

Pursuant to Section 53083(b) of the California Government Code (AB 562), the City of Antioch is providing the following information regarding a proposed economic development subsidy.

The City of Antioch desires to assist in the City's economic development efforts by creating partnerships that will likely result in an increase in sales tax revenue and job creation within the city. The City has the ability to implement the provisions of AB 562, a Statewide economic development tool that allows local jurisdictions to enter into agreements to induce economic development. The City is proposing to provide financial assistance in the form of an economic development subsidy to the business entity identified in section 1 below. Pursuant to Section 53083(a) of the California Government Code (AB 562) the following information will be posted on the City's website prior to and for the duration of an approved agreement.

(1) *The name and address of all business entities that will benefit from the subsidy.*

Tralee, Inc., dba Antioch Toyota
1817 Auto Center Drive
Antioch, CA 94509

Antioch Chrysler Jeep Dodge, Inc.
1810 Auto Center Drive
Antioch, CA 94509

Waterville, Inc., dba Antioch Nissan
1831 Auto Center Drive
Antioch, CA 94509

(2) *The start and end dates of the subsidy.*

The start date of the economic subsidy will begin on the effective date of the agreement, if approved, and end ten (10) years thereafter or the date that the City has earned back in tax revenue all of its payments to the Nokes Dealerships, whichever first occurs.

(3) *A description of the subsidy that will be provided, including the estimated total amount of the expenditure (or loss) of public funds due to the subsidy.*

The City agrees to pay quarterly to the Nokes Dealerships a sales tax allocation amount within 45 days after the receipt by the City of its one percent (1%) share of Sales Tax Revenues (the City's one-half of one percent (0.5%) sales tax and any future change to revenue from the current 0.5% or subsequent City Sales Tax Measure(s) is specifically excluded) from the Nokes Dealerships, beginning on or after the date the first vehicle is sold from either the expanded Toyota store or new Nissan store, and continuing until the Maximum Payment Amount of Three Million Dollars (\$3,000,000) has been paid.

The amount of each payment to the Nokes Dealerships shall be based on the total revenue received from the Nokes Dealerships for the taxable quarter. For each payment period, the Nokes Dealerships shall receive a payment of twenty-five percent (25%) of the Sales Tax Revenues the Nokes Dealerships generated in the payment period.

This will result in an estimated loss to the City of \$100,000 annually.

(4) *A statement of the public purposes for the subsidy.*

The Nokes Dealerships are seeking the opportunity to continue to expand and enhance business within the City of Antioch, increasing the City's employment base and increasing the Sales Tax Revenues that would fund general services such as: Police, Fire, Parks/Recreation Programs, Economic Development, and Street Maintenance.

(5) *Projected tax revenue to the local agency as a result of the subsidy.*

It is projected that tax revenue will increase by twenty-five percent (25%) annually resulting in \$411,000 additional tax revenue to the City.

(6) *Estimated number of jobs created by the subsidy, broken down by part-time, full-time, and temporary positions.*

It is estimated that this project will result in an estimated twenty (20) full time positions and five (5) part time positions being created.