

STANISLAUS COUNTY PUBLIC FACILITIES FEES
LARGE INDUSTRIAL INCENTIVE PROGRAM
APPLICATION PACKAGE

October 17, 2017

PROGRAM GUIDELINES

LARGE INDUSTRIAL INVESTMENT INCENTIVE PROGRAM STANISLAUS COUNTY

One of the priorities of the Stanislaus County Board of Supervisors is the development of "A strong local economy". Goal 1 of this priority is to facilitate job creation through: facilitating business park development, increasing workforce preparation skills and managing incentives and fee programs. The Extra-ordinary Investment Incentive Program (the "Program") has been developed to assist the facilitation of job creation in Stanislaus County in the Industrial sector.

The Program applicant may receive a discount in the amount of Public Facilities Fees (PFF) paid based on a sliding scale, with the maximum discount reaching 50% in the Manufacturing sector and up to 60% in Warehouse and Distribution sectors. The amount of the discount is determined by a point system based on the project's anticipated positive impacts to the County. With every 5 points the applicant gains a 1% discount in the PFF.

The minimum project size for participation in the Program is 150,000 sq. ft. for warehouse projects and 100,000 sq. ft. for manufacturing and distribution projects. Office space is not included in the square footage calculation. Cannabis industry projects are not eligible for this incentive.

Points are determined based on the following criteria:

1. **Total Capital Investment** – 3 points are awarded for every \$1 million of project capital investment to include land acquisition and development, building design and construction, tenant improvements, fixtures, construction management and non-County PFF government charges and fees – City fees can be included in this category.
2. **New Jobs Created** – 1 point is awarded for every new full time job created within the first 12 months of project completion. "New" is defined as a newly created position in Stanislaus County working a minimum 35 hours per week. There is no minimum new job requirement to be considered for participation in the program.
3. **Average Hourly Wage** - 1 point is awarded for every 1% of average hourly wage above the minimum wage calculated based upon on-site employees. Salaries of management and corporate officers are not included in the calculation of the average hourly wage.
4. **Bonus Points** (50 point maximum)

Additional Revenue	Points can be achieved in the Additional Revenue category for those projects that will contribute significant sales tax, mil tax or some other revenue source that goes directly to the County (excludes property tax which has been previously accounted for in the Capital Investment category).
Community Need	Points can be achieved in the Community Need category for those projects that are in a sector that has been previously identified as a "Community Need" such as bio-medical support, agricultural export, high-tech, etc...
"Attraction" Factor	Points can be achieved in the "Attraction Factor" category for those manufacturing uses that by their very nature will likely attract other sizeable suppliers and support businesses.
"Green" Factor	Points can be achieved in the "Green Factor" category for those projects that can demonstrate they are making significant additional efforts to reduce greenhouse gases consistent with the goals of SB375/AB32.
Location	Points can be achieved in the Location category for those projects that are sited in locations that meet strategic objectives of the County (transit oriented development, diverted trips through use of rail, infill, anchor to new business park, etc...)

5. Given the impact the 2017 increase in PFF has on very large industrial facilities, industrial facilities greater than 300,000 square feet can qualify for an additional 5% discount above any discount determined based on the criteria listed above.

To participate in the program, applicants must submit the attached application at the time of initial project consultation with County Development Staff and enter into an agreement with the County that will provide for verification by the County of the applicant's capital investment, job creation and average hourly wages, and ensure sustainability of the jobs for a minimum 2 year period. An audit will be conducted at the end of the first and potentially second years of the program to verify that the original assumptions provided by the applicant did in fact materialize as stated in the application, and if not equivalent to or better than those projections, the discounted amount will be recalculated and the applicant will be required to pay the discrepancy amount.

LARGE INDUSTRIAL INCENTIVE PROGRAM

STEP 1:

- Contact Chief Executive Office, Public Facilities Fee (PFF) Coordinator either by phone or email; 209-525-4393, 209-525-6333, chumleyt@stancounty.com;
- Set up consultation meeting to provide project information such as, size of structure, valuation of project and number of anticipated employees; completed application packet; provide a detailed company background, history, solvency, etc.

STEP 2:

- Project Developer then must complete and submit the application to the Public Facilities Fee (PFF) Coordinator with all supporting documentation.
- PFF Coordinator will accept the application and determine if the applicant qualifies for the discount.
- If the applicant qualifies the PFF Coordinator will take completed packet to the next PFF Committee meeting for committee review/action.

STEP 3:

- If approved, the calculated discounted Public Facilities Fee (PFF) estimate will be based on information provided.
- Project Developer agrees to move forward based upon estimate given.
- The PFF Coordinator will contact/meet with the Project Developer (owner) and review the Agreement and move to sign and notarize the Agreement along with payment of the discounted fee amount.
- Once the Agreement is notarized and adjusted fees paid, it will then be forwarded to the Auditor's Office.

STEP 4:

- Stanislaus County will be provided with a time line of 2 dates in which they will receive the Payroll records for the 1st year of business following occupancy, for review of staff pay amount and the amount of staff during the year;
- At month 13 an audit will take place and based on findings, the applicant may or may not have the amount of their discount adjusted. The decision will be based off a significant increase or decrease of development baselines provided and obligated to in initial application.

**LARGE INDUSTRIAL INVESTMENT INCENTIVE PROGRAM
APPLICATION**

Applicant: _____

Project Address: _____

City: _____ Zip Code: _____

A.P.N.(s): _____

Building Permit No: _____ Jurisdiction: _____

Type of Project (distribution, manufacturing): _____

Project Size: _____

Business History/Background/Solvency:

Incentive Criteria:

Total Capital Investment for the project: _____

New Jobs Created (within first 12 months of operation): _____

Average Hourly Wage (excluding management and corporate officers): _____

Bonus Points:

Bonus points can be awarded at the discretion of the County based upon a project's ability to contribute significant additional discretionary revenue to the County of Stanislaus General Fund, address a identified community need, attract other supplier and support businesses, demonstrate significant efforts to reduce greenhouse gases or be sited in a location that meets strategic objectives of the County. If you believe this project meets one or more of these objectives, please explain below (attach additional documents as necessary):

Additional Revenue:

Community Need:

Attraction Factor:

Green factor:

Location factor:

OTHER MATTERS:

At the end of the first and second years following issuance of any development permits, the County will conduct an audit of the Applicant's project to verify that the original assumptions provided herein by the Applicant did in fact materialize as stated in this Application, and if the results of the County's audit show the estimates are not equivalent to or better than those projections, the Public Facilities Fees discount amount will be recalculated and the applicant required to pay within 90 days any additional amount due as the result of a recalculation.

Applicant acknowledges it is the sole responsibility of the applicant to ensure that this Application is complete and is properly submitted to the County. Applicant hereby certifies that it has reviewed the requirements for participation in the Project and that it is eligible to participate in the Program and that to the best of its knowledge the information contained in this application is accurate and complete.

Applicant acknowledges that any information submitted to the County by the applicant in response to or in connection with the Application is subject to public disclosure requirements as set forth in the California "Public Records Act", California Government Code §§ 6250 - 6276.48.

Applicant acknowledges that the Large Industrial Incentive program is not a guaranteed incentive. Each applicant request will be reviewed by the County's Public Facilities Fees Committee for relevance, impact on program stability, and may be denied based upon those factors.

IN WITNESS WHEREOF, the applicant has read and agrees to the conditions set forth and has caused this Agreement to be executed by and through the applicant's authorized officers:

APPLICANT

By	Title	Date
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To be completed by County Staff

Incentive Program Points Awarded:

Capital Investment Points: _____	
New Jobs Points: _____	Public Facilities Fees: \$ _____
Hourly Wage Points: _____	
Project Size Points: _____	Public Facilities Fees
Bonus Points: _____	Discount: \$ _____
Total Points: _____	
Total Discount % _____	Total Public Facilities
	Fees Owed: \$ _____

Approved by	Date
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October 17, 2017