

Community Focus Statement D: Provide a thriving and vibrant local small business environment.

Action Statement D.10: Partner with the County Economic Development Agency to offer incentive programs for new businesses that move into existing commercial and industrial locations.

D10

Benchmark: A marketing plan focused on new businesses and business attraction is created and promoted.

Champion: Volunteer group or person or can be identified by the community

Estimated Cost: \$300

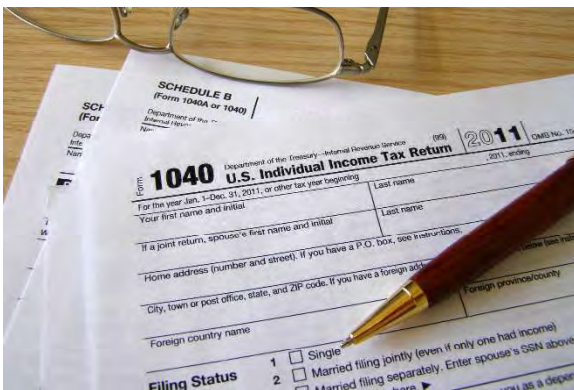


Photo source: Chris Potter

County Attraction Incentive Programs

The San Bernardino County Economic Development Agency (www.SBCountyAdvantage.com) offers a number of business programs and incentive programs for business attraction. More specifically, the agency offers assistance to businesses and communities for:

- Site selection
- Market analysis
- Project facilitation
- Labor market assistance
- Regulatory and tax assistance
- Permitting assistance
- Negotiating incentives on a case-by-case basis

A number of existing incentives in place through the federal government, the State of California, and the County can help decrease the cost of business and influence business location decisions, including but not limited to:

- California Competes Tax Credit – competitive income tax credit for companies moving to or staying in California
- Sales and Use Tax Exemption – exemption on some sales tax for most manufacturing and some research & development and engineering industries
- Sales and Use Tax Exclusion – specific exemption of taxes for advanced manufacturing, energy, and alternative transportation products
- USDA Rural Development Business Programs – provide loan guarantees, loans, and grants for capital, equipment, space, job training, and entrepreneurial skills to stimulate business creation in rural areas
- Job recruitment, federal hiring incentives, on-the-job training credits, and free human resources hotline provided by the County Economic Development Agency

The San Bernardino County Economic Development Agency can provide additional guidance regarding incentive programs that are geared toward business attraction efforts.

One incentive not available in California is the property tax abatement. Surrounding states, where localities have control over local property taxes, can often discount taxes for a certain period of time to assist with business attraction or major expansion decisions. California’s Proposition 13 shifted control of taxation to the state level so local governments are dependent on the legislature for special allocations.

Debate about Incentives

There is debate among economists and the economic development community on the impact of financial incentives on a business location decision. Most often, access to needed transportation routes, community quality of life, and the skillset of local workers are the most significant factors in a location decision. Incentives can have a much greater impact in providing needed capital to small businesses and start-ups.

Action	Action Leader	Timeline	Resources
1. Form a local action committee in charge of developing a draft marketing plan. This committee could be the same one that handles tourist attraction.	Champion with Lake Arrowhead Communities Chamber of Commerce	Months 2–3	Crestline/Lake Gregory Chamber of Commerce http://www.crestlinechamber.net/
2. Conduct a market analysis of the existing conditions in the area and share the data with the San Bernardino County Economic Development Agency (EDA).	Marketing/economic development committee	Months 3–12	San Bernardino County EDA Site Selection Assistance http://www.sbcountyadvantage.com/For-Site-Selectors/Incentives-Programs.aspx
3. Establish quarterly calls between the Crestline/Lake Gregory Chamber of Commerce and the San Bernardino County EDA to discuss local available properties.	Committee with Lake Arrowhead Communities Chamber of Commerce	Month 3	San Bernardino County EDA Local Business Incentives and Services Programs http://strategic-advantages/Incentives-Programs.aspx
4. Organize community stakeholders, including residents, nonprofit leaders, and decision-makers, to gather resources and support to assist new businesses.	Marketing/economic development committee	Months 4–5	
5. Establish a list in the marketing plan of tasks that can be completed by the community to assist in business attraction, specifically to existing commercial and industrial locations.	Marketing/economic development committee	Month 12	
6. Accomplish two tasks on the list of projects per year.	Marketing committee	On-going	