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March 14, 2012

LUCY DUNN  
Co-Chair  
Orange County Business Council

Senate President Pro Tempore Darrell Steinberg  
State Capitol Building, Room 205  
Sacramento, CA 95814

CARL GUARDINO  
Co-Chair  
Silicon Valley Leadership Group

Assembly Speaker John Perez  
State Capitol Building, Room 3160  
Sacramento, CA 95814

RON ADDINGTON  
Business Council of San Joaquin County

Senator Bob Huff, Senate Republican Leader  
State Capitol Building, Room 305  
Sacramento, CA 95814

BILL ALLEN  
Los Angeles County Economic  
Development Corporation

RUBEN BARRALES  
San Diego Chamber of Commerce

Assembly Member Connie Conway, Assembly Republican Leader  
State Capitol Building, P.O. Box 942849  
Sacramento, CA 95814

LINDA BEST  
Contra Costa Council

MARK CAFFERTY  
San Diego Regional Economic  
Development Corporation

**Re: Governor's Office of Business and Economic Development**

KAREN ENGEL  
East Bay Economic Development Alliance

Dear California Senate and Assembly Leaders:

STEVE FALK  
San Francisco Chamber of Commerce

We the undersigned, a network of steward leaders from California's diverse economic regions, representing all sectors (e.g., nonprofit, public, private, education, etc.) and dedicated to promoting a shared, galvanizing program to advance California's economic growth and sustained job creation capacity through regional strategies, commend the Legislature for enacting and the Governor for signing Assembly Bill (AB) 29 (J., Perez) in 2011, making the Governor's Office of Business and Economic Development (GO-Biz) the permanent single point of contact for California's economic development and job creation efforts.

PAUL GRANILLO  
Inland Empire Economic Partnership

RANDY GORDON  
Long Beach Area Chamber of Commerce

BILLIE GREER  
Southern California Leadership  
Council

JOE HARABURDA  
Oakland Metropolitan Chamber of  
Commerce

CYNTHIA KURTZ  
San Gabriel Valley  
Economic Partnership

While a permanent, performance-based GO-Biz is certainly an important first-step to spurring economic recovery and sustaining longer-term prosperity, we must also look to unleash the potential of this office by purposely aligning all the state's economic development activities and resources under GO-Biz in a way that better coordinates and administers them, while also accounting for the fact that California is not one economy but a tapestry of a number of very different economic regions – as defined by economic clusters and labor markets, not political boundaries. Indeed, a top-down, "one size fits all," state-led economic development strategy that may work in Los Angeles County – with its \$500 billion, nation-sized economy – may not work in the Sierra Nevada Region, or vice versa.

MATTHEW MAHOOD  
San Jose Silicon Valley Chamber of  
Commerce

CYNTHIA MURRAY  
North Bay Leadership Council

ROGER NIELLO  
Sacramento Metro Chamber of  
Commerce

AL SMITH  
Greater Fresno Area Chamber  
of Commerce

GARY TOEBBEN  
Los Angeles Area Chamber of Commerce

JIM WUNDERMAN  
Bay Area Council

Now that we have this major instrument for economic development firmly in place, we also respectfully ask you to seize this opportunity to think strategically about the state's economic development programs and how best to position them to serve existing businesses – especially small- to mid-sized businesses, to support entrepreneurship and spur innovation, to reduce the burden and complexity of doing business, and to strengthen the state's export capacity, while also empowering the state's distinct economic regions to develop and implement customized strategies that account for each region's unique challenges, industry mix and distinct assets. In light of these shared economic development goals, we propose that GO-Biz be structured in a way to support and further the following ten (10) aims:

1. Serve as the lead advisor to the Governor and single point of contact on all matters pertaining to the state's economic development strategy and policy, including assessing and providing input on the potential policy implications of proposed legislation;
2. Coordinate and align all state agency and department activities in support of agreed economic development strategies and policies;

3. Promote California – both domestically and globally – as well as lead other marketing efforts relating to business development, private sector investment, and economic growth;
4. Align the state’s economic development activities and resources so as to empower the state’s economic regions, encouraging them to develop and implement customized strategies based on their unique challenges, industry mix and distinct assets, so as to enable them to compete effectively in the global economy;
5. Administer the state’s principal innovation and entrepreneurship programs, with a focus on developing a strong culture of innovation and entrepreneurship in each economic region, built on the unique assets, industry clusters, history and character of each region;
6. Direct the implementation of SB 617 (Calderon/Pavley), which requires that agencies proposing major regulations (\$50 million or above) perform a standardized economic analysis, and other rulemaking processes by forming an Office of Economic and Regulatory Analysis.<sup>1</sup> We believe this office should be in GO-Biz to independently fulfill SB 617’s requirements and create a look-back mechanism to administer an ongoing process of review of regulations and regulatory processes to identify opportunities to streamline, reduce regulatory burdens, increase efficiencies and reduce time-to-market;
7. Engage in an aggressive business retention and expansion (BRE) effort, leveraging regional BRE efforts as well as providing a visible and single point of contact in state government to help deliver assistance to companies, entrepreneurs, and small business owners seeking information on incentives, business growth opportunities and economic development/job creation programs, as well as technical assistance for navigating the state’s regulatory environment;
8. Reexamine and reframe the state government’s apparatus for the delivery of services to the business community, particularly the small business community, to better position California to compete in the global economy;
9. Institute aggressive international trade and foreign direct investment programs on behalf of California, collaborating with the federal government and local partners to identify, assist and cultivate new export opportunities abroad, especially for small- to mid-sized businesses, as well as working with local, regional and international partners to attract foreign investment into the state; and
10. Strengthen the California Infrastructure Bank’s dual role in supporting state economic activities and improving infrastructure delivery by granting it greater autonomy to control its own administrative and appropriation functions.

We hope that you will fully consider the above recommendations to structure GO-Biz in a way that positions our great state for economic recovery, growth and long-term success. We look forward to working with you to ensure that important economic development programs continue to be fully supported, satisfactorily funded and thoughtfully reorganized in a way that facilitates regional action to create jobs, strengthens our state and regional economies, and preserves our overall quality of life.

Sincerely,



Carl Guardino  
President and CEO  
Silicon Valley Leadership Group



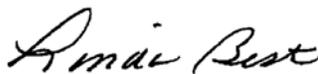
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President & CEO  
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Ron Addington  
President & CEO  
Business Council of San Joaquin County



Linda Best  
President & CEO  
Contra Costa Council



Ruben Barrales  
President & CEO  
San Diego Chamber of Commerce

<sup>1</sup> See, e.g., recommendations contained in the Little Hoover Commission Report, titled: *Better Regulation: Improving California’s Rulemaking Process*



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East Bat Economic Development Alliance



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President & CEO  
San Francisco Chamber of Commerce



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Cynthia Kurtz  
President & CEO  
San Gabriel Valley Economic Partnership



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President & CEO  
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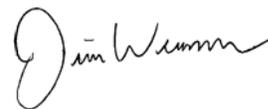
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