A G E N D A
CITY OF SEASIDE
C-JOBS
COMMISSION ON JOBS, OPPORTUNITIES
AND BUSINESSES IN SEASIDE

REGULAR MEETING
440 HARCOURT AVE
Monday, July 13, 2026
4:00 PM

Virtual Participation Guide: https://www.ci.seaside.ca.us/129/City-Council-Committee-Agendas
https://ci-seaside-ca-us.zoom.us/j/86479626009 | Webinar ID 864 7962 6009 | (669) 900-9128

1. CALL TO ORDER

2. ROLL CALL - COMMISSION ON JOBS, OPPORTUNITES, AND BUSINESS IN SEASIDE

Joy Anderson	Commissioner
Odir Bonilla	Commissioner
Darryl Choates	Commissioner
Sergio Vasquez	Commissioner
Pai Venegas	Commissioner

3. PUBLIC COMMENT

Members of the public wishing to address the Commission on matters within the jurisdiction of the City of Seaside, but not on this agenda, may do so during the Public Comment period for up to three (3) minutes. Comments on specific agenda items are heard under that item. For the public record, please state your name.

4. REVIEW OF AGENDA

If there are any items that arose after the 72-hour posting deadline, this is the point in the meeting where a vote may be taken to add the item to the agenda. (A 2/3-majority vote is required).

5. APPROVAL OF MINUTES

A. APPROVE MINUTES FROM JUNE 8, 2026 REGULAR MEETING

6. BUSINESS ITEMS

A. SELECT THE AUGUST 2026 BUSINESS OF THE MONTH

B. REVIEW SECTIONS B, C, AND D OF THE DRAFT ECONOMIC DEVELOPMENT ACTION PLAN AND PROVIDE INPUT AND DIRECTION TO STAFF

C. RECEIVE AN UPDATE ON OPPORTUNITY ZONE 2.0 AND PROVIDE INPUT REGARDING THE PROPOSED DESIGNATION OF CENSUS TRACT 06053014108

7. REPORTS FROM COMMISSIONERS

This is a time specifically set aside for Commissioners to make brief comments of general interest to the community, make requests that items be added to future meeting agendas as necessary, and report on Committee Assignments.

8. REPORTS FROM STAFF

This is a time specifically set aside for the Staff Liaison to provide updates on non-agendized requests from the Commission, and to provide brief information on topics under the purview of the Commission.

9. ADJOURNMENT

Next Regularly Scheduled Meeting:
August 10, 2026
4:00 p.m.

The City of Seaside is committed to providing accessible facilities and accommodating people with disabilities in all of its services programs and activities. If special considerations are needed by any person to fully participate in this meeting, contact the City Clerk at 899-6707 no fewer than two business days prior to the meeting to allow reasonable arrangements. Agendas are posted at: http://www.ci.seaside.ca.us/129/City-Council-Committee-Agendas

Agenda-related writings or documents provided during public meetings are available for public inspection during the meeting or from the office of the City Clerk. This agenda is posted in compliance with California Governor Newsom's Executive Orders N-29-20 and N-33-20.

DRAFT MINUTES

CITY OF SEASIDE	REGULAR MEETING
CITY COUNCIL/ SUCCESSOR	440 HARCOURT AVE
AGENCY TO THE	Monday, June 8, 2026
REDEVELOPMENT AGENCY	4:00 PM

1. CALL TO ORDER

Chair Anderson called the meeting to order at 4:05 p.m.

2. ROLL CALL - COMMISSION ON JOBS, OPPORTUNITES, AND BUSINESS IN SEASIDE

Joy Anderson	Commissioner	PRESENT
Odir Bonilla	Commissioner	ABSENT
Darryl Choates	Commissioner	ABSENT
Sergio Vasquez	Commissioner	PRESENT
Pai Venegas	Commissioner	PRESENT

3. PUBLIC COMMENT

Members of the public wishing to address the Commission on matters within the jurisdiction of the City of Seaside, but not on this agenda, may do so during the Public Comment period for up to three (3) minutes. Comments on specific agenda items are heard under that item. For the public record, please state your name.

None.

4. REVIEW OF AGENDA

If there are any items that arose after the 72-hour posting deadline, this is the point in the meeting where a vote may be taken to add the item to the agenda. (A 2/3-majority vote is required).

None.

5. APPROVAL OF MINUTES

A. APPROVE MINUTES FROM APRIL 13 AND MAY 11, 2026 REGULAR MEETINGS

On motion by Commissioner Venegas and second by Commissioner Vasquez, the Commission moved to approve the April 13 meeting minutes.

AYES: Anderson, Vasquez, Venegas
NOES: None
ABSTAIN: None
ABSENT: Bonilla, Choates

On motion by Commissioner Vasquez and second by Commissioner Venegas, the Commission moved to approve the May 11 meeting minutes.

AYES: Anderson, Vasquez, Venegas
NOES: None
ABSTAIN: None
ABSENT: Bonilla, Choates

6. BUSINESS ITEMS

A. SELECTION OF JULY BUSINESS OF THE MONTH

Economic Development Analyst Laura Calata presented Item 6A regarding the selection of the July Business of the Month honoree. Staff reported that marketing materials were released through social media and the City website to encourage resident nominations. The July honoree will be highlighted during the July 11 Monterey Bay F.C. game. The Commission reviewed nominations for Togo's, Discount Cigarettes, Grocery Outlet, and La Tortuga Restaurant, with nominations citing customer service, longevity and stability, community engagement, and local employment contributions.

On motion by Chair Anderson and second by Commissioner Venegas, the Commission moved to select Grocery Outlet as business of the month.

AYES: Anderson, Vasquez, Venegas
NOES: None
ABSTAIN: None
ABSENT: Bonilla, Choates

B. INTRODUCTION OF THE DRAFT SEASIDE ECONOMIC DEVELOPMENT ACTION PLAN AND DISCUSSION OF COMMISSION REVIEW PROCESS

City Manager Greg McDanel presented an introduction to the City's Economic Development Action Plan for 2026–2031. The presentation outlined the plan as a strategic framework to align the City's General Plan, Strategic Plan, catalytic development projects, business support efforts, and implementation priorities into a coordinated economic development work program. Key areas discussed included business retention and attraction, workforce development, opportunity site development, tourism and recreation, sports and events, infrastructure, and branding. The presentation also highlighted Seaside's economic baseline, unmet retail and service demand, strategic positioning, corridor revitalization opportunities, data-informed implementation, responsible evaluation of business incentives, and the proposed role of C-JOBS in providing business feedback, outreach support, implementation input, and annual review. Staff sought the Commission's practical input on priorities, early implementation actions, barriers to study, and how C-JOBS can support the next phase of work.

7. REPORTS FROM COMMISSIONERS

This is a time specifically set aside for Commissioners to make brief comments of general interest to the community, make requests that items be added to future meeting agendas as necessary, and report on Committee Assignments.

None.

8. **REPORTS FROM STAFF**

This is a time specifically set aside for the Staff Liaison to provide updates on non-agendized requests from the Commission, and to provide brief information on topics under the purview of the Commission.

The following updates were provided:
Mi Tierra will be opening soon, the date is still to be determined.
Ace Hardware is open for business.
Medical Supply at 1636 Del Monte Blvd is open.
Tenant secured at 7/11 location (Echo & Fremont)
Deli Boys opening at 530 Broadway Avenue.

9. **ADJOURNMENT**

With no further business, the meeting adjourned at 4:41 p.m.

Next Regularly Scheduled Meeting:
July 13, 2026
4:00 p.m.

CITY OF SEASIDE
STAFF REPORT

Item No.: 6.A.

TO: C-JOBS

BY: Laura Calata, Administrative Analyst

DATE: July 13, 2026

SUBJECT: **SELECT THE AUGUST 2026 BUSINESS OF THE MONTH**

RECOMMENDATION

Review the submitted Business of the Month nominations and select one business to be recognized as the City of Seaside's August 2026 Business of the Month.

BACKGROUND

The Business of the Month Program recognizes local businesses that make meaningful contributions to the City of Seaside through exceptional customer service, community involvement, business investment, innovation, and overall positive economic impact.

Nominations for Business of the Month have been received and are presented to the Commission for consideration. Commissioners are encouraged to review each nomination and discuss the merits of the nominated businesses before selecting a recipient.

DISCUSSION

The selected Business of the Month will be formally recognized by the City of Seaside and featured through the City's communication channels, including social media, the City's website, and other promotional materials, highlighting the business's contributions to the community and local economy.

As part of the City's ongoing community partnership with Monterey Bay FC, the selected business will also have the opportunity to attend an upcoming Monterey Bay FC match, where they will be recognized during the game as the City of Seaside's Business of the

Month. This recognition provides additional visibility for the business while celebrating local entrepreneurship before a regional audience.

ATTACHMENTS

None

Reviewed for Submission to the City Council by:

Greg McDanel, City Manager

CITY OF SEASIDE
STAFF REPORT

Item No.: 6.B.

TO: C-JOBS

BY: Laura Calata, Administrative Analyst

DATE: July 13, 2026

SUBJECT: **REVIEW SECTIONS B, C, AND D OF THE DRAFT ECONOMIC DEVELOPMENT ACTION PLAN AND PROVIDE INPUT AND DIRECTION TO STAFF**

RECOMMENDATION

Receive a presentation on the draft Economic Development Action Plan and provide policy direction on the following sections:

- Section B - Economic Development Framework
- Section C - Seaside Today: Economic Baseline & Context
- Section D - SWOT Analysis

BACKGROUND

City staff prepared a comprehensive Economic Development Action Plan to serve as a strategic framework for guiding economic development initiatives over the next five years. The Action Plan is intended to support implementation of the Seaside 2040 General Plan and align with the City Council's Strategic Plan by identifying priorities, strategies, and actions that strengthen Seaside's economy, support local businesses, attract investment, and enhance quality of life.

At the Commission's previous meeting, staff introduced the draft Action Plan and provided an overview of its purpose, organization, and intended outcomes. Staff requests that the document be reviewed in sections over multiple meetings to allow for more focused discussion and meaningful input.

This meeting represents the first in a series of structured reviews of the draft Action Plan. Additional sections will be scheduled for consideration on future Commission agendas.

Staff is requesting the Commission's feedback on the following foundational sections of the draft Action Plan:

Section B – Economic Development Framework

Defines the City's overarching economic development goals and explains how the Action Plan supports implementation of the Seaside 2040 General Plan.

Section C – Seaside Today: Economic Baseline and Context

Presents the demographic and economic conditions, regional context, relationship with California State University, Monterey Bay, major catalytic projects, tourism and events activity, and market opportunities that form the basis for the Action Plan's recommendations.

Section D – SWOT Analysis

Identifies the internal strengths and weaknesses, as well as the external opportunities and threats, that may influence the City's economic development priorities and implementation efforts.

The City Manager will lead the Commission through a discussion of each section. Commissioners are encouraged to consider whether the draft accurately reflects Seaside's current economic conditions, competitive advantages, challenges, and future opportunities, and to identify any information that should be clarified, revised, added, or given greater emphasis.

Following the Commission's review of all sections, staff will incorporate appropriate revisions and prepare the draft Economic Development Action Plan for consideration by the City Council.

ATTACHMENTS

1. Seaside_EconDev_DesignedVersion_Sections B,C,D

Reviewed for Submission to the City Council by:

Greg McDanel, City Manager

Section B
Economic Development Framework

Section B — Economic Development Framework

Seaside's approach to economic development is rooted in three overarching goals:

A Strong, Diverse, and Inclusive Local Economy
Support small businesses, promote entrepreneurship, attract new employers, and ensure equitable access to opportunity across all neighborhoods. This includes fostering a predictable and efficient business environment that enables both new and existing businesses to thrive.

Vibrant Mixed-Use Districts and Opportunity Sites
Catalyze transformational development at Campus Town, Main Gate, and key commercial corridors to create high-quality housing, retail, office, entertainment, and public space. These districts will serve as economic anchors that broaden the City's revenue base and enhance community identity.

Regional Competitiveness and Community Identity
Leverage Seaside's unique strengths—CSUMB, cultural diversity, the golf courses, beaches, recreation, and events—to elevate citywide identity and improve fiscal sustainability. Strengthening Seaside's position within the Monterey Peninsula economy requires coordinated regional partnerships, strategic marketing, and a commitment to high-quality development standards.

This framework builds on the Seaside 2040 General Plan, which calls for:

- Strengthening the city's economic base
- Supporting high-quality infill development that enhances neighborhood vitality and walkability.
- Enhancing commercial corridors and key nodes
- Expanding tourism and hospitality
- Improving the public realm
- Encouraging mixed-use and walkable environments
- Supporting sustainable and equitable economic mobility

This framework should also be implemented through practical district-based tools that strengthen Seaside's commercial corridors, support existing businesses, and create a more coordinated approach to revitalization. As part of implementation, the City should evaluate participation in the California Main Street Program or development of a locally tailored Main Street-style framework for Broadway and other priority commercial corridors. This approach would help organize business support, district promotion, public realm improvements, cultural identity, events, and economic vitality under a clear and recognizable structure.

The City should also continue to expand the use of data-informed tools, including Placer.ai and similar market analytics platforms, to support retail recruitment, visitor analysis, business district marketing, and performance tracking. These tools should complement direct business engagement and help the City better understand customer trade areas, event impacts, spending capture opportunities, and gaps in retail, restaurant, entertainment, and service categories.

Together, these principles provide a cohesive structure for guiding development decisions, prioritizing public investment, and ensuring that Seaside's economic growth aligns with long-term community values and expectations.

Engagement with local businesses, institutions, and advisory commissions will support implementation of this framework by providing real-time feedback on economic conditions, emerging opportunities, and program effectiveness

Section C

Seaside Today: Economic Baseline & Context

Section C — Seaside Today: Economic Baseline & Context

C.1 Community Overview

Seaside is a diverse coastal city of approximately 32,700 residents with a strong multicultural identity, military heritage, and a growing reputation as a recreation-oriented, education-linked, opportunity-rich community. The community's character is shaped by its long-standing neighborhoods, cultural diversity, and proximity to natural and regional amenities.

Key strengths include proximity to regional job centers, recreational amenities, CSUMB, the Monterey Bay coastline, and significant undeveloped or underutilized land holdings. This combination of location advantages and available development sites positions Seaside uniquely among Peninsula cities for long-term economic expansion.

C.1.a Data-Informed Market Snapshot

Recent demographic and market indicators reinforce Seaside's focus on neighborhood-serving services, small business growth, and stronger local spending capture. Seaside's estimated population is 32,716 residents (Q4 2024), with a median household income of $81,720 and an average household income of $104,266.

Population:
32,716
residents.

Median Household Income:
$81,720.

Diversity:
46% Hispanic or Latino population.

Household composition reflects a family-serving market, with an average household size of approximately 3.07 persons, supporting demand for everyday retail, food service, personal services, and community-oriented amenities. Seaside's diversity—including a population that is approximately 46 percent Hispanic or Latino—reinforces the importance of culturally responsive entrepreneurship, inclusive business support, and locally accessible goods and services.

C.2 Regional Positioning

Seaside sits at the geographic center of the Monterey Peninsula region, sharing borders or proximity with Marina, Monterey, Del Rey Oaks, Pacific Grove, and Carmel. This positions the City to serve as:

- A gateway to the Peninsula
- A regional hub for workforce housing
- The primary university-adjacent commercial destination within the region
- A growing market for sports, recreation, and events
- A community with emerging hospitality and tourism assets

Its central location along major transportation corridors, combined with an increasingly diversified economic base, enhances Seaside's role as a connector between regional employment, education, recreation, and tourism hubs.

C.3 CSUMB Economic Relationship

California State University, Monterey Bay (CSUMB) maintains its official address in Seaside, with campus lands spanning jurisdictional boundaries and portions located within the City of Marina. This positioning places Seaside in a uniquely advantageous role as the university's host city. As the host city, Seaside benefits from the university's enrollment growth, employment base, visitor population, and expanding academic programs.

Historically, however, most commercial activity adjacent to CSUMB took root in Marina, resulting in substantial leakage of student, faculty, and visitor spending. Marina's new retail and restaurant clusters captured discretionary dollars that could have naturally flowed into Seaside. This pattern is reinforced by market data indicating significant unmet retail and food service demand within Seaside, despite strong household income levels and a sizable resident and workforce population.

Strategic Shift

With Campus Town and Main Gate, Seaside now has the opportunity to:

- Capture student, faculty, visitor, and game-day spending
- Develop walkable, mixed-use districts directly connected to campus
- Strengthen partnerships for workforce development, innovation, and entrepreneurship
- Shift the commercial “pull” of campus southwest toward Seaside
- Reinforce Seaside’s identity as the university community—without rebranding as a “college town”

By shaping high-quality mixed-use districts that meet university-driven demand, the City can improve fiscal sustainability, enhance quality of life, and expand opportunities for local businesses.

C.4 Major Catalytic Projects

Campus Town - A 122-acre mixed-use district planned to include housing, retail, restaurants, hospitality, open space, and entertainment. It is the largest mixed-use project on the Peninsula in a generation. Phase IA is currently underway with vertical construction planned for Fall 2026.

Main Gate Mixed-Use Development - A 50-acre employment and commercial hub serving as a major gateway into Seaside and CSUMB.

Seaside Grand Hyatt Hotel & Resort - A luxury conference and resort hotel integrated with the Bayonet & Black Horse golf courses, poised to anchor Seaside’s hospitality and tourism economy.

Broadway Corridor Revitalization - Supporting small businesses, arts, culture, public realm activation, and redevelopment of underutilized parcels. This effort includes the

Upper Broadway Complete Streets Project, which will transform the eastern/upper portion of the corridor into a safer, more walkable streetscape that supports small business vitality, multimodal access, and long-term reinvestment.

Fremont Corridor Improvements - Streetscape, mobility, and safety enhancements along a critical regional corridor.

Monterey Bay FC - A professional soccer franchise based in Seaside, bringing regional visibility, game-day spending, and year-round sports tourism.

Seaside Car Week/Exotics on Broadway - Seaside's signature Car Week events, drawing tens of thousands of visitors and generating significant economic activity.

Together, these projects represent the most significant wave of economic investment in Seaside in decades and will serve as the foundation for job creation, revenue generation, and long-term identity-building.

C.5 Tourism & Events Baseline

Seaside has historically underperformed in tourism relative to Monterey, Pacific Grove, and Carmel. However, multiple indicators now point toward accelerating growth:

- The Grand Hyatt will expand hospitality capacity and conference activity
- Outdoor recreation, trails, and coastal amenities are growing draws
- Major events generate meaningful visitor and retail spending
- The City's partnership with See Monterey is expanding marketing reach

Demographic and spending data indicate growing capacity to support visitor-serving uses, particularly food service, entertainment, and neighborhood retail, reinforcing the City's strategic shift toward a more active visitor economy.

Improved visitor-facing amenities, coordinated marketing, and enhanced event programming will be essential to capturing a larger share of regional tourism activity

C.6 Summary of Baseline

Seaside possesses arguably the greatest development capacity of any Monterey Peninsula city, while maintaining deep community roots and cultural heritage. Strategic and coordinated action is required to fully convert these assets into sustainable long-term prosperity. With deliberate planning, strong partnerships, and clear implementation, Seaside can leverage its competitive advantages to support both economic growth and community well-being.

Recent market analysis indicates that Seaside continues to experience substantial leakage of resident and visitor spending to surrounding jurisdictions and online platforms. This leakage represents both a challenge and a strategic opportunity to strengthen the City's existing business base, guide targeted recruitment, and improve the capture of everyday consumer spending through neighborhood-serving businesses and mixed-use development.

C.7 Retail & Service Spending Capture Opportunities

Seaside's sales gap analysis indicates significant unmet retail and service demand within the City. Total unmet demand (demand minus supply) is estimated at approximately **$238 million** annually, demonstrating strong market support for additional commercial activity.

The strongest near-term opportunities are concentrated in food service and community-serving businesses, including restaurants and limited-service eating places, as well as health, personal care, and neighborhood retail categories.

A substantial share of unmet demand is also reflected in electronic shopping and mail-order purchases, reinforcing the importance of pairing storefront recruitment with strategies that help Seaside businesses compete through digital visibility, online ordering, and omnichannel customer access.

The City should connect this opportunity directly to business-facing implementation tools such as Seaside at Your Fingertips, coordinated district marketing, and data-supported business outreach. By combining sales-gap analysis, foot traffic analytics, business directory modernization, and visitor-origin data, Seaside can better support existing businesses while also presenting stronger evidence to prospective tenants, developers, brokers, and investors.

Programs such as Seaside at Your Fingertips should be treated as economic development infrastructure, not simply communications tools. When integrated with business outreach, retail recruitment, event promotion, and visitor-facing marketing, these platforms can help local businesses improve digital visibility, capture visitor spending, and compete more effectively with online and out-of-area alternatives.

These findings support a dual strategy of targeted retail and service recruitment alongside investments that strengthen the competitiveness, modernization, and resilience of Seaside’s existing business base.

Section D

SWOT Analysis

Section D — SWOT Analysis

The SWOT analysis identifies internal strengths and weaknesses, as well as external opportunities and threats, that influence Seaside's economic development efforts. This analysis is intended to inform strategic prioritization, guide implementation decisions, and highlight areas requiring mitigation or leverage.

Strengths

- Cultural diversity and strong community identity
- California State University, Monterey Bay (CSUMB) located in Seaside
- Bayonet & Black Horse Golf Courses
- Growing hospitality footprint anchored by the future Seaside Grand Hyatt Hotel & Resort
- Affordable commercial rents and competitive land availability
- Central location with access to regional transportation corridors
- Significant opportunity for mixed-use and infill development

These strengths provide the foundation for Seaside's economic development strategy, positioning the City to attract investment while preserving community identity and cultural authenticity.

Weaknesses

- Water constraints and regulatory limitations on new development
- Limited economic development staffing capacity
- Underdeveloped tourism and destination brand
- Leakage of university spending to Marina due to historical development patterns
- Aging building stock in key commercial corridors
- Limited industrial and flexible commercial space
- Fragmented perception of Seaside's economic identity within broader region
- Limited fiscal flexibility to self-fund major infrastructure without partnerships

Addressing these weaknesses will require coordinated infrastructure planning, organizational capacity building, and continued process improvements across departments.

Opportunities

- Activation of Campus Town and Main Gate
- Opening of the Seaside Grand Hyatt Hotel & Resort
- Expanded partnership with See Monterey for tourism marketing
- Sports tourism and recreation economy through Monterey Bay FC and regional athletics
- Entrepreneurship and minority business growth supported by Seaside's diversity
- Infrastructure investment tools such as EIFD and CRIA
- Growing regional demand for housing, hospitality, retail, and workforce amenities
- Increased ability to capture CSUMB-related spending through university-adjacent development.
- Expansion of conference, event, visitor-serving uses tied to Grand Hyatt and regional tourism.
- Leveraging placemaking, arts, and cultural programming to activate commercial corridors.
- Demonstrated retail and service spending gaps that support expansion of neighborhood-serving businesses and local spending capture.

These opportunities align directly with the City’s Core Strategies and offer clear pathways to increase employment, expand the tax base, and enhance community-serving amenities.

Threats

- Regional hospitality and retail competition from Monterey, Marina, Carmel, and Pacific Grove
- Infrastructure limitations, parking constraints, and regional traffic patterns
- Ongoing water supply uncertainty
- Rising construction and labor costs
- Perception risks associated with growth, development, and change
- Statewide regulatory pressures affecting land use, housing, and CEQA compliance
- Regional labor shortages in hospitality, service, and construction sectors
- Economic volatility and potential shifts in tourism, higher education enrollment, or regional employment trends

Mitigating these threats will require proactive planning, transparent public engagement, regional coordination, and flexibility in implementation as market conditions evolve.

CITY OF SEASIDE
STAFF REPORT

Item No.: 6.C.

TO: C-JOBS

BY: Greg McDanel, City Manager

DATE: July 13, 2026

SUBJECT: **RECEIVE AN UPDATE ON OPPORTUNITY ZONE 2.0 AND PROVIDE INPUT REGARDING THE PROPOSED DESIGNATION OF CENSUS TRACT 06053014108**

RECOMMENDATION

The Opportunity Zone program is intended to encourage private investment in designated census tracts through federal tax incentives. Census Tract 06053014108 includes several significant economic development areas and projects, including Main Gate, Campus Town, and the Seaside Grand Hyatt Hotel & Resort.

Staff is evaluating whether the City should formally support designation of the census tract under Opportunity Zone 2.0. The Commission's input is requested regarding the potential economic development benefits, investment opportunities, and considerations associated with the proposed designation. Staff will use the Commission's feedback in preparing a recommendation for City Council consideration.

BACKGROUND

The federal Opportunity Zone (OZ) Program was originally established through the Tax Cuts and Jobs Act of 2017 to encourage private investment in economically distressed communities through capital gains tax incentives. California currently contains hundreds of federally designated Opportunity Zones that have attracted investments in housing, commercial development, business expansion, and infrastructure projects.

Congress has since approved a permanent successor program, commonly referred to as Opportunity Zones 2.0 (OZ 2.0), which updates the original program, creates a new designation process, and establishes a recurring opportunity for states to nominate qualifying census tracts every ten years. Investments made under the new program begin in 2027 using newly designated Opportunity Zones.

California communities are now entering the next Opportunity Zone designation cycle, providing local governments with the opportunity to recommend eligible census tracts for federal designation. GO-Biz is accepting Local Authority Recommendation Forms through **July 20, 2026**, making this a time-sensitive opportunity for jurisdictions seeking to strengthen their economic development toolkit.

Opportunity Zones are intended to encourage long-term private capital investment in communities by providing federal tax incentives for qualified investments. These investments can support commercial redevelopment, business expansion, infrastructure, housing, and other catalytic projects that stimulate economic growth and neighborhood revitalization.

DISCUSSION

The City of Seaside continues to implement strategies that promote business attraction, commercial revitalization, and private investment. Opportunity Zone designation represents another tool that could complement these efforts by encouraging investment in priority areas through federal tax incentives available to qualified investors.

Participation in California's Opportunity Zones 2.0 nomination process provides the City of Seaside with an opportunity to evaluate whether eligible census tracts should be considered for federal designation as part of the City's long-term economic development strategy.

While Opportunity Zone designation does not provide direct financial assistance to the City, it can enhance Seaside's ability to attract private investment by providing an additional incentive for qualified projects. If selected, the designation could support the City's efforts to encourage business investment, facilitate redevelopment, expand employment opportunities, and advance strategic economic development priorities.

ATTACHMENTS

1. OZ-2.0-FAQ-2
2. Census Tract - 06053014108 - Map

Reviewed for Submission to the City Council by:

Greg McDanel, City Manager

Opportunity Zones 2.0 in California

Frequently Asked Questions (FAQ)

How to Use this FAQ Document:

- The first version of this document was uploaded to the GO-Biz Opportunity Zones 2.0 Web Page (https://business.ca.gov/resources/infrastructure-development/opportunity-zones-in-california/) on June 4, 2026. This document will continue to be updated as the GO-Biz Regional Economic Development Initiatives team receives questions through the Question Submission Form (https://forms.cloud.microsoft/g/CNmhbGAkSN) and during webinars (register for upcoming sessions and view recordings here (https://business.ca.gov/resources/infrastructure-development/opportunity-zones-in-california/)).

- Submitted questions will be reviewed and incorporated into future FAQ updates, as appropriate. A direct response will not be provided. New content will be added to the end of this document and will be indicated by the date posted.

- Previously answered questions may have updated answers. Answers that have been updated will be indicated with "(UPDATED MONTH-DAY-YEAR)" before the question.

- Please visit the GO-Biz Opportunity Zones 2.0 Web Page (https://business.ca.gov/resources/infrastructure-development/opportunity-zones-in-california/) to ensure you have the latest version of this document.

Posted June 4, 2026:

1. **What are Opportunity Zones?**

Opportunity Zones are economically distressed communities, defined at the individual census tract level, that are nominated by the governors of each state and territory, as well as the Mayor of the District of Columbia, and certified by the U.S. Secretary of the Treasury through a delegation of authority to the Internal Revenue Service. Under certain conditions, new investments in Opportunity Zones may be eligible for preferential tax incentives.

Opportunity Zones can be a powerful tool for driving private investment into underserved communities. The program was established by the Tax Cuts and Jobs Act (TCJA) on December 22, 2017. Originally created as a temporary initiative, the incentive was later enhanced and made permanent under Public Law 119-21, which was passed by the 119th United States Congress.

To learn more about the program, please visit the [IRS Opportunity Zones FAQ page (https://www.irs.gov/credits-deductions/opportunity-zones-frequently-asked-questions)](https://www.irs.gov/credits-deductions/opportunity-zones-frequently-asked-questions).

2. What types of projects can Opportunity Zones finance?

The Opportunity Zone tax incentive can support a wide range of investments, including commercial and industrial real estate, housing, infrastructure, and both existing and start-up businesses. For real estate projects to qualify, the investment must be "original use" or result in the property being "substantially improved."

3. What entities are considered investors in the program?

Any corporation or individual with realized capital gains may be eligible to invest in Opportunity Zones. Eligible capital must be provided as an equity investment, not debt (though debt may be part of a larger financing package). Additionally, the investment must be made using recently realized capital gains to qualify for the associated tax incentives.

4. What is Opportunity Zones 2.0?

Opportunity Zones 2.0 refers to the permanent renewal and enhancement of the Opportunity Zones program enacted through Public Law 119-21 and signed into law on July 4, 2025. Under the original law, the program was set to expire on December 31, 2026. Section 70421 of the federal statute makes it a permanent feature of the Internal Revenue Code while updating eligibility criteria, tax incentives, and compliance requirements.

5. **When did these changes take effect?**

Most major changes—including the new tax benefit structure and redesignated zones—apply to investments made on or after January 1, 2027. However, one provision took effect immediately upon enactment: the reduced substantial improvement requirement for rural investments (lowered from 100% to 50%) became effective July 4, 2025.

6. **What happens to existing Opportunity Zone investments made before 2027?**

Investments made under the original TCJA Opportunity Zone rules are unaffected by Section 70421. The prior rules continue to govern those earlier investments, and the new regulations do not retroactively alter their tax treatment.

7. **Will there be an overlap with Opportunity Zones 1.0 and Opportunity Zones 2.0?**

Yes. See timeline below:

- January 1, 2027 – Opportunity Zones 2.0 map and investment rules become effective
- January 1, 2027, through December 31, 2028 – Opportunity Zones 1.0 and Opportunity Zones 2.0 maps remain valid
- December 31, 2028 – Opportunity Zones 1.0 tracts sunset; only Opportunity Zones 2.0 zones remain.

8. **How will Opportunity Zones be designated going forward?**

The program now operates on a permanent, rolling 10-year cycle. Governors must nominate Qualified Opportunity Zones every decade. The first round of new designations must occur within a 90-day window beginning July 1, 2026, subject to U.S. Treasury approval. New designations take effect for investments made on or after January 1, 2027.

9. **How many census tracts can a state designate as Opportunity Zones?**

Governors may nominate up to 25% of their state's eligible census tracts as Qualified Opportunity Zones. California has 2,469 eligible census tracts, so the Governor may nominate a maximum of 618 tracts.

10. **Have the eligibility criteria for census tracts changed?**

Yes. Opportunity Zones 2.0 tightens the income eligibility threshold. Census tracts qualify if they meet one of the following:

- Income does not exceed 70% of the applicable median family income; OR
- Poverty rate is at least 20% and income does not exceed 125% of the applicable median family income.

Note: The U.S. Department of the Treasury determined median family income for each census tract based on the 2020-2024 American Community Survey (ACS) 5-year estimates.

11. **How do I find out if a census tract in my jurisdiction is eligible?**

The U.S. Department of the Treasury released the official list of eligible census tracts on April 6, 2026. Please see Qualified Opportunity Zones | U.S. Department of the Treasury (https://home.treasury.gov/policy-issues/tax-policy/data-transparency/qualified-opportunity-zones) to see the official list. You may also consult interactive mapping tools provided by organizations such as Novogradac (https://www.policymap.com/embed/widget/12163/DNAOEK4MOFUIAGJCCEX7MVRX9IRWBIKG)and the Economic Innovation Group (https://www.arcgis.com/apps/dashboards/c473c71f0704408f934fbdc342caf1f1) to explore eligible tracts. Please contact us if you need assistance identifying eligible tracts in your jurisdiction.

12. **Can a tract that is currently an Opportunity Zones 1.0 zone be recommended for Opportunity Zones 2.0?**

Yes, if the tract appears on Treasury's official Opportunity Zones 2.0 eligible tract list. Existing Opportunity Zones 1.0 tracts are not automatically eligible or ineligible — each tract must independently meet the new, updated eligibility criteria under the federal statute. Some Opportunity Zones 1.0 tracts will not qualify under the stricter Opportunity Zones 2.0 standards.

13. Can governors still nominate contiguous census tracts that are not otherwise eligible?

No. Opportunity Zones 2.0 eliminates the contiguous tract designation option. Only tracts that independently meet eligibility criteria may be designated.

Qualified Rural Opportunity Funds

14. What is a Qualified Rural Opportunity Fund?

A Qualified Rural Opportunity Fund is a new investment vehicle targeting rural communities. It is similar to a standard Qualified Opportunity Fund but requires investments to be located entirely within rural areas. A rural area is defined as any area that is **not**:

- a city or town with a population greater than 50,000
- An urbanized area contiguous and adjacent to a city or town with a population greater than 50,000

15. What tax benefit does a Qualified Rural Opportunity Fund provide?

A Qualified Rural Opportunity Fund provides a 30% basis step-up after a five-year holding period, compared to 10% for a standard Qualified

Opportunity Fund in a non-rural area. The permanent exclusion of taxable income on appreciation (new gains) from the Qualified Opportunity Fund investment after a 10-year holding period applies to both rural and non-rural QOFs.

16. Is the substantial improvement threshold different for rural investments?

Yes. For rural opportunity zones, the substantial improvement requirement is reduced from 100% to 50% of the purchase price.

17. Are there new reporting requirements for Qualified Opportunity Funds and Qualified Rural Opportunity Funds?

Yes. Opportunity Zones 2.0 imposes expanded reporting requirements, including annual reporting on property type, residential units, asset value, employment, and specific census tracts of investment.

18. Is the State considering state-level Opportunity Zones 2.0 incentives?

At this time, the state has not had formal discussions about state-level conforming incentives for Opportunity Zones 2.0.

19. How will the State of California select census tracts for nomination?

The state will consider major demographic and other socioeconomic factors, outlined below, alongside local recommendations (see detail on process below) to inform California's proposed census tract nominations. Those proposed nominations may be further refined through a public comment period.

20. What are the State's priorities for census tract nomination?

In evaluating potential census tracts for nomination, California intends to prioritize a range of considerations, including:

- **Poverty** – measures the concentration of residents living below the poverty line and a primary indicator of economic hardship
- **Median family income** - measures how incomes compare to the surrounding area, capturing both economic disadvantage and financial capacity
- **Renter occupancy and rent as a percentage of income** - measures housing cost and availability, based on the share of renter

households spending 35 percent or more of income on gross rent, indicating financial strain

- **Crowding** - reflects constrained housing conditions (more than one person per room), often driven by limited housing supply or affordability pressure, and is associated with housing instability and displacement risk
- **Unemployment**
- **Geographic equity** - considers statewide inclusion of eligible census tracts
- **Statewide and regional economic development objectives** – considers economic development priorities, including regional plans, Jobs First priorities, and business ready sites.

21. (UPDATED 6-15-2026) Will the State of California have a local engagement process for recommending Opportunity Zones 2.0 census tract designations?

Yes. GO-Biz, in coordination with DOF, has initiated a formal process allowing local communities to recommend census tracts for the Governor's consideration. GO-Biz has published the Local Authority Recommendation Form (https://forms.cloud.microsoft/g/4ykYDGAjba) on its Opportunity Zone webpage (https://business.ca.gov/resources/infrastructure-development/opportunity-zones-in-california/) requesting local partners to provide responses to specific questions demonstrating how the recommended census tract includes projects or activities aligned with regional and statewide economic development priorities.

There will also be a public comment period following the initial recommendation phase for additional community input.

22. (UPDATED 6-15-2026) How many census tracts can a local partners recommend?

There is no defined limit on the number of eligible tracts a local jurisdictional authority may recommend. However, we encourage local governments to be strategic and prioritize their strongest candidates. The Governor may nominate no more than 25% of the state's total eligible census tracts to the U.S. Treasury. If a local partner submits multiple census tracts for recommendation, they may list their order of preference in the Local Authority Recommendation Form. Please see the Local Authority Recommendation Form Instructions document for additional information.

23. (UPDATED 6-15-2026) When will the application period for census tract recommendations from local communities take place?

GO-Biz began accepting recommendations via the Local Authority Recommendation Form on June 15, 2026. The closing date for online submittals is July 25, 2026, at 11:59 pm PST. The [Local Authority Recommendation Form (https://forms.cloud.microsoft/g/4ykYDGAjba)](https://forms.cloud.microsoft/g/4ykYDGAjba) is posted on the GO-Biz [Opportunity Zone webpage (https://business.ca.gov/resources/infrastructure-development/opportunity-zones-in-california/).](https://business.ca.gov/resources/infrastructure-development/opportunity-zones-in-california/)

24. (UPDATED 6-15-2026) Which entities are eligible to recommend census tracts during this initial round of consultation?

Formal census tract recommendations can be submitted by local jurisdictional authorities:

- Cities and municipalities
- Counties
- Special Districts
- Regional Joint Powers Authorities
- Councils of Governments
- Tribal Governments

It is recommended that other interested community-based parties, including chambers of commerce and local economic development organizations, connect and work collaboratively with their local jurisdictional authorities outlined above. Those wishing to weigh in on the designations will also have an opportunity in the subsequent public comment period.

25. (UPDATED 6-15-2026) Are tribal communities eligible to recommend census tracts?

California-based federally and non-federally recognized tribes may also submit census tract recommendations. Equitable treatment of eligible Native American census tracts is a fundamental consideration in this process. If multiple tribal governments are within a single census tract, all respective tribal governments are eligible to recommend the census tract.

Register for June 24, 2026, Webinar: Opportunity Zones 2.0 - Tribal Communities and Partners (Opportunity Zones 2.0 - Tribal Communities and Partners (https://gobiz-ca-gov.zoom.us/webinar/register/WN_arg-DAQVS_2NWFCPfxixFg#/registration).

26. Will the State publish the list of census tracts to be nominated by the Governor?

Yes. DOF, in partnership with GO-Biz, will publish a draft list of selected census tracts for nomination. This list will then be open for public comment in August 2026. Final nominations will be submitted to the U.S. Treasury by September 28, 2026, and the final list of Opportunity Zones will be posted on the GO-Biz and DOF websites.

27. Will the State host information-sharing sessions to provide an overview of the Opportunity Zones 2.0 selection process?

Yes. GO-Biz is hosting a series of informational webinars. Dates and registration details can be found on the GO-Biz website at Opportunity Zones in California (https://business.ca.gov/resources/infrastructure-development/opportunity-zones-in-california/).

28. Will the State consider a process for analyzing and nominating census tracts that are not included on the official eligibility list published by the U.S. Treasury (commonly referred to as "off-list" census tracts)? If so, what data or supporting analysis would the State want to see as part of that evaluation?

The U.S. Treasury is expected to publish specific guidance regarding the type of data and supporting analyses states must provide in order to nominate "off-list" census tracts. Treasury has indicated that this information will be provided directly to Governors.

At this time, GO-Biz and DOF are awaiting to receive that guidance before determining whether it will consider nominations for off-list census tracts as part of the Opportunity Zones 2.0 selection process.

Added June 15, 2026:

29. Does the governing body of the recommending entity need to approve the recommendation of a census tract via a Proclamation, Record of Action Taken, or Resolution?

No. The recommending entity may provide a link to a Proclamation, Record of Action Taken, or Resolution in the Local Authority Recommendation Form, but it is not required.

30. May recommending entities provide supporting attachments to the Local Authority Recommendation Form?

No. Attachments cannot be accepted with the Local Authority Recommendation Form. Supporting documents, such as letters of support, may be provided during the public comment period.

31. How should recommending entities engage with their legislative representatives?

We encourage recommending entities to brief their legislative representatives on their proposed census tracts. Legislative representatives may then provide a letter of support for the proposed census tracts during the public comment period.

32. What if 2 or more recommending entities submit forms for the same census tract?

We encourage local jurisdictional authorities to coordinate their submissions of census tracts for recommendation. Duplicate submissions for census tracts will have no effect on the evaluation of census tracts.

33. Can census tracts not identified on the official Qualified Opportunity Zones Eligible Tract list by the U.S. Department of Treasury submit a recommendation?

The state is not accepting “off-list” census tract recommendations at this time. We will post any updates should the U.S. Department of Treasury provide new instructions.

34. Will the State indicate how many tracts each jurisdiction can expect to be nominated within its borders before the nomination window closes?

There will not be a minimum or maximum number of eligible census tracts that will be nominated for a jurisdiction. Census tracts will be considered for nomination based on their alignment with the State’s investment priorities and selection criteria.

Added June 22, 2026:

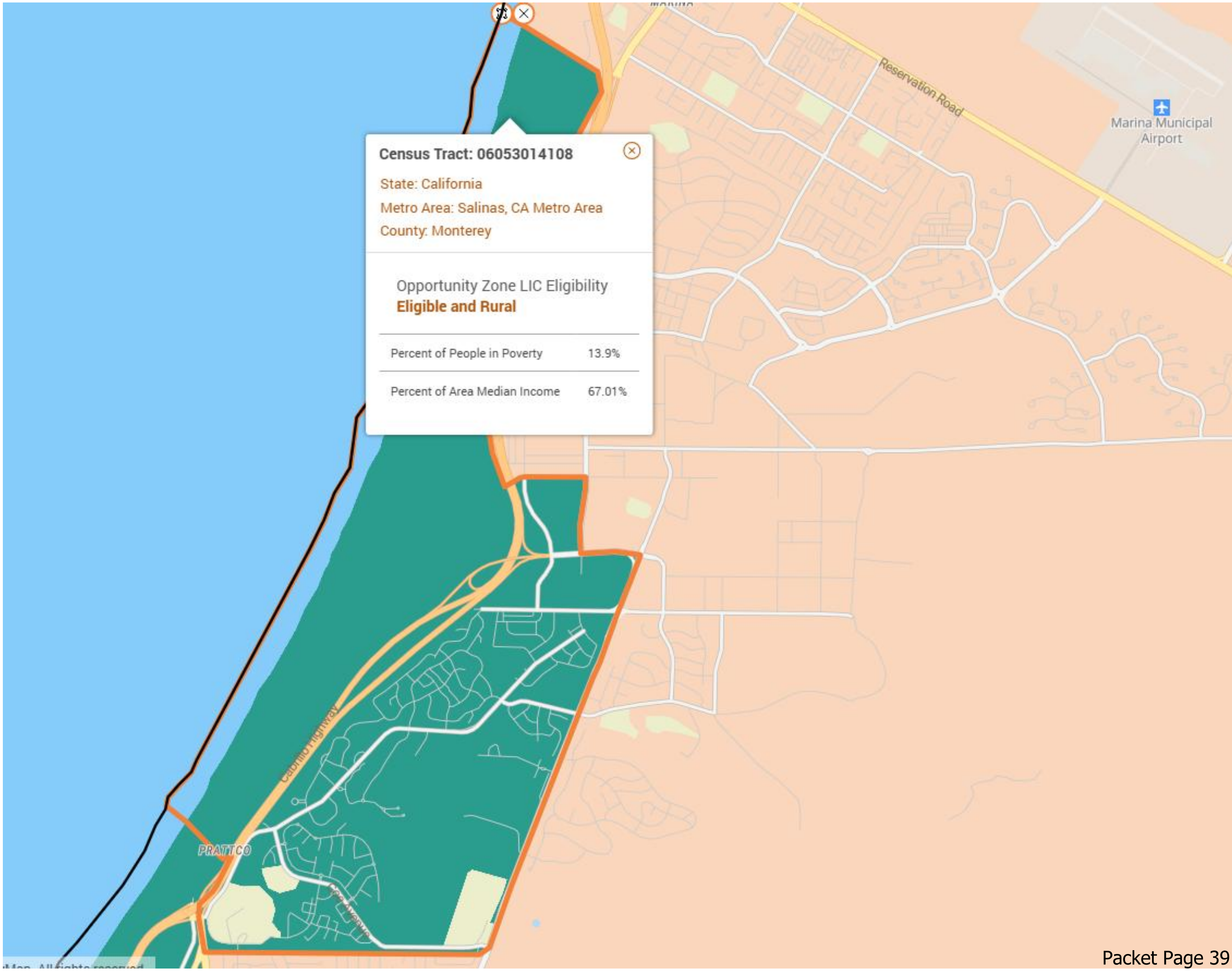
35. Is there a point system for the Local Authority Recommendation Form?

No. The evaluation of recommendations submitted through the Local Authority Recommendation Form encompasses a variety of factors. Recommendations will be evaluated against the State’s priorities for census tract nominations (Question 20). GO-Biz and DOF will provide the Governor’s office with initial evaluations of all eligible census tracts. In addition to these evaluations, the Governor’s office will also consider the public input provided in support of census tracts during the public comment period. The Governor’s office will ultimately determine which census tracts will be nominated and submitted to the U.S. Department of the Treasury.

Added June 29, 2026:

36. The Local Authority Recommendation Form does not include a place for recommenders to include data related to the State's priorities for census tract nominations (Question 20). Do authorized submitters need to include this information/relevant data in the form's open-ended question responses?

No. The Department of Finance has all relevant demographic data for each eligible census tract. Please keep open-ended responses specific to the question asked.


Census Tract: 06053014108
State: California
Metro Area: Salinas, CA Metro Area
County: Monterey
Opportunity Zone LIC Eligibility
Eligible and Rural
Percent of People in Poverty 13.9%
Percent of Area Median Income 67.01%
Reservation Road
Marina Municipal Airport
Cabrillo Highway
PRATTCO