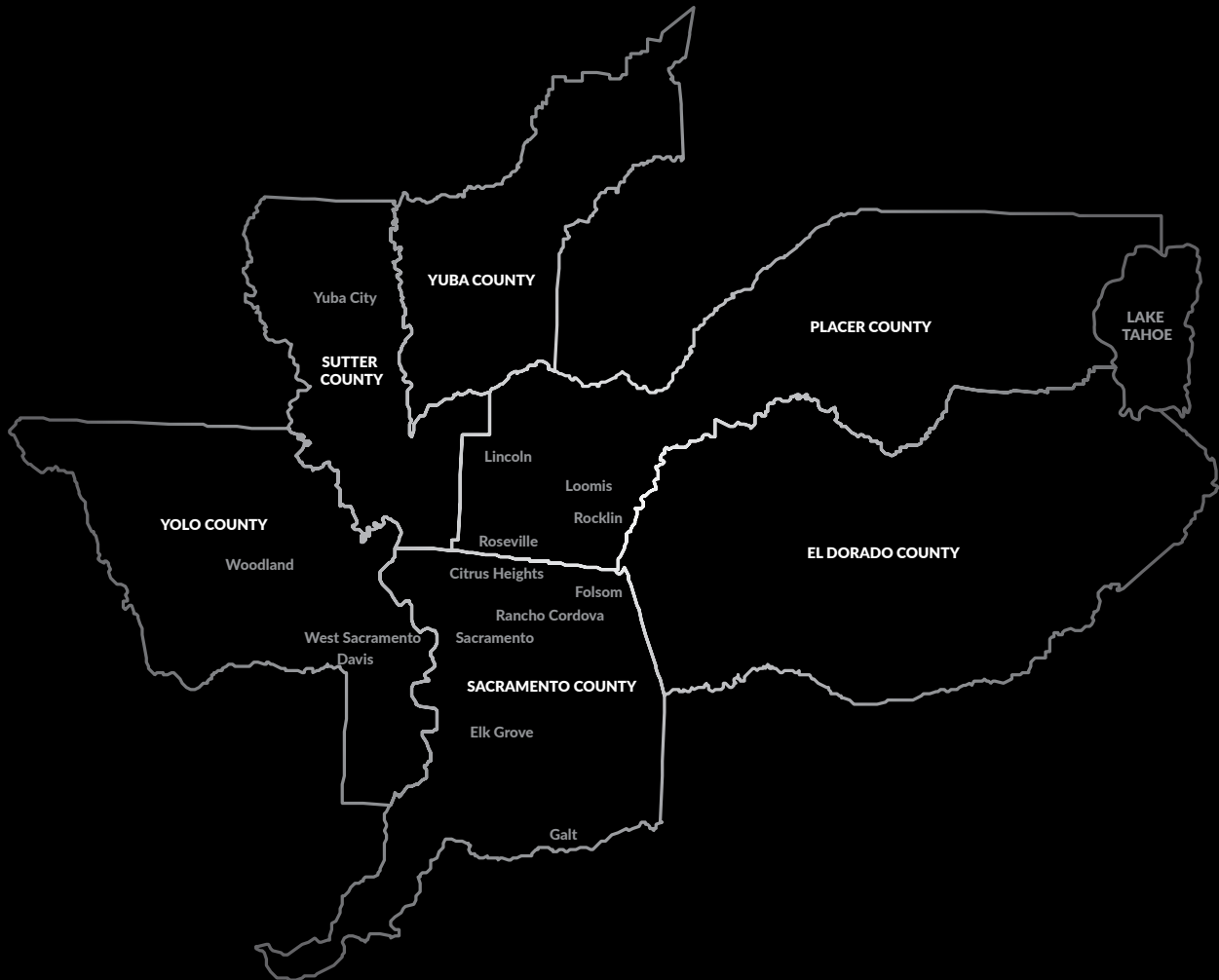


# Incentives in Greater Sacramento





The Greater Sacramento Economic Council is the region's leading economic development organization. Whether a company is looking to relocate, expand or build, our experts are ready to assist with data collection, site selection, relocation and public relations and marketing. With regional, state and national connections, the Council ensures companies have a customized and seamless entry into the Greater Sacramento region.

## CUSTOM RESEARCH REPORTS

Backed by the most up-to-date data, the Council's research team prides itself on providing clients with the most accurate information available in a timely fashion. Our team creates customized reports that help companies analyze the region, upfront costs and their potential profitability. This includes operational cost comparisons, labor market analysis and more.

## SITE SELECTION ASSISTANCE

Powered by data and expert regional knowledge, the Council's business development team connects clients with the right location and local decision-makers to ensure ease of entry into the Greater Sacramento region. The team's mission is to assist companies in selecting the most productive site that meets workforce needs and creates value through leveraging incentives, reducing operating costs and forecasting return on investment.

We invite interested companies to do a preliminary search of available properties and access extensive data on their surrounding areas through our GIS-based sites database tool,

[GreaterSacramentoSites.com](http://GreaterSacramentoSites.com), which includes local data layers such as transportation, schools and amenities, incentives and even a comprehensive listing of co-working locations in the region.

## TALENT ATTRACTION AND DEVELOPMENT

The Greater Sacramento Economic Council connects prospective businesses with local staffing agencies and other business ecosystem representatives to facilitate anonymous discussions. The Council and its partners across the region are committed to assisting in recruitment efforts to allow projects to ramp up quickly, assisting with the following complimentary services: job posting services; hosting of customized recruitment events and career fairs at no cost; customized training programs and on-site training; access to local and state incentives through tax credits and on the job training cost reimbursements; screening resumes and applicants as well as providing application coordination, interview scheduling and interview space for the most qualified individuals and providing tools to assess skills valued by the employer.

In addition, the Greater Sacramento Economic Council engages in significant talent attraction marketing and promotion locally, regionally and nationally.

**For a comprehensive overview of talent availability, quality and educational rankings and resources, download The Greater Sacramento Talent Story at [TheTalentIsHere.com](http://TheTalentIsHere.com).**

# WORKFORCE TRAINING /HIRING INCENTIVES



## Placer County

### HELP TO HIRE SUBSIDIZED WAGE

The County offers reimbursement up to \$10,500 for hiring eligible Placer County Employment Services participants.

The program allows:

**100%**

coverage for the first month of employment, up to \$3,000

**100%**

per month for part-time work\*

**\$1,500**

per month for employment of 40 hours or more per week

**6 MONTHS**

of availability for each individual hired

### WORK OPPORTUNITY TAX CREDIT

Placer County's program offers a reduction in the federal tax liability of up to \$9,600 per year by hiring employees from eligible target groups that have significant barriers to employment entry. Eligible persons include veterans, SNAP recipients, ex-felons, supplemental security income recipients, summer youth employees, etc. The employee must work at least 120 hours per year.

## Sacramento County

### ON-THE-JOB TRAINING REIMBURSEMENT

While not a tax credit, this can benefit employers by reimbursing up to half of an employee/trainee's wages during an agreed upon period of time.

\* Part-time is defined as 20-29 hours per week

# LOCAL JURISDICTION CASH GRANT OR FORGIVABLE LOANS PROGRAM EXAMPLES



Name and jurisdiction	Qualification requirements	Other considerations	Total funds available
<b>Economic Development Incentive Program</b>  <i>City of Elk Grove</i>	20 FTE at or above 100 percent of Area Median Income for the Sacramento MSA or 50 FTE at or above 75 percent of Area Median Income for the Sacramento MSA	<ul style="list-style-type: none"> <li>Target industries aligned</li> <li>Projects located in Old Town SPA need not meet previous criteria</li> <li>Companies moving into space vacant for two years or more get preference</li> </ul>	\$200,000 set aside each fiscal year
<b>Forgivable Loan Incentive Program</b>  <i>City of Sacramento</i>	10 new FTE's with above average wage within first 12 months. Terms are discretionary and negotiated as part of an agreement	<ul style="list-style-type: none"> <li>Remain located in Sacramento for no less than 36 months</li> <li>Provide evidence of primary location within City of Sacramento city limits</li> <li>Have/maintain a current City Business Operations Tax</li> </ul>	\$500,000 set aside from Growth and Innovation Fund
<b>Job Growth and Employment Incentive Strategy</b>  <i>City of Sacramento</i>	500 net new high-wage FTE; Provide significant property and/or sales tax revenues; Businesses must directly create quantifiable, permanent, high-wage, private-sector jobs and employment opportunities for disadvantaged populations	Incentive funds must help further develop and grow targeted industry clusters or significant job creation in targeted geographic areas of the city	Dependent on Council allocation to Growth and Innovation Fund and Project Specifications
<b>Job and Talent Attraction Incentive</b>  <i>City of Rancho Cordova</i>	20 new FTE's with above average wage within first 12 months. Terms are discretionary and negotiated as part of an agreement	Companies should be post-revenue or have recently secured a Series A or above round of venture funding	\$2.5 million; max of \$100,000 per company

Community	Fee deferrals or offsets	Infrastructure and other financing	Expedited permitting	Development services ombudsman	Sewer credit	Small business support programs	Employee onboarding / talent assistance	Sales / property tax incentives
Citrus Heights			●	●		●	●	
Davis	●		●	●		●	●	
El Dorado County	●		●	●		●	●	●
Elk Grove	●	●	●	●	●	●	●	●
Folsom			●	●			●	
Galt	●	●	●	●				●
Lincoln	●	●	●	●		●	●	●
Loomis				●				
Placer County	●		●	●		●	●	
Rancho Cordova	●	●	●	●	●	●	●	
Rocklin	●	●	●	●		●		
Roseville	●	●	●	●				●
Sacramento	●	●	●	●		●	●	●
Sacramento County			●			●	●	●
Sutter County	●	●						●
West Sacramento	●	●	●	●	●		●	●
Woodland	●							
Yolo County		●	●			●		●
Yuba City	●	●	●	●				●
Yuba County	●	●						●

## FEATURED STATE OF CALIFORNIA INCENTIVES



### CALIFORNIA COMPETES TAX CREDIT

The California Competes Tax Credit (CCTC) is available to businesses that want to locate in California or existing California businesses that want to stay and grow. The CCTC is awarded to individual businesses through a competitive application process and has up to three application periods each fiscal year. Credit awards are competitive and subject to credit availability. The tentative amount of credit available for allocation each year is \$180,000,000. The amount any one business can request in tax credits must be at least \$20,000, but no more than 20 percent of the total credit allocation available for the fiscal year.

<https://business.ca.gov/calcompetes>

### NEW EMPLOYMENT CREDIT

This credit is for employers that hire qualified full-time employees, pay wages for work performed by that employee in a designated geographic area and follow all proper reporting and filing requirements. The employer must have a net increase in jobs and must pay qualified wages, which amount to 1.5 times the California minimum wage, but not over 3.5 times the California minimum wage. Qualified employees must perform at least 50 percent of their labor within the DGA, must be employed full-time and must meet one of several additional criteria options. The total tax credit is equal to 35 percent of all qualified wages and can be used for up to 60 months.

<https://www.ftb.ca.gov/file/business/credits/new-employment-credit/index.html>

### RESEARCH AND DEVELOPMENT TAX CREDIT

The California Research & Development (R&D) tax credit program reduces state income tax. A business may qualify for the credit if it paid for or incurred qualified research expenses while conducting qualified research activity in California. A business may receive 15 percent of the excess of current year research expenditures over a computed base amount (minimum of 50 percent of current year research expenses) or a 24 percent credit for basic research payments to third party organizations.

<https://www.ftb.ca.gov/file/business/credits/california-research.html>

### PARTIAL SALES AND USE TAX EXEMPTION FOR MANUFACTURING

The partial exemption applies only to the state sales and use tax rate portion, currently at 3.9375 percent. Qualified companies are those engaged in manufacturing, processing, refining, fabricating or recycling or for companies

engaged in R&D for either biotechnology or physical, engineering and life sciences. The manufacturing equipment must be used at least 50 percent of the time for manufacturing purposes, must remain in California for at least a year and should have a useful year greater than one year. Purchases in excess of \$200 million in any one year do not qualify.

<https://www.cdtfa.ca.gov/industry/manufacturing-exemptions.htm#Overview>

### ADVANCED TRANSPORTATION AND MANUFACTURING FULL SALES AND USE TAX EXCLUSION

The California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) provides a full sale and use tax exclusion for advanced manufacturers and manufacturers of alternative source and advanced transportation products, components or systems.

<http://www.treasurer.ca.gov/caeatfa/ste/index.asp>

### EMPLOYMENT TRAINING PANEL

The Employment Training Panel (ETP) provides funding to employers to assist in upgrading the skills of their workers. ETP uses a pay-for-performance contract to provide a specific, fixed-fee cash reimbursement for the costs of employer-customized, job-specific skills training conducted by a company and is inclusive of all administration and training costs. Contracts are based on a two-year term. ETP funding is earned once the trainee completes a minimum number of ETP funded training hours and a post training employment retention period earning a contract specific wage.

<https://etp.ca.gov/>

## UTILITY RATE AND ENERGY EFFICIENCY INCENTIVES



### SMUD

#### ECONOMIC DEVELOPMENT RATE

Program provides rate reduction over the first 10 years of a new project's lifetime to ease the burden on new businesses getting on their feet. Multiple options exist including a taper rate beginning at 6 percent year one, beginning to taper in year six, or a flat 4.5 percent rate discount across the 10-year period. Additional rate discounts are given to businesses located in disadvantaged communities.

#### ENERGY EFFICIENT DESIGN

Up to \$150,000 incentive toward energy efficient design for buildings and systems.

#### ENERGY EFFICIENT UPGRADE LOANS

Loans available of \$10,000 at 6.99 percent fixed rate for a 10-year period. Stipends may also be provided for PV installation of up to \$5,000 per system.

#### WORKPLACE EV CHARGING STATION GRANT

Grant of \$1,500 toward installation of Level 2 EV chargers (up to 20 chargers per business). SMUD also offers special low rates for PEV charging to commercial customers.

<https://www.smud.org/en/Rate-Information/2018-rate-change-details/Economic-Development-Rate-FAQs>

### PG&E

#### ECONOMIC DEVELOPMENT RATE

For new business customers and existing customers looking to expand operations, PG&E offers an economic development incentive which provides a **12 percent discount on electricity for five years.**

[https://www.pge.com/en\\_US/large-business/services/economic-development/rate-discounts/rate-discounts.page](https://www.pge.com/en_US/large-business/services/economic-development/rate-discounts/rate-discounts.page)