



ECONOMIC DEVELOPMENT MONTHLY UPDATE

Downtown Tracy Ribbon Cutting

Elected officials, city staff, and members of the public formed a cheerful crowd for a ribbon cutting ceremony organized by the Tracy Chamber of Commerce for the re-opening of Revive Cryotherapy. Located on Central Avenue a block from the proposed downtown Tracy Valley Link station, the business has celebrated its relocation to downtown from across the City. Owners Autumn and Carlos Benitez are excited about the future of downtown and see the benefit of a co-location next to restaurants, professional services, and specialty shops that jointly create the heart of the Tracy community.

Revive Cryotherapy is located in the historic Clark Building, which was previously called the Slack building, named after Charles Slack, who operated the adjacent Tracy Hotel from 1899 to 1911. It's located next to L'aube Boutique, which opened its doors in 2020 despite the pandemic.



- In this issue:**
- Revive Cryotherapy Ribbon Cutting in Downtown
 - EBCE Community Update
 - Lowe's Fulfillment in Tracy
 - Financial Resources for Tracy Residents
 - Unemployment Rates in Tracy
 - City Wins a New Grant Award for IPC
 - Building Permit Activity
 - Building Safety Staff Wins an Award
 - Hobby Lobby Façade Approvals

East Bay Community Energy Update

Electricity accounts throughout Tracy are now enrolled in East Bay Community Energy (EBCE) service, and this month you'll probably see information in your PG&E bill about EBCE's charges and a Generation Credit from PG&E.

As a reminder, the City of Tracy elected to join EBCE's service in order to provide residents and businesses, as well as municipal facilities, with greener power at lower rates. All electricity customers in Tracy were placed onto EBCE's Bright Choice service in April. Bright Choice offers a 1% discount to PG&E rates.

You will see a new charge on your PG&E bill from East Bay Community Energy, but it is important to understand that this is not an additional charge, it simply replaces what PG&E would have charged you for electricity generation. In fact, when on EBCE service, PG&E issues you a monthly Generation Credit that more than offsets EBCE's charges. Since the PG&E credit is greater than the EBCE charges, you save a little on your bill each month.

EBCE's rate schedules match PG&E such as time-of-use rates, rates for Electric Vehicles, and solar net energy metering. For more information on rates and billing, please visit: <https://ebce.org/understand-your-bill/> or call their call center at 1-833-699-EBCE (3223) or email customer-support@ebce.org

FIND OUT MORE



Lowe's Fulfillment in Tracy



Lowe's e-commerce operation has filled an existing building vacancy in the City. The nearly 500,000 square-foot facility will operate out of the former Orchard Supply Hardware building at 2650 N. MacArthur Road and will enable Lowe's to provide faster and more predictable deliveries. With dedicated inventory to support e-commerce business, this Tracy fulfillment center will be used to ship an expanded assortment, including patio sets, grills and the new line of EGO lithium battery-powered outdoor power equipment to Lowe's west coast customers.

Ingram Micro is running and staffing the Tracy facility for Lowe's, and this location is estimated to provide approximately 100 jobs in the first year of operation. Interested applicants can visit [careers at ingrammicro.com](https://careers.at.ingrammicro.com) to learn more and apply for available roles.

The Economic Development team continues to explore opportunities for the Lowe's retail location in Tracy as part of its wider strategy to diversify local retail offerings. In the past, both Costco and Safeway established community presence with industrial operation which created a pathway to subsequent retail locations in Tracy.



Financial Resources for Tracy Businesses

The recent passage of the \$1.9 trillion American Rescue Act is finally being translated to specific programs to support small businesses and households hard hit by the recent COVID-19 pandemic. Additionally, a portion of the State's fiscal surplus is also being considered for billions in business grants and tax incentives. The City of Tracy's Economic Development division continues to track various programs available to Tracy businesses and residents. Major open relief programs include the following:

Restaurant Revitalization Fund (RRF)

- Awards up to \$5M per business or \$10M total based on eligible expenses incurred during COVID
- Covers food trucks, caterers, bakeries, brewpubs and breweries, wineries, and distilleries
- Registration started on April 30 and applications are accepted as of May 3
- Additional information available at 844-279-8898

California Rebuilding Funds for Businesses

- Low interest working capital loans of up to \$100k for 3 to 5 years
- Apply to small businesses and non-profits

FEMA Funeral Assistance

- Applies to COVID-19 deaths occurred in the U.S. after January 2020
- Covers expense reimbursement up to \$9,000
- Additional information available at 844-684-6333 or 800-462-7585

Pandemic Unemployment Assistance

- Payment for individuals who cannot work due to COVID-19 and are ineligible for regular unemployment insurance
- Pays \$167 - \$450 weekly

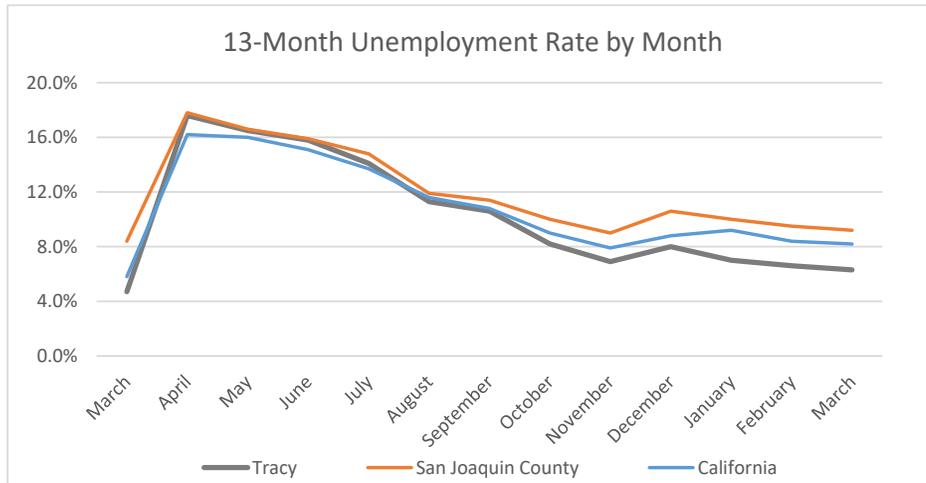
Shuttered Venue Operator Grant (SVOG)

- Provides emergency assistance to eligible venues affected by COVID-19
- Over \$16 billion in grants equal to 45% of gross earned revenue of up to \$10 million per grant



Unemployment Rate in Tracy

As the economy recovers with the State's gradual reopening, Tracy's unemployment rate continues to decrease to its pre-pandemic low. With an unemployment rate of 6.3% in March, the City posted the lowest unemployment rate since the COVID-19 pandemic triggered a peak in April of 2020. While regional and statewide trends are also improving, Tracy's unemployment rate continues to be better than that of San Joaquin County and the State as a whole.



In part, the City's low unemployment rate is attributed to the timely deployment of \$500,000 in small business relief grants to City businesses between February and May. The program approved by City Council in December of 2020 enabled survival of many of the City's most vulnerable businesses and those mostly affected by the State's closures during the winter. Average business size of relief grant recipients was 4.7 employees with average business experiencing a revenue reduction of more than 50% due to the pandemic.



- Restaurants
- Personal Services
- Healthcare
- Gyms/Fitness Studios
- Retail
- Education
- Automotive
- Other

With the funds recently deployed and other financial assistance available on the county, state, and federal level, we are hopeful that local businesses are recovering and new jobs are being created in the community.

New \$8 Million Grant Award is Major Win for the Traffic Flow at International Parkway

The City of Tracy is pleased to announce the award of a \$8,350,000 grant for the International Parkway Bridge Replacement and expansion project by the Department of Commerce's Economic Development Administration. The award was the outcome of a multi-year collaboration between the City's engineering division, economic development division, and Prologis. With persistent efforts and collaborative spirit exhibited by City staff, the grant will fund the widening of roadway and pedestrian improvements within the International Park of Commerce, an 1,800-acre master planned business park and regional cradle of economic activity. As one of the largest business parks across the Country, it is home to Amazon, FedEx, Medline, Smuckers, Thermo Fisher Scientific and Zinus. The award is in line with EDA's mission to lead the federal economic development by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy.

This is the second big win for the Central Valley Gateway corridor with the first being the Trade Corridor Enhancement Program grant. The funding is important to ensure the area maintains its mobility advantage and remains competitive for world-level tenant attraction.

Building Permits



The City of Tracy continues strong residential and commercial growth. Based on activity during the first quarter of 2021, the City is on par with permits issued during 2020 for new construction and remodels. With strong residential and commercial markets and high quality of life, Tracy continues to be a desirable destination for residents and employers seeking to grow their business.

Item	Mar-21	Mar-20	Annual Change	YTD 2021	YTD 2020	Annual Change
Issued Permits						
Residential	203	131	55.0%	467	362	29.0%
Commercial*	17	16	6.3%	38	45	-15.6%

*Includes industrial uses.

Based on the new population data released by the State, Tracy was one of the more rapidly growing cities in the State, particularly as compared to population declines in many coastal communities and statewide. Residential permit activity remains high, fueled by the red hot residential housing market, regional housing shortage, and changing consumer preferences shifting towards more space at lower densities within higher quality of life communities. Demand for commercial real estate, in particular with respect to e-commerce, advanced manufacturing, and logistics continues to push employers to follow the labor force and seek expansion and relocation opportunities in Tracy.

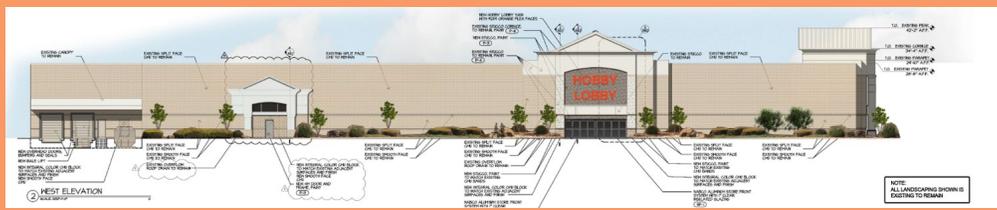
Building Safety Staff Recognized

Tracy’s Building safety staff received a 2020-2021 CALBO (California Building Officials) Course Developer and Instructor of the Year award for “Tenant Improvement Plan Review” virtual course (shared award) on May 17, 2021 at the annual conference. The course was designed to assist individuals interested in learning how to perform a technical plan review of a typical tenant improvement in the State of California.

The Building Safety Division is instrumental in ensuring structures are constructed to meet fire and life safety requirements through the plan review, permit issuance, and inspection processes. Implementation of these critical processes assures safety for our community. These code officials are “silent heroes” who work to ensure a “safe haven” for those working, living, dining, and playing inside the triangle.

Hobby Lobby Façades Get Approved

On May 18, the City of Tracy approved a permit to modify the exterior building façade for the new Hobby Lobby at West Valley Mall. Hobby Lobby will occupy the former J.C. Penney building located at 3100 Naglee Road where it will occupy 50,000 square feet of vacant space with plans to start operation in early 2022. It will join Target and Macy’s as the mall’s anchors. Hobby Lobby has been listed as a top ten retailer by the Tracy community and was continuously approached for Tracy expansion by the City’s economic development team. Hobby Lobby’s expansion highlights advantages of a Tracy location, which includes the City’s proximity to major highways, access to customers in several major markets, a skilled workforce, business mix, recreational amenities, and a high quality of life.



Contact Us:

Michael Nimon
Economic Development Manager
(209) 831-6493
michael.nimon@cityoftracy.org

Barbara Harb
Economic Development Analyst
(209) 831-6491
barbara.harb@cityoftracy.org



www.thinkinsidethetriangle.com