



“Colton Means Business”

Economic Development Strategy 2016

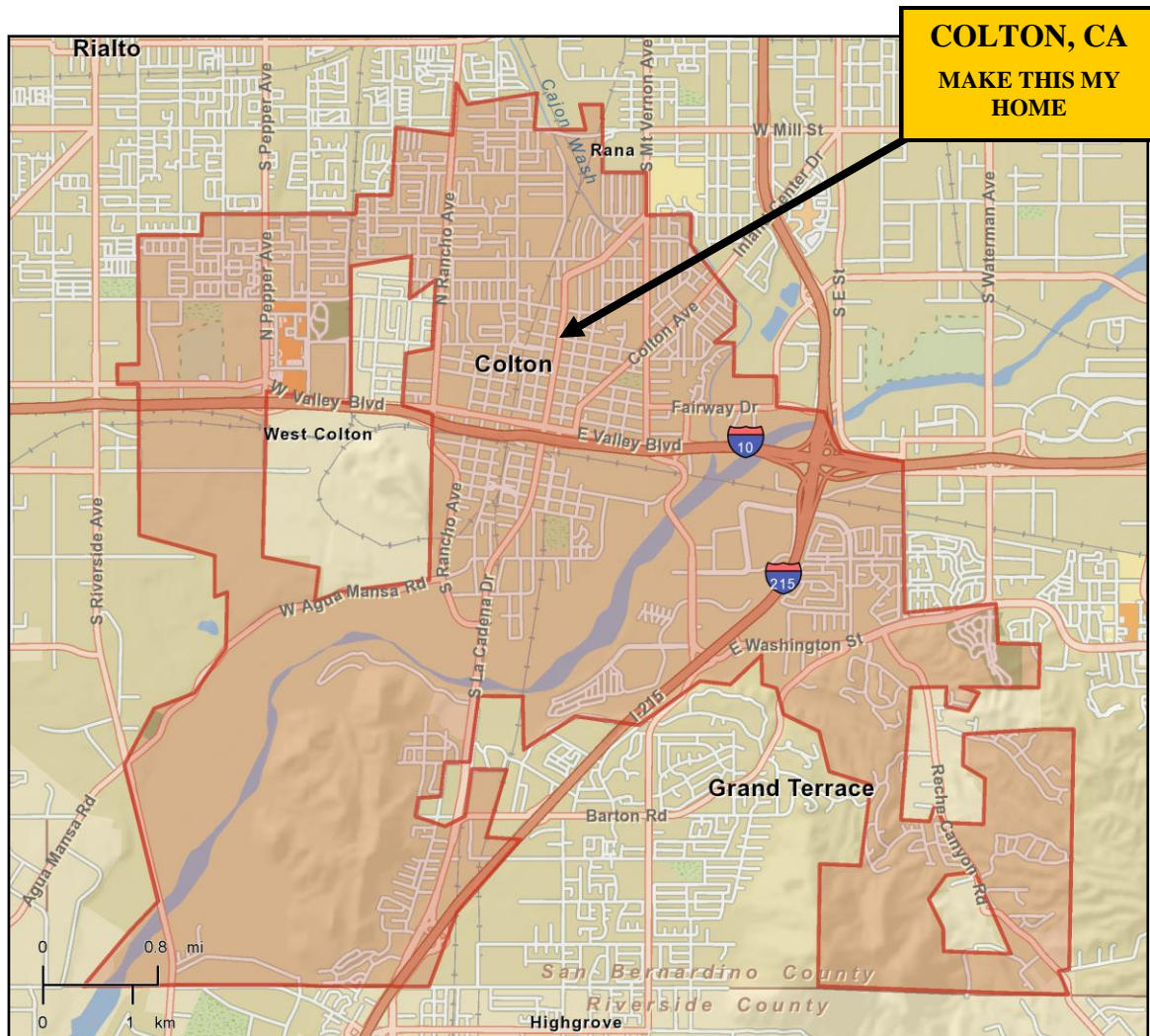
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“Colton is a diverse community where tomorrow’s contributors pursue their dreams in an attractive and safe environment abundant with opportunities for educational and economic advancement.”

Preface

"Location, location, location" is the mantra of business, residential and commercial real estate. Selecting the right location may be the most important decision that a business or resident makes. The City of Colton is located at the junction of interstates 10 and 215, the "crossroads of the Inland Empire"; strategically located to serve the larger Southern California marketplace. With a current population over 53,000 and a proactive government, the City is targeting the expansion of job opportunities, residential and business growth, in spite of a challenging economy.



The City of Colton is proud of our growing role as a center for new business and employment opportunities in the County of San Bernardino. A comprehensive transportation network, available undeveloped land, a skilled, ready-to-work labor pool and a viable partnership between business, City and County government contributes vitality to an already established commerce. A growing presence of retail, warehouse industrial and manufacturing are indicative of the City's commitment to economic growth. Available sites and a "can-do" attitude toward economic development make Colton attractive for successful relocation and for new enterprise.

Purpose Statement

The purpose of Colton's "Economic Development Strategy" is to move forward the City's stated economic goals which are to:

- A. Attain Financial Strength and Fiscal Responsibility**
- B. Streamline the Development Process**
- C. Develop Economic Development Programs**
- D. Development of the Hub City Centre Area by Addressing Drainage and Infrastructure Development Issues**
- E. Develop a Comprehensive Capital Improvement Plan that Prioritizes Projects and Resources with Citywide Goals**
- F. Attract and Incentivize Business**

These goals are horizontal priorities and work simultaneously toward the betterment in the quality of life for the citizens and businesses of Colton. To that end, a number of significant pro-active efforts have already been underway:

- Colton is working closely with local employers and its Chamber of Commerce, through business retention programs; thus protecting past investments and ensuring economic development.
- Colton is working with local property owners and businesses for expansion opportunities and attraction of new businesses to the community through an aggressive marketing program.
- Colton's Electric Department has created a *Business Cost Savings Program* allowing businesses to amortize their electric infrastructure costs over a 5 to 7 year period which lowers their upfront capital requirements as a business attraction and incentive for development.
- Colton is laying the ground work and planning for its future, with the adoption of the Hub City Centre Specific Plan, and moving forward to finalize the Roquet Ranch and Wildrose Village Specific Plans.
- Colton is encouraging development to maximize public entry-way "gateway" improvements that include landscaping, entry features, signage, street furniture, public art and other design features for the beautification into the City as part of the General Plan and Downtown Revitalization Plan/Design Manual.
- Colton is participating in the planning and implementation of regional improvements in the Inland Empire through collaboration and partnerships such as the future beautification of the Interstate 10 Corridor with Caltrans, and the completed Colton Crossing Project with San Bernardino Associated Governments.
- Colton continues to maintain service levels and infrastructure improvements throughout its community as exemplified by our Community Development Block Grant (CDBG) sidewalk repair program. Colton is working hard to improve its neighborhoods with the Safe Routes to School Program as well.

- Colton continues to make job creation and retention a priority, though the entire Inland Empire is still recovering from a high unemployment rate, by utilizing the tools of the local and regional incentive programs, and partnering with various County agencies, such as the Workforce Development Department.
- Colton continues to enhance the Civic Center for easily accessible and business friendly City services.

The City of Colton has prepared this “Economic Development Strategy” in making Colton the **“location, location, location”** for business attraction, retention, expansion and affordable housing.

As the City moves forward, Colton will continue to utilize proven economic development and revitalization concepts, in the most efficient and effective way, toward achieving its goals. Economic development establishes the foundation to achieve healthy economics in order to improve the quality of life, and build a sustainable community.

Historically, Colton has worked hard to make our City one of the best places in Southern California to work, live and enjoy life—and that single goal remains true today. Colton is a community full of opportunity; **“Colton Means Business”**.

The City of Colton is a great place for your business to make money!

"Colton Means Business" Overview

"Colton Means Business" is an Economic Development Strategy which is a living document that establishes direction for the City's short and long-term economic development. The document supports the stated economic goals of the City as it pursues a fiscally healthy government, key developments within the City, job opportunities for its citizens, community ownership and pride, and a better place to live and work for the community. Each of the goals are horizontal priorities moving simultaneously toward improving the quality of life within the City of Colton.

Colton's "Economic Development Strategy" is organized into Goals, Strategies, and Implementation Actions.

Goals of the City are broad statements regarding the City's priorities.

Strategies are methods for achieving the Goals.

Implementation Actions include specific initiatives that the City will undertake to enact the Strategies and achieve its Goals.

To achieve the stated Strategies, City staff will continue to establish relationships, build networks, and identify resources to meet the needs of property owners, residents, developers and businesses. Creative financing, identifying resources, and leveraging assets from both the public and private sector is critical to attract new businesses, facilitate enterprise development, and assist existing businesses with expansion. Staff will need to be key facilitators in creating public-private partnerships and coordinating activities and communication between different agencies and levels of government.

The Strategies and Implementation Actions coincide and complement the City's current General Plan, the City's Housing Element, the City's adopted Legislative Policy, the Capital Improvement Plan, the City of Colton's Financial Policies, and the City's Budget.

Goal: Financial Strength and Fiscal Responsibility

Like many California cities, the City of Colton has experienced fiscal challenges in recent years, with costs outpacing revenues during the ongoing economic downturn. Declines in property and sales taxes, the rising cost of living, the elimination of redevelopment, and the State's budgetary deficit, have all affected the City's General fund. However, thanks to a conservative fiscal policy, the City has managed to weather these concerns better than most California jurisdictions. The strategies below are presented to maintain and strengthen the City's fiscal position, and allow continued provision of high quality municipal services.



Strategies

1. Retain, expand, and attract retail sales tax revenue-generating businesses to Colton.

Market analysis indicates a strong demand exists for stores with apparel, electronics, home furnishings, clothing, shoes, sporting goods, health & personal care, office supply and full service restaurants.* Currently, Colton residents leave the City to purchase these items for the most part, leading to a significant amount of retail "leakage". New regional-serving retail stores in Colton would help recapture some of these lost sales. Existing shopping centers could be enhanced through improvements in design and tenant mix. Large vacant buildings, such as the former Moss Bros and K-mart sites, have been or will be repositioned to accommodate 2 to 3 retailers. These steps would help fill vacancies, meet the evolving needs of retailers, and improve local shopping opportunities in Colton. Regional retailers would attract shoppers from outside the City, diversify the local economy, and generate additional sales tax revenue to the City.

*(Source: Retail MarketPlace Profile, ESRI Business Analyst Online)

2. Expand and attract property tax revenue-generating development such as industrial manufacturing.

As reported by the County of San Bernardino and other trade publications, manufacturing industrial spaces continue to increase in demand. Manufacturers located in Los Angeles and Orange Counties do not have the room (land) to expand their operations. They have already begun looking into the Inland Empire for expansion growth and opportunities. The rise in e-commerce internet sales demand large facilities to distribute their goods. Manufacturers and distribution centers create numerous job opportunities within the local economy.

3. Expand, attract and cluster healthcare industries for higher paying occupational opportunities and for the health & safety of the Colton community.

The Health Care industry including hospital, ambulatory care and residential care had a 2016 median pay of \$59,494. The group is now among the higher paying sectors with its combination of well-paid doctors and nurses plus a large array of good paying technical positions. Health care has not had a down year in employment from 1991-2016. Through mid-2016, it is on pace to add 4,900 workers to rank third in the Inland Empire behind logistics and construction. During the longer recovery and expansion period from 2011-2016, the sector has added 27,343 jobs or 11% of the 242,384 jobs created. That also ranked third for the inland region. (Source: John E. Husing, Ph.D., Inland Empire Quarterly Economic Report July 2016)

4. Encourage new development in South Colton for revitalization of the historical area.

New retail development would service the immediate neighborhood with goods and services that are not presently located in South Colton. New development would generate jobs, and has the potential to become a regional draw as an historical destination point of interest.

5. Seek funding and/or development interest to implement the adopted Downtown Revitalization Plan/Design Manual that includes mixed use housing, retail and commercial development opportunities, and parking.

Adoption of the Downtown Design Manual has given development greater flexibility for mixed use development including in-fill housing within Colton's downtown area. The Manual provides a list of various funding sources to implement the specific recommendations contained in the Downtown Design Manual.

6. Consider the fiscal impact of land use decisions during planning initiatives such as in the City's General Plan.

Land use planning decisions have fiscal impacts on the City, affecting revenues from sales tax, property tax, and other sources, as well as the demand on municipal services. The City should conduct fiscal impact analyses of major land use plans, or re-zoning of existing land, to consider the effects on these services and municipal finances.

7. Leverage new development to generate service fees for the City, and ensure that these fees are commensurate with the cost to entitle and approve projects.

New residential, industrial and commercial development generates fees that allow the City to continue providing high-quality services. Fees should be set to a level that allows cost-recovery, while remaining competitive with neighboring jurisdictions.

8. Ensure that new development covers the associated operating and capital costs it generates.

New residential, industrial and commercial development generates costs to the City in the form of needed infrastructure improvements and greater demands on local services. The City should assure that these costs are effectively addressed so that development "pays its own way," while remaining sensitive to financial

feasibility considerations and development costs for the new or expanding business.

9. Maintain an operating reserve consistent with the City's reserve policy.

The City's conservative fiscal policy, including its operating reserve, has allowed Colton to weather the economic downturn better than most California jurisdictions. In June 2016, Measure D passed with over 75% voter approval, providing fiscal stability for the short term. Moving forward, the City should continue to curtail spending as future revenues increase, and keep or exceed its goal of a 10% reserve against General Fund expenditures.

Implementation Actions

- A. Pursue additional region-serving retailers to Colton; particularly, those that generate high levels of taxable sales.
- B. Actively identify and implement opportunities to maximize sales tax-generating uses on commercially zoned infill properties by working with property owners, developers and industry trades to assemble larger and more usable sites.
- C. Work with Arrowhead Regional Medical Center and the California University of Science and Medicine to identify the housing needs of medical staff and the need for additional medical offices, near and adjacent to the Medical Center and future University Campus.
- D. Actively seek development interest in South Colton to revitalize the area into a destination point with a historical ambiance similar to Los Angeles' Olvera Street.
- E. Actively seek funding and/or development interest to implement the recommendations from the adopted Downtown Revitalization Plan/Design Manual.
- F. Continue to work with the City of Riverside in developing Pellisier Ranch with e-commerce fulfillment centers.
- G. Identify and communicate with Colton's top 25 sales tax producers; maintaining relationships with these firms help retain their presence in Colton.
- H. Continue to apply for regional, state, and federal grants for capital public improvement projects in the Downtown and in the Hub City Centre area.
- I. Review and establish a development fee schedule at a level that allows cost-recovery revenue for City service expenditures, while being sensitive to development costs.
- J. Continue to maintain the goal of a General Fund reserve at 10%, or higher, of General Fund expenditures.

Goal: Streamline the Development Process

In June 2015, the City engaged Zucker Systems to perform an Operational Review of the Development Services Department. Zucker Systems' review was finalized in January 2016 which includes 140 recommendations for improving the Development Services Department which mostly address customer service and improving the development process. Many of the recommendations are being implemented, which has streamlined the development process as well as improving organizational efficiency and effectiveness. Below are a few Strategies to complement the recommendations of Zucker Systems.



Strategies

- 1. Continue to implement Zucker Systems' recommendations for improving and streamlining the Development Process.**
Implementing the recommendations provided by Zucker Systems will help improve internal operations and provide improved customer service but stay within available resources (revenues versus expenditures).
- 2. Break down the formal and informal walls of City Departments in order to institute "Unanticipated Service" practices to increase customer satisfaction.**
Internal barriers of an organization can impede customer service levels; especially with responses to unanticipated events, or the need to solve problems that require collaboration across departmental boundaries.
- 3. Flattening the Planning Division organizational structure to increase responsiveness, flexibility and customer satisfaction.**
Empowering employees to make responsive decisions at the counter would help streamline the development process and shorten the response time to customers.
- 4. Allow for the Development Review team of the various City Departments to meet with developers and businesses without applying an initial pre-application fee.**
Developers and retailers looking to development in the City conduct their "due diligence" efforts prior to applying for a development application. They are identifying that the City's Development Process is smooth and can be streamlined. Allowing the Development Review team to meet with developers early on in their due diligence process shows the City to be business supportive.

5. Work closely with the community when planning major new development projects.

The City should continue to engage the local community in planning initiatives such as the City's General Plan and any specific plans. In addition, the City should encourage developers to pro-actively involve the Colton community in planning major projects. These efforts help address local needs, community safety, identify concerns at the early stages of the process, and can help build support for a project or plan.

Implementation Actions

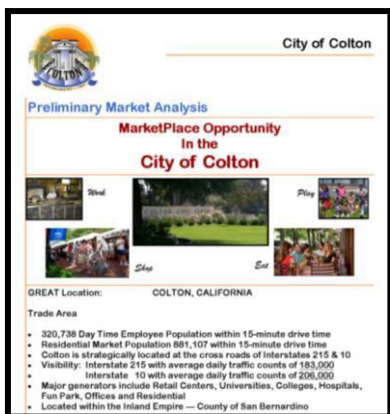
- A. Continue to implement the 140 recommendations by Zucker Systems to improve internal operations of the Development Services Department, the Development Processing system which will improve customer services. Provide a timeline for implementation of the recommendations.
- B. Remove any barriers to accelerate and enhance responses to unanticipated events, foster innovation, enable staff to solve problems that require collaboration across departmental boundaries.
- C. Ensure employees are well trained to make responsive and responsible decisions when addressing customer's concerns or needs.
- D. Empower employees, who are not dependent on direction, through a decentralized decision-making process to achieve customer satisfaction.
- E. Review existing development review documents to make sure that there is a clear understanding of the City's Development Review Process to the general public.
- F. Create a tracking system for Plan Check turn-around time and setting goals for effective and efficient response times.
- G. Promote that developers initiate public participation, when necessary, early in the development process to identify any concerns prior to submittal of applications.

Goal: Develop Economic Development Programs

"Colton Means Business" strategy utilizes the approaches of Economic Development. Economic Development is a concerted effort to facilitate and influence the direction of private sector investment toward opportunities that can lead to sustained economic growth. Sustained economic growth can provide sufficient incomes for the local labor force, profitable business opportunities for employers and tax revenues for maintaining an infrastructure to support this continued growth. There is no alternative to private sector investment as the engine for economic growth, but there are many initiatives that support or encourage investments where the community feels they are needed the most.

Economic Development is simply the creation of wealth by which both community and private sector benefit. There are three approaches used to enhance local economic development. They are:

- Business Retention and Expansion for existing businesses
- Business/Development Attraction for new businesses
- Business Creation – encourage the growth of new start-up businesses



Strategies

1. **Increase Tax Base** – increase property and sales tax revenues to support, maintain, and improve local infrastructure such as roads, parks, libraries, and emergency services.
2. **Job Development** – create opportunities for better wages, benefits, and job advancement for the local community.
3. **Development Process** – a clear development process helps businesses make a decisive decision to locate within the community.
4. **Business Retention** – businesses that feel appreciated, in turn, are more likely to stay in town, contributing to the local economy.

5. **Economic Diversification** – a diversified economic base helps expand the local economy.
6. **Self-Sufficiency/Sustainability** – creation of a stronger economic base means public services are less dependent on intergovernmental influences and alliances.
7. **Productive Use of Property** – property used for its “highest and best use” maximizes the value of that property.
8. **Chamber of Commerce** – work with the Colton Chamber of Commerce in promoting economic development within the City that includes creating marketing materials for business expansion, retention and attraction.
9. **Development Opportunities** – work with real estate brokers, property owners and developers to facilitate and create partnership opportunities for new development of retail, commercial, industrial, office, entertainment and affordable housing projects.
10. **Quality of Life** – the generation of more local tax dollars and job opportunities raises the economic tide for the entire community, including the overall standard of living for Colton’s residents.
11. **Local Consumption/Buying** – an increase in local shopping and consumption of goods sustains local businesses.
12. **Enhance shopping opportunities for comparison goods in Colton** - Local access to goods allows residents to shop in the City, supporting taxable sales and limiting the need to travel to neighboring communities for their retail needs.
13. **Broaden Colton’s dining and entertainment options** - Colton has a limited number of higher-end dining options, including higher-end, family-oriented restaurants. High-quality restaurants, including regional and national chains and independent operators, can offer evening entertainment for the community, attractive dining options for business travelers and meetings, and can generate foot traffic at new and existing retail centers. Given the right site, a well-targeted restaurant could flourish in the Colton marketplace.



Le Rendez-Vous Cafe



Implementation Actions

Business Retention, Expansion and Development Attraction

- A. Maintain the partnership with the Colton Chamber of Commerce to help organize and implement a marketing campaign to promote business attraction, retention and expansion; and to encourage residents to shop in the City of Colton.
- B. Continue to improve and refine the City's Development Process as the key to our "Colton Means Business" program.
- C. Create a "Business Welcome Package" for new and existing businesses to understand the operation of each City Department and how they can help businesses.
- D. Assemble and promote a City Business Package that highlights the benefits of locating in the City of Colton. The benefits include a qualified workforce, low business fees and taxes, excellent municipal services, a well-run City government, and the generally high quality of life in the City. The package will also contain local and county government contacts.
- E. Create an electronic Newsletter that provides information regarding economic trends and that highlights business development. In addition, the Newsletter will contain information on events, seminars, educational, training, and business development resources County-wide.
- F. Continue to create marketing materials to support business attraction with information regarding population, household income, education, employment trends, traffic counts, and marketplace sales leakage/opportunities.
- G. Continue to collaborate with the existing network of business services in the City and County of San Bernardino, and direct new firms to these services through informational materials contained in the City Business Package. Business services include, but are not limited to, the Colton Chamber of Commerce, San Bernardino County Workforce Development Department and the Workforce Investment Board, Inland Empire Small Business Development Center, and Service Corps of Retired Executives (SCORE).
- H. Continue to market existing incentives and create new incentives, such as a Fly Habitat Mitigation Fee Rebate Program in the Hub City Centre area, to attract development and businesses into the City of Colton.

- I. Encourage the development of underused properties or older office/industrial facilities as low-cost flex-space to attract start-up firms.
- J. Continue to partner with commercial and industrial real estate brokers and property managers to provide marketing and property information to potential businesses looking to locate in the City, and provide a clear understanding of the City's entitlement process.
- K. Continue to work with Colton's Development Services Department to provide a clear understanding of the City's entitlement process.
- L. Work with existing property owners interested in issuing Request for Proposals, to businesses and developers, for the development of their sites.
- M. Maintain ongoing communications with local venture capital groups, financial assistance program providers, and local banks to encourage investment in the community for new businesses seeking to expand or relocate to the City of Colton.
- N. Continue to seek and apply for State and Federal grants for downtown revitalization and Hub City Centre infrastructure improvements.
- O. Continue to maintain ongoing communications with existing businesses both small and large. Work closely with San Bernardino County Workforce Development's Rapid Response team when businesses close all or portions of their operations to help employees re-enter the workforce.
- P. Continue to monitor leasing activity among retail, industrial, and office uses to fill or avoid vacancies.
- Q. Encourage and facilitate partnerships between Arrowhead Regional Medical Center and the development community for the "clustering" of new medical offices, nurses housing, and commercial developments in conjunction with the proposed California University of Science and Medicine.
- R. Market the significant food processing/manufacturing industry cluster in the City to other food processors, packagers and distributors.
- S. Engage retail brokers and other industry specialists to identify tenants for new and existing shopping centers in Colton.
- T. Continue to track retail and industrial development trends through conferences, industry publications, and communication with industry representatives, such as brokers, developers and site selectors.
- U. Monitor and support State and Federal legislation that would enhance or expand tools to communities; including the assemblage of property and local long-term funding sources, which can be used to address revitalization and development needs such as Enhanced Infrastructure Financing Districts (SB 628) and/or Community Revitalization and Investment Authorities (AB 2).

- V. Identify viable and appropriate financing alternatives such as Infrastructure Financing Districts, Business Improvement Districts, Landscape Maintenance Districts, Mello-Roos Community Facility Districts, Conduit Revenue Bond Financing (e.g., Industrial Development Revenue Bonds, and Housing Revenue Bonds), Tax-exempt 63-20 Bond (lease-to-own) Financing, Mortgage Revenue Bonds, General Obligation Bonds, Reimbursement Agreements, and Sales Tax Rebate/Sharing Agreements.

Affordable Housing – Colton Housing Authority

The Colton Housing Authority ("Authority") has been selected as the entity to assume the housing assets and functions from the dissolved Redevelopment Agency for the City of Colton. The Authority is responsible for providing decent, safe, sanitary and affordable housing for low-income families, elderly, and persons with disabilities. Colton endeavors to enrich the community by preserving the City's historic qualities, while achieving stated goals toward the betterment in the quality of life for its citizens. Colton is well known for its ethnic and cultural diversity. The Authority embraces this unique attribute and appreciates the rich pattern every person adds to the community quilt.

With the dissolution of redevelopment agencies, Senate Bill 341 became effective in January 2014, adding layers of regulations to the activities of housing authorities. SB 341 regulates the use of low and moderate housing funds, imposes a financial audit and activity reporting requirements and more.



Strategies

1. The Colton Housing Authority has been selected as the successor housing entity from the former Redevelopment Agency.

Pursuant to AB 1X 26, housing assets of the former Redevelopment Agency have been transferred to the successor housing entity, the Colton Housing Authority. The Colton Housing Authority will continue to implement the State requirements of SB 341 imposed on successor housing agencies for providing continued affordable housing programs and homeless prevention.

2. Offer a range of housing types affordable to various income groups and Colton's workforce.

Colton, like the rest of the Inland Empire, had seen home values weaken since 2007. 2011 median sales price of a single family home was \$120,000. Since then, the 2015 median sale price of a single family home in Colton was \$213,000; while, the median priced home in San Bernardino County was \$268,750 compared to the California's \$489,560 median price*. However, the increase in the City's home prices still makes Colton competitively affordable, and will allow new buyers of moderate-income households to enter the Colton housing market and settle into the community.

*(Source: HdL 2015/16 City of Colton Property Tax Summary)

3. **Promote community pride for homeowners to embrace the appearance of their neighborhoods.**
Homeowners should take pride and ownership for improving the appearance of their front yard from the curb to the house; "Own the Curb."
4. **Increase correction of code violations within neighborhoods that distract from the overall quality of life.**
Proactive code enforcement activities would have a positive impact on blight removal. Strategically alleviate blight; especially, graffiti, within the most visible sectors of the City; e.g. freeway entry points, major streets, etc. First impressions are very important to businesses and residents seeking a new location.
5. **Seek opportunities to enhance and preserve the appearance of Colton's existing historical housing stock.**
Colton has a unique historical housing stock which should be preserved and enhanced. Homeowners should be encouraged to paint, repair and enhance the façade of their homes to showcase these historical landmarks.
6. **Continue to identify opportunities for infill housing development throughout the City.**
Colton contains a number of small, low-density residentially zoned parcels throughout the City that could provide for infill housing development.
7. **Support legislation that provides funding sources for local affordable housing projects.**
Support legislation that provides for a continued, sustainable funding source for affordable housing. The City will continue to relay the City's position to legislators regarding the need for on-going funding for affordable housing.

Implementation Actions

- A. Prepare the Colton Housing Authority for the provision of production, inclusionary and/or replacement affordable housing units within the City of Colton.
- B. Utilize funds from the Housing Authority land sale proceeds to leverage the development of affordable housing units, or home improvement programs.
- C. Work with Arrowhead Regional Medical Center to identify the housing needs of medical staff and the need for additional medical offices, near and adjacent to the Medical Center as well as the proposed California University of Science and Medicine.
- D. Work with developers who can develop mixed-use commercial and quality, affordable housing within the West Valley area.
- E. Work with the developer of the Roquet Ranch and Wildrose Village housing projects to ensure housing types are affordable to various income groups and Colton's workforce.

- F. Research possible funding sources for housing programs to provide for the rehabilitation of the City's existing housing stock, to address code violations, and to stabilize older neighborhoods against deterioration.
- G. Promote community pride of homeownership to enhance the appearance of neighborhoods in target areas and "Own the Curb".
- H. Promote the assembly of smaller lots to create larger residential affordable housing opportunities that will attract housing developers.
- I. Continue to implement the projects and programs identified in the City's Housing Element.
- J. Monitor and support State and Federal legislation that would enhance or expand tools to communities; including long-term, local funding sources, which can be used to address affordable housing needs.

Goal: Development of the Hub City Centre area by Addressing Drainage and Infrastructure Development Issues

In 1996, the City Council adopted the West Valley Specific Plan in response to the opportunities for economic growth and revitalization associated with the construction of the then new Arrowhead Regional Medical Center. In early 2007, the City revisited the Specific Plan land uses and overall planning concepts and believed there was an opportunity to forge a new vision that would create a vibrant new community, one that would create new jobs, strengthen the City's tax base, and provide opportunities for mixed use development. In November 2014, the City Council approved and adopted **Colton's Hub City Centre Specific Plan**. The primary purpose of the Specific Plan is to implement the new vision and policies of the City.

In 2014, the City Council adopted the **West Valley Habitat Conservation Plan** ("Conservation Plan"), as approved by U.S. Fish & Wildlife Service, for the endangered species known as the Delhi Sands Flower-loving Fly ("DSF") which is located within the Hub City Centre Specific Plan area.

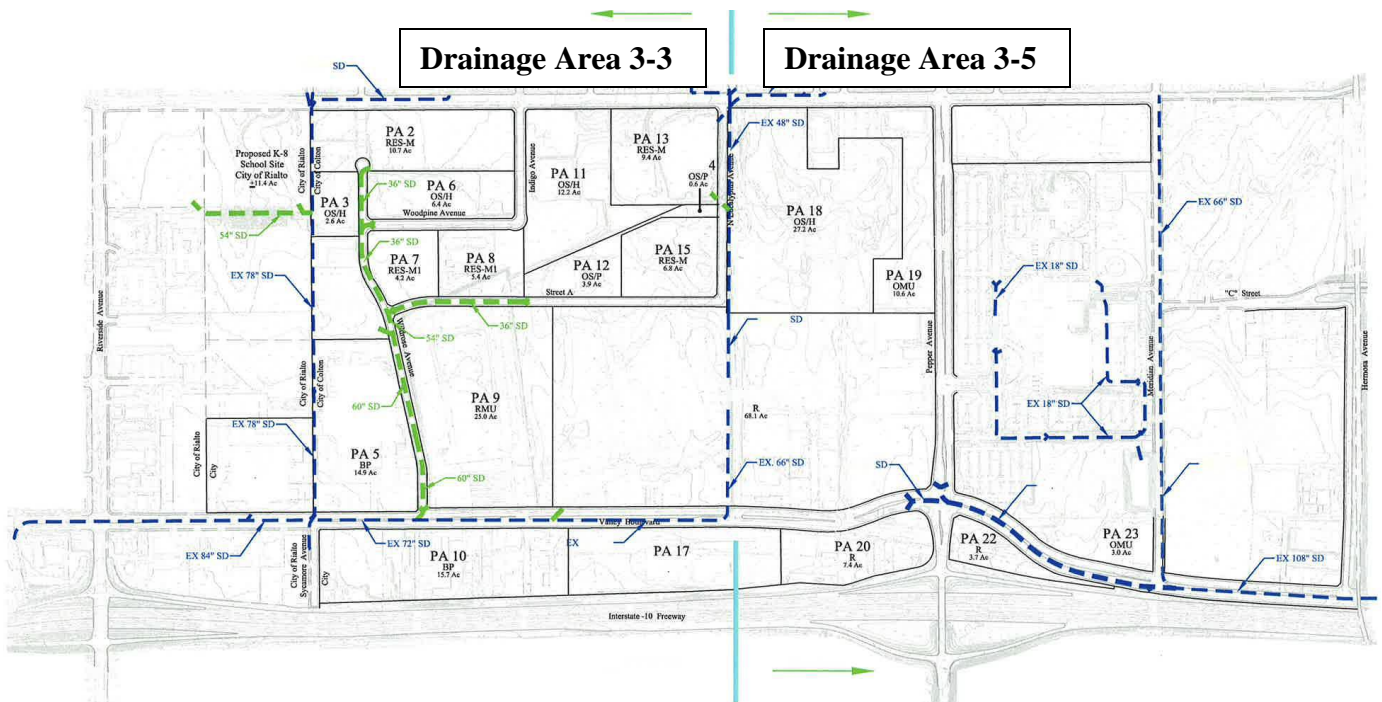
The Conservation Plan includes implementing provisions that require the City to instate a mitigation fee program to fund actions to acquire, assemble and manage the City's obligation to conserve and manage 50.3 acres of moderate to high quality DSF habitat.

In February, 2015, the U.S. Fish & Wildlife Service issued an **Incidental Take Permit** allowing development to occur but only upon acquiring an initial 20 acres of DSF habitat land. The City secured the initial 20 acres through a land donation from a prominent property owner. There is now significant development interest in the Hub City Centre area.



Colton's Habitat Conservation Land Area – Habitat Land identified in "blue".

As identified within the Specific Plan, the Hub City Centre area lacks storm drain facilities that could hinder new development. Storm drainage master planning is a joint responsibility of the City and the San Bernardino County Flood Control District. **Master Plan Drainage Area 3-3** serves the area that lies west of Eucalyptus Avenue and drains to the south and westerly towards Valley Boulevard and Sycamore Avenue, to the Rialto Channel Drainage Area (which an unimproved portion in Rialto now has the endangered species, "Sucker Fish", and cannot receive additional drainage into the system from Colton) and has not been completed. **Master Plan Drainage Area 3-5** serves the area that lies east of Eucalyptus Avenue and drains south easterly towards Valley Boulevard and Meridian Avenue and has also not been completed. There exists a 108 inch storm drain pipe at Meridian and I-10 Freeway that requires additional connections under the freeway/railroad to existing storm drain facilities that carries the drain flow to the Santa Ana River.



Without the completion of Master Plan Drainage Areas 3-3 and 3-5, individual developments will be responsible for detaining a majority of excess storm water within their project site. The development of storm basins minimizes the developer's ability to maximize building development for retail, restaurants, etc. Less development opportunities diminishes the City's ability to maximize increase sales and property tax revenues, and limits new job opportunities.

As the City is realizing a renewed interest by developers in the Hub City Centre area, new development will be negatively impacted by the lack of public infrastructure, especially the lack of storm drain infrastructure, and a habitat mitigation fee on top of the City's development impact fees. Addressing storm drain and public infrastructure development should be a priority of the City to keep private sector development interested in the City Colton.



With the start of the I-10/Pepper Avenue Widening Project, and with the completion of the Hub City Centre Specific Plan, the Habitat Conservation Plan, and the donation of 20 acres of habitat conservation land, below is a list of developments that have been completed or are potentially coming into the Hub City Centre area:

1. County of S.B. Offices (TAD) and Car Quest/Moss Bros Dealership Parts Stores (1900 West Valley Boulevard)
 - opened in 2015, the Former Moss Bros Auto Dealership building was remodeled and expanded up to approximately 100,000 square feet
 - Together approximately 450 to 500 employees work at this location.
 - Phase 2 consists of additional retail, Quick Service Restaurants, etc.
2. City Hub (Chandi Group USA) Project – Northwest corner of Valley Blvd. and Pepper Avenue – the project consists of:
 - 90 plus room hotel
 - a 6,000 square foot restaurant
 - 10,000 square feet of retail spaces
 - a 3,500 square foot fast food dining & drive-thru operation
 - a 5,000 square foot AM/PM and carwash
 - Outdoor dining and water features
3. Pepper Plaza (Valley-Orange Enterprises LLC) Southwest corner of Valley Blvd. and Pepper Avenue – (1600 West Valley Boulevard)
 - Rebranding of the Valero Station to a state-of-the-art Chevron Station
 - A 3,000 square foot Convenience Store
 - 1,500 square foot restaurant-deli store
 - A 3,000 square foot fast food drive-thru operation

4. Lumar Devco LLC – Southeast corner of Valley Blvd. and Pepper Avenue –
 - Approximately 3 acres of retail, restaurant and/or quick service fast food
5. New Medical Educational School know as *California University of Science and Medicine*, proposed north of ARMC on 7 acre site
 - Phase 1 – 100,000 square foot building, 3-stories tall
 - The project is funded by the Prime Healthcare Foundation who has committed millions of dollars toward design and construction
6. Medical Building and Surgery Center (Dr. Gnanadev) – located South of “C” Street, east of Meridian Avenue
 - State-of-the-art Private Surgery Center
 - 3-story, 30,000 square foot building on approximately 2 acres of land
7. Wildrose Village Housing Project – (developer John Riechel of Sunwest Enterprises) -
 - Located south of San Bernardino Avenue along Wildrose Avenue
 - On 18.4 acres of which 16 acres are being purchased from Mr. Carl Ross who donated 20 acres of Fly-Habitat to the City
 - The project consists of 175 Single Family Detached Homes for sale
 - Targeted to higher income level professionals such as Doctors and Nurses working within the area
8. Las Terrazas Housing Project – (developer AMCAL Multi-housing Incorporated)
 - Located just east of the Hub City Centre Project Area in the County Unincorporated Island at Valley Blvd and Cypress Ave.
 - 112 Units on an approximate 6 acres of land
 - Consisting of 2 and 3 story buildings
 - Mediterranean style architecture
9. Hub City Centre Mixed-Use Development
 - City is in discussions with developers and property owners for the planning and construction of an approximate 70 acre site in the Heart of the Hub City Centre Project area, from Eucalyptus Avenue to Wildrose Avenue north of Valley Boulevard.
 - The project could consist of retail, restaurants, entertainment, hospitality, medical offices and support services

Strategies

1. **Maintain development within the Hub City Centre area as priority to the City’s future growth.**

The Hub City Centre area is the last of the vacant undeveloped land along the I-10 corridor within the Inland Empire. With the adoption of the Hub City Centre Specific Plan, the Habitat Conservation Plan and the issuance of the U.S. Fish & Wildlife Take Permit, new opportunities and development are on the horizon. Addressing the lack of public infrastructure must be a priority of the City to remove barriers and impediments for new development.

2. **Address the funding and construction requirements of Master Storm Drain System 3-5 serving development east of Eucalyptus Avenue.**

There is opportunity for future development of approximately 24 up to 30 acres as Phase 2 of the California University of Science and Medicine, east of ARMC, which would include an additional 300,000 to 450,000 square feet of class rooms, Research and Development (R&D) facilities and dormitories. Master Storm Drain System 3-5 (a regional system) services the drainage of this area but is incomplete. The City and County of San Bernardino should complete the system to maximize development of this area east of ARMC.

3. **Address the funding and construction requirements of Mater Storm Drain System 3-3 serving development west of Eucalyptus Avenue.**

Development interest west of ARMC is increasing as evident by the potential developments listed above. Master Storm Drain System 3-3 (also a regional system) services the drainage for this area but is incomplete. System 3-3 takes drainage into the uncompleted Rialto Channel which has been infested by the endangered species, the Sucker Fish. The City and County of San Bernardino must work together to re-route the system around that segment of the Rialto Channel to allow additional drainage into the system caused by future development.

4. **Create a Habitat Fee Mitigation Program to incentivize development within the Hub City Centre Area.**

The adopted Habitat Conservation Plan requires a mitigation fee to be paid by developers seeking to develop within the Hub City Centre area. The fee is in addition to the City's impact fees that is not required by other cities that do not have an impact by an endangered species. This could be a dis-incentive for new development. The City should consider implementing an incentive Habitat Fee Mitigation Program that uses future property tax and/or sales tax generated from specific projects back to the developer once their project is completed.

5. **Encourage property owners to install, or replace, public infrastructure improvements within the Hub City Centre area.**

Existing property owners should be encouraged to install, or replace, public infrastructure (streets, curb, gutters, sidewalks and landscaping), as needed, to enhance the Hub City Centre area.

6. **New development should continue to install, or upgrade, public infrastructure as part of their conditions of approval.**

As part of a developer's condition of approval, public infrastructure (streets, curb, gutters, sidewalks and landscaping) should continue to be a requirement of their development to ensure the aesthetics of the Hub City Centre area are of high standard.

7. **Leverage funding sources for the development of public infrastructure within the West Valley Project area.**

Aggressively apply and use state and federal grant funds with identified matching funds, as necessary, to leverage the construction of regional and local infrastructure improvements within the Hub City Centre area.

Implementation Actions

- A. Continue to support and encourage development by the private sector within the Hub City Centre area.
- B. Identify public infrastructure that can be an impediment or a deterrent for future development within the Hub City Centre area. Prepare an action plan to address and remove any deterrents to future development.
- C. Work with the County of San Bernardino and other affected surrounding cities to cause funding, installation and construction for finalizing Storm Drain Systems 3-3 and 3-5.
- D. As a development incentive, prepare a Habitat Mitigation Fee Program that rebates developer paid mitigation fees to encourage future development within the Hub City Centre area.
- E. Work with existing property owners within the Hub City Centre area encouraging them to install, or replace, public infrastructure (streets, curb, gutters, sidewalks and landscaping) that needs repair adjacent to their properties.
- F. Continue to condition new development to install, or upgrade, public infrastructure within the guidelines of the Hub City Centre Specific Plan.
- G. Continue to aggressively apply and use state and federal grant funds with identified matching funds, as necessary, to leverage the construction of regional and local infrastructure improvements within the Hub City Centre area.

Goal: Develop a Comprehensive Capital Improvement Plan that Prioritizes Projects and Resources with Citywide Goals

The City maintains a Five-Year Capital Improvement Plan (CIP) that identifies public works projects planned and funded on a rolling five-year basis.

A CIP provides many benefits including:

- Allows for a systematic evaluation of all potential projects at the same time.
- The ability to stabilize debt and consolidate projects to reduce borrowing costs.
- Serve as a public relations and economic development tool.
- A focus on preserving a governmental entity's infrastructure while ensuring the efficient use of public funds.
- An opportunity to foster cooperation among departments and an ability to inform other units of government (County, San Bernardino Associated Governments, School Districts, etc.) of the City's priorities.

The CIP includes anything from resurfacing of streets to major projects like remodeling public facilities and buildings, retrofitting/replacing bridges to meet seismic and safety standards, bike paths and trails, traffic signals, road widening and realignment. The CIP projects respond to goals and policies in the Circulation Element of the City's General Plan, but are also used to support long-range land use plans by providing the infrastructure improvements needed to attract future development.



Strategies

1. **"Own the Curb" - Increase homeownership within the City of Colton.**

The City of Colton has a current population of 53,351. The total number of housing units in Colton is approximately 16,736 with an 8.7% vacancy. Approximately 7,843 are owner-occupied (46.9%), while 7,408 are renter-occupied (44.3%). The median age is 27.7. 3.53 person per household. Homeowners are more likely to keep up their properties, including the public right-of-way, than renters.
(Source: California Department of Finance as of 1/1/2016)
2. **Improve and install sidewalks, and landscaping in the public rights-of-way, around neighborhoods and schools.**

The Community Development Block Grant (CDBG) program is a limited funding source available to the City of Colton for the benefit of low and moderate income target areas. The City should continue to prioritize infrastructure projects for the

health, safety and welfare of Colton residents utilizing CDBG funds wherever possible and should identify other grant opportunities.

3. Colton is an ideal location for the development of a Regional Park which would serve the Colton community and neighboring cities.

Colton is at the cross-roads of Interstates 10 and 215, which makes Colton ideal for the development of a Regional Park. A Regional Park would provide direct and indirect local employment opportunities and economic benefits. A Regional Park will be linked to the existing Santa Ana River Trail and Parkway, and could provide services such as bike hire, picnic shelters, food kiosks, restaurants; and, offer an outdoor venue for local artists, musicians and other performers.

4. Identify regional infrastructure improvements within the City of Colton and pursue joint funding sources.

The County of San Bernardino is updating their Comprehensive Economic Development Strategy (CEDS) 2016 Five-Year Plan. The CEDS planning process and subsequent Economic Development Administration (EDA) funding allows for the identification and leveraging of resources that are necessary for the planning of regional projects, activities and events. It also provides a basis for determining a cost and benefit structure that promotes efficient use of scarce resources.

5. Use the City's Capital Improvement Plan as an economic tool that eliminates public infrastructure blight and encourages development.

The CIP typically includes the following information:

- A listing of the capital projects to be funded.
- The projects ranked in order of preference.
- The plan for financing the projects.
- A timetable for the construction or completion of the project.
- Justification for the project.

6. Create and seek funding for a City-wide Anti-Graffiti Program.

The City has limited resources for a City-wide anti-graffiti program; however, in partnership with other agencies, funds could be leveraged. A comprehensive program would include networking with Caltrans, the County Flood District, the Railroad companies, and other entities, for graffiti removal along the freeway and railroad infrastructure, overpasses, flood control channels, etc.

7. Continue to identify opportunities for infill development throughout the City.

Colton contains a number of small, low-density, underused commercial properties along Mount Vernon Avenue that could provide needed public infrastructure improvements; e.g. sidewalk repairs, as part of their development. Over the long term, these sites and adjacent properties should be assembled and reused to support the development of housing, and mixed-use development. The City should work with property owners and affordable housing/commercial developers to facilitate this process.

8. Seek funding opportunities through grants for public infrastructure improvements and upgrades for the safety of Colton's residents.

The City has utilized Community Development Block Grant (CDBG) funding, Economic Development Administration (EDA) federal grant funding, and other various state funding sources, such as Safe Routes to Schools Funds, to improve

and upgrade sidewalks, install handicap ramps, increase pedestrian lighting and enhance landscaping, for the public safety of Colton's residents. Working with the City's Grant Writers, these efforts should continue, and additional funding opportunities should be aggressively sought. Budgeting for matching grants should be a priority when applying for grants.

Implementation Actions

- A. Support programs that convert renters into homeowners by promoting any available homebuyer assistance program that provides down payment financial assistance to first time home buyers.
- B. Continue to commit resources to the maintenance, improvement, and expansion of community facilities that improve the safety and quality of life in Colton.
- C. Continue to promote community pride and ownership of public rights-of-way in neighborhoods.
- D. Continue to identify and apply for grants, and other public/private funding sources, for site control and the development of a Regional Park within proximity to the Santa Ana River Trail.
- E. Apply for EDA grant funding, with identified and budgeted matching funds, to leverage resources for regional improvement projects that serves the City of Colton.
- F. Utilize the City's Capital Improvement Plan as an economic development tool that prioritizes public infrastructure improvements for desired development.
- G. Apply for grants that fund anti-graffiti programs; and where possible, include personnel costs.
- H. Work closely with the Colton Unified School District in facilities planning, and collaborating on public infrastructure, creating safe routes to schools.
- I. Continue to use Community Development Block Grant funds for public infrastructure improvement projects within low and moderate income neighborhoods.
- J. Continue to apply for Safe Routes to Schools funding for sidewalk improvements to and from neighboring schools.
- K. Continue to support private efforts to develop underused properties for commercial/retail and housing projects.

Goal: Attract and Incentivize Business

The City of Colton and its Economic Development Division is a partner to businesses for the success of businesses. The City offers a variety of resources and assistance to businesses, including:

- **Site Selection Assistance**
- **Business Attraction Assistance**
- **Labor Market Assistance**
- **Market Analysis Assistance**
- **Regulatory and Tax Assistance**
- **Project Facilitation**
- **Permitting Assistance**



INCENTIVES

Colton's Electric Infrastructure Amortization Program

The City of Colton-owned Electric Department has created a *Business Cost Savings Program* allowing you to amortize your electric infrastructure costs over a 5 to 7 year period and lower your upfront capital requirements. The Program can be tailored to your specific needs. For more information and to see other cost saving programs, please visit the City's Website at www.ci.colton.ca.us or call 909-370-5104.

Partnering Incentive Programs

Working with Colton's partner, the San Bernardino County Economic Development Agency, we connect businesses to a variety of federal, state, and local incentives or assistance. In addition, the County may negotiate additional incentives on a case-by-case basis depending on sales and purchasing volume by the business. Key incentives include:

- **California Competes Tax Credit**
- **California State Hiring Credit / New Employment Hiring Tax Credit (NEC)**
- **California Sales & Use Tax Exemption**
- **California State Research & Development Tax Credit**
- **California Employment Training Panel**
- **California Sales & Use Tax Exclusion (STE)**
- **California Manufacturing Technology Consulting (CMTc)**
- **California Hybrid & Zero-Emission Truck and Bus Voucher Incentive Project**
- **Figtree Property Assessed Clean Energy (PACE) Financing**
- **GO-BIZ Permit Assistance**
- **Federal Investment Credit - Property**
- **Workforce Development Incentives**
- **Foreign Trade Zones (FTZs)**
- **EB-5 Immigrant Investor Program**
- **Recycling Market Development Zones (RMDZs)**
- **Southern California Edison •California Veterans – CALVETS**
- **California Film and Tax Credit Program**
- **New Market Tax Credits (NMTC)**
- **Industrial Development Bonds (IDBs)**
- **U.S. Department of Agriculture (USDA) Rural Development Business Programs**

California Competes Tax Credit

- Income tax credit available to businesses that want to locate in California or stay and grow in California
- Tax credit agreements negotiated by GO-Biz and approved by a newly created "California Competes Tax Credit Committee," consisting of the State Treasurer, the Director of the Department of Finance, the Director of Go-Biz, and one appointee each by the Speaker of the Assembly and Senate Committee on Rules

Allocations:

FY 15-16 \$200 million FY 16-17 \$200 million FY 17-18 \$200 million

For FY 15-16, applications will be accepted during the following periods:

- a) July 25, 2016 – August 22, 2016 \$75 million available
- b) January 2, 2017 – January 2, 2017 \$100 million available
- c) March 6, 2017 – March 27, 2017 \$68.3 million available (plus any remaining unallocated amounts from previous application periods)

All applications must be submitted on-line at www.calcompetes.ca.gov

California State Hiring Credit

- Effective January 1, 2014 to January 1, 2021
- Available for eligible employees who are long-term unemployed, unemployed veterans, ex-felons, or recipients of public assistance in designated high unemployment and poverty census tracts
- Corporate income tax credit equal to 35% of wages (above \$15/hr and below \$35/hr) in the first five years of employment (up to \$56,000) per eligible employee
- Applications will be submitted online and must be requested within 50 days of employment start date
- Link: https://www.ftb.ca.gov/online/New_Employment_Credit_Reservation/index.shtml

California Sales and Use Tax Exemption

- Applies to purchases made on or after July 1, 2014 until June 30, 2022
- Statewide sales tax exemption (4.19%) of the state sales tax up to \$200 million of certain manufacturing and research and development equipment including certain building improvements
- Available to manufacturers (NAICS Codes 3111-3399) and certain biotechnology, physical engineering, and life sciences companies conducting research and development (NAICS Codes 541711 and 541712)
- Link: http://www.boe.ca.gov/sutax/manufacturing_exemptions.htm#page=Overview
- Contact: Jennifer Racadio, Regional Liaison Manager, 1st District
Jennifer.racadio@boe.ca.gov
- Mobile: 909-493-8183

California State Research and Development Tax Credit

- Companies may receive a 15% credit against their bank and corporation tax liability for qualified in-house research expenses, and a 24% credit for basic research payments to outside organizations
- Qualified research expenses generally include: wages, supplies, and contract research costs

- Research must be conducted within California and include basic or applied research of scientific inquiry, original investigation, or improved function of a business component
- Link: <https://www.ftb.ca.gov/businesses/credits/rd/>

California Employment Training Panel

- Program provides funding to employers to assist in upgrading the skills of their workers through training that leads to good paying, long-term jobs
- Businesses determine their own training needs and how to provide training
- Employers must provide proof that training hours have been completed and trainees have been retrained in well-paying jobs for a specific period at a specified wage before ETP reimburses payment
- Link: <http://www.etp.ca.gov/program.cfm>

California Sales and Use Tax Exclusion (STE)

- Program is through the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA)
- Provides a sales and use tax exclusion for advanced manufacturers and manufacturers of alternative source and advanced transportation products, components or systems
- Link: <http://www.treasurer.ca.gov/caeatfa/ste/index.asp>
- For more information, please contact CAEATFA at (916) 651-8157

California Manufacturing Technology Consulting

- Mission is to create solutions for the improvement of customers' performance by fostering innovation and sharing knowledge
- CMTC offers manufacturing services and solutions for all types and sizes of industries
- Link: <http://www.cmtc.com/>

California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project

- For the purchase of eligible new hybrid or electric trucks
- Vouchers ranging from \$8,000 to \$45,000 on a first-come, first-served basis
- Link: <http://californiahvip.org/>
- Administration handled by: CALSTART <http://www.calstart.org/Homepage.aspx>

Figtree Property Assessed Clean Energy (PACE) Financing

- Provider for property owners including quoting, application processing, and funding
- Allows up to 20% of a property's value to be financed for energy efficiency, renewable energy, and water conservation upgrades
- All commercial property types are eligible including office, industrial, retail, hotel, agriculture, and multi-family residential
- Minimum allowable project size is \$5,000 with no maximum
- Eligible improvements include solar, HVAC, boilers & chillers, lighting, building controls, windows, cool roofing, water-efficiency plumbing, and hundreds of other improvement types
- Link: <http://pacenow.org/resources/all-programs/>

GO-BIZ Permit Assistance

- Provides comprehensive permit assistance and regulatory compliance statewide to all businesses in California by serving as the central source of permit guidance
- Link: <http://www.business.ca.gov/Programs/Permits.aspx>

- On-line permit assistance provides a listing of required federal, state and local permits, webpage links, addresses, application forms and phone numbers: www.calgold.ca.gov
- Contact: Lillian Conroe, Small Business & Permit Specialist (213) 897-9517
Lillian.Conroe@gov.ca.gov

Federal Investment Tax Credit (ITC) – Property

- Reduces federal income taxes for qualified tax-paying owners based on capital investment in renewable energy projects (measured in dollars)
- Allows taxpayers to take a single tax credit against the project's tax basis equal to 30% in its first year and allows a taxpayer to elect certain qualified facilities to be characterized as energy property eligible for a 10% or 30% ITC, depending on the technology
- Link: <http://energy.gov/savings/business-energy-investment-tax-credit-itc>

Workforce Development Programs

The most robust incentives offered to businesses in the county. Recruiting, retaining, and investing in a high-quality workforce is often the most costly factor of doing business. The County of San Bernardino Workforce Development Department offers the following:

- Recruitment Services to advertise positions, pre-screen applicant pool using web-based Job Match System, host job fairs, coordinate recruitment needs with community colleges, and assist with ongoing recruitment need
- Federal Work Opportunity Tax Credit (WOTC) certification of eligibility and processing assistance at no cost. \$2,400-9,600 for each qualified employee
- Federal Welfare-to-Work Tax Credit certification of eligibility and processing assistance at no cost. \$8,500 per qualified employee spread over two years
- On-the-Job Training (OJT) reimburses employer 50% of first 3-months of wages for eligible employees undergoing training
- Free Human Resource Hotline with unlimited consulting for employers with HR- related questions and free Layoff Prevention Services

Foreign Trade Zones (FTZs)

- Secured areas legally outside of U.S. customs territory usually located in or near a customs point of entry
- FTZs allow entry of foreign or domestic merchandise without formal customs entry or government excise taxes
- Merchandise entering a zone may be stored, tested, sampled, relabeled, repackaged, displayed, repaired, manipulated, mixed, cleaned, assembled, manufactured, salvaged, destroyed or processed duty free until transferred from the zone
- The majority of the San Bernardino County falls within a FTZ area or sub-area
- Link: <http://enforcement.trade.gov/ftzpage/index.html>

EB-5 Immigrant Investor Program

- Foreign nationals are eligible to receive permanent resident status for qualifying investments of at least \$1,000,000 into a new commercial enterprise or real estate
- Qualified investment is reduced to \$500,000 in Targeted Employment Areas (TEA)
- Although a federal program, EDA can assist businesses identify or certify TEAs and connect with certified regional centers to streamline financing and visa processing
- EB-5 should be considered as an alternative source of capital for businesses
- Link: <http://www.business.ca.gov/International/EB5Program.aspx>

Recycling Market Development Zones (RMDZs)

- RMDZs combine recycling with economic development to support businesses that manufacture goods using recycled materials and divert waste from landfills
- San Bernardino County has four (4) RMDZs that include most industrial and commercial land uses in the county
- The program provides attractive loans, technical assistance, and free product marketing to businesses that manufacture their products in a zone
- Link: <http://www.calrecycle.ca.gov/rmdz/loans/>

Southern California Edison

- Economic Development Services Project Managers provide one-on-one, specialized consulting services
- Incentive programs such as demand response, energy efficiency, on-bill financing available to reduce operational costs
- Economic Development Rate (EDR)- 12% discount
- EDR program is accessible up until either the 200 MW is met or the day before SCE's 2018 GRC Phase 2 rates are applied
- Link: www.sce.com
- Contact: Michael Curley, Economic Development Consultant
Phone 626-633-4856, Cell 714-722-0641
Michael.Curley@sce.com

Industrial Development Bonds (IDBS)

- Conduit tax-exempt and taxable bond financing for private business expansion for qualified small manufacturing and processing businesses
- Financing amount not to exceed \$10 million (per Federal tax law)
- Brochure: http://www.ibank.ca.gov/res/docs/pdfs/2013%20Brochures/IDB-4-16-13%20FINAL_for%20professional%20printing.pdf
- Link: http://www.ibank.ca.gov/industrial_dev_bonds.htm
- Contact: Ruben Rojas, Deputy Executive Director
Phone 916-539-4408, Ruben.Rojas@ibank.ca.gov

California Veterans – CALVET

- Returning veterans present a strategic hiring advantage
- Coupled with various federal incentive programs (VOW to Hire Heroes Act), firms that hire veterans may be eligible for various tax credits
- Link: <http://www.benefits.va.gov/VOW/for-employers.asp>

California Film and Tax Credit Program

- California Film Commission offers a tax credit incentive to qualified motion pictures
- \$330 million has been allocated from 2015 to 2021
- Link: <http://www.film.ca.gov/Incentives.htm>

New Market Tax Credits (NMTC)

- Eligible businesses may receive a tax credit against federal income tax in exchange for making equity investments in Community Development Entities (CDEs)
- The credit totals 39 percent of the original investment amount and is claimed over a period of seven years

- To locate a CDE in California and submit project for consideration, please click on this link:
<https://www.cdfifund.gov/awards/nmtc/Pages/default.aspx?state=CA&Name=California>
- Link to NMTC Fact Sheet:
https://www.cdfifund.gov/Documents/NMTC%20Fact%20Sheet_Jan2016v2.pdf

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- Link: http://www.ibank.ca.gov/industrial_dev_bonds.htm
- Contact: Ruben Rojas, Deputy Executive Director
Phone 916-539-4408, Ruben.Rojas@ibank.ca.gov

U.S. Department of Agriculture (USDA) Rural Development Business Programs

USDA Rural Development Business Programs provide financial backing and technical assistance to stimulate business creation and growth. The programs work through partnerships with public and private community based organizations and financial institutions to provide financial assistance, business development, and technical assistance to rural businesses. These programs help to provide capital, equipment, space, job training, and entrepreneurial skills that can help to start and/or grow a business. Business Programs also support the creation and preservation of quality jobs in rural areas:

- Business and Industry Loan Guarantees (B&I)
- Intermediary Relending Program (IRP)
- Rural Business Development Grants (RBDG)
- Rural Business Investment Program (RBIP)
- Rural Economic Development Loan and Grant (REDLG)
- Rural Micro-entrepreneur Assistance Program (RMAP)
- Link to Business Programs: <http://www.rd.usda.gov/programs-services/allprograms/business-programs>
- Contact: Matthew Koch, Business and Cooperative Program Specialist
Phone: 760-347.3675 x 115, matthew.koch@ca.usda.gov

SUMMARY

The elimination of redevelopment agencies and local enterprise zones by the State of California represents the end to the City's most powerful economic development tools for job creation and affordable housing.

The City of Colton will implement its "Economic Development Strategy" moving forward the goals for facilitating the development of many needed projects, including the City's stated priorities, and create other affordable housing programs pursuant to SB 341, without the tools of traditional tax increment-based redevelopment.

The City will be focused on the high quality of living, education, job creation, community health, public safety, housing, retail, recreation, arts and culture, and infrastructure for development that is sustainable over time. Colton will be a destination for visitors and a home for anyone seeking a sense of community and a high quality of life.

A key element of Colton's "Economic Development Strategy" is that "**Colton Means Business**".

For questions regarding **Colton Means Business** Economic Development Strategy, please contact the City of Colton's Economic Development Division:

City of Colton
Economic Development Division
659 North La Cadena Drive
Colton, California 92324
909-370-5079
www.coltonca.gov