



CITY OF BENICIA
OFFICE OF ECONOMIC DEVELOPMENT

2019-2021

BIENNIAL REPORT



CROSSOVER TO EXCELLENCE

CITY OF BENICIA

Welcome

A NOTE FROM ERIK UPSON



I am so proud to share some of the amazing work that has been accomplished by your City staff and our Mayor and City Council.

So many of the actions taken in 2020-2021 —

vaccination clinics, COVID safety protocols, emergency grants — could not have been predicted in 2019, and yet we never lost sight of our overarching vision of community focused service, provided at the highest level.

We continued to address housing, which can directly impact workforce availability. We forged ahead with solutions to downtown parking and traffic. We refocused visitor promotions to keep outside dollars flowing in. We hired a Sustainability Coordinator to tackle the multifaceted challenges of climate change.

Please stay in touch. For updates on the latest City happenings, visit www.ci.benicia.ca.us/cobtw to read and subscribe to my weekly newsletter.

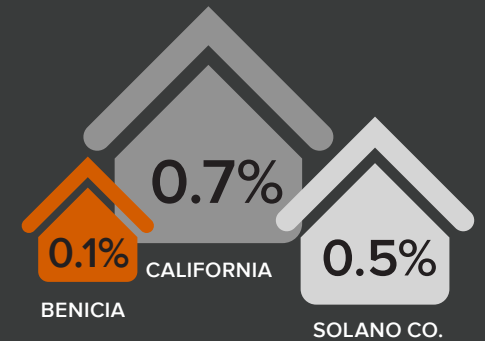
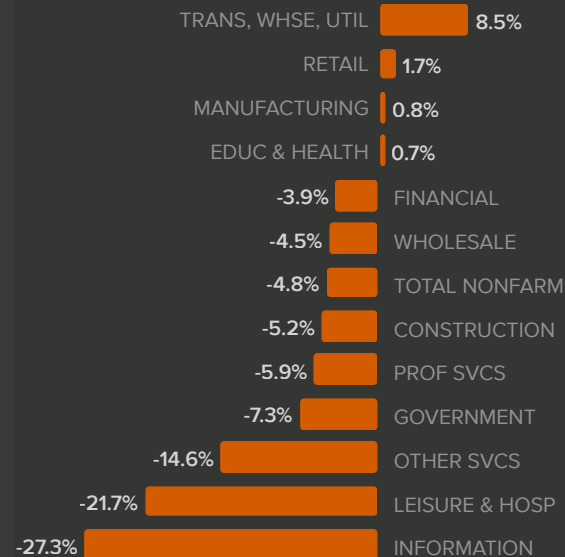
Erik Upson
City Manager

Recovery Snapshot

When we realized COVID-19 would not be “two weeks and done,” the City sought measures to support businesses through these unprecedented times. Critical to that planning was accurate knowledge about likely impacts on the local and global economy.

Robert Eyler, PhD, professor of economics at Sonoma State University and president of Economic Forensics and Analytics, Inc., was invited to discuss economic indicators at two City Council meetings. Here are highlights from his August 2021 presentation. Dr. Eyler will update the Council again in early 2022.

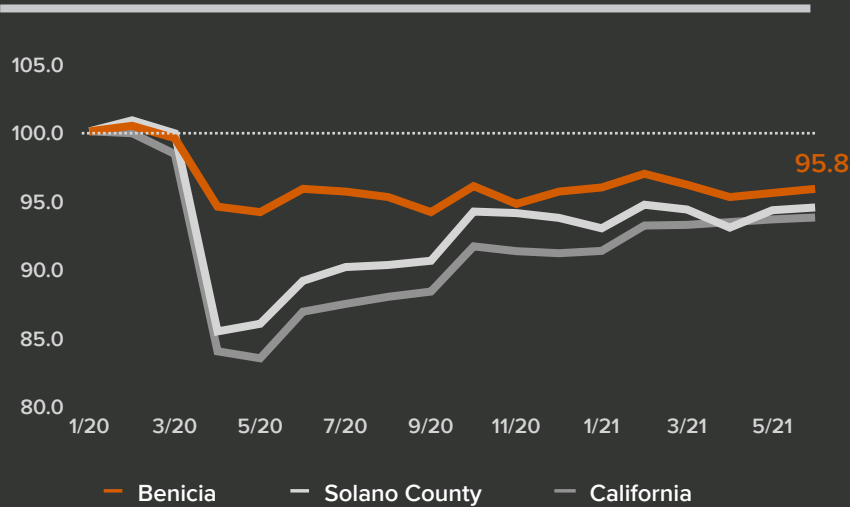
JOBS LOST OR GAINED (SOLANO COUNTY, 4/20–6/21)



▲ GROWTH IN HOUSING UNITS (2020-2021): Housing availability, based on who will stay and who will leave, is one of the biggest unknowns.

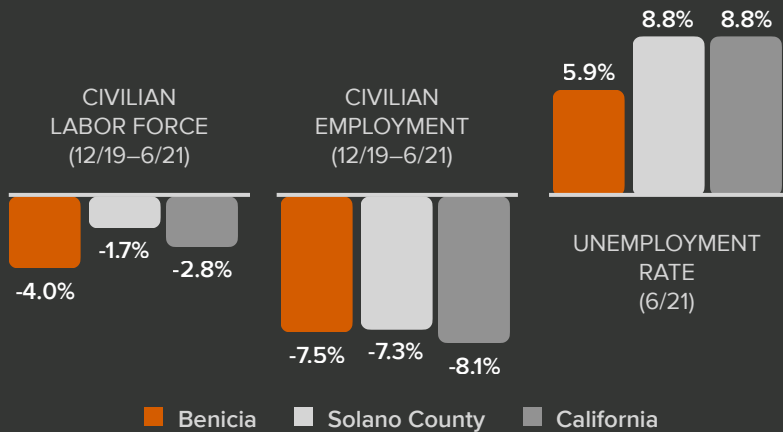
◀ JOBS: Post-pandemic job recovery varied greatly by industry, with *Information, Leisure & Hospitality*, and *Other Services* taking the greatest hit.

EMPLOYMENT RECOVERY (1/20-6/21)



RECOVERY: By June 2021, Benicia residents were employed at 95.8% of prepandemic levels. Employment dropped less dramatically among Benicia residents than the county or state in the early months of the pandemic. (This index reflects those who *live* in Benicia, not those who *work* in Benicia.)

CHANGES IN EMPLOYMENT



EMPLOYMENT: One concern is the reduced size of Benicia's labor force. Did these people leave Benicia or retire and remain here? This can impact local spending and revenue generation for the City.



BUSINESS WALKS

Masked volunteers continued to visit businesses for feet-on-the-ground interviews and sharing the latest information on pandemic protocols.

WE'RE OPEN!

★ ★ ★ ★ ★

We Follow Solano County Guidelines:

- Physical Distancing
- Cleaning & Disinfecting
- Employee Training
- Control Measures & Screening
- Written Worksite Plan
- Wear Face Coverings

Benicia
A COMMUNITY OF THE FUTURE

BENICIA

BeniciaBusiness.org

Benicia Community Services Warmline → Phone: 707.746.4285 Email: pcs@ci.benicia.ca.us

From Study to Streateries

Benicia's waterfront and downtown shops, restaurants, and arts scene are a magnet for residents and visitors alike, and with that popularity comes the challenge of parking.

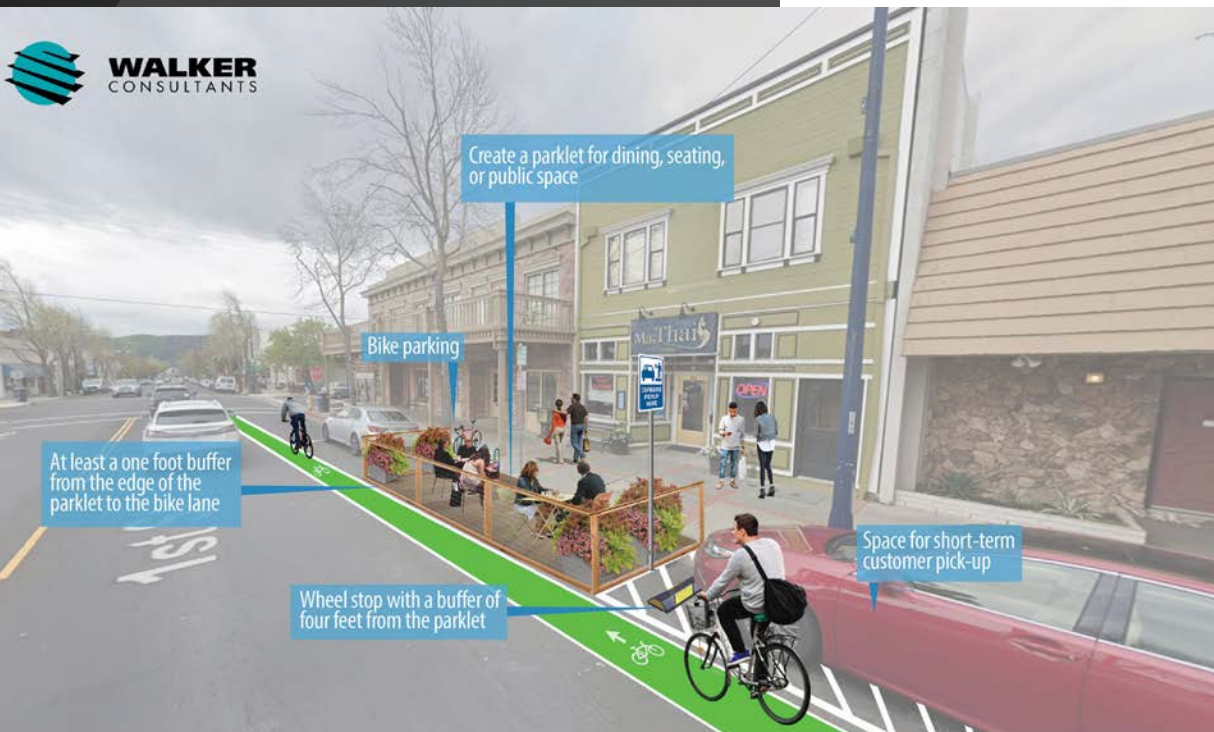
Parking Study

In 2019 the City engaged Walker Consultants to conduct a comprehensive analysis of downtown parking conditions and potential improvements. Their recommendations included better use of existing parking spots through enforcement, partnerships with private parking lot owners, and long-term expansion to coincide with new development. Heading into Phase II of the Downtown Parking Study, residents and businesses were surveyed again in December 2021.



Streateries

Making downtown Benicia friendlier to residents and visitors led to recommendations to pilot new features such as streateries (street-eateries). By expanding the sidewalk into one or more on-street parking spaces and providing seating, landscaping, public art, and bicycle parking, we can create a comfortable pedestrian and visitor environment. Businesses in other cities have reported a 10% to 20% increase in sales when streateries were installed.



OUTDOOR ENCROACHMENT

MAY 2020 An emergency order streamlined the process for Benicia businesses to temporarily set up seating in their parking lots, on neighboring property, or in the public right of way.

TIMELINE



HOLIDAY LIGHTING

In a year when merriment was much needed, the City helped Benicia residents celebrate the holidays in 2021 by paying for new lights and their installation on the holiday tree and palm trees along the Promenade, a savings of approximately \$72,500 for the Business Improvement District.

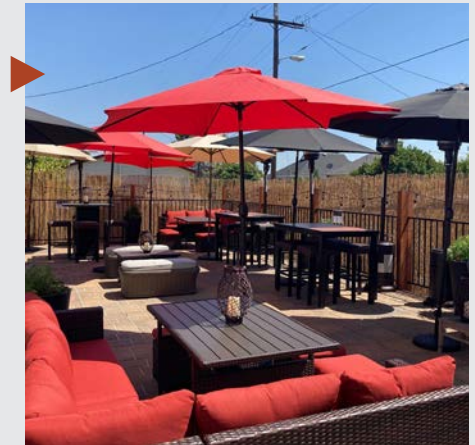
Outdoor Operations During COVID and Beyond

When the City launched the parking study, nobody could foresee how relevant the recommendations for outdoor accommodations would become during the pandemic. As indoor operations became untenable, the City enacted temporary and permanent measures to keep customers coming downtown.

THE RELLIK TAVERN

“As recipients of the BOOST grant, we were able to create an outdoor patio, The Rellik Retreat. Without the development of this space our business would have closed for good. Although the Retreat started out as a necessity to save our livelihood, it has quickly become a favorite destination for our community to enjoy. We are forever grateful!”

DEBBIE ROLLANS / THE RELLIK TAVERN



PERSONAL SERVICES

JUL 2020 Emergency Outdoor Encroachment agreement expanded to allow personal services (hair and nail salons, religious institutions, schools, childcare, food & drink, retail) to move outdoors.

TENTS & HEATERS

DEC 2020 City provided temporary outside dining guidance for use of tents and heaters, including tent permit for those over 400 sq ft.

SIDEWALKS

FEB 2021 City Council authorized \$180,000 for parklets in February 2021 (\$100,000 for business grants and \$80,000 for design standards and sidewalk modifications).

STREATERIES

JUL 2021 Pedestrian bulb-outs installed on First Street to make room for streateries, allowing restaurants to extend their outdoor dining space into the street while freeing up sidewalk space for pedestrians and reducing crosswalk distance.

Doing Business

BUSINESS ACTIVITY MAY HAVE CHANGED UNDER THE PANDEMIC BUT IT DID NOT COME TO A HALT.

SOLANO SMALL BUSINESS DEVELOPMENT CENTER

Solano SBDC is a reliable partner to the City, providing counseling and loan assistance to Benicia businesses. **During 2020-2021 SBDC assisted over 50 clients with these results:**

Increased sales	\$329,100
New businesses started	4
Jobs created	8
Loans/equity	\$435,522
# of clients counseled	52
Hours of counseling by SBDC	341



SBDC clients included Hillary Dupuis, MFT; Loubier Gourmet; and Benicia Ballet.

Financial Assistance to Businesses

As businesses faced challenges from the COVID-19 pandemic, Benicia City Council jumped in from the outset with programs to relieve their financial burden.

COVID-19 RESOURCES FOR BUSINESSES

BOOST GRANTS

Benicia established BOOST grants (Business • Open • Opportunity • Support • Thrive) to help local businesses navigate the impacts of the COVID-19 shutdown. The first two rounds provided over 50 local businesses with grants ranging from \$1,500 to \$10,000 to cover expenses such as lease, utilities, payroll and equipment. Later rounds reimbursed water and wastewater costs, as well as expenses associated with creating outdoor dining spaces during winter. Members of the food and beverage, hospitality and personal services industries — sectors particularly hard hit by the pandemic — were targeted for assistance in the later rounds.

BOOST GRANTS >>>

\$359,351

awarded to **94** businesses
in **6** rounds of BOOST grants

CHOOSING TO STAY OPEN IN THE MIDST OF EXTRAORDINARY CHALLENGES

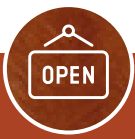


Happy Life added Zoom classes (left).
Double Rainbow updated equipment (right).

HAPPY LIFE POTTERY – “Up until this last December, things were nail-bitingly close,” says co-owner, Amy Stellato. “Even with all of our innovative pivoting, long hours, and the support of our community, we simply could not have stayed in business without the financial assistance we received on both the federal and local levels. Every penny we received was carefully and thoughtfully utilized throughout these past two years to ensure that we stayed in business and kept our employees until things shifted — which they finally did in December!”



DOUBLE RAINBOW CAFE – When the Double Rainbow Cafe closed during the early days of COVID, Brandon and Alicia Brewster had the opportunity to purchase the popular ice cream shop. A \$3,000 BOOST grant enabled a severely needed update, including equipment and replacing old furniture with new vibrant seating not found anywhere else. Brandon says business is picking back up. “We’ve received amazing feedback on what the store has done with helping revitalize our downtown and bring people to our amazing city.”



ROUND 1

Operating Costs

27
businesses

\$2,452–\$10,000
grant size



ROUND 2

Operating Costs

23
businesses

\$1,500–\$7,500
grant size



ROUND 3

Water Utility Costs

7
businesses

\$488–\$2,500
grant size



ROUND 4

Outdoor Dining

11
businesses

\$805–\$1,000
grant size



ROUND 5

Art Galleries

4
businesses

\$500–\$1,000
grant size



ROUND 6

Water Utility Costs

22
businesses

\$339–\$2,500
grant size

Cannabis Update

In 2019 the City of Benicia introduced permitting for businesses with state licenses for cannabis cultivation, manufacturing, testing, and distribution. As of January 2022 we have 3 cannabis businesses operating in Benicia. An exciting development is Shryne Group's proposed facility — one of the first projects to benefit from our Fee Waiver Program (see page 11).

SHRYNE GROUP

Shryne Group, the company behind STIIIZY Benicia, will be transforming a vacant 35,000 square foot building into a state-of-the-art, fully-compliant, cannabis distribution center that will service the Bay Area and Northern California at large. This facility will create new tax revenues to the City of Benicia, while adding 30 to 50 new jobs to the local economy. This location will also double as Shryne Group's Northern California headquarters.



SHRYNE
GROUP
INC.

35,000 sq ft distribution center

30 to 50 new jobs for Benicia

Shop Benicia eGift Cards

To promote local spending during the pandemic, we launched Shop Benicia eGift Cards in partnership with Yiftee on November 30, 2020.

BONUS CARDS – The City invested nearly \$42,500 in bonus cards, allowing shoppers to earn bonus gifts based on their level of spending: \$10,000 initial launch (first week), \$7,500 (next week), \$10,000 (Spirit of Benicia), and nearly \$15,000 (summer promotion).

The program was so popular that initial funding ran out in the first week! Bonus gifts had an expiration date, so any money not spent at local businesses returned to the city.

SPIRIT OF BENICIA – With 4th of July festivities cancelled, the *Spirit of Benicia* campaign rewarded Benicia residents who decorated in a patriotic fashion. More than 500 people entered! A random drawing awarded \$100 gift cards to 100 participants — that was \$10,000 to be redeemed at participating merchants.



BUSINESS PARTICIPATION

Benicia businesses participating in eGift program: **60**

Most cards redeemed at a single business, **One House Bakery: 389**

Greatest eGift spending at a single business, **Bella Sienna: \$11,438**

EGIFT CARD ACTIVITY (FIRST YEAR)



\$120,115
1,921 Cards Distributed*

\$95,611
1,573 Cards Redeemed

*Includes purchased and bonus cards. Purchased cards may continue to be redeemed at Benicia businesses. Expired bonus card value is refunded to the City.

Source: Yiftee eGift report, 11/30/20-11/29/21

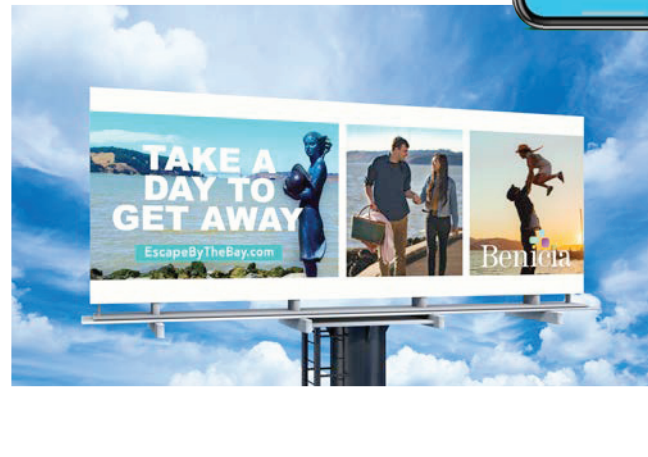
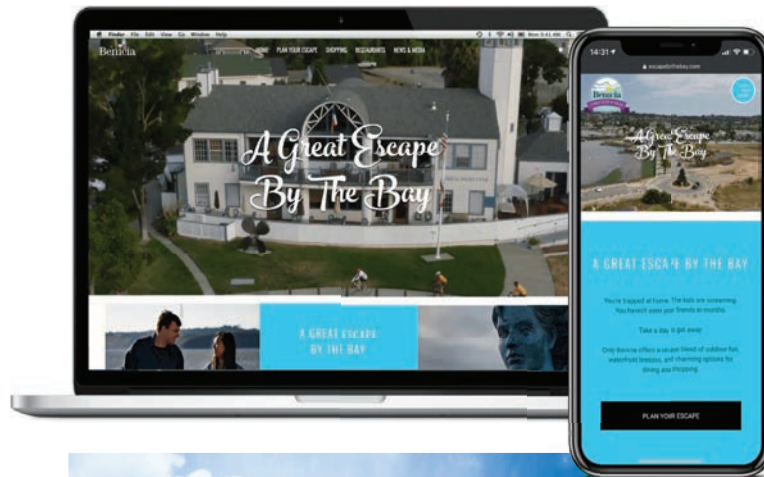
Visitor Attraction

Working with Creative Digital Agency (CDA) we planned to launch a new promotional campaign in March 2020... the month everything shut down.

A GREAT ESCAPE BY THE BAY

As COVID stalled travel and tourism, we scrapped event and indoor shopping promotions, pivoting instead to Benicia's numerous outdoor attractions and day trip itineraries. Our tagline pivoted from "A great day by the bay" to "A great escape by the bay."

EXTENDING REACH – Our website, visitbenicia.org, was redesigned around the new theme. We further expanded our audience of potential visitors through paid media, blogs, newsletters, and placements in print and digital platforms (see below).



WHAT WE LEARNED

TOP SEARCHES

1. Romantic Daytrips & Romantic Getaways
2. Holiday Shopping
3. Mother's Day
4. Things to do in the Bay Area
5. Farmer's Market

MOST ENGAGING TOPICS

1. COVID-19 Return to Market Announcement
2. Supporting Local
3. Art Walk Returns
4. Spring Activities, 2021

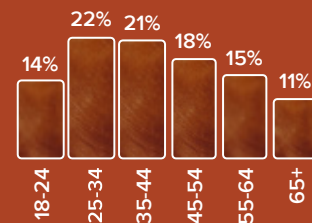
Source: CDA

SUMMER VISITOR CAMPAIGN (2020)

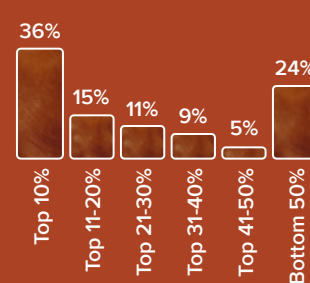
Published placements: **168**
 Traditional audience: **3.68 M**
 Digital online readership: **1.38 B**
 Digital est. coverage views: **4.41 M**
 YouTube Views: **30,600**
 Social Shares: **10,400**

VISIT BENICIA AUDIENCE

Age



Income



Source: CDA

Visit Benicia

**COVID-PROMPTED PIVOT FINDS
 NEW SWEET SPOT IN DAY TRIPS**

Sustainability

NEW ADDITION TO ECONOMIC DEVELOPMENT TEAM

In October 2021 we welcomed Robert Newman as the new Sustainability Coordinator for the City of Benicia, working in the Economic Development Division of the City Manager's Office. Robert was Environmental Services Manager at the City of Vallejo for two years and, prior to that, worked as an Environmental Specialist for the City of Pleasanton and at EBMUD as a Senior Environmental and Health and Safety Specialist.



REDUCING EMISSIONS

Strategies from Climate Action Plan



SOLAR ENERGY



WIND ENERGY



TRANSPORTATION



GREEN BUILDING



ENERGY EFFICIENCY



WATER CONSERVATION



CARBON SEQUESTRATION
(TREES & PLANTS)

New to his position as Sustainability Coordinator, Robert Newman is immersed in the minutiae of emissions inventories — the first step in determining whether to amend or redo Benicia's 2009 Climate Action Plan.

The good news is Benicia is ahead of the curve. Emissions have gone down since the City began tracking them in 2010. Robert credits solar panels, solid waste reduction, and conversion to alternative energy sources through MCE. Also, if there was a silver lining to COVID, it was a temporary reduction in transportation emissions.

SUSTAINABILITY

Sustainability is a key goal for Robert and, true to that mission, he is pursuing partnerships with Solano County and other key players in the Bay Area. The idea: If different groups work together they can make funding go further. Of course, sustainability also applies to climate matters. For example, shifting from natural gas, which is finite and has carbon emissions, to electricity, which is sustainable (as long as it's green).

MANY PATHS TO REDUCING EMISSIONS

What strategies lie ahead? Transportation is the number one source of emissions in Benicia, so that will receive significant attention. Robert would love to see the City convert to an all-electric fleet. But first you need charging stations. And then you need available and affordable vehicles, which may be a few years off in the case of heavy duty trucks. He is also exploring car share programs similar to the City of Berkeley's.

With Raven SR's acquisition of Benicia Fabrication & Machine, the possibility of locally converting waste to reusable fuel is intriguing. Other avenues of exploration include tree planting (for both carbon and heat reduction), solar power, and green business practices.

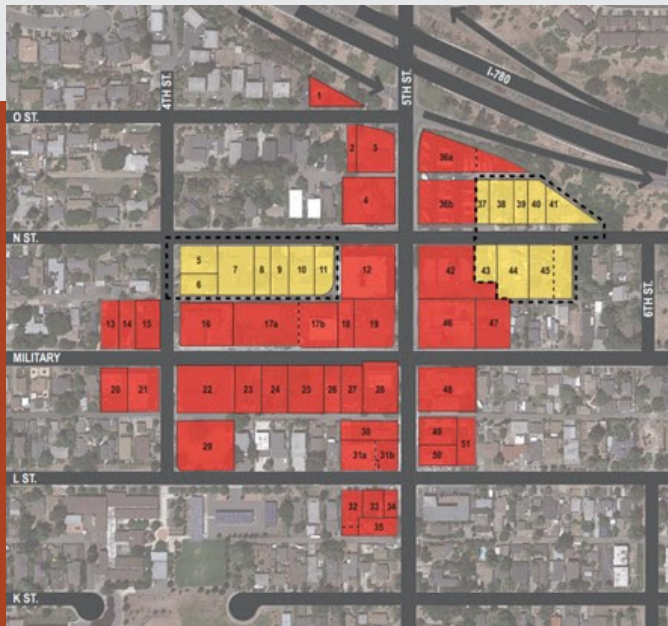
WHAT DOES IT MEAN FOR YOUR BUSINESS?

The City's goal, says Robert, is to work with businesses, not regulate them. He would like to offer energy audits as Benicia builds a partnership with Solano County and MCE. Calls from local businesses are always welcome.

Projects started in 2020 and 2021 are reaching fruition in 2022

EASTERN GATEWAY

The City has worked with the community since September 2020 to envision a new mixed-use district in the East Fifth Street and Military East area, our Eastern Gateway. New regulations streamline housing development in this area, accessible to a range of incomes. Thoughtful design requirements will promote compatibility between new and existing development. This area is within walking distance to downtown, offers easy freeway access and is served by the SolTrans Yellow Line.



▲ EASTERN GATEWAY

FEE WAIVER

To promote industrial and commercial development, the City is offering to waive up to \$35,000 in development fees for companies generating at least five new jobs or \$10,000 in new tax revenues. This incentive is open to both expanding Benicia businesses and companies relocating to the city. Benicia City Council has allocated \$325,000 for the program.



Looking Forward

**HOUSING EMPLOYEES,
EASING BUSINESS EXPANSION**



▲ eIMPACT

New economic data, freshly packaged in an interactive format, will soon be available on our beniciabusiness.com website thanks to eIMPACT.

◀ FEE WAIVER PROMOTION

Economic Development Team



Mario Giuliani



Teri Davena

Benicia's Economic Development Division (**Mario Giuliani, Teri Davena, and Robert Newman**) and board members are the faces business owners see most often, but two outside agencies work tirelessly to make our outreach possible.

Chabin Concepts, a nationally recognized economic development consultancy, has consistently guided us to new tools, strategies, and connections with industry insiders since 2011.

Creative Digital Agency ably demonstrated their mastery of the communication arts with a near-instant pivot to a refocused and successful tourism campaign in the face of COVID shutdowns.

ECONOMIC DEVELOPMENT BOARD MEMBERS

Penny Nichols-Stell (CHAIR)
Christopher Kerz (VICE CHAIR)
Danny Crumpton
Raj Dhaliwal
Marty Jones
Norma Morales Perez

COMMUNITY SUSTAINABILITY COMMISSION

Lindsay Wray (Chair)
Richard Fleming (Vice Chair)
Thomas DeMasi
Allison McCabe (Student Term)
James Petrellese
Barbara Weaver Lloyd
Demian Hardman-Saldana



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