

Corning Business Development Opportunities and Incentives



*...where balancing work with the good life comes
EASY.*



WHY CORNING, CA?

The **City of Corning**, California, the Olive Capital, is located less than two hours from Sacramento and is ideally located **along the Interstate 5 (I-5) corridor** for your expanding business. Corning has unmatched manufacturing, retail, transportation, and agricultural business capabilities. Corning is a leader in creating value-added agricultural products. Due to our premier location along the I-5 corridor we are poised to be leaders in manufacturing and retail market development while maintaining itself as a **wonderful place to live** and raise a family.

AVAILABLE INCENTIVES

Numerous local, state, and federal incentives are available to both small and large businesses. In this guide we have laid out the federal, state and local business incentives, employee training, financial assistance, and additional “green “ resources that can help you locate and grow your business here in family-oriented Corning, CA. **Corning City Staff and Consultants are enthusiastic and ready to work with you.**

Disclaimer- This guide is not all-inclusive and the criteria included may change after its release. The information contained in the guide is not a substitute for legal counsel.



FEDERAL INCENTIVES

Work Opportunity Tax Credit (WOTC)

- Provided to businesses for hiring individuals from target groups who have faced significant barriers to employment
- Employers can generally earn a tax credit equal to 25-40% of a new employee's first year wages. The maximum tax credit varies from \$1,200- \$9,600.

New Markets Tax Credits

- Provides Federal Income Tax Credits to the investor, which equals 39% of the cost of the original investment over a seven-year period.
- Must be certified as a Community Development Entity serving or provide investment capital for low-income communities or persons

Historically Underutilized Business Zones (HUBZone)

- Helps small businesses gain preferential access to federal procurement opportunities.
- Competitive and sole source contracting and 10% price evaluation preference in full and open contract (and subcontract) competitions.



STATE INCENTIVES

The California Competes Tax Credit

- Income Tax Credit available to businesses locating to, or stay and grow in California
- Based on the number of jobs created/retained, wages paid, and the amount of investment made in CA.

Research and Development Tax Credit

- Allows companies to receive a 15% tax credit for in-house research expenses made in CA.

Sales and Use Tax Exemption for Manufacturing and Agriculture

- Provides a sales tax exemption of 4.1875% for basic manufacturing equipment and for the sale, storage, use or other consumption of farm equipment, machinery and their parts. A partial exemption may apply to leases. Tenant improvements may also be eligible.

Sales and Use Tax Exclusion Program (STE) for Advanced Transportation and Alternative Sources Manufacturing Program

- Sales and use tax exclusion for property involved in the design, manufacture, production or assembly of “clean technology”
- Must have pre-approval through the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA)

Net Operating Loss Carryover

- Allows businesses to carry over a loss to the next year. 100% of loss can be carried over for 20 years if the loss is in the first year of operation



Clean Vehicle Rebate Project

- Rebates of up to \$6,500 per light duty vehicle for individuals and business owners who purchase or lease new eligible zero-emission or plug-in hybrid electric vehicles.

Hybrid and Zero Emission Truck and Bus Voucher Incentive Project

- Voucher amounts are based on the number of vehicles purchased and vehicle weight and range from \$12,000-\$110,000 per vehicle.



LOCAL INCENTIVES

The close-knit family-oriented small town of Corning is revitalizing its downtown and aims to be the perfect home for businesses and families.

- Exceptionally Affordable Housing Prices (avg. \$162,000)
- Low Property Taxes
- Low Development Impact Fees
- Low Rent Per Square Foot
- Accessible City Council and Staff to help develop creative approaches to development

- No Cost Pre-Application Meetings with City Staff
- Abundant Outdoor Recreational Opportunities
- Average Daily Traffic of over 26,000 vehicles



Tehama County Air Pollution Control District Rule 2:11D Indirect Source Program

- Provides funding for projects that demonstrate reductions in ozone precursors emissions including diesel particulate, smoke and dust

Tehama County Air Pollution Control District Carl Moyer Program

- Provides grant funding for the switch out of agricultural tractors and stationary agricultural irrigation pump engines

EMPLOYEE TRAINING

Job Training Center

Offers efficient, cost-effective hiring, training and human resource services

On-the-Job Training

- Assists with the development of a customized, job specific training plan for *new hires*
- Provides a 50% reimbursement of the trainee's wages during the training period

Recruitment and Hiring Assistance

- Offers free screening, assessment and referral of applicants.
- Manages applicant recruitment including hiring events, social media, eblasts, electronic job boards and networking

Customized Training Programs

- Assists with the identification of industry specific classes, trainers and curriculum to upgrade the skills of *existing workers*
- Provides financial assistance for instructors, class fees, and related training costs

Human Resources Support

- Small business owners can take advantage of specialized workshops and seminars related to human resource issues, labor law, and business development topics



Shasta and Butte Colleges

- Offers customized training programs and potential incentives. Since incentives and programs change, contact the individual college for the latest opportunities.

California Employment Training Panel

- Assists businesses in acquiring and retraining a highly skilled workforce with expertise in very specific fields
- ETP will enter into a performance-based training contract for new or existing employees, which are performed by either an approved training agency or the company itself.

FINANCIAL ASSISTANCE

3CORE Loan Program

- Provides loans for expansions and start-ups
- Loan proceeds may be used for working capital, purchasing land, buildings and equipment, leasehold improvements, and lines of credit

Tehama County Recycling Market Development Zone

- Provides low interest loans and free marketing assistance to businesses that make a product from a recycled material, reuse, composting or anaerobic digestion

Industrial Development Bonds

- Provide manufacturing and processing companies low-cost, low-interest financing for capital expenditures
- Interest rates are generally 20-30% below commercial alternatives
- Longer term financing than conventional assistance
- No penalties for prepayment

US Small Business Administration Loan Programs

- 7(a) Loan Program may be used to establish a new business or to assist in the acquisition, operation, or expansion of an existing business

- Microloan Program provides up to \$50,000 to help small businesses over a short repayment term
- Real Estate and Equipment Loans: CDC/504 provides financing for major fixed assets such as equipment or real estate



California Small Business Loan Guarantee Program (SBLGP)

- Issues loan guarantees up to \$20M and partners with eligible lenders to finance small businesses with less than 750 employees that experience capital access barriers
- Funds can be used for start-up costs, new construction, inventory, working capital, export financing, franchise fees, business expansion, lines of credit, gap financing

California Capital Access Program (CalCAP)

- Pledges cash to cover the collateral shortfall of loans made by participating lenders of \$50,000 or more



California Pollution Control Financing Authority (CPCFA)

- Provides tax-exempt bond financing and low-interest loans to install new equipment and acquire or construct qualified pollution control, waste disposal, or waste recovery facilities

Federal Financing Programs for Clean Energy

- Provides financing options for energy efficiency and clean energy projects

Electric Vehicle Charging Station Program

- Provides up to 100% coverage to lenders on certain loan defaults
- May be eligible to receive a rebate of 10-15% of the enrolled loan amount

Air Resources Board On-Road Heavy-Duty Vehicle Air Quality Loan Program

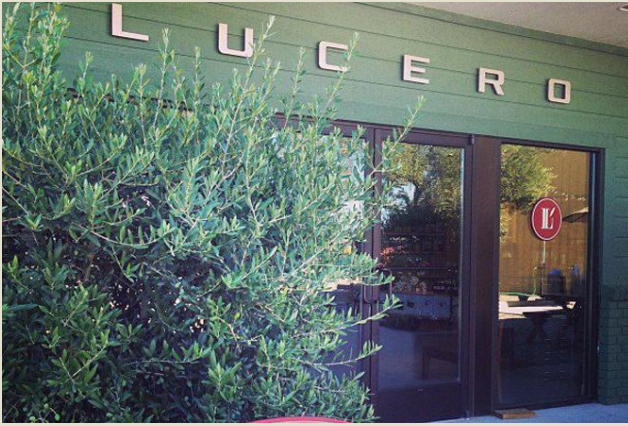
- Loan guaranty that may provide up to 100% coverage on losses
- Can be used to finance diesel exhaust retrofits and heavy-duty trucks and busses

Americans with Disabilities Act (ADA) Financing Program

- Loan guaranty that may provide up to 100% coverage on losses
- Can be used to finance physical alterations or retrofits to small business facilities less than 10,000 square feet for compliance with ADA

California Seismic Safety Capital Access Loan Program

- Loan guaranty that may provide up to 100% coverage on losses
- May be used for seismic retrofit construction alterations performed on or after January 1, 2017 to substantially mitigate seismic damage



ENTREPRENEURIAL AND START-UP ASSISTANCE

I/O Labs

- Invests directly into the startup along with offering mentorship and venture capital connections.

Centers for International Trade Development

- Assists thousand of companies annually in conducting international business
- Offers free or low-cost programs and services, including one-on-one technical assistance and consulting, market research, training and educational programs, trade leads, and special events.



GREEN RESOURCES

Self Generation Incentive Program (SGIP)

- Pacific Gas and Electric provides financial incentives for business customers installing new, qualifying equipment for generating energy. The SGIP applies to both renewable and non-renewable technologies.

Property Assessed Clean Energy (PACE) Program

- Provides commercial property owners with an opportunity to fund energy efficiency, water conservation, and renewable energy projects on their property tax bill.

Energy Efficiency Financing

- Pacific Gas and Electric offers interest-free loans for new energy efficient equipment up to \$100,000

New Solar Homes Partnership

- Provides financial incentives and other support to home builders, encouraging the construction of new energy efficient solar homes

Business Energy Investment Tax Credit and Renewable Electricity Production Tax Credit

- Federal tax credit for electricity generating renewable energy systems. The Renewable Electricity Production Tax Credit is based on a per-kilowatt hour, while the Business Energy Investment Tax Credit is equal to 30% of expenditures.

Energy Efficient Commercial Buildings Tax Deduction

- Provides a federal tax deduction for installation of interior lighting, building envelopes or heating and cooling systems to achieve energy savings

Fuel Cell Motor Vehicle Tax Credit

- Tax credit of up to \$4,000 for consumers who purchase a qualified light-duty fuel cell vehicle.



Qualified Plug-In Electric Drive Motor Vehicle Tax Credit

- A federal tax credit between \$2,500 and \$7,500 is available for consumers who purchase a new qualified plug-in electric drive motor vehicle.

Corning Community Demographic data

Tehama County Labor Market Report

For more information please contact, Kristina Miller, Corning City Manager at kmiller@corning.org or 530.824.7034.