

City of Arts & Innovation

Economic Development, Placemaking and Branding/Marketing Committee

TO: ECONOMIC DEVELOPMENT, PLACEMAKING AND BRANDING/MARKETING COMMITTEE MEMBERS **DATE: APRIL 22, 2021**

FROM: CHAIR RONALDO FIERRO **WARDS: ALL**

SUBJECT: LEVERAGING THE OPENING OF CARB TO ESTABLISH RIVERSIDE AS AN INTERNATIONAL HUB OF CLEAN TECH INDUSTRY.

ISSUE: Provide direction and input to staff on a comprehensive package of preparation, attraction, and branding efforts to kickstart Riverside's future as an international hub for innovative clean and green tech industries.

RECOMMENDATIONS:

That the Economic Development, Placemaking and Branding/Marketing Committee:

1. Provide input, thoughts and direction to staff on methods to build a comprehensive marketing and attraction package to properly leverage the anticipated opening of CARB this year through (1) preparation of internal city infrastructure for unique aspects of clean tech industries, (2) the development of a comprehensive package of incentives and rebates for a wide variety of clean and green industries, (3) the implementation of an aggressive branding/marketing and attraction effort to establish Riverside outwardly as an emerging international hub of clean and green industry; and
2. Direct staff to explore the following concepts, along with other tasks identified by committee members, and bring back options for timeline and implementation to this committee in the next 120 days:
 - a. Flex zoning and rezoning for green tech industry in the General Plan
 - b. Streamlining permitting/planning processes for clean and green industries
 - c. Effectively utilizing and leveraging Opportunity Zone (OZ) designation
 - d. Incentives, exemptions, and rebates through planning and public utilities
 - e. Partnerships for workforce training and clean tech incubation opportunities
 - f. Consideration of current surplus lands for strategic clean-tech clustering
 - g. Creation of a clean tech website dedicated to telling the Riverside narrative
3. Provide input to staff on the issuance of a Request for Proposals (RFP) to develop a CARB business attraction plan in conjunction with the Riverside County, University of California, Riverside, and the Greater Riverside Chamber of Commerce.

BACKGROUND:

In 2016, the City of Riverside, the Greater Riverside Chambers of Commerce, UC Riverside and the County of Riverside successfully competed for the California Air Resources Board (CARB), the largest clean air regulatory agency in the world, to build their Southern California headquarters in Riverside. The headquarters, which will open in 2021, will be LEED certified and will be the single largest net-zero energy structure in the nation.

Bringing this game-changing headquarters to Riverside was not an easy lift. In the search for a relocation of their new facility, the ARB board set out with the expressed goal of creating a world-class facility to support motor vehicle emission standards, implementation and enforcement; and to catalyze a national and international center for air pollution and climate change research.

Elected leaders, City and County management, business leaders, education and research leaders, and the Riverside State delegation worked in a concerted, multi-year effort to court the CARB Board of Directors and make the case for Riverside's potential to accomplish these goals.

It worked and the ARB Board took the gambit on Riverside. Inherent to the delegation's pitch for Riverside was the idea that the facility's movement to Riverside was not the end game for Riverside but instead a catalyst for the creation of a world-class center for air quality research with UCR's Center for Environmental Research and Technology (CE-CERT) as an ideal partner in research and development.

During the March 16, 2016 ARB Board Meeting, UCR Chancellor Wilcox said, *"It seems to me that the Board has a choice. And the choice is between simply moving the laboratory or creating a world-class center for air quality research. Both options have advantages, but it seems to me the first option – simply moving the laboratory has primarily short-term advantages. Creating a world center for air quality research is about long-term advantages ... science provides social change. At UCR we don't just study the particles in the air, we're a place that thinks about our environmental future in a way that is going to be achievable and sustainable in the long-term."*

Today, nearly five years later and months away from a grand opening of the new ARB facility headquarters and Riverside is now poised to kickstart this sustainable future in a monumental way.

As predicted by Chancellor Wilcox and the original backers of the Riverside headquarters, the dynamic partnership between ARB and UC Riverside's Center for Environmental Research and Technology (CE-CERT) has had a reverberating placemaking effect on the region. Not only has the decision created a world-class air quality research center but it has also laid the foundation for Riverside to be a new home and world-class hub for clean tech *industry*.

TIG/m, an international clean tech mobility company whom the City recently entered into a feasibility study with to determine the viability of a zero-emission transportation system in Riverside, became interested in Riverside in the first place due to the movement of CARB and the agency's partnership with CE-CERT. TIG/m's movement of their company headquarters alone would bring nearly 150 high-paid jobs to the region.

The City of Riverside has begun to strategically lay down the groundwork for this new future through a variety of different actions and initiatives, including the designation of 3-mile wide Innovation District; embarking on a feasibility study for phase 1 of a zero-emission streetcar project to potentially connect the University Ave and Third St transit corridors; the establishment of an internal Office of Sustainability and the passage of the 2025 Strategic Plan.

The City team has proactively engaged with the Greater Riverside Chamber of Commerce's Green Team to learn from firms such as AVL, an Austrian-based automotive technology company, about the unique infrastructure needs of clean tech industries and is translating that understanding to better prepare the One-Stop-Shop for potential future development submittals.

City partners and other stakeholders, including UCR, the Greater Riverside Chamber of Commerce and the Western Riverside Council of Governments (WRCOG) have actively been chartering and implementing regional initiatives that complement this clean and green economic vision. Some include:

- OASIS (Opportunities to Advance Sustainability, Innovation and Social Inclusion): UCR headed initiative that aims to better connect and leverage research & development, workforce development and community engagement in the following areas: agriculture, technology, natural resource management (including the Salton Sea), sustainability and clean logistics.
- ExCITE Riverside: An organization with the purpose of facilitating the successful acceleration of startup companies engaged in entrepreneurial research and development of advanced technologies with the intent to create high technology jobs in the county of Riverside.
- IEGO (Inland Economic Growth & Opportunity): A core team of regional leaders, with contributions from a wide stakeholder network, that produced an investment plan casting a broad vision for a sustainable logistics and supply chain cluster throughout the Inland Empire.
- Innovation Empire (Economic Development Corporation Initiative): Steering Committee exploring the concept of creating an Economic Development Initiative in Western Riverside County to provide regional coordination and collaboration for long-term economic development strategies.

DISCUSSION:

These efforts and partnerships are compelling proof that the Riverside community is all-in when it comes to propelling Riverside toward a more sustainable economy based in high-paying clean jobs and grounded by the triple bottom line of economic prosperity, environmental stewardship and inclusive growth.

As we look forward at the City and region's economic recovery from the effects of the COVID-19 pandemic on our local economy, this emergence of a new potentially game-changing industry – fully in line with the Council's 2025 Strategic Plan – is all the more urgent.

The movement of the Southern California Headquarters of the California Air Resources Board to Riverside – and the agency's unique partnership with CE-CERT – has catalyzed a new economic landscape where Riverside has the real ability to become an international hub for clean tech and green industries.

Along with the nearly 500 agency jobs that will come with the movement of the headquarters is a large amount of clean tech companies who regularly contract and partner with CARB. The proximity to CARB and CE-CERT, comparatively low housing costs, low start-up costs, access to Riverside's publicly-owned utility coupled with the city's rich history as a sustainability leader

make Riverside an ideal location for these clean and green tech industries to relocate and cluster.

Our community is currently at an inflection point and is truly at the cusp of what could be a transformational change to our local economy. In the way that Silicon Valley was transformed by the computer industry and internet start-ups, Riverside – The City of Arts and Innovation – has the potential to follow in similar footsteps and become a “Green Silicon Valley.”

However, like bringing ARB to Riverside, the lift to make the potential for this economic dynamic shift will take regional coordination, various intentional changes to “business-as-usual” in Riverside and a community-wide commitment to this bold new future.

The City of Riverside can lead this effort through the establishment of a comprehensive marketing, branding, and attraction effort. The Chair is recommending that the committee direct staff to research the concepts outlined below and bring back action items for the Committee’s consideration. The Package includes the following:

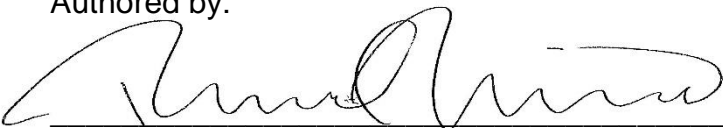
- Preparation of City/Community Infrastructure for clean tech industry:
 - Streamlining permitting/planning processes for clean and green industries
 - Partnerships for workforce training and clean tech incubation opportunities
 - Flex zoning and rezoning for green tech industry in the General Plan
- Development of comprehensive package of incentives and rebates:
 - Incentives, exemptions, and rebates through planning and public utilities
 - Consideration of current surplus land inventory for strategic clustering of clean tech campuses.
 - Effectively utilizing and leveraging Opportunity Zone (OZ) designation
- Implementation of aggressive branding/marketing and attraction efforts:
 - Input on issuance of RFP for business attraction plan
 - Creation of a clean tech website dedicated to telling the Riverside narrative

FISCAL IMPACT:

There is no immediate fiscal impact associated with the recommendations in this report.

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Attachments:

1. Brookings Institution IEGO Report
2. Press Release: CARB Southern California Headquarters