

RESOLUTION NO. 97- 43

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF EL PASO DE ROBLES AUTHORIZING A
\$6,000 FEE WRITE-DOWN FROM THE
ECONOMIC DEVELOPMENT INCENTIVE FUND FOR
SLO BREWING COMPANY**

WHEREAS, in May 1993, the City Council adopted the Economic Strategy for the City of El Paso de Robles; and

WHEREAS, the Economic Strategy has stated goals and objectives for new or expanded manufacturing development in order to create new manufacturing jobs for both entry level and skilled positions; and

WHEREAS, the City Council adopted procedures for directing financial participation in Economic Development projects which provide a quantifiable economic return to the City; and

WHEREAS, SLO Brewing Company has requested financial incentives from the City of El Paso de Robles to develop property located at 1400 Ramada Drive in order to build a 15,300 square foot production facility; and

WHEREAS, the building of a production facility for SLO Brewing Company meets the objectives for new manufacturing development within the Economic Strategy; and

WHEREAS, it has been determined that a \$6,000 Economic Development Financial Incentive to assist SLO Brewing Company in offsetting the cost of fees associated with building a production facility is consistent with City Council Policy A-3A "Request for City/Agency Assistance per the Economic Strategy" (see Exhibit A); and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of El Paso de Robles does hereby appropriate \$6,000 from the City's Economic Development Incentive Fund; and

BE IT FURTHER RESOLVED, that the Interim City Manager is hereby authorized to use up to \$6,000 of said Fund to write-down fees associated with the development of property located at 1400 Ramada Drive for SLO Brewing Company as outlined above for the purpose of building a new production facility.

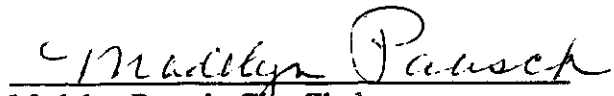
PASSED AND ADOPTED by the City Council of the City of El Paso de Robles, this 1st day of April, 1997, on the following vote:

AYES:	Baron, Iversen, Macklin, Swanson, and Picanco
NOES:	None
ABSENT:	None
ABSTAIN:	None



Duane J. Picanco, Mayor

ATTEST:



Madelyn Paasch, City Clerk

City of El Paso de Robles
POLICIES & PROCEDURES

POLICY NO.: A - 3A

DATE: JANUARY 18, 1994

**SUBJECT: REQUESTS FOR CITY/AGENCY ASSISTANCE
PER THE ECONOMIC DEVELOPMENT STRATEGY**

- b. what, if any, gap exists between the cost of development and the expected rate of return on the project that is being analyzed.

7. City/Agency staff will report findings of the pro forma analysis.

If the financial analysis indicates that there is a gap that the City/Agency could participate in filling, then it would be the City's/Agency's discretion to determine whether or not the City's/Agency's investment in this project is justified. This determination would be made by comparing the consistency of this project with City/Agency Goals and Objectives, the Economic Development Strategy, and by comparing the relative degree of benefit generated in relation to other projects in which the City/Agency could participate.

8. In evaluating the level of participation in a given project, the City/Agency may take into consideration the following criteria:

- a. A credit for property tax generated over a period of five (5) years: e.g.: \$2.5 million land value at buildout x 1% x 22% = City property tax share or \$5,500. \$5,500 x 5 yrs. = \$27,500 write down available for required fee payments.
- b. Up to \$150 in new sales tax per new employee or the City may opt for a detailed analysis re: the possible economic stimulus created by the increased payroll (e.g.: 100 new workers x 5 yrs. x \$150 = \$75,000 in increased sales tax).
- c. Up to 100% of sales tax generated over a period of five years assuming the company has a point of sale here and the applicant is in manufacturing. Said sales tax may not be used for a retail project unless approved by the City Council.
- d. Increase revenues due to transient occupancy tax figured at \$3.00 + \$50 in sales tax per day. Said audit will be calculated over a three year period with an occupancy factor of 65%.