

**Economic Development Subsidy Report
Pursuant to Government Code Section 53083
For a Ground Lease with THRIVE Santa Ana, Inc.**

Pursuant to Government Code Section 53083, the City Council of the City of Santa Ana must hold a noticed public hearing and, prior to the public hearing, provide all of the following information in written form and available to the public through the City's website regarding a proposed economic development subsidy provided by the City pursuant to a Ground Lease at 1901 W. Walnut Street, Santa Ana, CA 92703, with THRIVE Santa Ana, Inc. Notice was published on the City's website for a public hearing to be held on March 3, 2020.

The purpose of this report is to provide the information required pursuant to Government Code Section 53083 in regards to the Agreement. This report shall remain available to the public and posted on the City's website until the end date of the economic development subsidy, as further described in number 2 below.

(1) The name and address of all corporations or any other business entities, except for sole proprietorships, that are the beneficiary of the economic development subsidy, if applicable.

The Agreement is with THRIVE Santa Ana, Inc., a 501(c)(3) tax exempt California Public Benefit Corporation.

THRIVE Santa Ana, Inc.
P.O. Box 1935
Santa Ana, CA 92702

(2) The start and end dates and schedule, if applicable, for the economic development subsidy.

Upon City Council approval of a Disposition and Development agreement, and if certain conditions for the development of the site are met, a proposed 99-year Ground Lease agreement is estimated to commence on April 1, 2021, and end on March 31, 2120.

(3) A description of the economic development subsidy, including the estimated total amount of the expenditure of public funds by, or of revenue lost to, the local agency as a result of the economic development subsidy.

The economic development subsidy is in the form of a subsidized 99-year ground lease for 1901 W. Walnut Street, Santa Ana, CA, 92703. The estimated amount of lost revenue is estimated at \$817,000, the appraised value of the property.

No expenditure of public funds is anticipated by this agreement.

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

The property at 1901 W Walnut has been vacant for over 12 years. Development of the site as a microfarm would bring positive community benefits to the area that include: 1) making organic produce and other healthy options more available in the local neighborhood, 2) implementing a membership-based model to provide monthly baskets of vegetables, fruit and other garden products to members at a low cost, 3) creating worker cooperative jobs, 4) encouraging participation from local residents which can contribute to the local neighborhood economy, civic engagement, and prevention of costly health conditions including obesity and mental health illnesses.

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

Property tax revenue to the City is anticipated to be approximately \$1,500 per year. No sales tax revenue would be generated as a result of the economic development subsidy as the sales for a microfarm with organic produce would not be subject to sales tax.

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

The proposed Agreement will create approximately 5 full-time jobs, 10 part-time jobs, and 10 temporary positions within the next five years.