Resources

- Self Service & SDG&E Representatives

My Account

- Bill Analysis and History
- Pricing Plans

Energy Efficiency Programs



A Sempra Energy utility®

2020 Rebate/Incentive Programs

[Rebates \(Lighting\)](#)

T-8, High Bay LED, Interior LED Troffers,

Instant rebate with purchase at qualified

distributor

Food Service, Refrigeration, HVAC, Insulation,

Natural Gas Products

Mail in rebate with completed paperwork

[Rebates \(Non-Lighting\)](#)

[Incentives \(calculated\)](#)

\$.12/kWh - \$1.25/therm - \$150/kW peak

reduction

Requires long lead times and CPUC approval, but

higher incentive

High Level Audits

Audit Programs

[Comprehensive Audit](#)

> 100 kW demand min for 3 consecutive months

[Virtual Facility Assessment](#)

No onsite meetings

< 300 kW demand max

[Business Energy Solutions](#)

All in one audit with select product install at

discount or no-cost.

< 200 kW demand max

Financing and Education

[On-Bill Financing](#)

Zero interest loans on qualified EE business

improvements

Pay off on bill

[Benchmarking](#)

Support with AB802 benchmarking

Required for businesses > 50,000 sqft

[Free Workshops](#)

Training, education, and innovation around EE

Free tool and book lending, advanced resources for contractors

Disclaimer – Current EE Programs Concluding



SDG&E will be announcing Solicitations as directed in the California Public Utilities Commission (CPUC) Decision 16-08-019 (Energy Efficiency Rolling Portfolio), in which a minimum of 60% of energy efficiency programs must be proposed, designed, and implemented by a third-party by 2022.

Because of this, the current energy efficiency programs will conclude at the end of 2021, and eligibility for enrollment will conclude at the end of 2020/early 2021.

For more information, please [visit our website](#).

Rate Review Resources



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Contact your Account Executive

Don't know your Account Executive?

Ask me!

Contact Business Call Center

Can you reduce load from 4:00p-9:00p?

Critical Peak Pricing (CPP) rates might be best for you

Review Rates Best for You

Visit your My Account portal for Pricing Plans



Compare Plan Features	Compare Cost Estimates by Month		Compare By Capacity Reservation
Time of Use Plus (AL-TOU2/CPP-D)	Time of Use (AL-TOU2)	Time of Use Plus (AL-TOU/CPP-D)	Time of Use (AL-TOU)
Your Current Plan			
\$626,626 Est. cost per year	\$644,661 Est. cost per year	\$662,401 Est. cost per year	\$673,770 Est. cost per year
N/A Est. savings per year	No Savings	No Savings	No Savings
0 kW Capacity Reservation ?	Capacity Reservation - N/A	0 kW Capacity Reservation ?	Capacity Reservation - N/A
1 Year Commitment ?	1 Year Commitment ?	1 Year Commitment ?	1 Year Commitment ?
Critical Peak Pricing event days ?	No Reduce Your Use event days	Critical Peak Pricing event days ?	No Reduce Your Use event days

Build a Better

Business

My Account



A Sempra Energy utility®

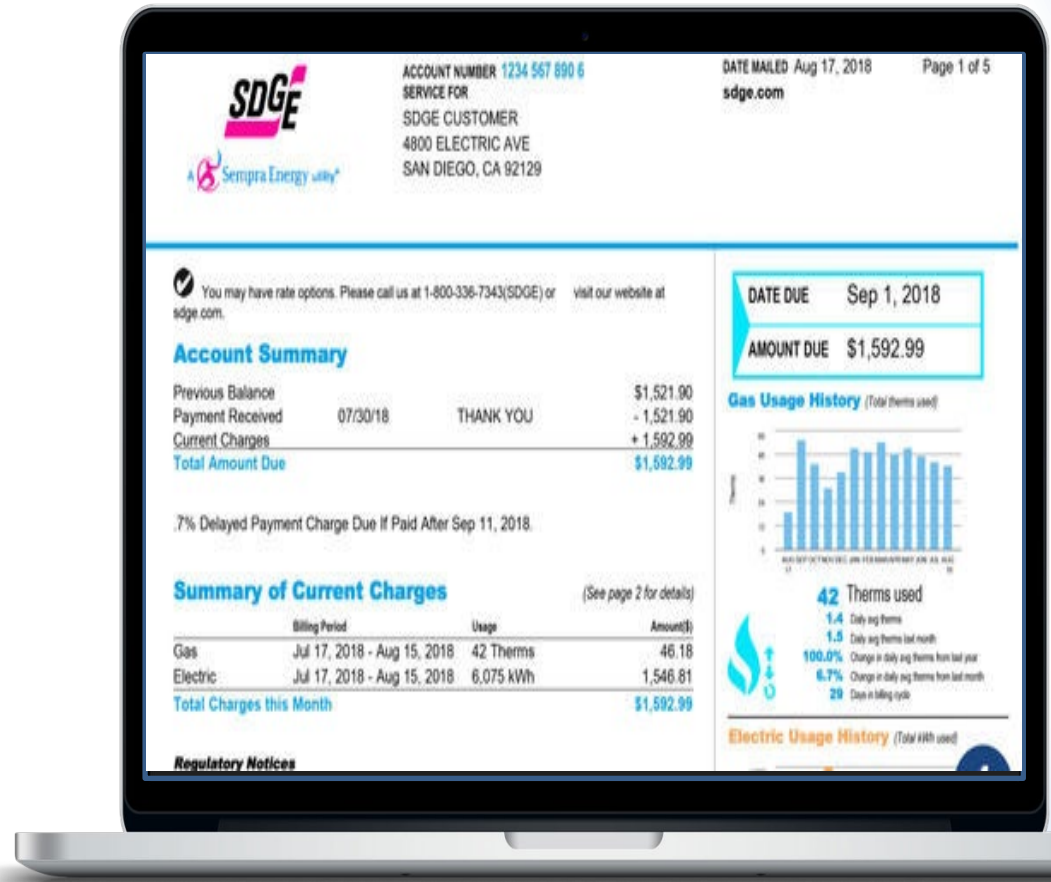
View and Pay your Bill

Gas/Electric Usage History

Review Rate Options and Change Rates

Complete Service Requests

Sign up for Alerts and Notifications



Questions?

Contact Us



Email Me

CNanson@sdge.com



Social Media

[twitter](#)

[Facebook](#)

[LinkedIn](#)



Business Call Center

1-800-336-7343



Website

sdge.com



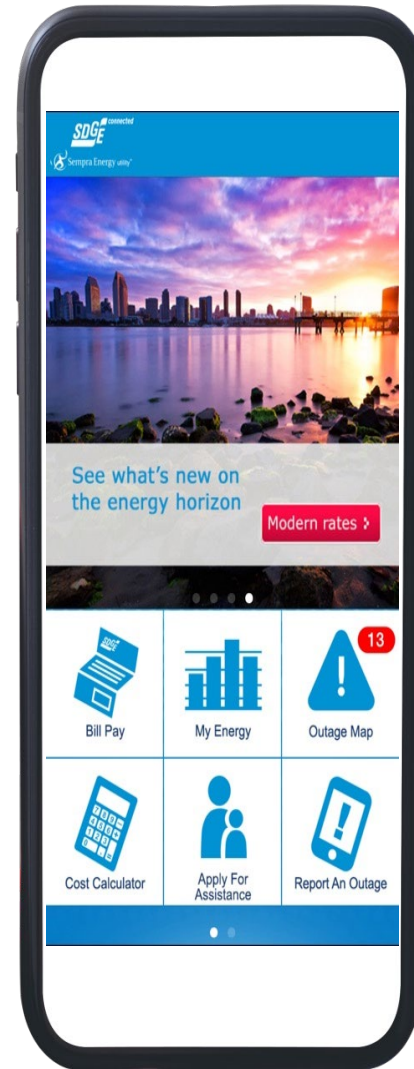
Energy Savings Center

1-800-44-6133



Outage Map

[Check Current Conditions](#)



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