

06/04/19
City Council Meeting

Handouts received after
agenda posted

Ref SS-2

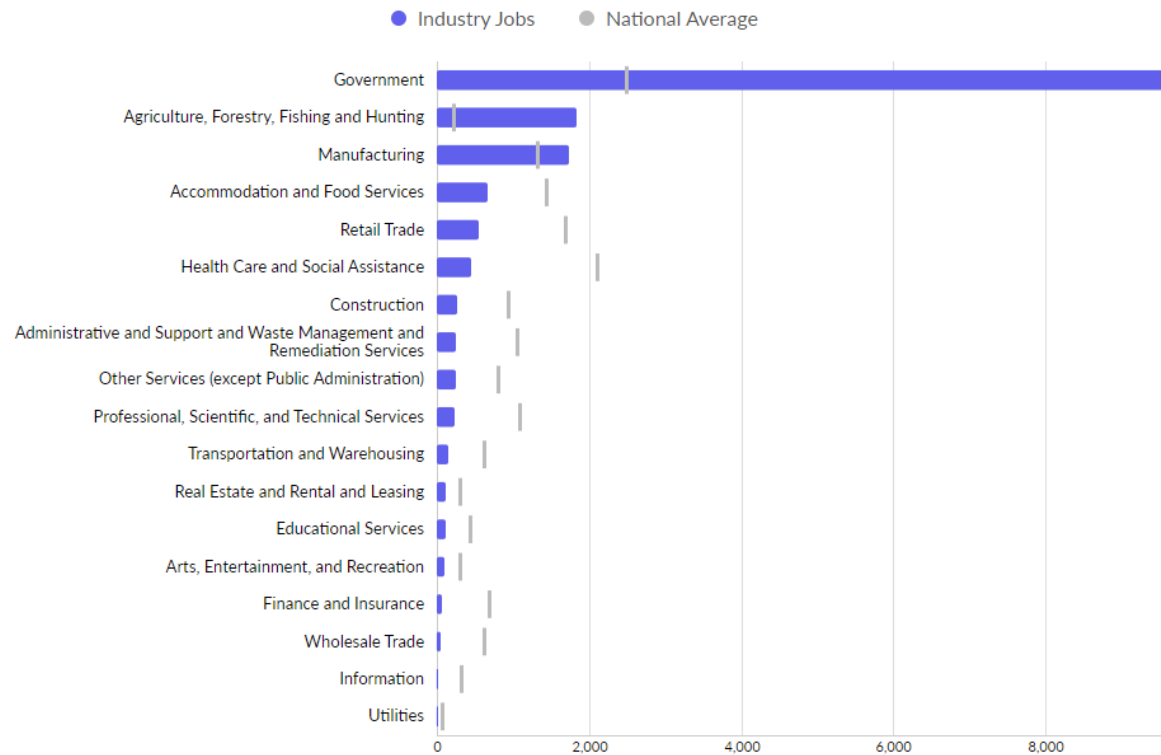
CITY OF LEMOORE ECONOMIC REPORT

June 4, 2019

LEMOORE STATISTICS

LEMOORE DEMOGRAPHICS

Largest Industries



Population

26,355

Economic Growth
Rate-Kings
County 11.8%

National Economic
Growth Rate

7.8%

UNEMPLOYMENT RATES

Kings County-4/19

8.3%

Lemoore-4/19

5.8%

*Approximation based upon US Census Data information.

INCREASE IN MARKETING/ NEW FUNDING

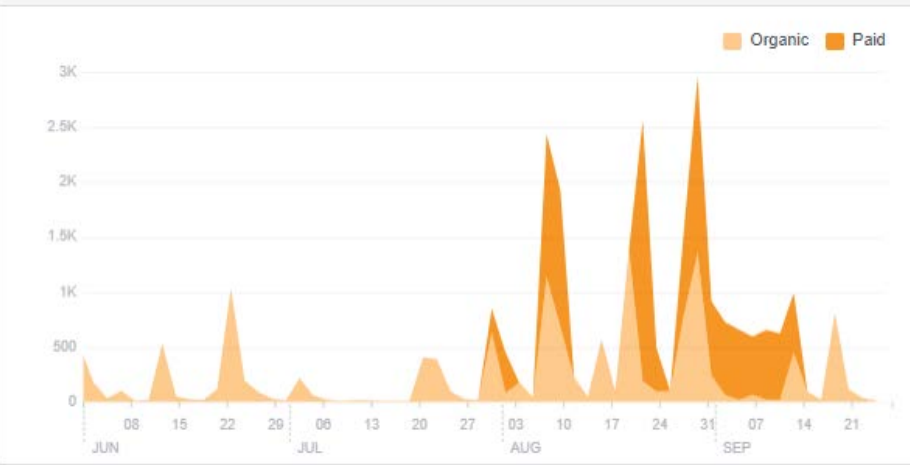
Recently, the Kings County Economic Development Corporation facilitated a partnership contract between workforce entities in the Central Valley (like the Job Training Office) and the California Central Valley Economic Development Corporation, of which Kings County EDC is one of nine voting members.

What does this mean. . .

- The California Central Valley Economic Development Corporation budget has been increased by \$50,000 to allow for greater marketing.
- Currently Kings County EDC is managing more than 90 business leads in conjunction with the CCVEDC. There is an opportunity to grow this list further.

Post Reach

The number of people who had any posts from your Page enter their screen.



You can't sell anything if you can't tell anything.

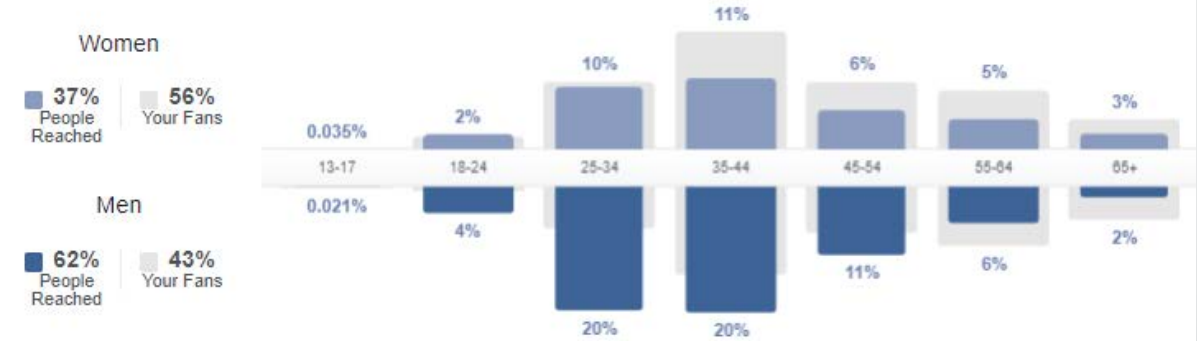
Beth Comstock, Former GE and NBC Exec

Present on:

- Kingsedc.org
- Centralcalifornia.org
- Facebook
- LinkedIn
- Instagram

Expanded E-Outreach

The number of people who saw any content by your Page or about your Page, grouped by age and gender.



| Country | People Reached | City | People Reached | Language | People Reached |
|--------------------------|----------------|----------------|----------------|----------------------------|----------------|
| United States of America | 14,036 | Sacramento, CA | 2,163 | English (US) | 12,832 |
| Philippines | 58 | Hanford, CA | 1,488 | Spanish | 591 |
| Mexico | 38 | San Jose, CA | 1,414 | English (UK) | 345 |
| India | 27 | Fresno, CA | 1,383 | Vietnamese | 152 |
| Canada | 17 | Lemoore, CA | 791 | Spanish (Spain) | 100 |
| Australia | 9 | Visalia, CA | 744 | Russian | 72 |
| United Kingdom | 8 | Tulare, CA | 268 | Traditional Chinese (Ta... | 33 |
| Germany | 8 | Fremont, CA | 264 | Persian | 28 |
| Japan | 5 | Hayward, CA | 229 | Portuguese (Brazil) | 19 |
| Brazil | 5 | Clovis, CA | 226 | French (France) | 13 |

*Data provided through Facebook analytics



Kings County Economic Development Corporation is with Leprino West and 4 others.

Published by Jay Salyer [?] · September 27, 2018 ·

Are you hoping to invest your skills and experience in a career that has a great future with excellent pay and benefits? Leprino Foods is hiring for many positions in both Lemoore plants - Lemoore East and Lemoore West. Leprino Foods is one of the top producers of mozzarella cheese in the world and has a stellar reputation for its state-of-the-art processes and product line. Simply go to the Leprino Foods website, click on careers, and click through until you find the Lemoore plants. Your future awaits. Good luck.



14,738

People Reached

3,192

Engagements

Boost Again

Boosted on Sep 28, 2018
By Jay Salyer

Completed

People
Reached

3.4K

Post
Engagement

185

[View Results](#)

Facebook Post of Hiring Announcement for Both Lemoore Leprino Plants

edc Kings County Economic Development Corporation
Published by Jay Salyer [?] · August 20, 2018 ·

A rare industrial opportunity has arisen in Lemoore, Kings County, California. An 80+ acre industrial development is now available at the highly visible intersection of Highways 41 and 198. The development will have a variety of building sizes from 10,000 s.f. to 1.75 million s.f. Parcels are "for sale", for lease, and developer can "build to suit." Please take a look at the link below.
<https://www2.colliers.com/.../USA-highway-41-and-h.../USA1044924>



9,287 People Reached 984 Engagements [Boost Again](#)

Boosted on Aug 21, 2018 By Jay Salyer Completed Boosted on Aug 21, 20 By Jay Salyer

| | | | |
|----------------|------|-----------------|----|
| People Reached | 3.0K | Post Engagement | 70 |
|----------------|------|-----------------|----|

[View Results](#)

People Reached >3

Facebook Post of Availability Announcement for the 80-Acre Kashian Project

Search

JOB SEEKERS

EXISTING BUSINESSES

SITE SELECTORS

DRIVING
DIRECTIONS

KINGS COUNTY MAP

A proud partner of
America's JobCenter
of California™

Current Available Properties

Home to both national and international companies, three of the cities are sites for industries like International Paper Company, Del Monte, Budget Group Inc., Leprino Foods and many other large and small commercial and industrial enterprises. We encourage you to view the industrial and commercial property currently available and ask that you let us assist you in finding the ideal location for your business.

Sort the Listings:

All

Buildings for Sale or Lease

Land for Sale or Lease



11,868 S.F. Class "A"
Office Building For Lease



±80 Acres Light Industrial
Land For Sale OR Lease



8 Lot Business Park in
Lemoore Industrial Park



148 Acres Light Industrial
Land For Sale



195 Acres Light Industrial
Land For Sale



87,000 S.F. Former Kmart
For Sale or Lease



44,000 S.F. Former
Hardware Store For Lease



76,000 S.F. Former Sears
Space For Lease



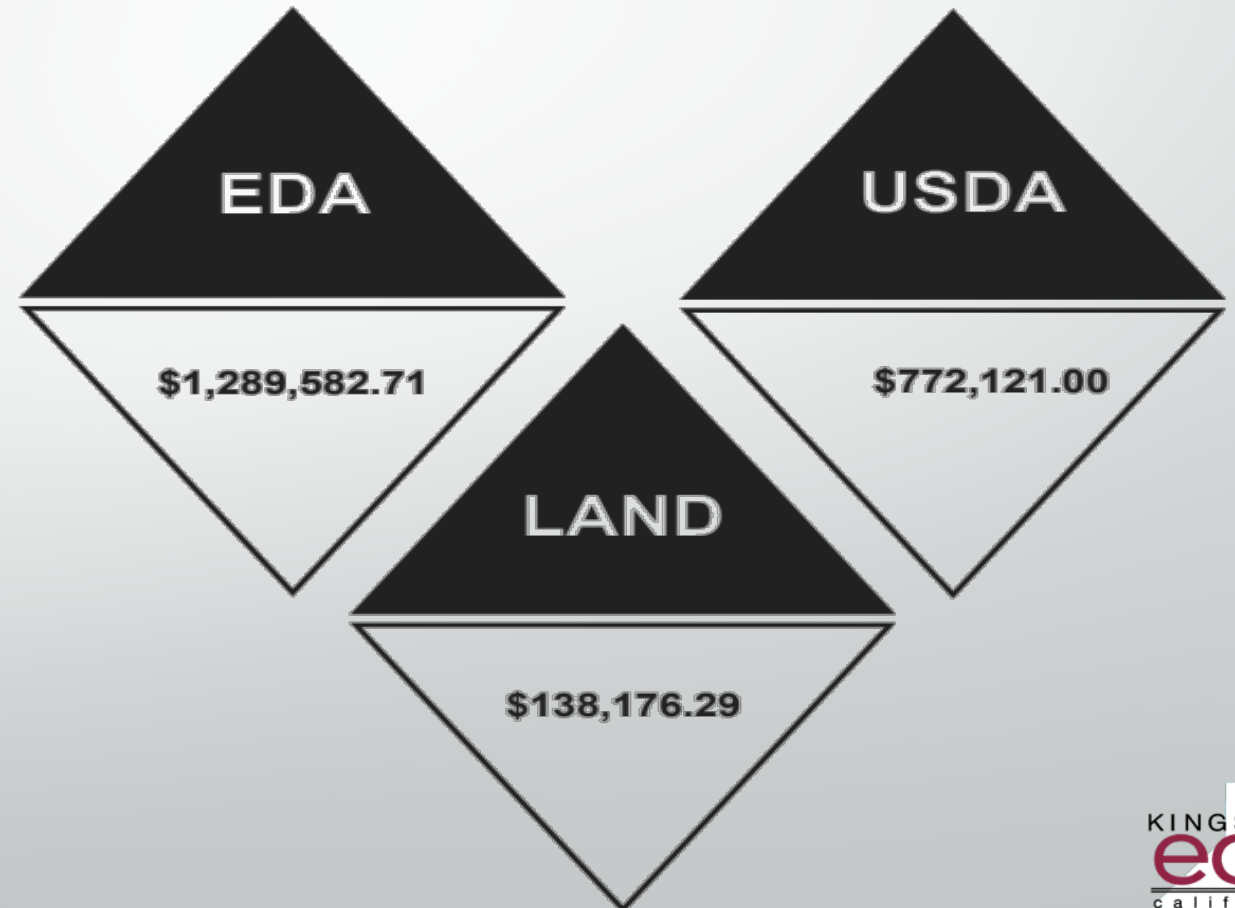
5.62 Acres | Heavy
Industrial



Excerpt of Available Properties from the EDC Website

KINGS ECONOMIC DEVELOPMENT CORPORATION-LOANS TO LEMOORE BUSINESS

Kings County EDC has a very active loan portfolio. Since 1998 more than \$35 million in financing has been provided to start or expand local businesses.



SMALL BUSINESS/ENTREPRENEURSHIP EDUCATION OPPORTUNITIES

Lemoore has strong small/medium business representation, with 84.4% of all businesses in Lemoore having under twenty (20) employees. This indicates that small to medium size businesses are the economic drivers in Lemoore. In order to help foster small and medium size business growth, Kings County Economic Development Corporation is working in partnership with the Lemoore Chamber of Commerce, City of Lemoore, and the regional Small Business Development Centers to bring more resources to start-ups and established small/medium business.

BUSINESS PLANS 101

Creating a Plan that Produces Results!

May 22 @ 5:30PM

+WHEN TO START PLANNING +CONSIDERATIONS
+RESOURCES +WHEN TO LAUNCH

@ Lemoore Veterans Memorial Building
411 West D Street, Lemoore, California

Workshop provided for FREE by . . .

City of Lemoore | AMERICA'S SBDC | Valley Community SBDC | The Lemoore Chamber of Commerce
LEMOORE CALIFORNIA | FRESNO | KINGS | MADERA | TULARE | KINGS COUNTY JTO
KINGS edc | JTO

To RSVP contact malisa.simon@co.kings.ca.us or [businessplans_101.eventbrite.com](https://www.eventbrite.com/e/businessplans-101)

QUESTIONS?

For more information:

www.kingsedc.org

Or follow us on:



COMPREHENSIVE REPORT OF ACTIVITIES



CITY OF LEMOORE
January 1, 2018-June 4, 2019

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BUSINESS RETENTION

Substantive Contacts with Lemoore Businesses: In July 2018, Kings County Economic Development Corporation greatly increased its contacts with local businesses by leveraging resources within the Kings County Job Training Office's newly created Business Services Unit. The following is a breakdown of activities conducted for Lemoore businesses:

| CONTACT REASON | NUMBER OF CONTACTS LEMOORE |
|---|-------------------------------|
| Contacts w/ Lemoore Businesses | 178 |
| Employer Advisory Council | 9 |
| Employment Law Referral | 8 |
| Job Development | 14 |
| Job Fairs | 13 |
| Job Listing Assistance | 3 |
| Job Referrals | 2 |
| Marketing Package Assistance | 14 |
| On-the-Job Training/Subsidized Employment | 3 |
| Older Worker Hiring | 1 |
| Resume Referral | 15 |
| Targeted Recruitment | 1 |
| Tax Credit Programs | 8 |
| Training for Current Employees | 1 |
| Welfare Recipient Hiring | 4 |
| Work Experience Program | 3 |
| Workforce Innovation and Opportunity Act | 22 |
| Other Referral (Referred to another agency for service) | 5 |
| Follow-Up with Employer on New Hires | 2 |
| Follow-Up with Employer on Referred Candidate | 5 |
| Employer Networking/Contact | 26 |
| Referral to a Community Resource | 5 |
| Small Business Downsizing/Closure Assistance | 1 |
| Engaged in Strategic Planning | 1 |
| Accessed Untapped Labor Pools | 1 |
| Customized Training | 2 |
| Incumbent Worker Training | 3 |
| Youth Outreach and Marketing Presentation | 1 |
| Referred Qualified Applicants | 2 |
| TOTAL CONTACTS | 353 |

For a full description of contact reasons stated above, see Attachment “A” included with this report. This summary includes all system related services, although it should be recognized that there an estimated additional 20-30% of substantive contacts with Lemoore businesses that are not recorded.

Quarterly Industrial Meetings: During the reporting time period six (6) quarterly industrial luncheons were held to provide information to local business owners, CEOs, COOs, CFOs, and public officials. The following is a brief description of the luncheons, and topics:

- **January 17, 2018**
 - This luncheon’s theme was Facility Security.
 - The first presentation concerned security from within the fence, with a discussion led by Roger Medina of Fresno County Private Security. Discussed were topics such as typical services provided by private security, levels of training, and direct benefits of private security to the facility.
 - Also addressing the attendees was Captain Karl Anderson of the Hanford Police Department. His presentation addressed police first response. Topics included typical unlawful activity observed in the Kings Industrial Park, typical first responders’ response time, the importance of onsite security cameras, and coordination between facility security efforts and the police department.
- **April 18, 2018**
 - This luncheon served two purposes – the Annual Utility Update and an explanation of the State’s SB 1: The Road Maintenance & Rehabilitation Program.
 - The Utility Update featured updates from The Gas Company’s Colby Wells, Southern California Edison’s Omar Faris, and PG&E’s Kristen Doud. The Update seeks to project the availability and pricing of electricity and natural gas for the summer and the balance of the year.
 - Caltrans’ Senior Transportation Planner, Michael Navarro, explained that the SB 1 program was designed to address State and local deferred maintenance funded by increased fuel taxes and vehicle licensing fees.
- **July 18, 2018**
 - This luncheon’s theme was Manufacturing and Innovation.
 - The first presentation was by Dorothy Rothrock, President (now retired) of the California Manufacturers and Technology Association. Dorothy provided an update on the health of the manufacturing economy in California, information on new bills/regulations, and identified items of interest on the November ballot.
 - The second presentation was from Sam Ramirez on behalf of the Surf Ranch. Sam provided an update on current operations, coming events, and recent activities.

- **October 17, 2018**
 - This luncheon, held at West Hills College Lemoore, had a transportation theme with two speakers.
 - The first speaker was Jennifer Fitzgerald, Regional Manager of Economic Development for California-BNSF. Jennifer presented on the several economic development programs that BNSF is currently running, including site certification.
 - This luncheon also had a presentation by Ron Hughes, Executive Director of CalVans. Ron spoke about how CalVans has helped reduce emissions and is a valuable resource to businesses and employees alike.
- **January 16th, 2019**
 - This luncheon involved two discussions, recycling and workforce programs.
 - The first discussion concerned recycling. CalRecycle representative, Julie Trueblood, was on hand to discuss new initiatives, mandates, and other services available.
 - The second discussion involved a presentation from the Kings County Job Training Office on new incentives for businesses including: 10 month subsidized employment, 3 month on-the-job training subsidies, and 480 hour paid internships for youths between 18-24.
- **April 10, 2019**
 - This luncheon contained an ambitious lineup of resources for manufacturers, and the annual utility update.
 - The first topic had presentations from PG&E, Southern California Edison, and the Gas Company, updating businesses on expected rate levels and programs in the coming year.
 - The second topic had a presentation from the California Manufacturing Technology Consultants' Craig Scharton who spoke about locally available grants and a sales system to help business. Also presenting was Allie Wieland, an attorney from Fresno, who spoke about the implication of recreational cannabis and the effects on workplace drug free policies.

Counseling and Re-Employment Services: It was announced in October 2018 that Kmart in Lemoore would be closing its doors. Kings County Economic Development Corporation and its partner, the Kings County Job Training Office responded immediately. In cooperation with the Employment Development Department, orientations on services available to effected workers were conducted. Priority of service¹ was provided to all those effected in order to assist in returning them to work as soon as possible. Kings County Economic Development Corporation continues to actively market the vacated Kmart building to site selectors.

¹ Priority of service is subject to the Workforce Innovation and Opportunity Act

BUSINESS ATTRACTION

Summary of CCVEDC Participation: The California Central Valley EDC (CCVEDC) is the regional economic development marketing group for the 8-county region; focusing on local and national outreach to business and brokers that need sites, information and solutions. The following report is intended for information, and covers the first Quarter of 2019.

BUSINESS ASSISTANCE- During the 1st Quarter of 2019, CCVEDC reached out to over **1,180 businesses**. Through these contacts, they provided region-wide proposals to **11 companies** looking for a location. There were 5 Warehouse Distribution inquiries, 1 Manufacturing, 1 Food Processing, 2 Renewable Energy, 1 Back Office and 1 Development or Broker Assistance. **Several companies located to Central Valley**, including two that were assisted by CCVEDC; a food processing company retention/expansion and Brandman Private College. Other new locations and expansions include: Blue Diamond Growers, Jatco, T-Mobile Call Center, Amazon, Messer Carbon Dioxide Plant and Millipore Sigma, life sciences DC.



WestPack in Anaheim, February 2019

TRADE SHOW- CCVEDC attended the international trade show, **WestPack**, at the Anaheim convention center. This show is co-located with 5 other major shows. There were 240 people that came through our booth; leading to 55 businesses that requested more information on the Central Valley and 2 companies requesting sites, to date.

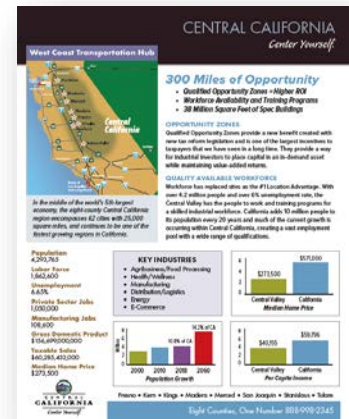
BROKER MISSIONS- Two Broker missions were conducted to discuss the value of doing business in Central California, with site selectors, brokers and tenant representatives. CCVEDC reached out to over **490 brokers in the Bay Area** resulting in meetings with **40 brokers in 18 meetings** at major brokerage houses. From those meetings, the Central Valley has **2 new potential projects and 18 RFIs**. The second smaller mission was in Sacramento where we met **13 brokers in 6 meetings** with **one new project**. Follow-up is made to all brokers.



ENEWS and COUNTY SPOTLIGHTS - CCVEDC has a monthly newsletter that is emailed out to all the industry and broker contacts. Quarterly these emails are good news and economic stories about the valley. On the other months, individual counties have an opportunity to be highlighted. **Four (4)** newsletters, listed below, were distributed: 1) Workforce, Opportunity Zones, Spec Buildings in Central California; 2) Special WestPack Coupon Edition; 3) Kings County Spotlight, 4) Regional Industry and Real Estate News. The open rate on **California brokers was 32.3%, Companies were 26%** and the **National broker list was 24%** which exceeds industry standards by almost 10%.

SOCIETY OF INDUSTRIAL AND OFFICE REALTORS- Central Valley networked with **147 brokers at two (2)** Northern California SIOR activities. These events keep the Central Valley in touch with top decision makers in the real estate industry. The first was an SIOR Kick-off Event at Silicon Valley Capital Club in Newport Beach with about **85 attendees**. The next event was the SPRING WINE DINNER held at Del Dotto Vineyards in St. Helena, CA with **62 attendees**.

WEBSITE CCVEDC's website is updated daily and is an important outreach tool targeted toward site selection professionals and potential companies. It provides valuable and comprehensive demographic information and news the Central Valley Region. "One Region ... One Contact" is an important component of the regional effort. Key Industry descriptions were recently added <http://centralcalifornia.org/key-industries/> CCWC was added to the Sponsors in the 'About Us' section <http://centralcalifornia.org/about-us/> and to the Workforce & Education section <http://centralcalifornia.org/location-advantages/workforce/#ujump>



SOCIAL MEDIA - CCVEDC actively posts economic development news on LinkedIn and Twitter. During this quarter posts were made on:



- CCVEDC will be in the Bay Area in January visiting brokers- call for appointment
- Central Valley has over 30 million sf in Spec Buildings- Workforce, Buildings and Incentives (Nor Cal Logistics example)
- BNSF Certified Site Program- just added Clovis in addition to the other CV sites (Certified sites link)
- Central Valley growing again! (New distribution center in Visalia's Industrial Park)
- Come by our booth at WestPack in Anaheim (Free pass link)
- Businesses are growing in California Central Valley (Blue Diamond Turlock Mfg. Plant)
- ENews- 300 Miles of Opportunity: Workforce, Opportunity Zones and Spec Buildings
- WORKFORCE- Great things happening with Workforce training in the Central Valley (Automation Success BC)
- Live from Anaheim, It's Central California at WestPack
- Way to go Central Valley! - Austin Company article about Blue Diamond Growers expansion
- We've got lots of space in the Central Valley- 443,640 sf Class A space in Stockton, Cushman
- California Central Valley Continues to grow- Merced County Inland Port
- Stanislaus County attracts a great plastics company - Jatco press release
- WORKFORCE: Our partnership with Colleges and Workforce is the key to success for Valley business- Visalia Community College article
- ENEWS: County Spotlight- Kings County Workforce, Opportunity Zones and Sites Available
- Central California is taking on the future now - Two new Econ Dev projects at Castle Air Force Base in Merced
- Congrats Stanislaus County- Plastics News article about JATCO
- Central Valley EDC at the State capital talking about business challenges and opportunities
- Central Valley EDC meets with CMTA to discuss manufacturing
- Great work team! David White and Tyler Richardson bring more jobs to Modesto.
- Unbelievable the growth happening in Central California! - South Lathrop Commerce Center 5 million sf of warehouse
- WORKFORCE: Growing Central Valley Tech Talent! - Valley Hackathon
- Participating at CALED
- Central Valley is the most affordable place in CA to own a home - Homearea.com



- says CV has top 3 counties in CA
- Come to Fresno and see the Future Now! - Fresno EDC article on 16th annual RE event.
- ENEWS: California Central Valley Business and Real Estate News
- The Central Valley's Southern border is booming with business! - Tejon Ranch has 5 million sf of industrial and commercial space
- WORKFORCE and MFG: Make Your Reservations! Making CA event
- On the Rise: The Central Valley is beating the Bay Area and LA in key measures
- WORKFORCE: Wishing everyone a successful 2019 - Call us if you need a location with a well-trained employee pool.

California Central Valley EDC Calendar and Links

| Date | Activity | # | Results |
|-----------------------------------|--|------|---|
| ENEWS January 2019 | Workforce, Opportunity Zones, Spec Buildings in Central California https://conta.cc/2G9ll1b | 2684 | COMPLETE: Total sent 2,684 CA Brokers: 1233 with 32.3% read, 6.3% clicks Natn'l Brokers: 1451, 24% read, 1.3% clicks LinkedIn 340 views, Twitter 74 views (CV acct only) Results: 1 Prospect |
| BOARD MEETING January 11, 2019 | CCVEDC Board Meeting Fresno EDC 10:00 | | COMPLETE |
| ENEWS January 15, 2019 | Special WESTPACK Edition with Coupon https://conta.cc/2CZTrqE | 1786 | COMPLETE: Total sent 1,786 business: West Pack business leads and CA Food Processors 26% read, 9% clicks |
| MISSION January 22-23, 2019 | Bay Area Broker Mission Tues and Wednesday | 490 | COMPLETE: Reps: Fresno, Stanislaus, Madera, Merced, San Joaquin. Results: 18 meetings with 40 brokers; 2 Prospects and 18 RFI's |
| BROKER EVENT January 23, 2019 | SIOR Kick-off Event at Silicon Valley Capital Club | 85 | COMPLETE: Reps: Madera, Merced, Fresno, San Joaquin Results: 85 attendees: Brokers/Developers 63, Finance 12; Engineer 2, EDC 6, Other 2 |
| TRADE SHOW February 5-7, 2019 | WestPack- Anaheim Anaheim Convention Center | 242 | COMPLETE: Reps: Fresno, Merced, Madera, Tulare, Kern, Kings Results: 240 contacts, 55 RFI, 3 Prospects, to date |

| | | | |
|---|---|-------------|--|
| BOARD MEETING February 15, 2019 | CCVEDC Board Meeting | | COMPLETE: Meeting to Develop Legislative Platform |
| ENEWS February 26, 2019 | Kings County Spotlight https://conta.cc/2TB8tNO | 2921 174 | COMPLETE: Total sent 2921 CA Brokers and Businesses 29.3% Read, 2.3% Clicked: Natn'l Brokers Read 23.4%, Clicked 1% |
| BOARD MEETING March 8, 2019 | CCVEDC Board Meeting | | COMPLETE: Finalize Legislative Mission |
| CPSJV March 15, 2019 | Partnership Meeting-Madera County | | COMPLETE: CCVEDC is Econ Dev Committee and we sit on the board |
| MISSION March 18-19, 2019 | Sacramento Legislature Mission | 25 | COMPLETE: Reps: Kings, Fresno, Kern, San Joaquin, Madera Results: 20 Meetings |
| MISSION March 20, 2019 | Sacramento Broker Mission Mini-Mission | 85 | COMPLETE: Reps: Kern, San Joaquin, Madera, Merced Results: 6 meetings with 13 brokers, 1 |
| BROKER EVENT March 21, 2019 | SIOR Nor Cal- SPRING WINE DINNER, Del Dotto Vineyards | 62 | COMPLETE: Reps: Mike Results: There were 62 attendees and exactly half were brokers. |
| CONFERENCE March 27-29, 2019 | CALED Anaheim Not a CCVEDC sponsored event | | COMPLETE: Madera, Kern, Stanislaus, CCVEDC attended Results: 1 new prospect |
| ENEWS March 2019 | California Central Valley Business and Real Estate News https://conta.cc/2Uaqrbm | 3614 | COMPLETE: ENEWS (Regional News) Constant Contact Sent 3,614, Read 24%, Clicked 5% (2,434 brokers; 1180 businesses) LinkedIn 996 views, (CV and Op Stan accts only) |

Increase in Regional Marketing: Kings County Economic Development Corporation facilitated a contract between the regional workforce entities and the CCVEDC, in the amount of \$50,000. This is the single largest infusion of capital into CCVEDC in the recent years, and represents a substantial increase in the organizations ability to market the Central Valley to the benefit of all member organizations.

Summary of Website/Social Media: www.kingsedc.org is regularly updated to feature the latest information on sites and services available in Kings County. Currently, the following properties are listed:



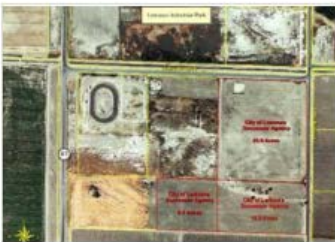
80K+ S.F. Ind. Bldg. on
19.39 Rail-Served Acres
For Sale or Lease



11.2 Acres of Light
Industrial Land For Sale



3.9 Acres of Mixed
Commercial Land For
Sale



3 Parcels of Light
Industrial Land For Sale



2.81 Acres Heavy
Industrial Land in the
Kings Industrial Park



9.8 Acres Heavy Industrial
Land in the Kings
Industrial Park



±28 Acres Light Industrial
Land For Sale On
Highway 43



48.5 Acre Regional Retail
Center w/Costco



11,868 S.F. Class "A"
Office Building For Lease



±80 Acres Light Industrial
Land For Sale OR Lease



8 Lot Business Park in
Lemoore Industrial Park



148 Acres Light Industrial
Land For Sale



195 Acres Light Industrial
Land For Sale



87,000 S.F. Former Kmart
For Sale or Lease



44,000 S.F. Former
Hardware Store For Lease



76,000 S.F. Former Sears
Space For Lease



111,200 SqFt Industrial
Building on 11 Acres



92+ Acres | Heavy
Industrial – Rail-Served



230 Acres | Zoned AG-20

The Kings County Economic Development Corporation also provides information on incentives for businesses to assist with locating in Kings County, expanding, or retaining their current workforce and operations. The current incentives listed are as follows:

- **Recycling Market Development Zone**
 - This program provides attractive loans, technical assistance, and free product marketing to businesses that use materials from the waste stream to manufacture their products and are located in a designated RMD zone. The RMDZ loan program can fund a maximum of 75% of costs directly attributed to an eligible project up to a maximum of \$2 million, whichever is less. This benefit is available to all companies in Kings County that meet the RMDZ criteria.
- **Kings County Opportunity Zones**
 - The Governor, authorized by the federal tax bill passed at the end of December 2017, is allowed to designate certain census tracts as Opportunity Zones. Individuals making investments through special funds in these zones are allowed to defer or eliminate federal taxes on capital gains. The Governor can designate up to 25 percent of census tracts that either have poverty rates of at least 20 percent or median family incomes of no more than 80 percent of statewide or metropolitan area family income. The Governor designated his full allotment of 879 qualifying tracts. As census tracts are designed to capture geographic areas of around 4,000 people, more than 3 million Californians would potentially be located in one of these areas.
- **Governors Economic Development Incentives**
 - **New Employment Credit:** The New Employment Credit is available for business located in certain census tracts, as well as the former Enterprise Zones, that hire a qualified full-time employee on or after January 1, 2014. A percent of qualified wages can be claimed as a tax credit against business income.
 - **California Competes Tax Credit:** The Governor's Office of Business and Economic Development (GO-Biz) administers the California Competes Tax Credit. It is an income tax credit available to businesses that want to locate a new business or stay and grow in California.
 - **Sales Tax Exemption:** The State Board of Equalization administers a partial sales tax exemption to businesses that purchase qualified property. The partial exemption rate is currently 4.1875 percent.
- **On the Job Training**
 - This reimbursement is available to employers with qualifying new employees, and provides 50% of average wages during a typical training period of three to four months, depending on the applicant's experience and the requirements of the job.
- **Historically Underutilized Business Zone**
 - The Historically Underutilized Business Zone (HUBZone) is administered by the U.S. Small Business Administration (SBA) and is designed to stimulate economic development and create jobs in urban and rural communities by providing Federal contracting preferences to small businesses. The HUBZone applies to qualified small businesses (by SBA standards) located within the zone's boundaries with at least 35% of their employees residing in a HUBZone.
- **Foreign-Trade Zone**
 - A U.S. Foreign-Trade Zone (FTZ or Zone) is a designated area which, for Customs purposes, is considered outside the U.S. Nearly any imported merchandise can be brought into a Zone for almost

any kind of manipulation, duty-free. If you are not currently located within the FTZ, a sub-zone can be created virtually to include your company's facilities.

- **Work-Opportunity Tax Credit (WOTC)**
 - A tax credit of \$2,400 (and potentially \$9,000) for hiring workers who fall under certain categories, such as residents of empowerment zones or renewal communities; food stamp recipients between 18 and 39 years old; disabled veterans and more.
- **Industrial Development Bonds**
 - For companies looking to raise \$2,000,000+ to build or expand manufacturing facilities, industrial development bonds offer a way to raise money in the tax-exempt marketplace, thereby obtaining a lower interest rate.
- **Revolving Loan Funds**
 - The Kings County Economic Development Corporation, and some cities within Kings County have revolving loan funds which may be accessed by existing companies in the area or those looking to relocate to the area. Loans can be made to purchase business real estate, buildings, building improvements, and working capital.
- **Federal Research & Development Tax Credit**
 - Federal tax credit equal to 20% of the amount by which qualified research expenditures for a taxable year exceeds its base amount for that year, or for basic research payments.
- **State Research & Development Tax Credit**
 - The California R&D Credit reduces income or franchise tax. Businesses who paid or incurred qualified research expenses while conducting qualified research in California may receive 15 percent of the excess of current year research expenditures over a computed base amount (minimum of 50 percent of current year research expenses).
- **New Market Tax Credit**
 - Companies who invest in projects that qualify as Community Development Agencies get 39% of the project's cost returned in the form of tax savings spread out over 7 years.

Summary of Business Leads/Responses to Proposals:

Economic Development Update

May 2019

- 1) New Prospects
 - a) **Project Vulcan – 190523**
 - i) Referred by CalBIS Started working proposal wk. of May 20
 - ii) A biomass company: converts biomass into products
 - iii) Acreage: 20 phasing up to 70
 - iv) Employees: 60 initial phasing up to 300
 - v) New construction. Brown or greenfield.
- 2) Current Prospects
 - a) **500k Warehouse – 190307pp**
 - i) Referred by CCVEDC (2019 Bay Area Mission) Earliest stages
 - ii) Broker indicates footprint undergoing design CCVEDC submitted available sites and workforce info
 - iii) Looking from Kern to San Joaquin Counties
 - b) **Truck-to-Rail Transload Requirement – 190213ps**
 - i) Referred by San Joaquin Valley Railroad Proposing Kings River B & I Park
 - ii) Regional manufacturer requires location for transloading product
 - iii) Requires frontage to load 12 cars at once
 - c) **Anaerobic Digester Company – 190208app**
 - i) Referred by CalBIS Proposed acreage in Lemoore Industrial Park
 - ii) Digest and compost food waste and green waste PROJECT IS ACTIVE. SHORT LIST
 - iii) Requires up to 12 acres each of 2 phases COMING SOON.
 - iv) 25 employees
 - d) **Plastic Film Manufacturer – 190208bpp**
 - i) Referred by CCVEDC (2019 West Pack Show) Proposed 10 ac in Hanford's Kings Industrial Park and property in Lemoore's Kings River Business & Industry Park
 - ii) Requires 200k s.f. of space
 - iii) 10 acres
 - iv) Rail siding
 - e) **Modular Housing Manufacturer - 181219pp**
 - i) Referred by CCVEDC (2018 LA Broker Mission) Offered property in the Crown Industrial Park, Corcoran
 - ii) 40k s.f. space
 - iii) 5-7 acres
 - iv) In an Opportunity Zone
 - f) **Project Genesis - 180926pp**
 - i) Referred by CalBIS Submitted 80+ acre location in Lemoore IP and 92 acre parcel in Kings Industrial Park
 - ii) Large Data Center
 - iii) Locations over 70 acres
 - iv) 260 employees
 - g) **Colliers Rail Site - 180814pp**
 - i) Direct Inquiry Submitted Kings River Business & Industry Park
 - ii) Undisclosed use
 - iii) Property for a 250k s.f. building

- h) **Project Perfect - 180806pp**
 - i) Referred by CalBIS Submitted Kings River Business & Industry Park
 - ii) Will manufacture corrugated sheets
 - iii) Requires 300k s.f. building on 15 acres, rail-served
 - iv) 60 employees after 3 year ramp-up
 - v) \$13M investment
- i) **Call Center – 180713ppb**
 - i) Referred by CCVEDC (Dallas Trip) Submitted former Budget Rent-A-Car Center in Lemoore’s Pioneer Square
 - ii) Looking for closed call centers or convertible buildings
 - iii) 15k to 30k s.f. buildings
- j) **Office Data Center – 180713ppa** Submitted 3 parcels in Lemoore Industrial Park and former Sears Building in the Hanford Mall
 - i) Referred by CCVEDC (Dallas Trip)
 - ii) Looking for suitable buildings for large data centers
 - iii) Requires 50k to 100k s.f. building
 - iv) Company works with Fortune 1000 clients
- k) **Project Palatka – 180710ppb**
 - i) Lead from CalBIS Proposed parcels in Lemoore Industrial Park & a building in Kings Industrial Park
 - ii) Manufacturer of construction products from recycled materials
 - iii) 40k s.f. building on 4 acres
 - iv) 60 new employees
- l) **Planet Hydrogen – 180710ppa**
 - i) Lead from CalBIS Proposed a parcel in Kings River B&I Park, Lemoore
 - ii) Manufacturer of renewable hydrogen
 - iii) 31k s.f. building on 30 to 60 acres
 - iv) 47 new hires
- m) **Ecommerce Warehouse & Distribution Center – 180606pp**
 - i) Lead from CCVEDC Updated our CCVEDC Large Sites listing
 - ii) Ecommerce Point of Sale location
 - iii) 250k to 300k s.f.
 - iv) Probably a build-to-suit project
 - v) Also looking in AZ and NV
- n) **Recycling Machinery Manufacturer – 180503pp**
 - i) Referred by German American Chamber through CCVEDC Met with managers of Avenal Landfill
 - ii) German Company that manufactures recycling equipment and Kings Waste & Recycling
 - iii) Requirement unknown at this time
 - iv) Goal is to open and sales and maintenance facility
- o) **Transportation Hydrogen Manufacturer – 180420ps**
 - i) Direct approach Applying for CARB grant
 - ii) Manufacturer and distributor of transportation hydrogen Must have an identified end user of hydrogen
 - iii) Requires a manufacturing location and several distribution points
- p) **Pet Food Distributor – 180405pp**
 - i) Lead from CCVEDC (2018 West Pack) Proposed parcels in Lemoore Industrial Park

- ii) Expansion from Ohio and SoCal
 - iii) Needs a 40k s.f. building constructed
 - iv) Upwards of 50 employees
- q) **Recycled Materials Manufacturer – 180402ppb**
 - i) Lead from San Joaquin Partnership
 - ii) Paired with prospect below
 - iii) Requires 50k s.f. building on 5 – 7 acres
 - iv) 15 to 20 jobs

Proposed same sites as below
- r) **Artificial Turf Recycler – 180402ppa**
 - i) Lead from San Joaquin Partnership
 - ii) Recycles waste artificial turf into rubber and plastic components
 - iii) Requires 4-6 acres and 100k s.f. building
 - iv) 50+ employees

Proposed sites in Corcoran, Lemoore and the MRF
- s) **Durable Goods Distribution Facility - 180307pp**
 - i) Referred by CCVEDC (Sacramento 2017 Broker Mission)
 - ii) Durable goods West Coast distribution center for East Coast company
 - iii) 800k s.f. on 40 acres
 - iv) Needs to be within 45 minutes of Fresno

Proposed 2 sites in Lemoore & 1 in Hanford
- t) **Project Copernicus – 180228pp**
 - i) Referred by CalBIS
 - ii) Cutting edge energy research & development facility
 - iii) Develop 416k s.f. building on 50 acres
 - iv) 100+ full time employment

Proposed 3 sites in Lemoore & 1 in Hanford
- u) **Post Processing Rendering Plant – 180216ps**
 - i) Direct approach
 - ii) Render waste animal byproducts after meat processing
 - iii) Requires 10 acres
 - iv) Will build a lagoon
- v) **Building Products Manufacturer – 180215pp**
 - i) Referred by CCVEDC (SIOR Berkeley Event)
 - ii) Manufacturers unknown building products
 - iii) Up to 500k s.f. on 20+ acres
 - iv) Must be rail served
 - v) Prefers Valley - Madera south

Successful for the Valley. Locating in Tracy
Proposed two parcels in Kings River B&I Park
- w) **Project King – 180118pp**
 - i) Referred by CalBIS
 - ii) Manufacturer of commercial electric vehicles
 - iii) 100k s.f. to start, 200k s.f. in 2 to 3 years
 - iv) 100 new hires to start, 200 more in 2 to 3 yrs

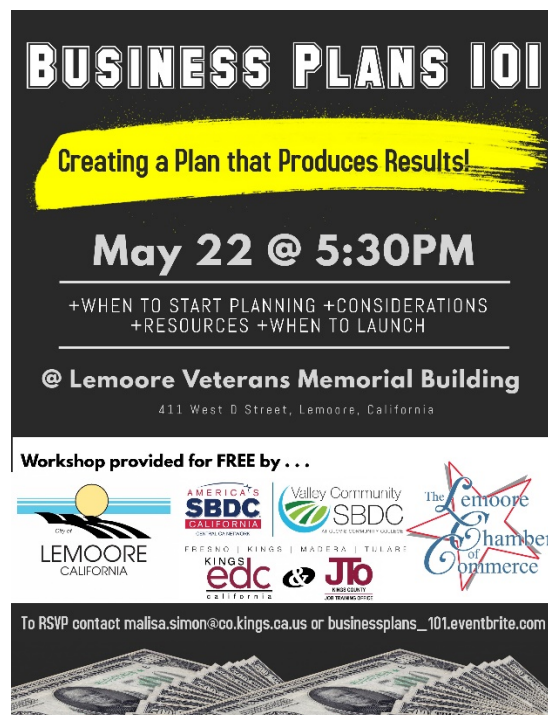
Proposed properties in Hanford & Lemoore
- x) **Ag Processor - 180109ps**
 - i) Direct inquiry from broker
 - ii) Requires 5-10 acres of industrial property

Proposed property in Corcoran Industrial Park
- y) **Project Nomad – 171127pp**
 - i) Referred by CalBIS
 - ii) Solar Panel Manufacturer
 - iii) Requires 265k s.f. , 700 employees
 - iv) \$100 million of equipment

Proposing 16 acres in Kings Industrial Park

- z) **Transmission Distribution Facility - 171121pp**
 - i) Referred by CCVEDC (SoCal Broker Mission) Proposed space in Armona Industrial Park
 - ii) Looking for 45k s.f.
 - iii) Will employ 10
- aa) **Equipment Rental Company – 171019pp**
 - i) Referred by CCVEDC (SoCal SIOR Golf Tourney) Proposed Reenders property at 43 & 198
 - ii) Requires 5-6 acres
 - iii) 10k-15k s.f. of building
- bb) **Project Red-Tailed Hawk – 170818pp**
 - i) Referred by CalBIS Proposed 2 locations in City of Lemoore
 - ii) Manufacturer of solar panel components
 - iii) At full buildout, could require 200+ acres
 - iv) Upwards of 1,000+ jobs
- 3) **Economic Activity**
 - a) **CalCot Facility - Hanford**
 - i) Recently purchased by Forebay Farms, LLC
 - ii) Large farming and investment company from Merced
 - iii) Leasing the warehouses for storage
 - b) **Kelly Slater Wave Company - Lemoore**
 - i) Wave pool located on Jackson Ave, so. of Lemoore WSL's Freshwater Pro, Sept. 19-22
 - ii) Company modified original water ski lake
 - c) **TKI - Hanford**
 - i) Considering expansion Currently evaluating properties
 - d) **Venture Place - Lemoore**
 - i) Business Park Development Property is receiving infrastructure. Road
 - ii) Located in Lemoore Industrial Park be completed in March.
 - iii) 8 lots for total of 7.7 acres
 - e) **Beard Business Park – Lemoore**
 - i) Phase 2 under construction Lemoore Industrial Park. Construction
 - ii) 2 - 33,600 s.f. buildings completed completed. Now leasing.
 - f) **PG&E Service Center - Lemoore**
 - i) New service center of PG&E Lemoore Industrial Park. Complete
 - ii) 11.59 acre project on 43.6 acres
 - iii) Location will accommodate their fleet of service trucks
 - g) **Faraday Future - Hanford**
 - i) High-end electric car manufacturer Financial situation evolving
 - ii) Leasing the Hanford Business Park
 - h) **Caliva - Hanford**
 - i) Medical cannabis processor Holding
 - ii) Purchasing 47 acres north of the Kings Industrial Park
 - i) **Cobalt Safes** In contract with Caliva for purchase of building
 - j) **Cobalt Safes** Purchased 2.81 acre property at corner of Industrial and Crown Avenues
 - a) **Announced Closures:**
 - i) Sears - Hanford JTO and EDC staff assisting employees
 - ii) Orchard Supply Hardware - Hanford and marketing of buildings
 - iii) Kmart – Lemoore
 - iv) Payless Shoes - Hanford

Entrepreneur Resource Events: Lemoore has strong small/medium business representation, with 84.4% of all businesses in Lemoore having under twenty (20) employees.² This indicates that small to medium size businesses are the economic drivers in Lemoore. In order to help foster small and medium size business growth, Kings County Economic Development Corporation is working in partnership with the Lemoore Chamber of Commerce, City of Lemoore, and the regional Small Business Development Centers to bring more resources to start-ups and established small/medium business. The first event was held on May 23, 2019, and had more than 30 entrepreneurs in attendance.



The Kings County Economic Development Corporation will continue to work in partnership to help bring additional resources to foster business growth.

² Business Data, DataBaseUSA.com-EMSI

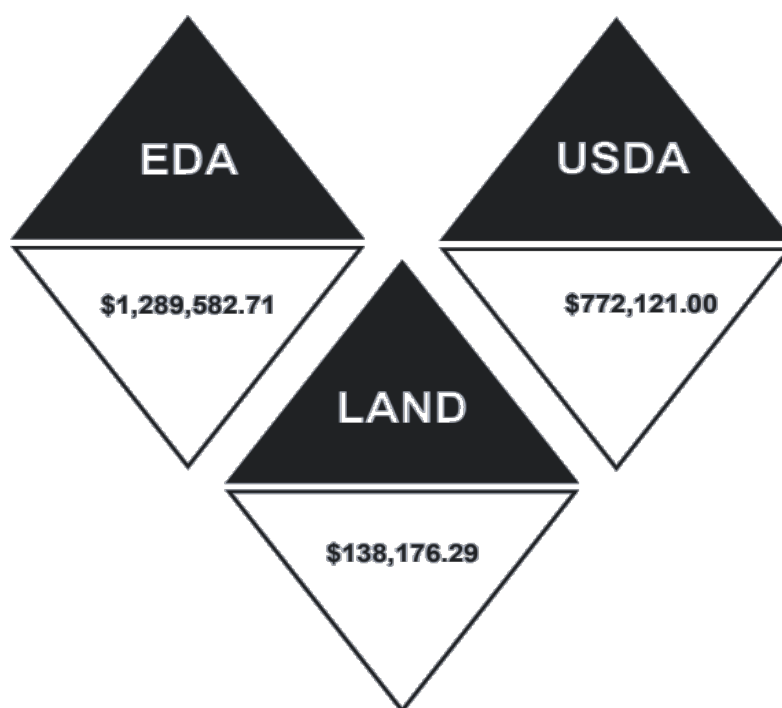
BUSINESS FINANCING

The Kings County Economic Development Corporation operates a revolving loan fund, which provides commercial loans to qualifying borrowers. The Kings County Economic Development Corporation provides attractive financing opportunities to Kings County businesses for the following projects:

- Purchase or construction of a commercial building;
- Renovation of an existing commercial building;
- Purchase of machinery and equipment;
- Purchase of fixtures, furniture, and leasehold improvements;
- Building façade improvements;
- ADA compliance improvements; and,
- Working Capital.

The Kings County Economic Development Corporation revolving loan fund is a flexible program that can be used in conjunction with conventional lenders.

Currently, the Kings County Economic Development Corporation has a very robust loan portfolio. Total amounts loaned to businesses located in Lemoore are as follows:



An assessment of loans over the last five years to businesses in Lemoore indicates that there have been no write-offs, and all loans are current. All loan programs are currently advertised in newspapers, social media, and at events across the county.

OTHER ECONOMIC ACTIVITIES

Friends of NAS Lemoore: The Kings County Economic Development Corporation facilitates meetings between Naval Air Station Lemoore command, the City of Lemoore, West Hills College Lemoore, and other organizations that have connections with the base. NAS Lemoore currently employs approximately 6,400 military personnel, 1,400 government civilian personnel, and 850 contractors, making it a large contributor to the local economy. Friends of NAS Lemoore meetings are coordination meetings between stakeholders and the base to discuss upcoming projects, potential issues, or possible joint endeavors. Regular meetings are scheduled in advance to allow for the maximum amount of attendance and input.

Updated Comprehensive Economic Development Strategy (Attachment “B”): In 2018, the Kings County Economic Development Corporation updated the Comprehensive Economic Development Strategy (“CEDS”) for Kings County and its municipalities. This document was reviewed by a CEDS committee comprised of the following:

- Public Officials;
- Workforce Development Board Representatives;
- Community Leaders;
- Representatives of Higher Education;
- Minority & Organized Labor Representatives;
- Private Individuals;
- Private Sector Representatives; and,
- Representatives of Main Economic Interests.

Based on the recommendations from this group, changes were made and the CEDS was submitted. A potential project from the City of Lemoore and the City of Hanford were included in the CEDS. This document is maintained by the Kings County Economic Development Corporation and updated annually.

ATTACHMENT “A”

| Activity Code | Activity Code Name and Definition |
|---------------|---|
| E01 | <p>Alien Labor Certification</p> <p>Under the H-2A program, local AJCC staff developed a hiring agreement with an employer that took into account the local AJCC site's resources, but that did not adversely affect the site's ability to adequately serve other employers. The hiring agreement may not include provisions for AJCC staff to assist the employer in pre-employment activities such as verifying prior employment or obtaining references.</p> |
| E02 | <p>Americans with Disabilities</p> <p>AJCC staff contacted an employer that submitted a job posting that appeared to be discriminatory under the <i>Americans with Disabilities Act</i> of 1990. In contacting the employer, AJCC provided legal job posting requirements, and informed the employer that unless the job posting's specifications can be legally justified, that the employer's job posting request could not be accommodated.</p> |
| E03 | <p>CalJOBS Assistance</p> <p>AJCC staff provided an employer with information regarding CalJOBS, or assisted an employer with registering in CalJOBS.</p> |
| E04 | <p>Apprenticeship</p> <p>AJCC staff informed the employer of apprenticeship requirements and explained job order posting access.</p> |
| E05 | <p>Bonding</p> <p>The designated AJCC staff person responsible for providing and/or arranging for bonding services, completed the required steps to provide an employer with a fidelity bond for an at-risk or hard-to-place participant. These steps include, but are not limited to, ensuring the employer meets all eligibility requirements, completing the EDD Fidelity Bonding Certification Request, completing the EDD Fidelity Bonding Employer Confirmation Letter, and submitting bonding requests to the Workforce Services' Division Bonding Coordinator.</p> |

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| E06 | <p>CalJOBS External Recruitment</p> <p>After determining that the CalJOBS job-seeker participant pool did not include qualified individuals for an employer's specific job opening, AJCC staff conducted recruitment efforts to locate qualified individuals. These efforts include, but are not limited to, contacting colleges, trade schools, professional organizations, and other employment and training providers who may have access to individuals with the employer's required skills and qualifications.</p> |
| E07 | <p>Disability Insurance</p> <p>An AJCC sponsored a Disability Insurance seminar for employers.</p> |
| E08 | <p>Employer Advisory Council (EAC)</p> <p>AJCC staff provided an employer information regarding the Employer Advisory Council, or provided AJCC services to an employer at an Employer Advisory Council event.</p> |
| E09 | <p>Employer Application Issuance</p> <p>At the request of an employer, AJCC staff issued the employer's work application to job seekers. Prior to agreeing to issue the employer's work application, the staff member reviewed the work application to ensure compliance with the Department of Fair Employment and Housing pre-employment guidelines.</p> |
| E10 | <p>Employer Recall</p> <p>AJCC staff suspended an employer's access to CalJOBS after determining the employer violated Workforce Services' regulations and/or federal, state, or local employment-related laws. Reasons for access suspension include, but are not limited to, the employer includes discriminatory specifications in the job listing; fails to adhere to federal, state, or local employment-related laws; misrepresents terms or conditions of employment; causes Workforce Services to receive substantiated formal or informal complaints from job seekers; and posts an invalid job opening, such as one due to a trade dispute.</p> |

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| E11 | <p>Employment Training Panel (ETP)</p> <p>AJCC staff assisted an employer with information regarding the Employment Training Panel's (ETP) available programs and services, including eligibility requirements, application assistance and programs specific to an employer's business.</p> <p>This definition does not include Training for New Employees (E40), or Training for Current Employees (E41).</p> |
| E12 | <p>Employment Law</p> <p>An AJCC sponsored a labor law seminar for employers.</p> |
| E13 | <p>Employment Taxes</p> <p>An AJCC sponsored a payroll tax seminar for employers.</p> |
| E14 | <p>Enterprise Zone (EZ) Tax Credits</p> <p>AJCC staff identified a potentially eligible job seeker and referred him/her to the nearest Enterprise Zone-certifying agency or Enterprise Zone employer. Staff may not perform eligibility determinations, request documentation, or sign the Enterprise Tax Voucher (DOC EZ1).</p> |
| E15 | <p>Exclusive Hiring Agreement</p> <p>AJCC staff established an agreement with an employer that requires all job seekers to apply through CalJOBS.</p> |
| E16 | <p>Federal Contractor Job Listing</p> <p>AJCC staff assisted an employer with a federal job contractor job listing. Staff ensured that the federal contractor was properly identified, and that its special employment needs, particularly those relating to qualified veterans' hiring, were met to the fullest possible extent.</p> |

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| E17 | <p>Fraud Reporting</p> <p>After receiving a job listing from a questionable employer, AJCC staff ensured the request was genuine, and represented an actual job opportunity. Questionable employer examples include employers who require unusual pre-employment action on the job-seeker's part (e.g., a deposit for some alleged service, such as training, transportation, dues, fees, or food and lodging; and employers who require monetary deposits or payments), unknown employers who request permission to interview at the AJCC, employers who ask job seekers to be sent to an address that is not a normal place of business (e.g., hotel room), unknown employers who offer to provide transportation to the job site, and employers whose address or job location is vague.</p> |
| E18 | <p>High Density Unemployment Area Resident</p> <p>AJCC staff assisted an employer in hiring a high-density unemployment area resident.</p> |
| E19 | <p>Internship</p> <p>AJCC staff entered an internship into CalJOBS for an employer, or publicized the internship at the AJCC.</p> |
| E20 | <p>Job Development Contact</p> <p>AJCC staff contacted an employer regarding Job Development Contact participation. If the employer is not registered, then staff would need to complete the employer's CalJOBS' registration to collect the employer's information.</p> |
| E21 | <p>Job Fairs</p> <p>AJCC staff partnered with an appropriate entity within the community to present and/or participate in a job fair.</p> |
| E22 | <p>Job Identification Contact</p> <p>AJCC staff contacted a CalJOBS-registered employer for available job postings.</p> |

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| E23 | <p>Job Listing Assistance</p> <p>AJCC staff assisted a CalJOBS-registered employer with filling out a job listing form (DE 8203), or AJCC staff completed a job order listing in CalJOBS on behalf of the employer.</p> <p>This service does not include CalJOBS Assistance (E03).</p> |
| E24 | <p>Job Referrals</p> <p>AJCC staff advertised or referred an employer's CalJOBS job order to participants.</p> |
| E25 | <p>Job Shadowing</p> <p>AJCC staff coordinated a job shadowing experience for a qualified participant with an employer. The employer would like to hire a participant, but would first like the participant to do a job shadowing.</p> |
| E26 | <p>Labor Market Information</p> <p>AJCC staff provided an employer with the nation, state, or local area's market information to assist in the employer's business plan expansion, relocation, or future hiring and training needs; or, referred the employer to a labor market information consultant who prepared detailed occupational labor market for the employer.</p> |
| E27 | <p>Local Planning, Zoning, Permits</p> <p>AJCC staff provided an employer with Local Planning, Zoning, and Permits information.</p> |
| E28 | <p>Marketing Package</p> <p>AJCC staff provided an employer marketing materials containing information regarding EDD services. Materials could include, but are not limited to, DE forms, brochures geared towards the employer, Labor Market Information Fact Sheets, and flyers.</p> |
| E29 | <p>New Employee Registry</p> <p>AJCC staff provided an employer with the specific information pertaining to the California New Employee Registry.</p> |

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| E30 | <p>On-the-Job Training</p> <p>AJCC staff established an on-the-job training contract with an employer. Under the contract, the employer provided occupational training to a WIOA participant in exchange for a specified percentage reimbursement of the participant's wage rate, and received technical assistance from AJCC staff throughout the life of the training contract.</p> |
| E31 | <p>Older Worker Hiring</p> <p>AJCC staff conducted outreach efforts to employers highlighting the potential of older workers and their contributions to a diverse workforce. The outreach efforts highlighted traits that make older workers ideal candidates for employment, including their reliability, commitment, enthusiasm, and a keen know-how that comes with a lifetime of experience.</p> |
| E32 | <p>Rapid Response (layoff or closure)</p> <p>AJCC staff provided rapid response activities in the case of a permanent closure or mass layoff at a plant, facility or enterprise, or a natural or other disaster that resulted in mass job dislocation in order to assist dislocated workers in obtaining reemployment as soon as possible. Rapid response activities include, but are not limited to, establishing on-site contact with employers and employee representatives; providing information and access to available employment and training activities; providing an on-site presentation to employees on when to file for, how to file for, and who qualified for Unemployment Insurance; assisting in establishing a labor-management committee; voluntarily agreed to by labor and management, with the ability to devise and implement a strategy for assessing the employment and training needs of Dislocated Workers, and obtaining services to meet such needs; providing emergency assistance adapted to the particular closure, layoff or disaster; and providing assistance to the local community in developing a coordinated response and in obtaining access to state economic development assistance.</p> |
| E33 | <p>Recruitment at EDD</p> <p>An employer used an AJCC's facility and scheduling services to screen and interview job-seeking participants</p> |

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| E34 | <p>Reverse Referral Agreement</p> <p>AJCC staff established an agreement with an employer that it would provide a handout or poster to encourage job seekers to enroll and enter a résumé in CalJOBS. The rationale for this agreement is that when an employer has openings and lists them in the CalJOBS those job-seekers' résumés can be accessed by the employer. This agreement reduces business interruptions to the employer when there are no openings, and expands the job-seeker participant pool in CalJOBS.</p> |
| E35 | <p>Résumé Referral</p> <p>AJCC staff conducted a résumé search to find job-seeking participants' résumés that match an employer's job requirements, and provided those résumés to the employer.</p> |
| E36 | <p>Career Pathway Programs</p> <p>AJCC staff informed employers about the Career Pathway programs, located in their local and regional area. This may include inquiring about an employer's interest and/or ability to assist with Career Pathway Programs, including job shadowing, work experience sites, mentoring, speaking engagements, and employer focus groups.</p> |
| E37 | <p>Targeted Recruitment</p> <p>AJCC staff coordinated a focused recruitment campaign for a new business venture, or a facility needing a large number of specialized workers.</p> |
| E38 | <p>Tax Credit Programs</p> <p>AJCC staff informed an employer about available hiring incentives and tax credits including, but not limited to, the Work Opportunity Tax Credit (WOTC), Empowerment Zone/Renewal Community Tax Incentives, the Disabled Access Credit, and the Architectural and Transportation Tax Deduction.</p> <p>This definition does not include the Veteran Hiring Incentive Program (E43).</p> |
| E39 | <p>Trade Assistance Act</p> <p>AJCC staff informed an employer of Trade Assistance Act (TAA) associated programs.</p> |

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| E40 | <p>Training for New Employees</p> <p>AJCC staff informed an employer of funding available through the Employment Training Panel (ETP) for workforce training programs, and referred it to the ETP website or phone number for additional information.</p> |
| E41 | <p>Training for Current Employees</p> <p>AJCC staff informed an employer of funding available through the Employment Training Panel (ETP) for workforce training programs, and referred it to the ETP website or phone number for additional information.</p> |
| E42 | <p>Unemployment Insurance</p> <p>AJCC staff sponsored a seminar for employers regarding Unemployment Insurance.</p> |
| E43 | <p>Veteran Hiring Incentive Program</p> <p>AJCC staff informed an employer about the Work Opportunity Tax Credit (WOTC) and that "Qualified Veterans" is one of the WOTC target groups that may qualify the employer for a tax credit.</p> |
| E44 | <p>Welfare Recipient Hiring</p> <p>AJCC or staff assisted an employer in hiring a welfare recipient.</p> |
| E45 | <p>Work Experience Programs</p> <p>AJCC staff coordinated with an employer to provide a participant with a Work Experience Opportunity, and technical assistance throughout the life of the contract. Work Experience is a planned, structured learning experience that takes place in a workplace for a limited time period. It may be paid or unpaid, as appropriate, and may be in the private for-profit sector, the nonprofit sector, or the public sector.</p> |
| E46 | <p>Workforce Innovation and Opportunity Act (WIOA)</p> <p>AJCC staff informed an employer of available <i>Workforce Innovation and Opportunity Act</i> employer services that include, but are not limited to, customized training, on-the-job-training reimbursement assistance, and training subsidies.</p> |

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| E47 | <p>Work Opportunity Tax Credit (WOTC)</p> <p>AJCC staff processed an employer's application for Work Opportunity Tax Credit (WOTC) certification. Application processing includes, but is not limited to, ensuring the applicable forms (i.e., IRS 8850 [Pre-screening Notice and Certification Request], ETA 9061 [Individual Characteristics From], and ETA 9154 [Youth Self-Attestation Form]) are accurately completed; conducting an employee background check to ensure the employer received the highest tax credit they are eligible for; inform the employer that the application must be post-marked no later than the 28th calendar day following the new employee's start date; if necessary, sending a request to employer for more information; and sending the employer a certification or denial letter.</p> |
| E48 | <p>Youth Employment Opportunities</p> <p>A Youth Employment Opportunity Program (YEOP) Specialist contacted an employer for the purposes of informing the employer about YEOP, and encouraging the employer to hire a Youth participant.</p> |
| E51 | <p>CalJOBS Suppressed Job Listing Referral</p> <p>AJCC staff entered a suppressed job listing into CalJOBS, and assisted the employer in filling the opening through either of the following service levels: résumé search service (staff screen and select job-seeking participants and send the résumés of participants who match the job requirements), or mediated staff services (staff screen and select participants and provide them with the employer contact instructions).</p> |
| E52 | <p>OFCCP Employer Outreach</p> <p>AJCC staff conducted outreach to a contractor or subcontractor that holds any federal or federally assisted construction contract in excess of \$10,000. Services may include assistance with the Office of Federal Contract Compliance Programs (OFCCP) requirements, such as affirmative action and equal employment opportunity.</p> |

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| E54 | <p>Lay-Off Aversion Activities</p> <p>AJCC staff provided lay-off aversion strategies and activities designed to prevent, or minimize a participant's unemployment. These strategies include, but are not limited to, the following:</p> <ul style="list-style-type: none"> • Ongoing engagement and partnership-building activities with local businesses and community to avert lay-offs, and assist Dislocated Workers in obtaining employment as soon as possible. • Provide employers assistance in reduction-in-force management. • Fund feasibility studies to determine if the company's operations might be sustained through a buyout or other means. • Develop and/or manage incumbent worker programs via connecting companies to state Short-Time Compensation or other programs to prevent layoffs; quickly re-employ Dislocated Workers; and business loans for employee skill upgrading, along with other available government and local resources. • Establish linkages at the federal, state, and local levels, including the Department of Commerce, state and local resources available for business retention and expansion; partner or contract with business-focused organizations to assess risks to companies and how those risks can be ameliorated; analyses of affected company's suppliers to assess their risks and vulnerabilities. • Connect businesses and workers to short-term, on-the-job, or customized training programs, and/or apprenticeships before or after lay-offs to facilitate rapid re-employment. • Locally-defined lay-off activities. |
| E55 | <p>Candidate Pre-Screen (on behalf of employer)</p> <p>AJCC staff provided an employer, employer association, or other such organization, customized screening and referral of qualified participants; or in addition to Wagner-Peyser services, received customized employment-related services on a fee-for-service basis; and/or was provided business services and strategies that met the workforce investment needs of area employers, as determined by the Local Board, and consistent with the local plan.</p> |
| E56 | <p>Other Referral (referred to other agency for service)</p> <p>AJCC staff referred an employer/company to another public agency to obtain services not available through WIOA/EDD/TAA programs.</p> |

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| E57 | <p>Follow-Up with Employer on New Hires</p> <p>AJCC staff contacted the employer to determine if a hired participant was successful, and to provide as-needed additional assistance to the employer to ensure satisfaction with the business services provided by AJCC staff.</p> |
| E59 | <p>Follow-Up with Employer on Referred Candidate</p> <p>AJCC staff contacted an employer via phone, email, or in person to follow-up on a candidate referred by staff to a CalJOBS job listing.</p> |
| E60 | <p>Employer Networking</p> <p>AJCC staff provided an employer with information regarding AJCC services in an effort to establish a relationship, or to maintain an existing relationship.</p> |
| E61 | <p>HR Consultation Services</p> <p>AJCC staff provided the employer with Human Resource (HR) related services, such as pre-employment testing, background checks and assistance in completing the I-9 paperwork, and providing employers with job and task analysis services, and absenteeism analysis.</p> |
| E62 | <p>Referral to Community Resource</p> <p>AJCC staff provided a proactive linkage and referral to community resources that support the employer's workforce needs.</p> |
| E63 | <p>Veteran Employer Council (VEC)</p> <p>AJCC staff provided an employer information regarding the Veteran Employer Council (VEC), or provided AJCC services to an employer at a VEC event.</p> |
| E64 | <p>Small Business Downsizing/Closure Assistance</p> <p>AJCC staff provided services to a small business that is downsizing or expected to go out of business. Assistance may include onsite visits to provide the employer with information on the available AJCC services for affected employees and referrals to appropriate community resources.</p> |

| | |
|-----|--|
| E65 | <p>Engaged In Strategic Planning/Economic Development</p> <p>AJCC staff engaged in workforce investment strategic planning or business growth and economic development strategic planning. These activities include, but are not limited to, participating in community-based strategic planning, sponsoring employer forums, securing information on industry trends, providing information for the purpose of corporate economic development planning, partnering in collaborative efforts to identify workforce challenges, and developing ways to address those challenges.</p> |
| E66 | <p>Accessed Untapped Labor Pools</p> <p>AJCC staff established pipeline activities in partnership with the public workforce system to access untapped labor pools. These activities include, but are not limited to, outreach to youth, veterans, individuals with disabilities, older workers, ex-offenders, and other targeted demographic groups; industry awareness campaigns; joint partnerships with high schools, community colleges, or other education programs to improve skill levels; and programs to address limited English proficiency and vocational training.</p> |
| E67 | <p>Customized Training</p> <p>AJCC staff provided publicly funded customized training assistance to an employer.</p> |
| E68 | <p>Incumbent Worker Training</p> <p>AJCC staff provided publicly funded incumbent worker training assistance to an employer.</p> |
| E69 | <p>Follow-Up with Employer on Employer Services</p> <p>AJCC staff contacted the employer to determine if employer services that were provided by the AJCC were successful.</p> |

ATTACHMENT “B”



KINGS
COUNTY
ECONOMIC
DEVELOPMENT
CORPORATION



*Comprehensive
Economic Development
Strategy*

2018



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Executive Summary

The Kings County Economic Development Corporation (Kings EDC) is pleased to present the Kings County, California Comprehensive Economic Development Strategy (CEDS). This report presents a socio-economic overview of Kings County and highlights economic development activities and projects undertaken by public and private entities to create jobs, improve the economy and provide services to the residents of Kings County. Special effort has been taken to address the long-term resiliency of Kings County's economy.

Kings County is located in the heart of California's rapidly growing San Joaquin Valley, the richest agricultural area in the world. With that distinction comes the challenges of an economy largely impacted by seasonal agriculture and low wages. Government is the largest employer, followed by agriculture, trade, transportation & utilities, education & health care and manufacturing.



The region has suffered through a persistent drought during the last half of the 2000's decade. The 2010-2011 rain season, which turned out to be an anomaly, approached record levels through June, and Kings County was included in the Federal Disaster Declaration for winter storms and flooding. Despite these flood level accumulations, Central Valley Project allocations for the San Joaquin Valley were held to 80% of normal delivery. Rain accumulation for 2011-2012 returned to drought levels. Significant acreage remains fallow in the Valley's west

side today. In June 2012, Agriculture Secretary Vilsack declared Kings County as a Federal Agricultural Disaster Area for crop damage due to hail and high winds in March and April 2012. The drought, which began in 2011, persisted through the summer of 2016, reflected in the 2015 Federal Agriculture Disaster Area declaration throughout much of California due to the persistent drought conditions. Rain returned to California during the 2016/17 rain season. In fact, a Major Disaster Declaration covering Kings County was declared in April, 2017 to address flooding issues. The 2017/18 rain season has turned out to be normal due to a very wet March.

The year 2012 was the start of a rebuilding period for Kings County cities and unincorporated communities. Though property values remain relatively low compared to much of the state, the housing market in Kings County has been steadily recovering. The recessionary climate experienced for most of the last decade affected the local retail sector, with the losses of Lemoore's Bob Williams Chevrolet, Royer Cycle & Marine and Western RV; and Hanford's Liberty Chrysler, Mervyn's, Sears, Forever 21, and Gottschalks stores. Currently, the Mervyn's buildings has

been filled and Liberty Chrysler has been re-established. The departure of Forever 21 and Sears left large vacant retail spaces in their wake. Facilities that housed Lemoore's auto, motorcycle, and RV dealerships now have tenants. Hanford has been a victim of the online retail boom with the 2018 loss of Sears. Brick



and mortar banks are struggling to compete in the dot.com world. The largest bank in Lemoore has announced it will shutter its facility in July 2018. While the nationwide recession affected the manufacturing sector resulted in two 2008 closures and one in 2010, the recovering economy has positively impacted Kings County as well. The International Paper facility in Hanford's industrial park was purchased by Fry's Electronics as a return-to-vendor warehouse. Major investments have been made in Hanford by Pitman Family Farms, a producer and processor of chicken, ducks and turkeys; Tessenderlo Kerley, a farm chemical manufacturer, and Faraday Future, an electric car manufacturer. In Corcoran, Mar Vista Fertilizers purchased the vacant CDR facility and the former Homac Manufacturing building. The vacant Modular Rubber Drains and Plastic 2 Products facilities in unincorporated Kings County were recently purchased by TriCal, Inc., an agricultural farm fumigation company. Lemoore has seen investment from PG&E's new service center; E&C LLC business park buildings; Venture Place, a new business park development; and World Surf League/Kelly Slater Wave Co, The Surf Ranch. The few remaining vacant industrial buildings in Kings County are being actively marketed by the EDC and its partners.

The Central San Joaquin Valley continues to experience growth in food processing, warehousing and distribution, education and health care. Though population growth has ebbed and flowed since 2011, Kings County is seeing a trend of nonfarm job growth. As examples, Faraday Future, a manufacturer of



ultra luxury supercars, took possession of the former Pirelli Tire Plant in Hanford, to convert the 1 million s.f. facility into its automobile assembly plant. Tessenderlo Kerley, a foreign-owned fertilizer manufacturer, purchased 46 acres in the Hanford's industrial park and developed their facility with plans to grow with the purchase of the adjoining 16 acres. Several local manufacturers have purchased new equipment and hired new employees the past few years. In Kettleman City, FedEx built a 120,000 square foot turnaround facility to serve their west coast truck fleet. Bravo Farms also opened a large highway restaurant and tourist retail complex. Hanford's Adventist Health

completed a 49,000 s.f. family birth center at their hospital campus. The College of the Sequoias received center status in March 2015 for their campus in Hanford, paving the way for additional state financial support. Because of its new status, the college is completing a major expansion.

Renewable energy has received a great deal of attention in Kings County the last five years is. Multiple utility level solar photovoltaic companies are making investments in locations from Avenal to the west to Corcoran to the east. One of the Avenal projects, a 400 acre solar installation, is providing power to the California power grid. In addition, two mega solar projects are in the planning stages for installation on fallowed farm land. Over 1.2 gigawatts of solar power facilities have been approved or completed in Kings County. The EDC has targeted solar equipment manufacturing in Kings County to compliment the State's renewable energy initiatives.

While the availability of water continues to strain the Kings County economy, NAS Lemoore, located west of the city of Lemoore, is on a growth trajectory, with the relocation of two F/A



East Coast in 2016 and the 2017 arrival of the Navy's newest tactical carrier-based aircraft, the F-35C Joint Strike Fighter.

Kings County has gained recent recognition as the World Surf League and the Kelly Slater Wave Company unveiled a state-of-the-art wave facility capable of generating competition quality waves. The Surf Ranch held their first public event, which was a huge commercial success. The inclusion of surfing as an Olympic event bodes well for this emerging technology.

This CEDS report presents a summary of infrastructure projects; both those completed and those required to support future growth. Kings County and the Central San Joaquin Valley are at a critical juncture in the evolution of our economy. As history has shown, Kings County is resilient, and our communities will continue to grow. Our ability to manage that growth to the benefit of our residents is dependent upon our ability to attract new jobs through higher education, workforce preparation and infrastructure investment. Clearly, the current and future involvement of the Economic Development Administration is necessary to help propel this region into economic self-sufficiency. For Kings County, which consistently ranks near the bottom of all areas within the United States in educational attainment, per capita income and high reliance upon public assistance, EDA's investment is essential.



In summary, this CEDS report reviews Kings County's past and present and future economic trends, provides an in depth study of our strengths, weaknesses, opportunities and threats, and outlines infrastructure projects to move us closer to a competitive and sustainable economy as our local, state and federal partners pull together for the common good of all our residents.



Comprehensive Economic Development Strategy Committee

Interest Representation

A. Public Official
C. Representative Workforce Development Board
E. Minority & Labor Group
G. Private Sector

B. Community Leader
D. Representative of Higher Education
F. Private Individual
H. Main Economic Interest

| <u>Member Name</u> | <u>Representing</u> | A | B | C | D | E | F | G | H |
|----------------------|-----------------------------------|---|---|---|---|---|---|---|---|
| Domonique Butler | Comfort Inn | | | ✓ | | ✓ | | ✓ | |
| Jim Castleman | Community Volunteer | | ✓ | | | | ✓ | | |
| John Dirickson | Naval Air Station Lemoore | | | | | | | | ✓ |
| Dusty Ference | Kings County Farm Bureau | | | | | | | ✓ | ✓ |
| Jesus Garcia | Newman Garcia Photographic Studio | | | | | ✓ | | ✓ | |
| Gil Jaramillo | Tulare Kings Hispanic Chamber | | | | | ✓ | | | |
| Riley Jones | Real Time Consulting | ✓ | | | | | | ✓ | |
| Kenny Lavinder | Carpenter's Local 1109 | | | ✓ | | ✓ | | ✓ | |
| Dr. Kristin Robinson | College of the Sequoias | | | ✓ | ✓ | | | | |
| Nancy Silva | Silva Dental | | | ✓ | | | | ✓ | |
| Davis Taylor | The Sentinel | | | | | | | ✓ | |
| Doug Verboon | Kings County Board of Supervisors | ✓ | | | | | | ✓ | ✓ |

About Kings County Economic Development Corporation (Kings EDC)

Kings EDC was created in 1960, principally as a vehicle for holding industrial properties for sale to new industry. The economic development program for Kings County was reorganized in 1985, with the EDC assuming lead responsibility for business retention and attraction. In 1991, the EDC, then known as Crown Development Corporation, changed its name to Crown Economic Development Corporation (Crown EDC) to improve the visibility as the lead economic development agency for Kings County. Crown EDC was again reorganized in June 1998 and joined forces with Kings County's Job Training Office and Workforce Development Board (WDB) to effectively create the resources and manpower needed to market Kings County. In 1999 the organization changed its name to the current Kings County Economic Development Corporation (Kings EDC).

In January 2000, Kings EDC relocated its office, along with the Job Training Office, the Employment Development Department, and other community partners to create the Kings County "One-Stop Job Center", providing a myriad of employment, training and business development services to Kings County's employers and job seekers. This collection of resources for business and job-seekers is part of the America's Job Center of California.

Over the past 30 years, Kings EDC has established a strong record of accomplishment in economic development throughout Kings County by assisting business to locate or expand. We have worked alongside our business partners to facilitate over 10,000 new jobs and the infusion of over \$20.5 million in small business financing through the EDC's revolving loan fund, while leveraging over \$12.5 million in private sector capital. The EDC has established strong relationships with city and county governments, the business community and numerous local and regional organizations to help improve the area's economy.

In 1993, Kings County was designated a California Enterprise Zone and a Recycling Market Development Zone, resulting in increased business opportunities and incentives. The initial Kings County Enterprise Zone expired in June 2008, and a second successful application allowed the incentives to continue through California's termination of the program in 2013/2014.

In December 1997, Kings County became part of Foreign Trade Zone (FTZ) #226, which encompasses the seven county area including Stanislaus, Merced, Mariposa, Madera, Fresno, Kings and Tulare Counties. Through the Small Business Reauthorization Act of 1997, portions of Kings County qualified as a Historically Underutilized Business Zone (HUBZone), which promotes economic development and employment growth in distressed areas by providing competitive advantages to local businesses contracting with the federal government.

Kings EDC's One-Stop Business Center works closely with the cities, county, state, chambers of commerce, utilities, existing businesses, financial institutions and interested parties to ensure we meet the needs of business. The EDC's focus is job creation, job retention, access to capital, incentive zone management, government advocacy and other roles to help business prosper in Kings County and the region.

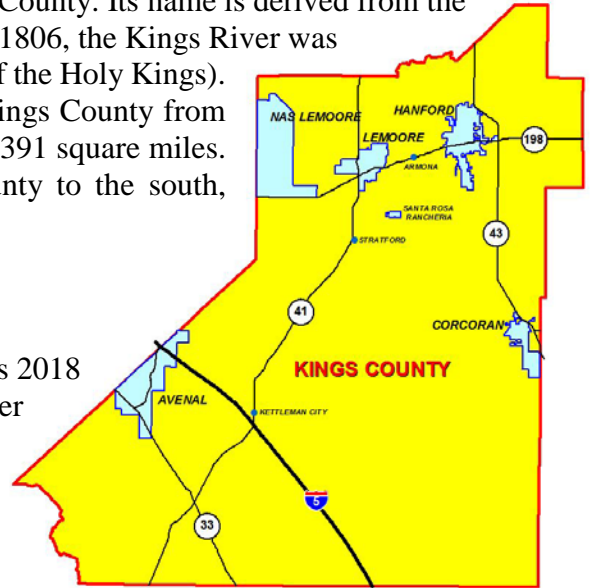


Kings County History

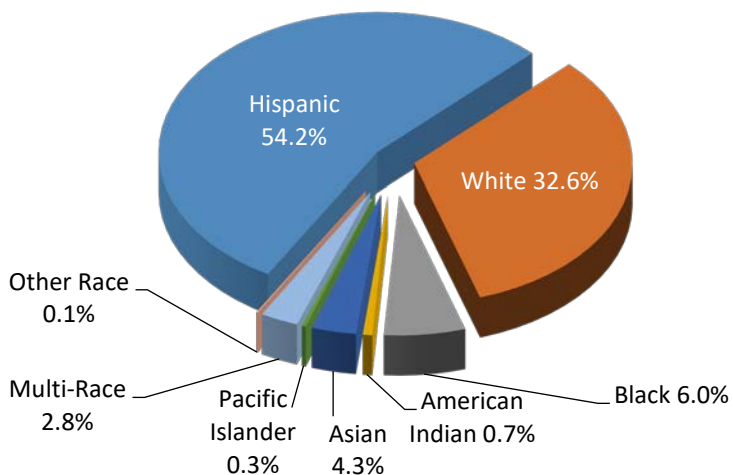
Kings County was established in 1893 from a portion of Tulare County. Its name is derived from the Kings River. According to a diary of the Moraga Expedition of 1806, the Kings River was discovered in 1805 and named Rio de los Santos Reyes (River of the Holy Kings). In 1908, one hundred square miles of territory was added to Kings County from Fresno County, bringing the County's total area to its current 1,391 square miles. Kings is bordered by Fresno County to the north, Kern County to the south, Monterey County to the west, and Tulare County to the east.

Population

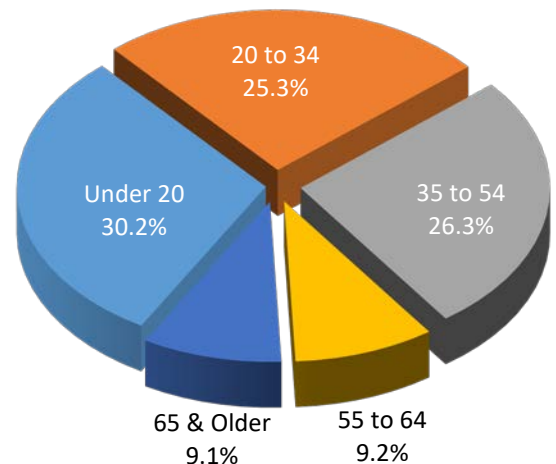
The California Department of Finance estimates Kings County's 2018 population at 151,662 an increase of 1.4% or 2,103 residents over 2017. Surrounding counties averaged a growth rate of 1.1%. Hanford, the largest city and County Seat has 58,176 residents, followed by Lemoore with 25,892, Corcoran with 21,450 and Avenal with 13,053. Naval Air Station Lemoore, straddling Kings and Fresno Counties, is the largest Naval Air Station on the West Coast. The City of Corcoran's population includes state prison population of 8,690, and Avenal's population includes a state prison population of 4,157. These two cities experienced declines in prison population due to the Realignment, a state-mandated reduction of inmate populations, with commensurate reductions in staffing from 2007 to 2017. Since 2006, Corcoran's total prison population declined by 3,756 inmates or 30% and Avenal by 2,951 or 42%. With these population reductions came a severe reduction in State subventions, funding distributed to cities based on their population. In addition to Realignment, Avenal State Prison suffered a major reduction due to the sensitivity of some prisoner ethnic groups to Valley Fever, an infection caused by an indigenous fungus whose spores are found in the vicinity of the Prison. Kings County's population is projected to reach 217,204 by the year 2060, an increase of 43% over today or less than 1% per year.



Population by Ethnicity - 2016



Population by Age - 2016



Educational Attainment

In general, counties in California's Central Valley experience a lower educational attainment rate than state as a whole. Kings County is no exception. Educational attainment is reflected in measures such as high school completion, high school graduates completing all courses for admission into a University of California or California State University, and Scholastic Aptitude Test (SAT) scores, as indicated below.

Public High School Graduates and Graduation Rates

| | <u>2013-2014</u> <u>Grads Grad %</u> | <u>2014-2015</u> <u>Grads Grad %</u> | <u>2015-2016</u> <u>Grads Grad %</u> | <u>2016-2017</u> <u>Grads Grad%</u> |
|-------------------|---|---|---|--|
| Kings Co. | 1,650 - 80.2% | 1,718 - 83.0% | 1,664 - 83.0% | 1,933 – 95.3% |
| California | 81.0% | 82.3% | 83.8% | 88.7% |

Public High School Graduates and Percentage Completing Courses Required for UC or CSU

| | <u>2013-2014</u> <u>Grads Univ %</u> | <u>2014-2015</u> <u>Grads Univ %</u> | <u>2015-2016</u> <u>Grads Univ %</u> | <u>2016-2017</u> <u>Grads Univ%</u> |
|-------------------|---|---|---|--|
| Kings Co. | 502 - 29.5% | 488 - 27.0% | 584 - 34.0% | 660 – 34.1% |
| California | 41.9% | 43.4% | 45.4% | 46.8% |

Public School Dropouts as a Percentage of Enrollment (grades 9-12)

| | <u>2013-2014</u> | <u>2014-2015</u> | <u>2015-2016</u> | <u>2016-2017</u> |
|-------------------|------------------|------------------|------------------|------------------|
| Kings Co. | 3.9% | 3.3% | 2.0% | 1.9% |
| California | 3.1% | 2.8% | 2.6% | 2.4% |

Scholastic Aptitude Test Scores

| | <u>2012-2013</u> (incl. Writing) | <u>2013-2014</u> (incl. Writing) | <u>2014-2015</u> (incl. Writing) | <u>2015-2016</u> (incl. Writing) |
|-------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Kings Co. | 1,376 | 1,362 | 1,337 | 1,370 |
| California | 1,489 | 1,487 | 1,473 | 1,455 |

Source: CA Dept. of Education

Labor Force

The largest employment sectors in Kings County are Government; Agriculture; Trade, Transportation & Utilities; Education & Health Services; and Manufacturing.

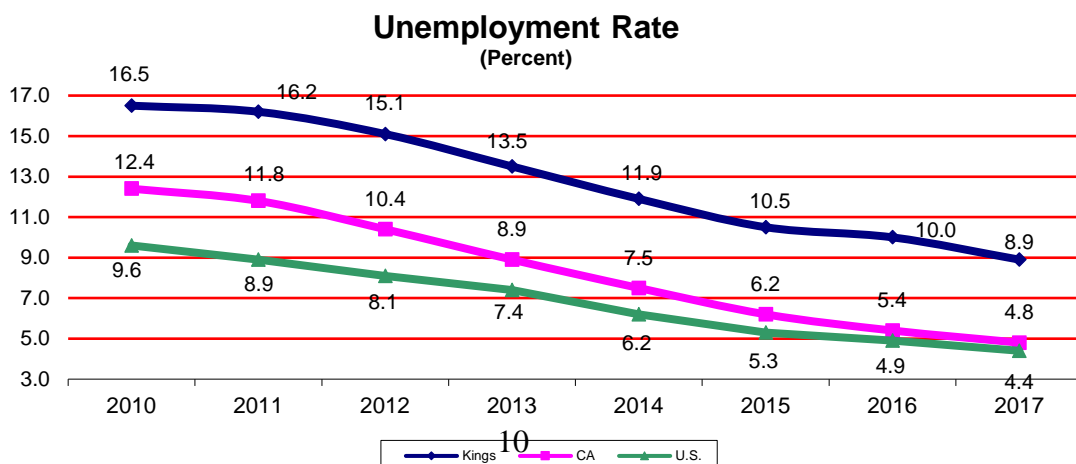
Government is the largest employer, accounting for 32 percent of total employment. The majority of civilian government employment (92 percent) includes state and local government workers. State government employment of 5,400, down from 6,000 in 2011, reflects a retraction of the workforce in the three state prisons due to Realignment. Local government in Kings, which includes city government and county government, accounts for 8,200 workers.

Agriculture provides 17% of Kings County's employment. Kings is currently ranked #10 in ag production among the counties of California. The 2017 Crop Report highlights an increased \$2.066 billion ag production level due to increases in commodity prices and acreage. A decline in some commodity prices resulted in a decline to \$2.002 billion in gross production values in 2016. The previous year recorded a \$19 million decline.

Building on a solid agricultural base, Kings County continues to encourage vertical integration of its solid agricultural base. The trend is well established that ag product manufacturers locate close to agricultural commodities. Kings County has a large number of fully vertically integrated food processing companies that have all the characteristics of major manufacturing. In addition, the ag service economy has grown in the areas of farm chemicals, nutrients and animal feed. Major investments were made over the last few years in those industries and have had a major impact on employment and wages.

Kings County's third largest employment sector is **Trade, Transportation and Utilities**, providing 6,400 jobs in 2017, an increase of 400 new jobs over 2016 and representing 14% of all employment. Retail Trade makes up the vast majority of jobs in this classification. The fourth largest sector is **Education & Health Services** with 6,200 jobs. A 200-job increase over 2016 is a result of expanding community college campuses and the growing health sector, led by Adventist Health. The **Manufacturing Sector** continues to improve in Kings County with 4,800 employees in 2017. Food processing has been the bedrock for manufacturing for years. As mentioned earlier, the liquid fertilizer and nutrient cluster have accounted for the lion's share of investment over the last few years. Animal feed processing has received significant notice over that same period. At the end of 2017, high tech automobile manufacturer Faraday Future arrived in Hanford to begin the establishment of their automobile assembly plant.

From 2010 to 2017, the average annual unemployment rate in Kings County declined by 46%. Over that period, the county unemployment rate averaged from 33% to 85% above the California's rate, a pattern consistent with ag-based economies. From 2010 to 2017, net employment increased in Kings County by 2,700 jobs.



Labor Force Statistics account for civilians aged 16 or older who are actively working or looking for work. The Kings County Labor Force has seen a labor force decline of 1,400 since 2010. Much of that decline can be contributed to the drought's affect on the ag sector and the decline in prison staffing. Prison staffing appears to have stabilized due to the recovery of the national economy and further diversification of the Kings County economy.

| Labor Force Statistics | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Civilian Labor Force | 59,100 | 58,800 | 58,200 | 57,600 | 57,900 | 57,200 | 57,700 |
| Employment | 49,700 | 50,000 | 50,400 | 50,700 | 51,800 | 51,500 | 52,600 |
| Unemployment | 9,400 | 8,800 | 7,800 | 6,900 | 6,100 | 5,700 | 5,100 |
| Unemployment Rate | 15.9% | 14.9% | 13.4% | 11.9% | 10.5% | 10.0% | 8.9% |

Source: CA EDD, LMID

Note: Does not include military personnel

Employment

Kings County recorded net employment gains each year from 1999 to 2008. The Great Recession influenced net losses from 2009 through 2011. The period of 2012 – 2017 saw annual increases, with 2,900 more residents employed than in 2011.

2017 Employment vs. 2011

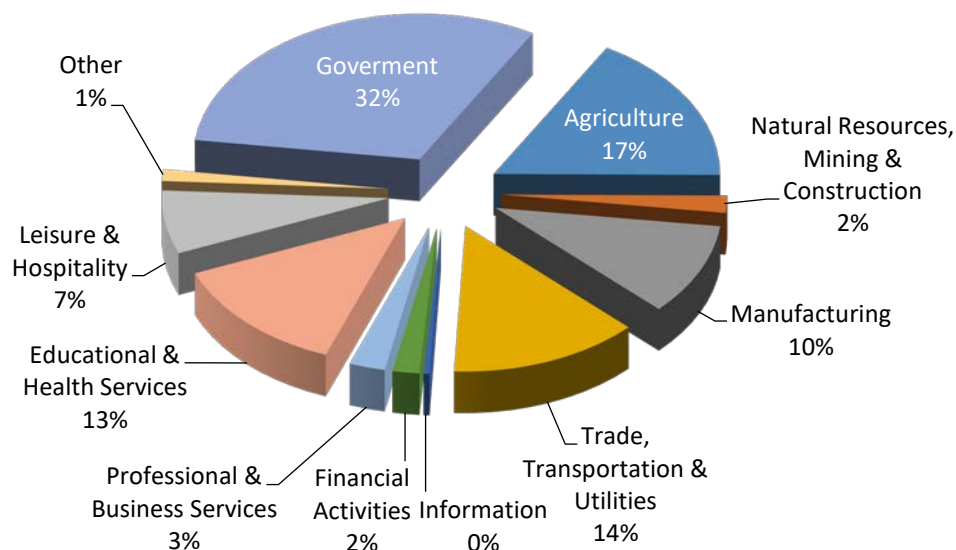
Gains

| | |
|-----------------------------------|-------|
| Farm | 1,700 |
| Trade, Transportation & Utilities | 1,100 |
| Education & Health Services | 700 |
| Leisure & Hospitality | 600 |
| Manufacturing | 500 |

Losses

| | |
|--------------------|------|
| Financial Services | -100 |
| Government | -100 |

2017 Kings County Employment by Industry



The table below reflects Kings County's industry employment totals for the period 2010-2017, showing a mixed picture of both early retraction and later growth. In 2017, Government, Agriculture, Trade, Transportation & Utilities and Education & Health Services were the county's largest employers. Government, the largest employer, provided 14,700 jobs (32%), while Agriculture accounted for 7,900 jobs (17%). Trade, Transportation and Utilities contributed 6,400 jobs (14%), and Education & Health Services contributed 6,200 jobs (13%).

| Employment by Industry | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Total Farm | 6,000 | 6,300 | 6,400 | 6,900 | 7,400 | 7,200 | 7,900 |
| Natural Resources, Mining & Construction | 900 | 800 | 800 | 800 | 900 | 900 | 900 |
| Manufacturing | 4,100 | 4,400 | 4,500 | 4,600 | 4,900 | 4,900 | 4,800 |
| Trade, Transportation & Utilities | 5,300 | 5,400 | 5,700 | 5,800 | 5,800 | 6,000 | 6,400 |
| Information | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| Financial Activities | 1,000 | 1,000 | 900 | 1,000 | 1,000 | 900 | 900 |
| Professional & Business Services | 1,200 | 1,300 | 1,300 | 1,400 | 1,300 | 1,300 | 1,200 |
| Educational & Health Services | 4,900 | 5,400 | 5,500 | 6,000 | 6,100 | 5,900 | 6,200 |
| Leisure & Hospitality | 2,900 | 2,800 | 2,900 | 3,100 | 3,300 | 3,300 | 3,300 |
| Other Services | 500 | 600 | 600 | 600 | 600 | 700 | 600 |
| Government * | 14,700 | 14,600 | 14,300 | 14,300 | 14,500 | 14,600 | 14,700 |
| Total Wage & Salary | 41,800 | 42,800 | 43,200 | 44,700 | 46,000 | 45,900 | 47,300 |

Source: CA EDD, LMID

* Does not include military personnel

Industry Trends and Outlook

The Employment Development Department expects nonfarm employment in Kings County to grow to 44,100 jobs by the year 2024. That is an increase of 4,700 jobs (roughly 10%) over the 2017 level. Four large nonfarm sectors - Trade, Transportation & Utilities, Manufacturing, Education & Health Services, and Government - are critical to the social and financial health of Kings County.

While **Trade, Transportation, & Utilities** has already exceeded the 2024 target by 200 jobs, retail trade and warehousing are projected to gain the largest shares of new jobs. A second regional retail center has been established in Hanford with the opening of Costco, one of several large anchors planned for the



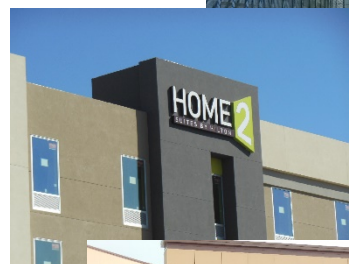
development. The region has seen continual interest in utility-level solar projects. Though critical to the California power grid, these projects produce few jobs or local tax revenues.

EDD predicts **Manufacturing** of durable and nondurable goods will provide 5,500 jobs in 2024, an increase of 700. Though the rain received in '16-'18 was helpful, the EDC feels that jobs increase could be at risk, given the possibility of long-term drought trends in the Central Valley. Due to agriculture-related manufacturing, non-durable goods have historically provided more jobs than durable goods in Kings County. As a result of long term drought conditions, communities are finding it more difficult to support industries with municipal water. If the natural and legislated drought continues well into the future, the end result points to a future of ag processing stagnation or decline.

As a counterbalance, local economic development efforts to attract new firms and to expand existing manufacturing facilities are projected to result in gains for both durable and non-durable goods manufacturing. Currently, non-durable goods employment primarily reflects local food processing, of which tomato products and cheese are primary. Kings County has experienced an upsurge of interest in durable goods manufacturing as cost pressures mount for companies in the Los Angeles Basin and the Bay Area; and as out-of-state and foreign companies consider the importance of California's population and its access to the Pacific Rim.

Education & Health Services, projected to increase by 1,300 jobs by 2024, has experienced steady job growth in Kings County. This increase reflects the needs of an aging population and the demand the prison system places on local health systems. In addition, a large psychiatric hospital in the neighboring Fresno County community of Coalinga attracts additional doctors and psychiatric technicians. A full service, 144 bed Adventist Health medical center and clinic opened in Hanford in 2010 and on that same campus, a women's birthing center opened in early 2016. In addition, a 3-story rural clinic was constructed in downtown Hanford.

Government, projected to increase by 2,100 jobs by 2024, is the largest employer in Kings County. Though the 14% increase is significant, the dynamics of the State Prison Realignment creates staff reductions at State prisons and increases at county jails and probation departments. The State prison system has been ramping up their hiring in the last year to address an aging workforce. Not counted in Government employment figures are the active duty military personnel at Naval Air Station Lemoore. The Air Station just experienced an increase of personnel with the addition of a carrier air group and the 2017 arrival of the new F-35C Joint Strike Fighter. That increase should increase slightly in the coming years, as the Joint Strike Fighter squadron reaches its full complement of personnel.



Economic Factors

Per Capita Personal Income

Per capita personal income in Kings County is consistently much lower than the State and Federal averages. Kings County per capita income declined between 2012 and 2014, but has improved steadily since 2014. Kings County trailed California's wage growth between 2012 and 2016 by 2.6 percentage points, and the U.S. wage growth by 2.2 points in that same period.

| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> |
|-------------------|-----------------|-----------------|-----------------|-----------------|---------------|
| Kings | \$18,619 | \$17,948 | \$17,378 | \$18,707 | 19,123 |
| California | \$28,341 | \$29,513 | \$29,906 | \$30,318 | 31,458 |
| U. S. | \$27,319 | \$28,184 | \$28,555 | \$28,930 | 29,829 |

Source: U.S. Census American Community Survey

Housing

Families looking for affordable housing in California's inflated housing market have found Kings County's quality of life appealing and affordable. Like the rest of California, Kings County's housing market fell to one-half of its 2006 level. At the same time, the slow economy put residential permits at their lowest valuation. Since 2006, the state and national recovery has had a positive effect on Kings County housing (see tables on next page). The growing Naval Air Station Lemoore is the home of all tactical carrier-based naval aircraft on the West Coast, driving the need for local housing. The relocation of two carrier air wings, and the 2017 arrival of the new F-35C Joint Strike Fighter will continue to place pressure on new housing. The county continues to experience an in-migration from both Southern and Northern California residents looking for affordable housing and shorter commutes.



2008 through 2011 were difficult years for the Kings County trailed the state due to the relative stability of a large government employment base and less building speculation than in non-metropolitan cities. Over the past several years, new housing starts have increased, and stalled subdivisions have been revitalized. Though Prison Realignment and the prolonged drought had an impact on the county, the housing market has recovered and is moving forward. Should the drought reappear, there could be a substantial negative impact in the future.

Kings County Median Home Prices

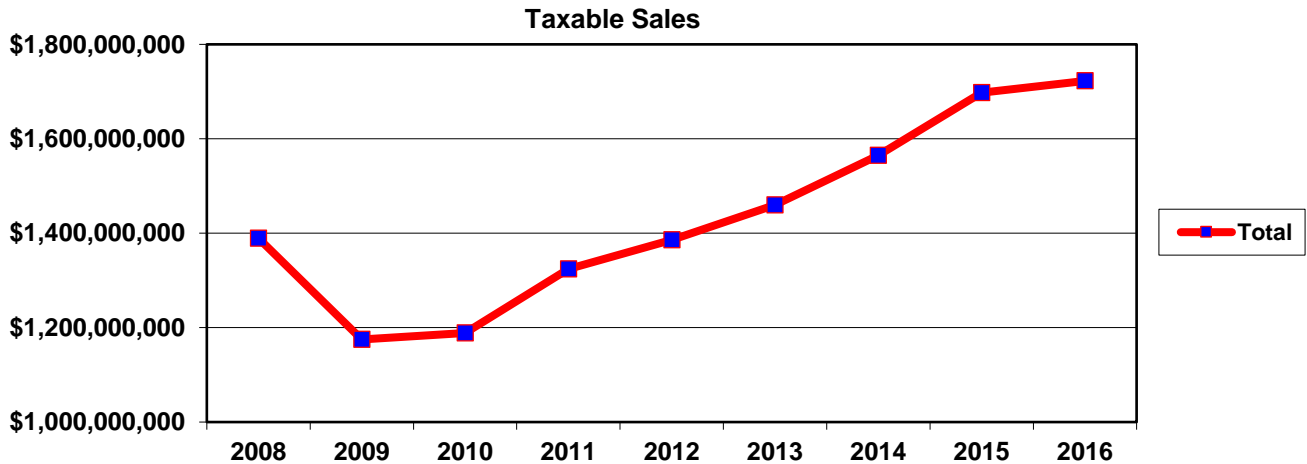
| <u>Year</u> | <u>Price</u> |
|---------------------------|--------------|
| 2011 | \$130,560 |
| 2012 | \$146,000 |
| 2013 | \$154,280 |
| 2014 | \$195,550 |
| 2015 | \$200,000 |
| 2016 | \$215,000 |
| 2017 | \$200,000 |
| 2018 | \$238,000 |
| 2018 California Avg. | \$527,800 |
| 2011 - 2018 Ann. Increase | 7.8% |



Source: California Association of Realtors

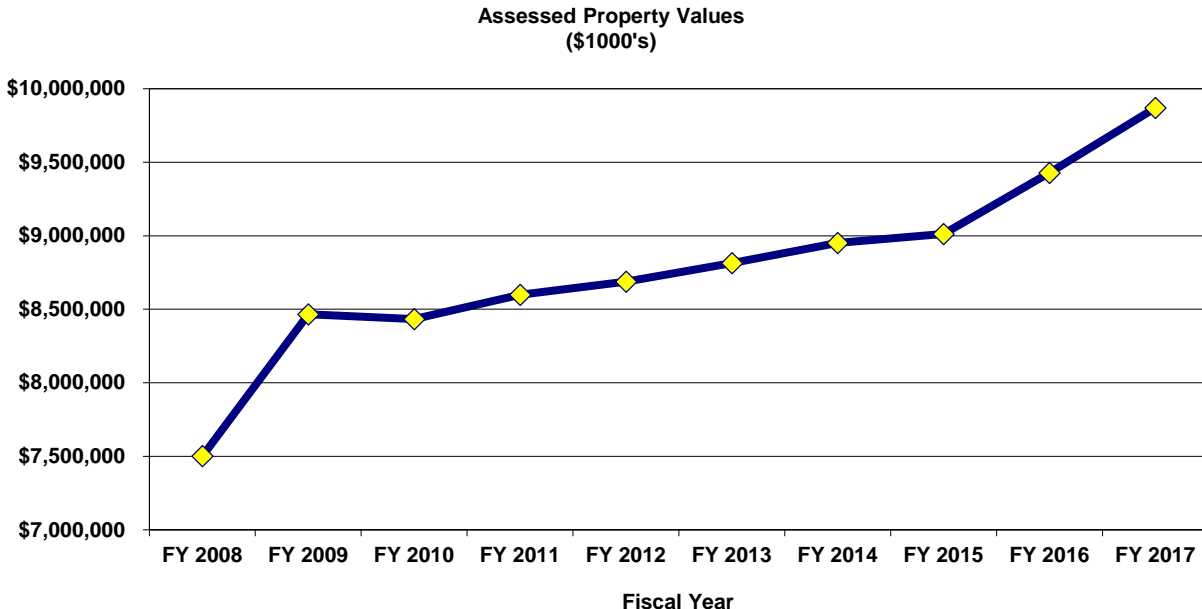
Taxable Sales

Taxable sales declined from \$1.39 billion to \$1.17 billion from 2008 to 2009, a decrease of \$214 million, or 15%, reflecting the decreased spending and discretionary income during the Great Recession. Sales bottomed in 2009. Taxable Sales increased in 2010, as the economy recovered. Sales rose significantly from 2010 to 2015 - by \$500 million, or 43%. Sales tax increased in 2016 by \$25 or 1.5%.



Property Tax Values

Assessed property valuation increased by 32% between Fiscal Years 2008 and 2017, to \$9.9 billion. Property is taxed at just over 1% per year, and only after the homeowner exemption and any other applicable exemptions are applied. Countywide property tax valuation dipped in FY 2010 due to Section 51 reassessments triggered by the steep decline in property values. Every year since FY 2010 has seen an increase. From FY 2010 through FY 2015, increases have been modest. The last two fiscal years have seen accelerated increases due to the positive economic health of the San Joaquin Valley.



Transportation



Kings County is geographically located midway between Los Angeles and San Francisco, with overnight delivery service conveniently available. Burlington Northern & Santa Fe (BNSF) and Union Pacific (UP) Railroads provide freight service, including refrigerated shipping, piggyback service and reciprocal switching. The San Joaquin Valley Railroad provides east-west “short-line” service between the cities of Huron to the west and Visalia to the east. Modern Amtrak passenger stations are located in Hanford and Corcoran. Major transportation corridors include Interstate 5 and

California Highway 198, as well as State Routes 41 and 43 which transverse Kings County. State Highway 99 runs adjacent to Kings County’s eastern boundary. Highway 198 is four lanes from NAS Lemoore to the west through Visalia to the east. Over 200 major freight carriers operate in and around Kings County, providing overnight trucking services that connect throughout California and the United States. Fresno-Yosemite International Airport is 40 minutes from Kings County’s major population centers. Private service is provided at the Hanford, Avenal, and Corcoran Airports, with Hanford offering a 5,200’ runway compatible with private jet aircraft. Los Angeles and San Francisco International Airports are each within a 3½ hour drive. International shipping ports at Los Angeles, Long Beach, Oakland, Stockton (and other smaller ports) serve all of California. California’s High Speed Rail is designed to traverse Kings County north/south just east of the Highway 43 with a projected 2029 operational date. A passenger station is planned for the Highway 198/43 area, east of Hanford.

Utilities

Local utility companies are extremely pro-active in supporting industrial development. Electricity providers Pacific Gas & Electric and Southern California Edison offer design and technical support, rate reduction incentives as well as incentives to encourage energy-efficient new construction and retrofit projects. The Southern California Gas Company provides line allowances, efficiency audits and other incentives, depending on customer size and usage. Numerous utility-scale solar facilities have been developed throughout Kings County, and more are in progress.



In an effort to reduce emissions and to utilize the waste products from dairies, a new industry is emerging, creating natural gas and electrical power from the methane gas created on the dairies at their waste lagoons. This technology is expected to expand in the Valley.

VAST NETWORKS and AT&T have installed the Central Valley fiber optic spine in Kings County to connect the county’s industrial parks, schools and colleges, law enforcement and libraries to the latest in broadband technology.



Naval Air Station Lemoore (NAS Lemoore)

Naval Air Station Lemoore's (NASL) principal mission is to support Strike-Fighter Wing, U.S. Pacific Fleet and its mission to train, man and equip west coast Strike-Fighter squadrons. NASL commissioned July 8, 1961, at a time when its location in California's Central Valley was considered remote. The location was close enough to Navy seaport facilities for logistical support but far enough from population centers to allow for expansion. NASL is the Navy's newest and largest Master Jet Base, with more than 40 tenants involved in aviation. The



The installation boasts two 13,500-foot, offset parallel runways roughly one mile apart. Aircraft parking and maintenance hangars are aligned between these runways. Each runway has arresting gear designed to support tailhook-equipped aircraft, arrested landings, and aborted takeoffs. NASL aircraft operations are typically conducted year round, day and night. Separated from the hangars by underpasses beneath taxiways, the remainder of the air operations area is located directly southeast.

Straddling the county line between Kings and Fresno counties, NASL covers nearly 19,000 acres, about 10,000 acres of which are leased for agricultural uses and help mitigate Bird/Animal Aircraft Strike Hazards, as actively farmed land does not attract rodents, which in-turn attract birds of prey. Additionally, the U.S. Navy holds restrictive use easements over 11,020 acres of privately owned property to its immediate west as well as 57 acres on the western side of the City of Lemoore under its low-level flight path known as the Ground Control Approach Box.

NASL has three operational areas:

- **Air Operations** - Includes the airfield, weapons handling and storage facilities, fuels, aircraft maintenance and aviation storage;
- **Administration** - Contains NASL administrative offices, training schools, public works facilities, emergency services and a water treatment plant; and
- **Housing** - Including K-8 and K-5 grade schools, a Youth Center, single and multi-family homes, several restaurants, Enlisted & Officers clubs, barracks, hospital, gymnasium, shopping mall, equestrian center and other community support facilities.

NASL employs approximately 6,400 military personnel, 1,400 government civilian personnel, and 850 contractors. The installation contains 1,630 single and multi-family residential units of housing that house approximately 2,850 military dependents living on the installation. In support of its bachelor population, the installation has 20 barracks that can accommodate up to 2,000 personnel. The remaining population resides in the communities surrounding NASL and contributes to the population of those communities. Central Union School District operates two schools on base for grades K-8, and accommodating up to 1,600 students. Military dependents attend high school within the surrounding communities.

NAS Lemoore now hosts the Navy's entire West Coast fighter/attack capability. NAS Lemoore was built "from the ground up" as a Master Jet Base, and has several operational advantages, and relatively few operational constraints as a result of its rural location. The primary aircraft based at NAS Lemoore is the F/A-18E/F Super Hornet Strike Fighter. On October 2014, NASL was chosen to home base the F-35C Lightning II Joint Strike Fighter (F-35C). Currently, there are a total of 250 Super Hornets and seven F-35Cs homebased at NAS Lemoore operating from two Fleet Replacement (training) Squadrons, sixteen Fleet (operational) Squadrons and one Search and Rescue Squadron (SAR). By 2028, NASL is slated to be home

to approximately 280 operational aircraft, consisting of ten Super Hornet Squadrons and seven Joint Strike Fighter Squadrons.

Recent Planning Activities

Joint Land Use Study (JLUS):

Spearheaded by the Kings County Association of Governments, NASL participated in a Joint Land Use Study with Fresno County, Kings County, and the City of Lemoore in which land use recommendations were published in 2011 to protect Naval operations. As a result, both Fresno and Kings Counties zoned the areas within 4 and 3 miles respectively of the NASL boundary "Exclusive Agriculture" in order to ensure compatible land uses near areas that are closest to flight operations. The City of Lemoore created an Overlay Zone under the Navy's low-level flight path called the "Ground Control Approach Box" which limits structure heights and require noise mitigation building standards for future incompatible developments such as residential uses. The JLUS was adopted by the stakeholders in 2011.

Naval Air Station Lemoore Master Plan 2030:



NASL, in cooperation with local community input, completed a land use Master Plan in 2014. The process included several community meetings and visioning sessions and resulted in an approved '2030 Plan'. While the Plan is considered a dynamic document, it focused on the need for a walkable NAS community and access to amenities to increase quality of life for active duty military and their dependents. Additionally, to accommodate the needs of the Joint Strike Fighter, emphasis was placed on the specific facilities requirements of the asset, including upgrades and modifications to hangars, additional infrastructure and

utilities improvements, as well as a new simulator training facility.

City of Avenal

Avenal, incorporated September 18, 1979, is located 180 miles north of Los Angeles, 200 miles south of both San Francisco and Sacramento, and 58 miles south of Fresno. Avenal is the smallest and most remote of Kings County's incorporated cities. Unique to Avenal is the state prison, which houses 4,321 inmates in a prison that was designed for 2,920 prisoners. Department of Finance data for Avenal lists 2017 population as 13,053, which includes state prisoners.



Over 25% of Avenal's families live at or below the poverty level. Avenal is challenged with an unemployment rate that has reached 21%. Approximately 80% of Avenal's population is Hispanic. The primary industries within a five-mile radius of Avenal are agriculture and government (Corrections). Many other local businesses are directly or indirectly dependent upon agriculture such as construction, manufacturing, transportation, wholesale, and retail. Therefore, Avenal's economy is significantly reliant upon agriculture. Paramount Farms is Avenal's major agricultural employer.

In addition to a recently reconstructed Avenal Theater, which was originally built in 1935, Avenal has permitted two utility-scale solar projects, which are currently under development. The Avenal Solar Generating Facility, a 45 MW project which was completed in 2011, is just outside of the city limits and within Kings County.

Another bright spot in Avenal's economy is a rise in new business activity among local entrepreneurs.

Business license issuance remains steady. City Hall is working to facilitate local entrepreneurial development, partially driven by the distance to formal business startup training. Housing development is expected to gain momentum in Avenal.



Factors affecting Avenal's Economic Performance

- ◆ Avenal is pursuing opportunities to develop the 300 acres in the city limits zoned for General Industrial, located directly adjacent to Interstate 5. Historical land prices have ranged from \$8,000 to \$10,000 per acre, and have been steadily increasing over much of the County. The Hillcrest Travel Plaza, just across the county line in Fresno County, provides many jobs for the city's residents. Avenal is actively seeking a fast food restaurant. Drainage is good, subsoil is sandy loam and piling is not required. The sizes of water mains are six inches and sewage is handled by on-site leach fields and septic systems. Several parcels are available.
- ◆ Domestic water for the city is drawn from the U.S. Bureau of Reclamation operated California Aqueduct, and is treated and pumped over foothills and into the city. The cost and uncertainty of this source of water during drought times has the potential to disrupt Avenal's economy. Construction of two one million gallon water tanks has been completed with EDA assistance to serve industrial land on the valley side of the city. Avenal's wastewater treatment plant is modern and has adequate capacity. Pacific Gas & Electric provides electricity to the city.



Challenges:

- ◆ The loss of Westland's Water District irrigation water and productive land has negatively impacted Avenal's agricultural sector.
- ◆ With the major employer within the city being government (State, City, County, schools, etc.), downturns in the economy are compounded in Avenal's economy.
- ◆ As with other cities with small populations, Avenal struggles with providing health care. Its hospital has been closed for several years.
- ◆ A lack of public infrastructure for industrially zoned land will be an impediment to diversify their economy.
- ◆ A positive factor for Avenal's economy is the availability and price of land.

City of Corcoran

Corcoran's early history can be traced back to the railroad, serving as a junction for the San Francisco and San Joaquin Valley railroads at the turn of the century. Named after General Corcoran, a San Joaquin Valley pioneer who operated a steamboat between Stockton and Tulare Lake, Corcoran was incorporated August 14, 1914. Located on California Highway 43, 178 miles north of Los Angeles, 230 miles south of San Francisco and Sacramento, Corcoran is the second largest city in Kings County.



Corcoran city limits total 5.8 square miles. With a population of 21,560, Corcoran's figures include 8,690 prison inmates located at two state prison facilities. Corcoran is positioned approximately 30 miles from Interstate 5 and twenty miles from State Highway 99, the Central Valley's two most traveled north/south routes.

Corcoran experiences high unemployment like most cities in Kings County, with an unemployment rate often exceeding 23%. Located in what was the Tulare Lake basin, the most fertile agricultural region in the world, Corcoran's employment base is predominantly directly or indirectly related to agriculture.

The largest private employers of local residents are the J.G. Boswell Company, Camfil Company, Virtus Nutrition, Sawtelle & Rosprim, and Mid-State Precast. However, the largest employer in Corcoran is the California State Prison system, which includes a Regional Accounting Office, a Substance Abuse Facility, and a maximum level State Prison, collectively employing approximately 4,300 individuals. While the prison system employs a good number of local residents, the majority of employees commute from a 50-mile radius.

There are approximately 320 acres in the city limits zoned for light and heavy industry where available parcels range in size from 1 to 23 acres. Included in this acreage total are two industrial parks. Prior sales prices have ranged from \$10,000 to over \$40,000 per acre. The terrain is level. Drainage is good, subsoil is sandy loam and piling is not required. Sizes of water mains range from 6 to 12 inches. There are several additional industrial parcels available within five miles of the city. Several sites are served by the BNSF Railway with rail spurs, Highway 43, and utilities.



Corcoran's current sewer capacity is 1.8 million gallons per day. The average flow is 1.3 million gallons per day. Industrial sewer service charges are based on strengths and/or water quantities. Sewer lines range from 8 to 12 inches.

Housing in Corcoran is very reasonable in today's market. Rentals for one and two bedroom apartments and duplexes range from \$700 - \$950 per month. Typical prices of homes range from \$100,000 to \$200,000. There are three mobile home parks and three motels with 57 total rooms in the city. The City provides both water and sewer services and has adequate capacity to meet current community and industrial needs. There are no utility taxes levied by the City of Corcoran.

Factors affecting Corcoran's Economic Performance



♦ The City of Corcoran offers no-interest loans to residents of the community for the purchase or rehabilitation of property within the city limits of Corcoran. A qualified applicant must be at or below 80% of California's median income. The types of housing programs offered by the City are Housing Rehabilitation, Health and Safety Grants, and a First Time Home Buyer Program. The City also offers a paint program to homeowners of the community who meet Program criteria to improve the quality of the neighborhoods. The types of paint programs offered by the City are a City Paint Program and City Senior / Handicapped Paint Program. The California Department of Corrections has considered consolidating the functions of the State Prison General

Accounting Offices to the Sacramento area, which would displace approximately 40 employees at the Corcoran facility. However, through negotiations, the facility remains open these several years later.

- ♦ The City of Corcoran through a grant provided by the Department of Housing and Community Development offered commercial property owners located in the Redevelopment Project Area grants totaling up to \$1.3 million for façade improvements (i.e. paint, signage, windows, awnings, etc.) This program was a great success and has had a significant impact on downtown business.

City of Hanford

The City of Hanford, originally settled by the Southern Pacific Railroad, was incorporated in 1891 and quickly grew to become one of the bustling cities of the West. Established as the county seat for Kings County, Hanford had a 2017 population of 58,176, and has experienced a recent annual population growth rate of approximately 1% per year.



Hanford had a diverse population comprised of the following ethnic groups: white (39.1%), Hispanic (49.3%), Asian (4.7%) and black (4.2%). The latest information indicates 80.8% of adults over the age of 25 have their high school diplomas, 18.8% hold Bachelors Degrees, and 5.7% have graduate degrees. Hanford's numbers are higher than County averages. Hanford enjoys a median household income of \$53,986, and is the county seat.

Hanford's 2017 average unemployment rate was 9.0%, with an average of 2,200 of its residents not working throughout the year. Skilled, semi-skilled and unskilled labor is abundant in the City of Hanford. The area's economy is primarily agricultural in nature. The agricultural season ebbs after the harvest that occurs around October and November.

Located fourteen miles west of Hanford is Naval Air Station Lemoore offering a great opportunity for quality labor.

The City of Hanford is basically flat with a gentle slope to the southwest. Several manmade and natural drainage ditches traverse the city. Naturally occurring vegetation and wildlife have recreational, educational and aesthetic value to the entire community. Hanford is substantially surrounded by improved farmland and very little of the native habitat remains undisturbed around the city.

Drinking water and wastewater treatment services are provided by the City of Hanford. Southern California Edison provides electricity in the majority of the city, with Pacific Gas & Electric Company supplying the southern portion of the city and the industrial park. AT&T provides telephone services that include fiber optic and all other necessary high-technology services. Many cellular and long-distance services are available as well. Southern California Gas Company provides natural gas service and Comcast provides cable television service. Vast Networks has installed the Central Valley fiber optic spine which passes through Hanford providing broadband services.

AMTRAK passenger trains connect Hanford and the Central Valley to the rest of California and the United States. Public transportation is available through the Kings Area Rural Transit. In addition, the BNSF Railway and San Joaquin Valley Railroad (SJVR) transverse the City for freight shipping. Hanford has adopted a comprehensive bicycle and pedestrian circulation plan.



The majority of the manufacturers in the City of Hanford are located in the Kings Industrial Park. This 1,000-acre development is fully serviced with all infrastructure and utilities in place, with lots ranging from 3 acres to 92 acres.

MAJOR EMPLOYERS IN THE CITY OF HANFORD

| EMPLOYER NAME | BUSINESS | NO. OF EMP'S | UNIONIZED |
|---|---|---------------------------|------------------|
| KINGS COUNTY | County Government | 1,293 | YES |
| ADVENTIST HEALTH | Health Care | 2,200 | NO |
| HANFORD ELEMENTARY SCHOOL DISTRICT | School District | 520 | YES |
| DEL MONTE FOODS (COUNTY) | Tomato Processing | 435 F/T 1,200 seasonal | YES |
| WALMART SUPER CENTER | Discount Retailer/Grocery Store | 550 | NO |
| MARQUEZ BROS./EL MEXICANO BRAND | Hispanic Cheese & Dairy Product Manufacturing | 325 | NO |
| HANFORD HIGH SCHOOL DISTRICT | School District | 274 | YES |
| CITY OF HANFORD | Municipality | 231 | YES |
| TC TRANSCONTINENTAL | Flexible Packaging/Multiwall Manu. | 195 | NO |
| KINGS COMMUNITY ACTION ORG. | Community Service | 138 | NO |
| FRY'S ELECTRONICS WHSE | Return-to-Vendor Warehouse | 135 | NO |
| MCLELLAN EQUIPMENT | Heavy Equipment Manufacturer | 80 | NO |
| FARADAY FUTURE | Automobile Assembly Plant | 60 | NO |
| WALMART DISTRIBUTION | Warehouse and Distribution Facility | 67 | NO |
| KINGS REHABILITATION CTR | Sheltered workshop / contracted services | 55 | NO |
| TESSENDERLO KERLEY INC. | Sulfur-based Fertilizer Manufacturer | 30 | NO |
| PITMAN FAMILY FARMS | Poultry Feed Manufacturer | 25 | NO |

The BNSF railroad runs north to south through the park. There are approximately 1,700 employees in the Kings Industrial Park during the peak employment period. The major employers in the city are shown in the table above.

The business climate is bright in the City of Hanford. Many programs exist to attract new businesses and to aid in the success of the existing ones, including affordable financing. The City of Hanford has a City Wide and Downtown Business Loan Programs.

The Retail Sales tax in the City is 7.25%. The property tax for industrial properties is 1.108681%. There is no utility tax.



The Land Use Element of the Hanford General Plan describes existing and proposed land use patterns for the City. The plan assumes a 2.8% growth rate. The City is established with commercial nodes throughout the residential areas. Industrial land is located south of Houston Avenue.

The City of Hanford has several housing programs for residents. These include first-time homebuyer loan programs, housing rehabilitation programs, the New Looks Paint Program, and a Do-It-Yourself Paint Program.



opportunities to complete AA degrees. The College of the Sequoias has academic and vocational training facilities. In addition, four 4-year and advanced degree universities with approximately 20,000 students are present within a 35-mile radius of the City of Hanford. These include California State University Fresno, with limited bachelor and masters programs offered in Hanford, Brandman University in Hanford and at NAS Lemoore, Columbia College, Fresno Pacific in Hanford and NAS Lemoore, and Embry-Riddle Aeronautical University at NAS Lemoore.



Education is a priority in the City of Hanford. The City is served by 16 public and private elementary schools, three junior high schools, and three high schools, with a total of 8,785 K-8 students and 3,656 high school students. Opportunities abound for adult education as well. The College of the Sequoias Hanford Center and West Hills College Lemoore, two community college campuses with 14,500 students, offer students





The Adventist Medical Center campus continues to grow. In addition to its 144 bed hospital and the adjoining three-story, 60,000 s.f. medical plaza is the new 49,000 s.f. Family Birth Center with its 11 private labor & delivery rooms, 2 surgery suites, and the 6-bed neonatal ICU operated by Valley Children's Healthcare. Adjacent is the Sequoia Regional Cancer Center, providing oncology services to area residents.



The new, four-story Kings County Superior Court building provides court services for all of Kings County. Adjacent to the new court is the new Kings County jail and supporting infrastructure.

City of Lemoore

Lemoore, incorporated July 11, 1900, was named for Dr. Lee Moore, a pioneer who took the first steps to organize the community with their first post office. Lemoore is equidistant from both the Los Angeles and San Francisco metropolitan areas. Positioned at the crossroads of Highway 198 and 41, the city has direct access to Interstate 5 and Highway 99, which are both approximately 25 miles away.



Lemoore has a 2018 population count of 25,892 and a 9.1% unemployment rate, and boasts a strong relationship with Naval Air Station Lemoore as their good neighbor. The air station is the Navy's largest and only west coast Master Jet Base, honorably home to the Strike Fighter Wing, Pacific, which continues to expand with additional F/A -18 squadrons and the new F-35C Joint Strike

Fighter coming soon. The air station also supplies the local economy with a stable and well educated labor force from military dependents and retirees, which stimulates anticipated growth throughout the city.



Home to West Hills Community College, an Accredited Junior College, the Lemoore Campus has approximately 6,450 students in attendance. The college opened their new campus with a library, administration building and classroom building in January 2002. Fast forward to today, the campus now consists of 13 instructional buildings, an early childhood learning center, a 55,000 s.f. two-story Golden Eagle Arena, and the most recent addition, a 23,000 s.f. Student Union building opened in 2017. Consistent and sustained growth has allowed them to continue to expand and future facilities needs have been identified.

Lemoore's rail connection to the Union Pacific Railroad freight service is provided through the San Joaquin Valley Railroad for freight cars up to 286,000 lbs. An AMTRAK passenger station is located eight miles away at the Hanford Station. Several inter- and intrastate trucking companies, and local contract haulers serve Lemoore with overnight delivery to Los Angeles and San Francisco. Overnight

ground service is guaranteed by UPS to Los Angeles and San Francisco. Fresno-Yosemite (FYI) International Airport is within 35 miles of Lemoore and provides both freight and passenger service.

Lemoore also has access to Hanford's Municipal Airport with its 5,600 foot runway, less than 10 miles away. Kings Area Rural Transit (KART) has daily commuter service to and around Lemoore connecting people to every community within Kings County.

There are two industrial parks within the city limits zoned for commercial and industrial development. Both parks are within the Recycling Market Development Zone, and the SBA HUBZone.

The Lemoore Industrial Park is located at the crossroads of Highways 41 and 198 with easy access to both. The Park consists of approximately 400 acres of improved and unimproved land. Parcels from 1 to 195 acres are available. Approximately 100 acres are owned by the City of Lemoore. Sales prices range from \$10,000 to \$65,000 per acre. The terrain is flat, drainage is good, subsoil is sandy loam and piling is not required. The property is served by 12-inch water mains. Sewer lines range in size from 6-15 inches.

The 240-acre Kings River Business & Industry Park is located west of Highway 41 adjacent to the San Joaquin Valley Railroad. Approximately 150 acres are available for development. Sites with rail access are still available. The City was awarded an EDA grant to construct streets, install water and sewer lines and increase capacity at the wastewater treatment plant to accommodate additional industrial businesses.

The City owns and maintains its own water and wastewater infrastructure. The potable water capacity is 19.15 mgd and use varies from 3.5 mgd during winter months to 11.5 mgd during the

summer. Residential charges are \$1.10 per 100 cubic feet with an additional flat fee of \$17.00 per month. Commercial charges are \$1.63 per 100 cubic feet with an additional flat fee ranging from \$179.00 to \$2,571 per month based on meter size. Industrial charges are \$1.63 per 100 cubic feet with the same additional flat fees as commercial based on meter size. Fees for new industrial construction are based on flow volumes.

The wastewater treatment facility is an aerated lagoon system with a flow capacity of approximately 5 mgd. The current flow is just under 4.2 mgd. Wastewater treatment capacity is available for commercial and small industrial users. Large industrial users pretreat their wastewater prior to discharging into the city's system. Commercial sewer service charge is calculated using a formula based on residential equivalents and industrial use is based on loading and volume. Load and flow in excess of the allowable limits incurs a surcharge.

Storm drain master plans are adopted for all parts of the City and impact fees are calculated on a per acre basis.



Lemoore's major employers include:

| <u>Company</u> | <u>Number of employees</u> | <u>Product</u> |
|---------------------------------|-----------------------------------|-----------------------|
| The Tachi Palace Hotel & Casino | 1,500 | Hotel & Gaming |
| Naval Air Station Lemoore | 1,100 civilians | Military Facility |
| Leprino Foods Lemoore West | 1,040 | Mozzarella Cheese |
| Olam Tomato Processors | 700 seasonal/300 permanent | Tomato - Diced/Paste |
| West Hills College Lemoore | 326 | Community College |
| Leprino Foods Lemoore East | 309 | Mozzarella Cheese |
| Save Mart Supermarkets | 120 | Retail Foods |
| K-Mart | 110 | Retail Sundries |
| Agusa | 37 | Tomato Powder |
| Best Buy Market | 30 | Retail Foods |
| Lemoore Stadium Cinemas | 30 | Movie Theatre |
| PG&E | 23 | Electric Utility |
| Vineyard Inn Restaurant | 20 | Restaurant |
| Best Western Inn & Suites | 16 | Motel |
| Cemex | 15 | Concrete |
| Motel 6 | 11 | Motel |
| Days Inn | 10 | Motel |

The housing market for Lemoore is in high demand. Average apartment rentals range from \$785 for a studio to \$1,100 for a three bedroom unit. Several income based apartment units are also available to those who qualify. Home rentals range from \$850 to \$1800 a month depending on number of bedrooms and bathrooms. The median home value is \$189,100. There are four mobile home parks and three motels offering 203 total rooms in the Lemoore area.

Lemoore has a strong police force dedicated to the well-being and safety of the community. Through several community oriented programs, such as POP (Police Oriented Policing), Explorers (a program for the youth), PAL (Police Activities League), and several community outreach events, such as Red Ribbon Week, National Night Out, and Presents on Patrol, Lemoore PD has not only consistently decreased crime rates the last three years, but has improved the lives of the citizens of Lemoore.

Recreation in Lemoore consists of an 18-hole golf course, five City

parks, two baseball & softball parks, a soccer complex, five playgrounds, youth and adult wrestling, boxing and basketball leagues, tennis courts, a skate park, a paintball facility, a skeet field, and a midget race track. Lemoore has a large recreational facility that houses an indoor soccer field, as well as approximately 90 programs and events geared towards everyone ranging from small children to seniors



every year. There are numerous adult, youth and senior citizen activity clubs and civic organizations established in Lemoore as well. Being centrally located, fishing and hunting opportunities are nearby and the Sierra Nevada Mountains and the beaches of the Pacific Coast are both within a two-hour drive.

Economic Overview and Targeted Industries for Kings County

The challenges of the recent international recession have not escaped Kings County. With government and agriculture as our economy's foundation, our entrée into and out of recessions are equally slow. While that implies stability, it also reflects the fact that ag-based economies rarely participate in the highs and lows of economic cycles.

Food processing is leading the manufacturing sector. This industry is obviously impacted directly by water availability. Over the past decade, delivery of federal project water has ranged from 0% to 100%, making long term planning problematic. Due to the impacts of the drought, the delivery of federally-controlled surface water for agricultural purposes to farmers in western Kings County has varied dramatically on an annual basis, making cropping decisions and costs of keeping permanent crops alive uncertain, at best. For the past five years, Agricultural water users contracting for Central Valley Project water have received 0% two years, 5% one year, 20% one year, and could receive as much as 40% of their allocation in 2018, according to data available at this writing. The uncertainty of allocations of actual water, where users are charged for rights to that water – whether any is delivered or not – is crippling to farmers on Kings County's west side. Massive acres have been fallowed to keep permanent plantings (trees) alive during this protracted lean time. It has been broadly speculated by growers, processors and agricultural support organizations that continued drought conditions will result in further reduced planted acres, yields, employees, services, etc. Fewer planted acres results in a decreased need for labor, lower profits, etc., which ripple to all economic sectors. Communities such as Avenal, which depend on the Central Valley Project for Municipal and Industrial water are crippled by reduced delivery allocations, requiring them to put dramatic water rationing measures in place, and importing other sources of water at high prices. Domestic and farm wells have been rendered useless, as groundwater levels drop below the limits of these wells – dictating expensive lowering of wells precisely when their ability to pay that price is at its lowest level.



High commodity prices driven by the global demand for cotton, nuts, tree fruit, and other commodities, coupled with the reduced production due to low water supplies will soften the economic impact of the drought, but cannot prevent its catastrophic effects if the drought continues – impacting the availability of surface water for agriculture. Government officials are striving to prevent the sale of surface water to buyers outside the county. Another area of significant commodity price swings is in milk, Kings County's highest valued agricultural commodity. Cropping patterns and the stress on milk pricing has dramatically reduced the number of acres devoted to cattle feed, requiring local dairy farmers to import grain from longer distances, and at a higher price – further minimizing profitability.

The largest sector of Kings County's economy is government employment. A threat to this sector is Realignment, the State program which reduces the prison population by releasing inmates from State correctional facilities (There are three State Prisons in Kings County) and restricting the crimes for which persons are sentenced to state prison. Realignment has resulted in reduced staffing at Kings County's three

prisons. Kings County's population declined by nearly 1,000 residents, driven by the early release of state prisoners formerly claimed as residents of Corcoran and Avenal.

Thanks to infrastructure investment by Kings County's incorporated cities and EDA, there is developed industrial land available in Hanford, Lemoore and Corcoran. Avenal's industrial base will likely not expand without further infrastructure development in their industrially zoned land along Interstate 5.

This Comprehensive Economic Development Strategy posits that Kings County will have the best chance of adding value to our residents and their quality of life by adding to our competitiveness in attracting high wage jobs. New and additional employment will require additional public infrastructure, which is costly, and a fundamental requirement to development. On the retail and services aspects of the economy, public infrastructure helps to attract retail businesses to our smaller communities, thereby allowing them to capture the sales tax dollars leaking to other communities. Ultimately, those tax revenues can be used to attract high wage, high demand jobs in our targeted industries. Increasing training and educational opportunities continues to be a high priority for the region.

The economic vision for Kings County is to achieve employment growth in high wage/high growth industries in fulltime, year-round employment and to prepare the local workforce to fill these jobs. The Kings EDC is an active participant in regional EDC and Workforce Development Board (WDB) organizations. The targeted industries for the region include **Agriculture, Energy, Health and Wellness, Logistics, Manufacturing, Water Technology and Public Sector Infrastructure (Construction)**. These industry clusters have been accepted by regional WDB's, EDC's, Community Colleges, Universities and other regional organizations. The California Partnership for the San Joaquin Valley is the regional organization that tracks progress on the attraction and retention of jobs in the targeted industries. Through its association with the Kings County WIB, the EDC is immersed in local and regional workforce development grants in the targeted industries.



Kings County holds a slight competitive advantage over other similar areas in the Central Valley in its affordable industrial land. More common is a trained workforce and an excellent and an affordable quality of life. Industrial land affordability has been maintained through the coordination of Kings County's cities and Kings EDC to assemble and market industrial land. There will come a point in 10+ years where private developers will likely take over that role.

SWOT Analysis

Strengths

1. Central location in California
2. Positioned in the center of one of California's fastest growing regions
3. Equidistant to the Bay Area and Southern California population centers and California's major ports
4. Located between California's two major north-south freeways - Interstate 5 and State Highway 99
5. Served by significant east-west highway SR 198 and north-south interior highways SR's 41 and 43
6. Lower transportation costs due to excellent freight turnaround logistics stemming from central location between the Bay Area and Southern CA on Interstate 5
7. Affordable Development property and existing buildings
8. Available large industrial parcels with rail access
9. Labor cost affordable relative to most of California
10. Housing costs affordable relative to most of California
11. Abundant labor pool
12. Employment and economy are historically stable/predictable due to significant government employment (Dept. of Corrections & Rehabilitation and U.S. Navy) as well as the agriculture industry
13. Seismically stable area of California
14. Moderate average temperatures - No weather extremes
15. Naval Air Station Lemoore retirees and spouses contribute to a highly skilled workforce
16. Substantial concentration of supportive businesses and services to agribusiness
17. Climate conducive to diverse agriculture; 250 types of crops produced in the Valley
18. Kings County ranks in the Top 10 counties nationwide for total ag commodity values
19. Cost of "doing business" in the San Joaquin Valley is typically less than competing regions within California
20. Served by two community colleges within the county
21. Outstanding medical facilities with large investments made in facilities and staffing
22. Excellent access to the ocean, mountains, lakes, national parks and other recreation/tourism attractions
23. Culturally diverse
24. Multitude of economic development resources including:
 - A. California Central Valley EDC
 - B. California Association for Local Economic Development
 - C. Central California Workforce Collaborative
 - D. Central California Welfare Directors Organization
 - E. Local and regional Community College organizations
 - F. California State University, Fresno & their Office of Community & Economic Development
 - G. California Partnership for the San Joaquin Valley
 - H. Adult Basic Education Consortia serving Kings County
 - I. Organized Labor
 - J. California Department of Industrial Relations, Division of Apprenticeship Standards
 - K. Local K-12 school districts
 - L. Innovate Tulare-Kings, an effort to provide relevant and academy-based instruction in demand occupations for high school-aged students
 - M. Kings County Industrial Managers Group
 - N. Kings County Economic Development Corporation's Board of Directors
 - O. Kings County Workforce Development Board

Weaknesses

1. Workforce lacks high level technical skills
2. Low relative educational attainment
3. Industrial zones are not located on major transportation thoroughfares - Interstate 5 or CA-99
4. Large parcels of industrial land (hundreds of acres) are not immediately developable due to contracts under the Williamson Act or Farmland Security Act
5. A lack of industrial buildings available for sale
6. Summer temperatures are high for some sensitive processes or products
7. Water shortages/droughts can have negative effects on agriculture and the overall economy
8. The Highway 198 connection between Interstate 5 and CA-99 is a two lane rural highway west of NAS Lemoore
9. Cost of “doing business” in California is typically greater than competing states (Cap and Trade, utility costs, greenhouse gas and waste water regulations)
10. Generous state mandated sick time requirement
11. Generous overtime regulations
12. Generous FMLA policies including paid disability for FMLA equate to protected leave taken at significantly higher rates and costs than other states. High level of HIPAA protection impairs employers from actively managing protected leave
13. Poor air quality basin vis-a-vis state and federal standards, requiring strict regulations and costly mitigations
14. Stated assumption by out of area business and site selectors that our region lacks the sophistication and amenities to attract business; including the perception California is not ‘business friendly’
15. High concentration of persons living at or below the poverty level
16. Relatively high county and regional unemployment rates
17. Few regional or national headquarters in county or the region
21. Due to current population and median household incomes, national retailers who are currently in larger markets, i.e. Visalia, Fresno are hesitant to consider Kings County in their expansion plans
22. Current zoning restrictions prohibiting businesses that specifically want to open at Mall or in regional commercial zone, i.e. furniture, optometry, professional offices
23. Higher insurance rates for local businesses due to proximity of fire departments

Opportunities

1. Can accommodate projects with large parcel and facility requirements
2. Large companies have taken a great interest in the county due to its central location and available land and building resources
3. Community and private colleges are training residents in industrial courses for employment in industrial businesses
4. Naval Air Station Lemoore is expanding and has a long-term growth plan including housing and facilities construction
5. Naval Air Station Lemoore has received the F-35C Joint Strike Fighter and a carrier air wing from Naval Air Station Oceana in Virginia, increasing defense department jobs by 10%
6. Employment stable at Department of Corrections & Rehabilitation facilities in the county and the region
7. Agriculture adjusting to limited water through new irrigation technologies and soil treatments
8. Agriculture converting from low value crops to high value nuts, tree fruit, and grapes
9. Science is leading to greater crop yields, requiring less land and water
10. Significant wealth base across ag production ownership at family level looking for opportunities to

diversify or vertically integrate contributing to economic investment

11. County will play a major roll in California's drive toward renewable energy through numerous grid-level solar farms
12. Oil & gas companies have an interest in previously unexplored reserves under the Valley floor
13. Development of a High Speed Rail passenger station just northeast of the intersection of Highways 198 and 43
18. Potential for development of High Speed Rail Heavy Maintenance or similar facility

Threats

1. Economic recovery in the Central Valley continues to lag behind CA and the Nation
2. Municipal, industrial, and ag water continue to be in short supply; having a dramatic impact on communities, agriculture and industrial development
3. Sale of surface water to buyers outside the county
4. Treatment of irrigation and industrial water continues to be problematic
5. Air quality targets are increasingly restrictive, pushing the burden of mitigation to business and citizens
6. California's alternative energy portfolio requirements continues to increase the costs of generating electrical power
7. Prevailing and minimum wage laws continue to challenge California's competitiveness among other states in attracting new jobs
8. California laws and policies continue to present business with cost and competitiveness consequences
9. High concentration of state prisons and mental hospitals - Changes in policy, environmental or funding issues could result in dramatic impacts to a core economic driver
9. Possibility of future military downsizing, which could affect NAS Lemoore
10. Over-regulation of groundwater

TAKEAWAYS FROM SWOT ANALYSIS

STRENGTHS

The strengths of Kings County can be observed in three major categories: Geography, Cost of Doing Business, and Industry Mix.

The San Joaquin Valley, also known as the Central Valley, is a unique region in California, with a strong agriculturally-based economy vital to the entire state...and country; a major connection to the extremely developed Bay Area and the Los Angeles Basin; and one of the largest economic regions in California. Despite these facts, many California citizens have little knowledge or regard for the region. As the smallest, least populated county in the Central Valley, Kings County struggles with visibility in a state that dotes on its two major population centers.

Geographically

Kings County is centrally located in and marketed as “The Heart of California”. Flanked by Interstate 5 to the west and CA-99 to the east, Kings is equidistant to the Bay Area and the Los Angeles Basin. East-West recreation destinations of the scenic Central California coast and the Sierra’s national parks are both less than two hours to County residents. An advantage the Central Valley has over much of California is seismic stability, with a rating of 0.4 on the Earthquake Index. The agricultural output of the Valley is irrigated by a great network of canals and reservoirs filled by the waters of the Sierra’s springs and snow melt. The climate dynamics of the Central Valley are driven by the two mountain ranges and the cold Pacific Ocean, providing the summer’s warmth and the winter’s cold.

- Centrally located in California
- Central to one of California’s fastest growing regions
- Equidistant to the Bay Area and Southern California population centers and California’s major ports
- Located between California’s two major north-south freeways - Interstate 5 and CA-99
- Served by significant east-west highway SR 198 and north-south interior highways SR’s 41 and 43
- Lower transportation costs due to the excellent turnaround location on Interstate 5
- Seismically stable area of California
- Excellent access to the ocean, mountains, lakes, national parks and other recreation/tourism attractions.

The **Cost of Doing Business** in Kings County and the region is very competitive when compared to most of California. The cost of industrial land in Kings County averages roughly \$40,000 per acre where in most of California outside of the Central Valley, the cost per acre of industrial land starts at twice that amount, and increases dramatically. Labor costs in Kings County trail much of California due to a lower cost of living and an unemployment rate roughly 150% of that of California’s average. Transportation costs in both dollars and time are much lower in Kings County and the region due to excellent highway infrastructure and the lack of intense traffic. Electric utilities have created rate discount programs as an inducement for qualifying businesses to locate and expand. The economics in Kings County allow its businesses to qualify for these “Economic Development Rates.”

- Lower transportation costs due to strategic turnaround location on Interstate 5

- Affordable development property and existing buildings
- Available large industrial parcels with rail access
- Labor costs affordable relative to most of California
- Housing costs affordable relative to most of California
- Abundant labor pool

Our **Industry Mix** is typical of a diverse economy, with two major exceptions. The first is Agriculture, contributing to 17% of county employment. Of the Top Ten California counties based on agricultural production, seven of the counties are in the San Joaquin Valley; Kings County is ranked number ten. Because Kings County's agriculture is a diverse mix of tree fruit, nuts, dairy, cotton, tomatoes, grapes, silage and other commodities, the total cropping mix allows its agricultural outputs to flex with international trends and appetites for our California Grown products with minimal disruptions. Employment rises and falls in a predictable cycle, mirroring agriculture's seasonal workforce requirements.

The second major exception is Government employment, which contributes 32% of county employment. In addition to jobs found in typical local government agencies, Kings County also has significant employment resulting from Naval Air Station Lemoore and three state prisons. Naval Air Station Lemoore is home to the largest tactical naval air station in the country, with 17 squadrons of West Coast carrier-based F/A-18 Super Hornets; and has begun receiving the Navy's newest tactical aircraft, the F-35C Joint Strike Fighter. The viability of NAS Lemoore should continue well into the foreseeable future. The State of California has made a large investment in Kings County as well, constructing and operating three state prisons, with a total employment of just over 4,400 personnel. Though there have been recent efforts to reduce California's inmate population, it appears those efforts have stabilized. In fact, California Department of Corrections and Rehabilitation announced a drive to hire 7,000 new prison guards.

- Employment and economy are historically stable/predictable due to significant government employment (State Corrections and U.S. Navy) as well as the agriculture industry
- Naval Air Station Lemoore retirees and spouses contribute to a highly skilled workforce
- Substantial concentration of supportive businesses and services to agribusiness
- Climate conducive to diverse agriculture; 250 types of crops produced in the Valley
- In the Top 10 of counties nationwide for total ag sales; California is the nation's top ag state
- Served by two community colleges within the county
- Outstanding medical facilities with large investments made in facilities and staffing

WEAKNESSES

Kings County, like the balance of the Central Valley, suffers from a **demographic profile** that exhibits a high level of poverty and low educational attainment. Poverty and high unemployment rates are reflective of low educational attainment in a region. The county's persistent high unemployment reflects that tenant. For the period 1996-2016, only three years had a single digit annual unemployment rate. The 2017 annual average again broke the double-digit trend, with 8.9%. Educational attainment is another point of weakness in Kings County and the region. For Academic Year 2016-2017, Kings County's percentage of high school graduates who completed courses required for UC and CSU entrance averaged 34% of students - compared to California's 47%. Birth rates projected for Kings County are forecasted to exceed

the State's by 15% to 25% over the next few years. Kings County is a relatively young county with a median age of 30.9 years versus the State's median age of 36.0 years.

- High concentration of persons living at or below the poverty level
- High county and regional unemployment
- Low relative educational attainment
- Due to current population and median household incomes, national retailers who are currently in larger markets, i.e. Visalia and Fresno are hesitant to consider Kings County communities in their expansion plans
- The **California Effect**, which is the perception (right or wrong), that California is a high-cost, unfriendly-to-business state. This perception is developed from multiple factors, such as:
 - a. Extreme environmental activism
 - b. High energy costs
 - c. High taxes
 - d. High cost of living
 - e. High cost of workers compensation insurance
 - f. High property costs
 - g. High minimum wage
 - h. High cost of personal leave laws

The process of recruiting businesses from beyond California borders is difficult because California's reputation is well established in corporate boardrooms and the halls of corporate real estate site selector firms. When California's reputation is combined with the fact that few in the site selector community are familiar with the San Joaquin Valley - in particular Kings County - the path to attract top businesses to the county is uphill. For business retention, California businesses are keenly aware of the State's shortcomings and look for greener pastures in competing states when a California location is not dictated by proximity to raw materials or some other driver.

The **industrial challenges** Kings County manufacturers and distributors face are many. In addition to the ever-growing list of California impacts, local challenges are significant as well. Kings County's population centers - Hanford and Lemoore - are located centrally between two major transportation routes, Interstate 5 and State Highway 99. The city of Lemoore is 26 miles from Interstate 5 to the west and is connected to that Interstate by a two-lane highway. Hanford, although connected to State Highway 99 by a four-lane road, is still 15 miles away. An additional challenge faced by all business in the San Joaquin is the perception that the Valley air is terribly polluted and the San Joaquin Valley Air Pollution Control District, responsible for bringing the air into compliance with state and federal limits, has put the burden of remediation onto the Valley's industries through a significant financial burden coupled with a maze of complex regulations. Due to the low level of education attainment in the Valley, industries are finding it increasingly difficult to hire employees with the skills required.

- Workforce lacks higher level technical skills
- Prime industrial areas not located on major transportation thoroughfares - Interstate 5 & CA-99

- A large portion of land bordering industrial areas are not immediately developable, due to contracts under the Williamson Act or Farmland Security Act
- A lack of available industrial buildings
- Summer temperatures are high for some sensitive processes or products
- Water shortages/droughts can have negative effects on agriculture and the overall economy
- Connection to Interstate 5 on the west side is a two lane road, Highway 198
- Cost of “doing business” in California is typically greater than competing states (Cap and Trade, capital installation tax, utility costs, waste water regulations)
- Generous state mandated sick time requirement
- Generous overtime regulations
- Generous FMLA policies including paid disability for FMLA mean days of protected leave taken is significantly higher than other states. High level of HIPAA protection prevents employers from actively managing protected leaves and knowing reason for leaves
- Poor air quality basin vis-a-vis state and federal standards, requiring strict regulations and expensive mitigations
- Few regional or national headquarters in county or the region

OPPORTUNITIES

As the California economy improves, Kings County has witnessed a greater interest by industries in locating in industrial parks in the County. Several large companies have performed in-depth studies evaluating the benefits of a Kings County location. In addition, three companies have made large investments in land and facilities in the Kings Industrial Park. The development in the Park has necessitated the evaluation of neighboring parcels for industrial park expansion. Rail service by the BNSF Railway continues to make the Kings Industrial Park an attractive location for many industries. In addition, four-lane Highway 198 provides an excellent connection to Highway 99 for the businesses located in northern Kings County. Along Interstate 5, the City of Avenal and the community of Kettleman City are strategically located midway between the Bay Area and the Los Angeles Basin, providing opportunities for logistics development like the existing turnaround facilities of FedEx Ground and XPO Logistics. There exists, as well, opportunities for major warehouse and distribution for products required for Northern and Southern California.

- Can accommodate projects with large parcel and facility requirements
- Large companies have taken a great interest in the county due to its central location and available land and building resources
- Community and private colleges are training residents in industrial courses for employment in industrial businesses
- County will play a major roll in California’s drive toward renewable energy through numerous grid-level solar farms
- Oil & gas companies have an interest in previously unexplored reserves under the Valley floor

- Potential for development of a High Speed Rail passenger station just northeast of the intersection of Highways 198 and 43
- Potential for development of High Speed Rail Heavy Maintenance or similar facility

The second largest industry by employment in Kings County is agriculture. Due to rising farm costs and a shortage of water, **agriculture has had to adapt**. Much of that adaptation has involved maintaining crop production while using less water while also integrating more efficient ways of applying farm chemicals and nutrients. As a result of this adaptation, existing farm service companies, in particular companies whose products manage the chemistry of the crop and soil, have expanded to include in their offerings liquid chemicals and nutrients applied through drip and spray irrigation systems. A company whose product line is based on molten sulphur located a large manufacturing and distribution facility on 46 acres in the Kings Industrial Park. A longtime business in Kings County has brought sulfuric acid into their product line, a move which has required an expansion every year. A local irrigation services company has expanded dramatically to meet market demand and moved to a larger facility within the county.

- Agriculture is adjusting to limited water availability through new irrigation technologies and soil amendments
- Agriculture is converting from low value crops to high value permanent plantings, such as nuts, tree fruit, and grapes
- Scientific advancements are leading to greater crop yields, requiring less land and water
- Stable Employment at Department of Corrections & Rehabilitation facilities in the county and the region

Kings County has benefitted from continued investment of two major government sector employers, California Department of Corrections and Rehabilitation (CDCR) and the United States Navy. The CDCR operates three state prisons in Kings County, and a fourth one only a few miles beyond Kings County's boundaries in the city of Coalinga. Local communities benefit from the employment base and local goods and services required by the prisons. In addition, a large psychiatric hospital was constructed in Coalinga, again providing thousands of jobs and a large payroll to the region. Much of the staff training for the psychiatric hospital continues to be provided by West Hills College.

Due to the existence of Naval Air Station Lemoore in northwestern Kings County, opportunities exist to leverage the presence of the carrier-based squadrons of the latest tactical naval aircraft into manufacturing, R&D and warehousing in Kings County locations. Under current operations, the Naval Air Station Lemoore has an annual regional economic impact of \$1 Billion through its payroll, support for retirees, purchasing and federal programs. NAS Lemoore is the first naval air station to host the Navy's newest tactical fighter, the F-35C Joint Strike Fighter.

- Naval Air Station Lemoore is expanding and has a long-term growth plan including infrastructure and facilities construction. Offsite housing is positively impacted by the growing population at NAS Lemoore
- Naval Air Station Lemoore has been designated to receive the F-35C Joint Strike Fighter and a carrier air wing from Naval Air Station Oceana in Virginia, increasing defense department jobs at the base by roughly 10%

THREATS

Water is a critical topic in California's Central Valley. **Water quality, quantity and disposal** are currently the most pressing environmental threats to the Valley. The Central Valley is in the midst of an historic drought, though there was been some short-term relief during the 2016-2017 rain season. The shortage of rainwater and snowpack over many years, coupled with the impacts of diverted water for environmental settlements has resulted in a partial collapse of West Side agriculture, increased unemployment, shortages of drinking water, evolving cropping decisions and stress on the agriculture service industry. The lack of surface water necessitated increased underground pumping, further exacerbating the over-drafted groundwater reserves, and resulting in subsidence in heavily pumped areas. In addition, County officials are attempting to put limits on the sale of surface water to buyers outside the county. The water not readily absorbed by the irrigation process has high concentrations of salts and agricultural chemicals, and must be disposed of. In a valley with no drain to the ocean, waste or 'tail' water disposal creates complex challenges for farmers and municipalities. Most municipal wastewater is mixed, after treatment, with agriculture water supplies, which requires strict monitoring and restricted use of water constituent levels. Farmers typically pond and evaporate their tail water. This practice has led to brined ponds at a minimum and examples such as the Kesterson environmental disaster at its worst.

- Municipal, industrial, and ag water continue to be in short supply; having a dramatic impact on communities, agriculture and industrial development
- Disposal of irrigation and industrial water continue to be problematic
- The evolution of California's Groundwater Management Plan will likely have costly or other catastrophic impacts on agricultural production over the next decade

As mentioned previously, California is widely viewed as unfriendly to business. Much of our reputation is in response to laws and regulations relating to business, relative to lesser or non-existent rules in other states. There is no evidence this trend will change soon. In the arena of industrial development, two actions by the State have constrained investment: Senate Bill 975 severely reduced and restrained municipal assistance for development projects by creating the requirement that projects receiving municipal assistance are required to pay prevailing wages on any construction. This is a significant, disadvantage to the Central Valley counties and all California municipalities, as our ability to match the incentives offered by other states comes with cost escalation consequences. In addition, redevelopment, a municipal bond repayment source for investment in business infrastructure was eliminated by the Governor; leaving few infrastructure development funding options for rural communities. The State also eliminated Enterprise Zones, which assisted distressed communities or sub-regions to compete for business against other states and more affluent regions in California. The program was replaced with a new set of Governor's Economic Development Incentives, programs which are not being utilized significantly by businesses in small and rural communities in the Central Valley. A specific law that has had far reaching impacts on the cost of doing business in California is SB 32, the greenhouse gas law. It established requirements statewide to work toward eliminating carbon dioxide gas as a byproduct of life in this state. Included in the law is the requirement for utilities to have 33% renewables in their 2020 energy portfolio. Renewable energy is generally the most expensive energy in a utility's portfolio. Additionally SB 32 caps the amount of defined pollutants any business can emit, and requires expensive credits to be purchased by a business to expand, and even maintain historic emission levels. This 'tax' on California businesses simply adds one more cost to the prospect of locating or expanding a business in Californian netting over a \$billion annually to State coffers. California has on its books a law that annually raises the California minimum wage. The 2018 wage is \$11.00 and will cap out at \$15/hr. in 2022.

Personal leave and overtime laws in California dwarf the requirements in other states, further reinforcing the financial argument to resist business development in California.

- Air quality targets are increasingly restrictive, pushing the burden of mitigation to citizens and business
- California's alternative energy portfolio requirements continue to increase the costs of generation and distribution, affecting business location and expansion cost and competitiveness
- Prevailing and minimum wage laws in California continue to place a great burden on existing business and our competitiveness in attracting new jobs
- California laws and policies continue to present business with cost and competitiveness consequences
- Over-regulation of groundwater has the potential to curtail agricultural uses, which would dramatically impact Kings County's non-governmental economic base.

Strategic Direction/Action Plan

Vision - Develop within Kings County a dynamic, diverse economy providing its residents and businesses with greater opportunities for success and a satisfying quality of life

Goal 1 - Enhance the skills of Kings County's workforce

Objective 1 - *Emphasize math and reading for understanding in Kings County schools*

Action Plan – EDC representatives will participate on advisory boards with K-12 and higher education to carry the message that business requires math and critical reading skills development understand written instructions for safety and production purposes.

“Jobs have become more technical in nature and employers expect a higher level of critical thinking, problem solving, and communication skills.”

- Dr. Kristin Clark, President,
West Hills College Lemoore

Continue to stress the importance of math and reading at community advisory meeting such as the Workforce Development Board, the Kings County Economic Development Corporation Board of Directors and groups like the Chambers of Commerce.

Evaluation Active engagement by Kings EDC representatives on boards and committees referenced above. The results of the annual CAASPP test (or its replacement) for both verbal and math achievement should be evaluated annually for improved scores at the 8th and 11th grade levels.

Objective 2 - *Maintain and increase emphasis on vocational programs / Career Technical Education (CTE) in the high schools and community colleges*

Action Plan - Work with county high schools and community college districts to reflect the position of manufacturers and tradespeople that CTE is critical to meeting the skills requirements of their industry for the new and existing workforce. As part of CTE, utilize the recently established Career Pathways that connect school districts, county superintendents of schools, charter schools, and community colleges with business entities.

- Establish regional collaborative relationships and partnerships with business entities, community organizations, and local institutions of postsecondary education.
- Develop and integrate standards-based academics with a career-relevant, sequenced curriculum following industry-themed pathways that are aligned to high-need, high-growth, and emerging regional economic sectors.

- Provide articulated pathways to postsecondary education aligned with regional economies.
- Leverage and build upon any of the following:
 - Existing structures, requirements, and resources of the Carl D. Perkins, California Partnership Academies, and regional occupational programs, including staff knowledge, community relationships, and course development.
 - Matching resources and in-kind contributions from public, private, and philanthropic sources.
 - The California Community Colleges Economic and Workforce Development Program and its sector strategies and deputy sector navigators.
 - Participation in the local California Community Colleges Skills Panel.

Evaluation - Evaluate county high school and college CTE offerings for the 2018/19 school year. Track enrollment and employer satisfaction in these programs annually.

Objective 3 - *Expand industries' use of training programs such as contract education, WIOA, CalWORKs programs, pre-apprenticeships, and Employment Training Panel (ETP)*

Action Plan - Work closely with employers and training institutions to ensure employers get the full benefit of available training programs for their employees. Such institutions include West Hills College Lemoore and College of the Sequoias Hanford Center, as well as regional community colleges, private vocational colleges, and other training institutions.

In today's global marketplace working and learning is the norm. Employer needs, whether credentials, certifications, certificates, or degrees, should inform design and the training itself. Training should focus on building human, financial, and economic capacity of the region's employers. With support of the region's employers, Kings EDC stands ready to help define and manage learning requirements of our incumbent workforce and to help tailor training for future workers. *(adapted from West Hills Community College District)*

The EDC and JTO will work with training entities and programs on behalf of Kings County employers to help ensure employers are aware of resources to assist in the coordination and underwriting of training for prospective, new, or incumbent workers. Such sources include the California Employment Training Panel, JTO's On-The-Job Training program, Classroom Training, Workforce Innovation & Opportunity Act funds, Welfare-to-Work resources, Pre-Apprenticeship Programs and access to regional training programs.

Resources:

The **Employment Training Panel (ETP)** provides funding for employers to assist in upgrading the skills of their workforce through training that leads to

retention in good paying, long-term jobs. The ETP was created in 1982 by the California State Legislature and is funded by California employers through a special payroll tax. The ETP is a funding agency, not a training agency. Businesses determine their own training needs and how to provide training. ETP staff is available to assist in applying for funds and other aspects of participation.

The **On-The-Job Training** (OJT) program at Kings County's Job Training Office is designed to link prescreened, motivated workers with available jobs, and to reduce new employee training costs to employers. Employers are reimbursed 50% of their qualified new employee's wage during a negotiated training period. Payment is made directly to the employer to help defray training costs associated with their time, expertise and equipment. The length of the OJT contract is determined by the complexity of the job and the qualifications of the applicant.

The **Classroom Training** (CRT) program provides training assistance to eligible individuals who have been formally accepted into full-time vocationally certified training programs offered by area vocational technical colleges, community colleges, some four-year colleges and universities, and other accredited public and private training institutions. Authorization to provide assistance is granted through various funding sources such as the federal Workforce Innovation & Opportunity Act (WIOA). The Job Training Office may provide tuition payment and appropriate support services to individuals enrolled in vocationally certified training programs. To receive assistance, participants must be enrolled in a vocationally-oriented and accredited program with a typical duration of two years or less. In addition to the payment of tuition costs, JTO may also provide payment for some required books, tools and supplies.

Subsidized Transitional to Employment Program (STEP) is an opportunity for employers to help recipients of public assistance to gain marketable skills and the determine if those employees have a place on the employer's payroll. This work experience program is funded by the Kings County Human Services Agency and coordinated through the Kings County Job Training Office. Participants receive minimum wage for on the job experience at private and public worksites for up to six months.

Strong Workforce: At the recommendation of the California Community College Board of Governors, [the Governor and Legislature approved the Strong Workforce Program](#), adding a new annual recurring investment of \$248 million to spur career technical education (CTE) in the nation's largest workforce development system of 113 colleges to create one million more middle-skill workers. Grouped into seven areas targeting student success, this leading-edge state economic development program is driven by "more and better" CTE. The "more" is increasing the number of students enrolled in programs leading to high-demand, high-wage jobs. The "better" is improving program quality, as evidenced by more students completing or transferring programs, getting employed or improving their earnings. The Strong

Workforce Program focuses on data-driven outcomes, with an emphasis on innovation and risk-taking. In this way, colleges can be more responsive to labor market conditions and student outcomes.

Evaluation - Coordinate with resource agencies to track these programs annually to determine enrollment trends and hiring outcomes.

Goal 2 - Reduce chronic high levels of unemployment in Kings County

Objective 1 - Increased graduation rates at Kings County high schools

Action Plan - For the '16-'17 school year, Kings County high schools had a graduation rate of 88.7%.

As reported by National Public Radio (NPR), “on its own, the diploma leads to a substantial increase in lifetime earnings. High school dropouts have very little opportunity in society, and they know it. ‘Nowadays you can't get a job at McDonald's without a high school diploma,’ one young man told me in New Orleans.’ On the other hand, a diploma is *expected* to lead somewhere. It should certify that students are ready for college or further training, which most living-wage jobs now require. Recent research from the Brookings Institution that looked at young people's chances of achieving a middle-class income by age 40 found that it wasn't enough just to earn a high school diploma; you had to achieve a GPA of at least 2.5 (a B- or C+ average) to reap long-term social and economic benefits.”

On numerous occasions, plant managers and HR professionals express frustration at the difficulty of hiring employees with a minimal skill set. In order to meet the needs of local employers, Kings EDC and JTO representatives will serve on advisory boards of local K-12 and higher education to carry the message that basic reading, math and communication skills are required in today's workplace, and that a High School diploma is a fundamental expectation of employers. A good reference for this principle is set out in the Southern Regional Education Board's *High Schools That Work* school improvement initiative. The premise of the initiative is that students who are unprepared for high school and fail the ninth grade are far less likely to graduate four years later. Investment of time and resources into the middle school and the ninth grade will pay significant dividends at graduation time. The areas of focus include:

- Work with middle grades schools to prepare students for high school life
- Provide a summer bridge program to provide students examples of relevance of skills learned at school to the workplace
- Establish a ninth-grade academy to offer double sessions of English/language arts and mathematics
- Enroll students in a career exploratory course
- Offer a teacher-adviser program to help students set educational and career goals and obtain extra help to reach their goals
- Establish Career & Technology Centers to prepare high school juniors and seniors to meet workplace demands, pursue postsecondary education and address life's challenges

- Assign a life skills counselor to work with students to build the career skills that employers are seeking and teach students about financial matters and budgeting
- Link skills learned in the construction trade class with academic knowledge and skills in all core subject areas

Evaluation - Track Cohort Outcome Data for Kings County high schools as reported by the California Department of Education for high school graduation rates and transfers to higher education.

Objective 2 - Participate in public education programs regarding Kings County's high teen birth rate

Action Plan - According to *Modern Mom Magazine*, pregnancy can result in a teen's education being put on hold indefinitely. According to data from the U.S. Bureau of Labor Statistics, educational levels predict both earnings and (un)employment. Kings County Teen Empowerment and Education Network (TEENetwork) and other public groups help reduce teenage pregnancy through educational programs that equip teens at high risk for pregnancy with the knowledge, understanding, and behavioral skills necessary to make responsible decisions regarding at-risk behavior. The TEENetwork works in partnership with stakeholders in the communities of Corcoran, Stratford, and Kettleman City to eliminate or significantly reduce the incidence of teen pregnancy for those aged 12 to 19 within Kings County. On-going program activities include:

- Life Skills Education: Life Skills Education equip youth with the knowledge and understanding on the skills necessary to make responsible choices. Topics include personal goal planning, teen pregnancy prevention, sexually transmitted infection prevention, and local community resources.
- Peer-Based Education: Peer Educators are trained in teen pregnancy prevention, STI/HIV prevention, and clinical services in order to empower their peers with the tools and knowledge to make healthy decisions. Peer Educators commit to participate in two community awareness and mobilization events.
- Community Awareness and Mobilization: The TEENetwork Program provides information tabling that includes TEENetwork program information, upcoming event announcements, teen pregnancy prevention, HIV/STI prevention, and community resource information, including local Family PACT services.
- Family PACT Clinical Service Linkages: TEENetwork Program maintains formal relationships with local Family PACT provider clinics and has established a referral system to facilitate location information and clinical access to program participants.

Evaluation - Coordinate with TEENetwork and other community networks to assist participants to enter the workforce as quickly as practicable. Work with resource partners and industry to help provide opportunities for employment.

Goal 3 - Attract additional jobs and investment to Kings County

Objective 1 - Agencies cooperate to prepare new and existing land for development

Action Plan - The primary sources for land development are the four cities of Kings County: Avenal, Corcoran, Hanford, and Lemoore. All four cities have industrial parks with available property. In addition, most of the parks have adjoining land with the potential of being zoned for commercial and industrial uses. Kings EDC maintains a positive relationship with all four cities, some more formal than others. Kings EDC will take an active role with the cities during their General Plan updates to encourage them to look beyond the industrial park borders to consider zoning or pre-zoning property that could be industrially developed in the future.

Kings County Cities - the cities of Avenal, Corcoran, Hanford, and Lemoore work with Kings EDC to prepare responses to requests for proposals distributed by the State, the CCVEDC, and directly by companies or their consultants. A key to a successful proposal is the ability to offer shovel-ready or permit-ready properties that meet the prospect's needs. It is imperative that Kings County cities, with the assistance of the EDC, maintain a listing of available properties to represent to interested business prospects and local expanding companies.

Interstate 5 Corridor Communities

Avenal has joined with the Fresno County communities of Coalinga, and Huron to form a tri-city area, marketing their adjacency to Interstate 5 immediate access to Interstate 5. The three cities market transportation nodes to attract the Advanced Logistics & Distribution Cluster. These transportation nodes are:

Avenal - 150 acre industrial park positioned along both sides of Interstate 5.

Coalinga - the largest (5,000-foot runway) general aviation airport in Fresno County. Plans are underway to create an aviation-related industrial park at the Coalinga Municipal Airport. The airport can be expanded and is above the "fog belt" of the Valley. The City of Coalinga already has a 32-acre developed Industrial Park available and ready for immediate occupancy. The Park would be ideal for a distribution and manufacturing facility. West Hills College also provides curriculum and training for several job classifications needed for the Advanced Logistics and Distribution Cluster.

Huron - located at the western end of the San Joaquin Valley Railroad line providing service for commercial & industrial customers.

Kettleman City - substantial heavy industrial acreage exists between Interstate 5 and the California Aqueduct. The community also benefits from heavy industrial acreage east of Highway 41, south of the residential area to Interstate 5.

Certified property

Site certification remains an effective marketing tool in economic development. Certifying sites confirms the site's readiness for immediate development.

For corporations desiring to locate manufacturing facilities, access to pre-screened sites places such a property in a position to be immediately considered for purchase or development. Additionally, a common practice in some state-run certification processes is to enlist expertise of a committee of allies that may include utility and economic officials. Typical to certifying sites is to confirm the following site parameters:

- Property is controlled through ownership or option and is readily available for ownership transfer
- Utilities, principally electricity, water, sewer, gas, and telecommunications are present or can be quickly delivered to the site in suitable values for targeted project size; larger sites require utilities to have larger capacities and redundancy
- Environmental, geotechnical, and archeological studies have identified any areas of risk, and are up to date
- The site's shape is conducive to development and expansions, and a developable footprint is confirmed
- Zoning for the site allows the use intended by the proposing party
- The site's buffer is adequate for the type of businesses likely to consider the site, and
- Transportation access exists for employees, raw materials/supplies, and product shipments.

Rezone adjoining property

As available property zoned for industrial development gets purchased and is transitioned into full use, communities which desire continued industrial development begin to suffer from accelerating land costs and little flexibility in addressing a prospective business' property needs. In order to address these concerns, new property requires industrial conversion. In Kings County, the most effective means to increase the availability of industrial land is the rezoning of property adjoining industrial parks during the course of a General Plan update. Typically, property most easily rezoned into industrial zoning classifications is agriculturally-zoned land within the city's sphere of influence and unencumbered by the Williamson Act, a California farmland conservation program that enables local governments to enter into contracts with private landowners for the purpose of restricting specific parcels of land to agricultural or related open space use in exchange for a desirable property tax rate. If the targeted property is not classified as industrial property in the city's General Plan, a General Plan Amendment would be required. Kings EDC will work with communities to identify properties adjoining industrial parks to determine local strategies required to phase in new development.

Evaluation - Produce a baseline for available property and update over time to compare property conversion and determine future need.

Objective 2 - Agencies cooperate to attract high wage and high growth companies to Kings County

Action Plan - A key to facilitating business development is in the coordination of administrative and regulatory organizations in coordination with the project proponent.

Kings EDC maintains strong relationships with Kings County, its Cities, and all regulatory agencies involved in the permitting and oversight of business. We also actively interact with workforce development organizations such as the Workforce Development Board, Community Colleges, private training institutions, state agencies that fund worker training, utility companies, business support organizations such as the Small Business Development Center, SCORE, Chambers of Commerce, local financial institutions and many others, such as state and federal agencies including the Governor's Office of Business & Economic Development (Go-Biz), the U.S. Department of Agriculture (USDA), the Economic Development Administration (EDA), the California Central Valley EDC (CCVEDC), and the California Department of Resources Recycling and Recovery (CalRecycle).

The EDC acts as a marketing arm and point of business contact for member Cities and the County to promote available land and facilities and to tell the story of life in Kings County.

Evaluation – Track prospective businesses as they become known. Detail the referral source and keep track of what agencies and other parties are involved in the coordinated pursuit of the prospect. Determine business satisfaction with the development process at the conclusion of that process and use the findings to continuously improve the process.

Objective 3 – Cooperate and coordinate with the regional economic development organization - California Central Valley Economic Development Corporation (CCVEDC) to attract business interest in Kings County.

Action Plan - The CCVEDC is Kings EDC's primary medium for business attraction. This eight-county EDC actively markets the California Counties of San Joaquin, Stanislaus, Merced, Madera, Fresno, Tulare, Kings and Kern through an annual marketing plan developed and funded by the Presidents/CEO's of the eight participating EDC's and Pacific Gas and Electric Company – a founding member. The regional EDC uses a multipronged approach to market the Valley. Roughly eight corporate real estate broker outreach missions are coordinated each year throughout major markets in the U.S., including New York, Dallas, Phoenix, Atlanta, Los Angeles/Orange County/Inland Empire, the Bay Area and others. Appointments are held with major real estate brokerage firms, site selectors and corporate representatives to share business activity, opportunities and to discuss location incentives, workforce development and other such topics.

In addition, members attend three to four trade shows throughout the country focused on industries targeted by the region. CCVEDC members also attend Corporate real estate broker association events to develop working relationships with brokers to increase broker familiarity with the Central Valley.

Evaluation – Make participation on each CCVEDC broker outreach opportunity a priority for Kings EDC. Actively participate on the CCVEDC Board of Directors. Track the lead source to ensure CCVEDC continues to be a sound investment and strategy for business attraction.

Objective 4 - Assist existing employers to vertically integrate production and processing as a business retention strategy, and to best utilize local and regional commodities.

Action Plan - As defined in *The Economist*, vertical integration is the merging together of two businesses that are at different stages of production. In a simpler definition, it is the practice of working with a product through multiple levels of its production cycle. The benefits of vertical integration come from the greater capacity it gives organizations to control access to inputs (and to control the cost, quality and delivery times of those inputs). In the San Joaquin Valley, farms traditionally produce a crop and ship it somewhere else to process it and prepare it for the consumer. Today, vertical integration facilitates local crop production, local processing, local bottling/canning and local cold storage or warehousing. This process can be accomplished in one company or a series of companies. The end result, however, is the same for the Valley. The revenues, employment, and payroll are captured in the Valley. Each step in the process typically accompanied by increases in revenue, workforce skills, and payroll, leading to a healthier economy and quality of life.

As businesses are recruited, an eye should be kept on integration opportunities. In addition, integration opportunities should be pursued when discussing business opportunities and challenges on Kings EDC business retention visits. Develop business profiles for Kings County industrial businesses and collect information on levels of production to assist in the facilitation of vertical integration in Kings County.

Evaluation – Monitor business expansion and retention efforts semi-annually, including surveying local and prospective businesses to ensure proper resources and services are mobilized to facilitate business development.

Objective 5 – Coordinate location proposals with California Business Investment Services (CalBIS) and the California Central Valley Economic Development Corporation (CCVEDC)

Action Plan - Kings County and its communities have garnered a great deal of visibility through business location processes conducted through CalBIS and the CCVEDC. Both organizations receive requests-for-proposals from principals of industry or their corporate real estate location consultants and forward them to locations in which the business is interested. Business looking to expand or relocate will often approach CalBIS and/or the CCVEDC to discuss their requirements and location interests. As state and regional business location coordinators, these organizations provide a one-stop service to help qualify appropriate sites. Each of these entities see proposals from other economic development organizations, and are a good judge high-quality submissions.

Evaluation – Continue to track referral sources for prospects. Kings EDC will coordinate with CalBIS and CCVEDC points of contact to ensure proposals submitted by Kings EDC are of high value to business prospects. Develop a schedule to annually visit with CalBIS/GO-Biz representatives to ensure their familiarity with Kings County and Kings EDC staff, as well as to gather feedback on improving submitted proposals.

Goal 4 - Promote and enhance the partnerships between state/local government and state/local economic development practitioners,

Objective 1 - Maintain partnerships with state level economic development agencies to ensure an active voice in economic development policy and to participate fully in statewide business recruiting efforts on behalf of Kings County.

Action Plan – Continue a close association with state level economic development organizations. Kings EDC has closely associated with state level economic development organizations for decades. The first state agency with which Kings EDC associated was the California Trade and Commerce Agency. The Agency evolved into CalBIS and ultimately into GO-Biz. CalBIS is now a department within GO-Biz. These two agency's roles are as follows:

GO-Biz

The Governor's Office of Business and Economic Development was created by Governor Edmund G. Brown Jr. to serve as California's single point of contact for economic development and job creation efforts. GO-Biz offers a range of services to business owners including attraction, retention and expansion services, site selection, permit streamlining, clearing of regulatory hurdles, small business assistance, international trade development, assistance with state government, and much more.

Kings EDC has worked with Go-Biz for the last several years, primarily involving the Governor's Economic Development Initiative (GEDI) which took the place of the California Enterprise Zone Program.

CalBIS

The California Business Investment Services Unit of Go-BIZ works with companies to expand their presence in California by streamlining the site selection process and offsetting the cost of doing business with the use of local, state and federal incentives.

Kings EDC's involvement with CalBIS has been extensive, as they are the source for many of the Requests for Proposals (RFP's) Kings EDC receives on behalf of businesses looking for locations to expand or relocate.

Kings EDC has been a loyal member of the California Association for Local Economic Development (**CALED**) for many years. CALED is the premier statewide professional economic development organization dedicated to advancing its members' ability to achieve excellence in delivering economic development services to their communities and business clients. CALED's membership consists of public and private organizations and individuals involved in economic development. CALED is an excellent source for "best practices" information and

is an active lobbyist and subject-matter-expert in Sacramento for issues involving economic development.

Evaluation - Continue to track referral sources for prospects. Continue to annually visit with CalBIS/GO-Biz representatives in Sacramento to ensure their familiarity by Kings County and EDC staff. Maintain an active relationship with CALED.

Objective 2 - Continue active participation with the CCVEDC in regional business recruiting and governmental educational efforts regarding issues affecting business.

Action Plan - Kings EDC has had a rich history with the CCVEDC. A description follows:

California Central Valley Economic Development Corporation (CCVEDC) is a regional marketing group whose mission is to promote job creation in the valley, mountain, and desert communities located within Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus and Tulare. This program supplements the existing efforts of individual agencies throughout the area.

The CCVEDC was formed in the late 1980s by the professional Economic Development organizations serving the counties of California's Central Valley. Together with their partners like Pacific Gas and Electric, they have cooperated and collaborated to present the Central California as a highly desirable location for expanding companies.

CCVEDC provides businesses with the resources necessary to identify and evaluate location/expansion sites in Central California. CCVEDC facilitates the site selection process by:

- Connecting with the region's key decision makers in economic development, financial, government, regulatory and real estate
- Providing proprietary research/data
- Conducting site searches and site tours
- Facilitating planning and consultation meetings

In addition to the many RFP's the EDC has received from the CCVEDC, it has also accompanied fellow members on nationwide outreach trips to the offices of corporate real estate executives and site selectors for industrial businesses. The purpose of the real estate missions is to raise their awareness of the opportunities in the Central Valley. The outreach to state elected representatives is a crucial responsibility as well. Those visits target individual legislators who can have a positive effect on laws that make California business-friendly.

Evaluation – Prioritize participation with the CCVEDC and continue to track referral sources.

Objective 3 - Continue support of the California Partnership for the San Joaquin Valley to help address regional issues effecting quality of life.

Action Plan - Kings County has supported the California Partnership for the San Joaquin Valley since its inception. The Partnership is composed of State Cabinet secretaries and San Joaquin Valley leaders, and is organized to provide an organizational framework for collaboration to address issues affecting the quality of life in the San Joaquin Valley. The Partnership engages senior State leadership to discuss and help to bring resources to solve critical issues affecting the Valley. Our continued involvement will be advantageous to the entire region.

Evaluation – Attend Partnership meetings that involve economic development issues. Utilize the Partnership as a sounding board for economic development issues important to Kings County and the Central Valley.

ECONOMIC RESILIENCE

Kings County's economy is concentrated in two major industry clusters: **government** and **agriculture**. Due to the limited sector diversification, Kings County risks significant upset if one or both of these sectors experience catastrophic upset or failure.

Because of a deep understanding of the risks associated with these industries, Kings County officials have taken a multi-pronged approach to minimizing negative impacts to these industries.

1. Foster diversification of the local economy
2. Support vertical integration of our primary economic sectors
3. Learn from past "crisis" events and the resultant responses
4. Strengthen strategic alliances with local, regional, statewide and national organizations

City, County and economic development officials throughout Kings County are acutely aware of the reliance on government and agriculture as major drivers in our economy. Each of these economic drivers have weathered real and threatened setbacks over the last three decades.

Government

A major threat to Kings County occurred with the 1991 round of Base Realignment and Closure (BRAC). Naval Air Station Lemoore (NAS Lemoore) was a candidate for closure. As a direct and indirect contributor of \$1 Billion to the local and regional economy, any decline or loss at NAS Lemoore would have a devastating impact on Kings County's economy. Fortunately, the strategic mission of NAS Lemoore allowed it to survive the 1991 BRAC round, as it did in subsequent BRAC rounds in 1993, 1995, and 2005. In each instance, governmental officials and Friends of NAS Lemoore, a community support group comprised of public and private organizations rallied to support the naval air station through information gathering and education, mobilizing to support our largest single source of employment in the region. The State of California also organized a committee of retired flag officers and senior officials to "do battle" with the BRAC forces over California installations. Though some installations in California did not survive BRAC, NAS Lemoore was reclassified from a liability with excess capacity to a critical asset for the future growth. Since that time, millions of dollars of construction funding has been directed to the NAS Lemoore. In addition, the air station was selected to be the sole naval base for the Navy's newest tactical aircraft, the F-35C Joint Strike Fighter, which began arriving in January 2017.

Kings County is home to three large State prisons located in the Cities of Avenal and Corcoran. In October, 2011, the Realignment Law was implemented. The law required low-level felony violators released from prison, and persons convicted of most offences to serve their sentence in County jails, greatly reducing the populations of the prisons, and by extension the populations of the cities in which the facilities reside. This reduction in population had a direct impact on city subvention revenue from the State. Realignment also had a negative impact on the County, as the county jail became overcrowded and had to be expanded to meet state and federal requirements.

In addition to correctional housing facilities, the City of Corcoran is home to the Department of Rehabilitation and Corrections Regional Accounting Office (RAO). There was a time when the Department planned to shutter the RAO and consolidate its function in Sacramento. The City of Corcoran, the County of Kings, and our elected State representatives lobbied for the local office and convinced Corrections to maintain their presence in Corcoran.

Another event triggered a dramatic downsizing of the state prison at Avenal. The detection of Valley Fever, a malady triggered by exposure to soil-based fungus contained in certain areas and aggravated by

agricultural tilling and disturbance was discovered among inmates at Avenal Prison. It appeared certain ethnic groups, notably those with dark pigmented skin, were more likely to contract the condition than their white counterparts. As a result, large numbers of inmates at Avenal Prison were transferred to other facilities. While other institutions were gradually downsized, Avenal's cuts were very rapid.

Kings County has worked with the Navy to ensure a lasting relationship with NAS Lemoore. Since the establishment of NAS Lemoore in 1960, Kings County has established a "greenbelt", or restricted development area around the base, to help ensure encroachment would never be a point of conflict with the base's mission or expansion. A three-mile buffer was established around the Kings County boundary of the naval air station restricting the land use to exclusive agriculture.

In addition to BRAC efforts, Kings County entities advocated on behalf of the air station for basing the E-2 early warning and command and control aircraft and the F-35C joint strike fighter. The F-35C fleet replacement squadron has been established, and is receiving the new F-35C's. Another successful initiative undertaken on behalf of the air station was the establishment of the MOA (Military Operations Area) over the heart of the San Joaquin Valley, enabling NAS Lemoore and Fresno Air National Guard aircrews to practice their aerial maneuvers directly overhead instead of flying to working areas over the Sierras or the Pacific Coastline. Kings EDC, in an effort to stay abreast of issues affecting the air station, established the Friends of NAS Lemoore community support committee populated with community leaders throughout northern Kings County. Air station staff attends, including the commanding officer, to brief the committee on issues of importance to their mission and to their service members, employees and families. In 2016, Kings EDC hosted the Governor's Military Council to increase their familiarity with the mission of the base. The Council advises the Governor on military issues and evaluates military facilities to determine their susceptibility to future BRAC rounds. Kings EDC and the Friends of NAS Lemoore stay current with the base and the potential for negative impacts to this major economic and social contributor to our region.

Agriculture

Agriculture has not been exempt from crises in Kings County. The winter of 2016-17 officially ended the seven-year drought experienced by California, although 2017-18 netted lower than normal rainfall and snowpack. During that time, water resources were withheld, ground water aquifers were overdrafted, farmland was fallowed and farm communities suffered greatly. Insufficient rainfall was the main culprit for the drought. State and federal agencies responsible for environmental protection placed restrictions on agricultural water delivery and storage that had a dramatic negative effect on the San Joaquin Valley's farming industry and businesses that depend on farm production and processing. Irrigation districts fallowed thousands of acres of Westside farmland due to their reduced allocation of contracted surface water. Communities placed restrictions on landscape watering, car washing and other non-essential uses. Farm irrigation shifted from flood to drip and spray. Because of the vagaries of the water supply, the micro irrigation and fertilization industry cluster expanded rapidly.

With regard to the agricultural economy, Kings County is committed to protecting this backbone industry. To limit sprawl onto critical agricultural lands, the County has recognized and utilized two farmland conservation laws, which financially incentivize farmers to maintain their farms and not convert them into commercial or residential developments. The two laws are the Williamson Act, which significantly reduces property tax on the farmland over a rolling 10 year period, and the Farmland Security Zone law which does the same for 20 years.

Kings County is a large dairy producer and, as such, the ebbs and flows of milk and commodity prices at times creates boom or bust scenarios. As cheese processors expanded in Kings County, the milk supply needed to expand as well. Kings EDC, with the help of the County of Kings, developed a dairy recruiting program to attract Southern California dairies as they were priced out of the region to make way for higher value developments and housing. This industry attraction effort worked well as the supply of milk reached a level that was satisfactory to the processors. The County Agricultural Commissioner, through the annual Crop Report, and the Kings County Farm Bureau, through its membership, closely monitor agricultural production and processing in Kings County, and serve as an early warning system for pitfalls in this most critical economic cornerstone.

A potential source of economic upset for Kings County and the San Joaquin Valley is California's environmental sensitivity. Agricultural industries have - from time to time - come under scrutiny from environmental regulators. Kings EDC has developed excellent working relationships with local and regional regulatory bodies, including the regional air district and water quality control board. Kings EDC, along with the California Manufacturers and Technology Association constantly track environmental regulation to help alert and educate local business to their requirements in these areas. At the State level, Kings EDC, along with its partners in the region's economic development corporation, the California Central Valley EDC (CCVEDC), makes an annual educational visit to the capitol in Sacramento to discuss the impacts of laws and policies to the economic viability of Valley industries.

A strategy to diversify our economy over the past decades is vertical integration. Kings County's economy has historically been based upon production agriculture, with raw agricultural products shipped to the Bay Area or Southern California for processing and shipment to market. Processing of agricultural production in Kings County is now commonplace: with processing of milk into cheese, yogurt, whey powder, cream and other products; tomatoes into powder, paste, dice and even further processing into sauces, catsup, soups and picante sauce; nuts to dehydration, shelling and packaging for shipping, including many products for exporting to consumers throughout the world; and, poultry and beef are processed for fresh and frozen markets. This vertical integration has led to larger payrolls, investments in equipment, buildings, land, infrastructure, and the ability to retain greater profits in Kings County. This integration has also allowed the ability to process product obtained from other locales when drought, pests, legislation, etc. have reduced local supply.

Another change in the business environment similar to vertical integration is 'Cluster Enhancement', that is - providing the technical and service support for a business or cluster of businesses to ensure a business is not isolated in the Valley, with its service cluster hours away. The best example of this practice is the agriculture sector. Kings County has benefited from large investments in the agricultural service industry. From seed, to micro irrigation, to fertilizer and soil amendments, to equipment, pallets, plastic tanks, equipment, soils testing, pest control, etc., the business requirements for a successful harvest are all located within 30 miles of Kings County - with the vast majority of products and services available within Kings County. Entities such as the Kings County Farm Bureau, the Kings County Agricultural Commissioner, the Kings EDC and others have been diligent to identify, recruit and support cluster enhancement in the agricultural economy.

Communication, informational sharing and business-to-business opportunities are also critical in a healthy economy. The Kings County Farm Bureau and the Kings EDC have accepted major responsibility for this communication. The Farm Bureau's primary focus has been agricultural production, service and processing. Kings EDC's primary focus has been processing, manufacturing,

support and service clusters, government (including military), with some activities broadly supportive of all sectors. Examples of this communication include:

- Email communication with members and businesses
- Events to highlight products grown and produced in the County
- Workshops for business sectors on technical subject matter
- Kings EDC quarterly industrial luncheon for industry, municipal representatives and service businesses and membership meetings to discuss topics of common interest
- Direct contact with individual businesses to help assess retention, expansion and location considerations
- Coordination with groups such as the California Central Valley Economic Development Corporation, which markets business locations in the eight county region of the San Joaquin Valley of California, and the Governor's Office of Business Investment Services (Go-Biz), which coordinates statewide business location and expansion opportunities
- Strong involvement with workforce development system partners such as the Community Colleges in the region, engagement of local and regional Workforce Innovation and Opportunity Act (WIOA) partners, the Employment Development Department (EDD), Human Services Agency (Welfare) and other local organizations which focus on business recruitment, retention and support.

Kings County has experience and survived disasters. Keys to that survival is an effective network of regional economic development organizations, knowledgeable local officials and regulators, city and county government staff that train and prepare for contingencies, and business relationships that encourage communication, transparency, and cooperation. Though unemployment still far exceeds the State average, without sound judgement and business practices exhibited by the various officials and organizations in Kings County, business failures would be more pervasive and unemployment would be at crisis levels.

In an economy heavily dependent upon agriculture and government sectors, stability is both a blessing and a curse. The stability of the agricultural sector provides insulation from the dramatic swings in sectors such as aerospace, technology, retail and distribution. Since food is a necessity, its demand is not as immediately affected by economic downturns, just as food purchases in a strong economy do not rise proportionately to the increase in disposable income. Admittedly, higher cost and more 'luxury' items such as certain nuts respond more closely to economic trends. Government employment tends to lag in its impact from a booming economy – as lower tax revenue is delayed by fiscal year budgets and the flexibility to achieve reductions in non-personnel expenditures. Likewise, increased tax revenues in a booming economy are not typically available for at least a year after the economy strengthens.

In conclusion, the ability of small and rural economies to survive and grow is dependent upon having the infrastructure in place to attract new business and to accommodate the growth of existing business. Recent law and policy direction in California has eliminated needs-based incentives to fund infrastructure through strategies such as Redevelopment and Enterprise Zones. The loss of these strategies is particularly troubling for small and rural economies, who are unable to utilize these incentives to attract businesses into their community, and therefore are unable to attract the investment and jobs to drive property tax, sales tax and the disposable income to fuel local spending. Funding through programs like the Department of Commerce, Economic Development Administration is critical to small and rural communities; allowing these communities to participate in a growth economy and to

help diversify their economies to insulate against overreliance on a narrow bandwidth of economic sectors.

Through co-funding of critical infrastructure, the communities of Kings County are seeking a hand up toward economic self-sufficiency and independence. Appreciation is hereby expressed to the Economic Development Administration as a partner in this quest.

EDA Project Successes

In May, 2004 the City of Hanford received a Planning Grant of \$315,680 to engineer and prepare plans for a Vocational Training Center in conjunction with College of the Sequoias and Hanford Joint Union High School District. In March 2007, EDA announced the City of Hanford was awarded a \$3 million grant to help construct and equip the Vocational Training Center designed to train over 1,425 students in new jobs in the region. That facility is now training Kings County students in coordination with Sierra Pacific High School and College of the Sequoias.



In 1999, Hanford received an infrastructure grant for \$1.4 million to develop approximately 100 acres in the Kings Industrial Park. That infrastructure has been installed. The land was divided into 9 industrial parcels. One of those parcels was purchased and developed prior to 2012, representing approximately 3 new jobs to Kings County. Two additional parcels totaling 45 acres were purchased in 2012 and 2013, and construction is completed on a Tessenderlo Kerley liquid fertilizer manufacturing and distribution facility, with an estimated workforce of 35. The company recently completed negotiations with the City to purchase an adjoining 16 acres. The City of Hanford invested in

bringing rail onto that property to increase its desirability. The City of Hanford's last EDA grant was awarded in 2016 for a \$6.6 million project to construct a sewer trunk main from the Waste-Water Treatment Facility to the intersection of 9th Avenue and Lacey Boulevard. When completed the project will provide sewer service to a new regional commercial center on the eastside of Hanford. The project, now in design, is expected to create upwards of 1,500 jobs.

In 2003, the City of Lemoore received a \$2.08 million EDA grant to develop an industrial area and to enhance their wastewater treatment plant capacity. That work has been completed, targeting the expansion of Leprino Foods, the world's largest mozzarella cheese processing plant, which now employs approximately 1,000 workers at wages and benefits well in excess of regional rates. Leprino also increased the tax base by hundreds of millions of dollars. Leprino has now expanded this plant to near-capacity, adding again to the tax and job base. In March 2007, Lemoore was awarded a \$165,000 planning grant to determine the efficacy of treating industrial effluent as a water source for row-crop agriculture.



Avenal received an EDA grant in 2002 to increase their capacity to process and deliver water to industrial, commercial and residential users. The project was completed with the construction of two 1 million gallon water tanks. Avenal Power Center, the flagship tenant of the industrial park on Interstate 5, was held up from constructing its state of the art gas-fired electrical generation plant by appeals filed under CEQA. After several years of litigation, the company decided not to construct the 600 megawatt power plant. A truck stop has been constructed which is served by the

water project funded by EDA.

The City of Corcoran was granted \$608,000 in 2002 to bring infrastructure to an industrial site owned by the City and Kings EDC. Roads, curbs, gutter, sidewalks and utilities were brought to the property. The

EDC and the City are still actively pursuing projects for the light industrial property. In July 2006, EDA awarded the City of Corcoran \$204,660 for a planning grant to be managed jointly by the City and the Corcoran Joint Unified School District to design a vocational training center at the high school facilities. In May of 2008, Corcoran received a \$3.2 million EDA grant to construct the vocational training center. The facility is currently utilized for high school vocational classes, the Corcoran Adult School and community college classes.



EDA Projects

The Cities of Hanford and Lemoore have submitted projects, which have been prioritized by the CEDS oversight committee for purposes of seeking funding from the Economic Development Administration. The submitted projects are listed in alphabetical order and do not represent the committee's project ranking or recommendation. Such ranking appears later in this report.

City of Hanford

The City of Hanford is proposing a \$4.5 million project to extend the water mains and construct a water storage tank in the Kings Industrial Park, Census Tract 001200, for the purpose of facilitating industrial development. The project will increase the water supply to the industrial park and improve the system reliability in emergencies. The extension of the water mains provides a second source of water to the industrial park while the storage tank adds redundancy to the Park's fire suppression capabilities. The project proposes to accommodate an excess of 3,000+ jobs and generate over \$70 million in private sector investment. The City proposes to match EDA dollar-for-dollar with \$2.25 million.

City of Lemoore

The City of Lemoore is proposing a \$6.5 million project needed to prepare 83.5 acres of unimproved industrially-zoned property, Census Tract 000402, for future development, thereby creating employment opportunities and stimulating the economy. As described in the proposal, the project consists of the undergrounding of a canal and the construction of streets, a sewer lift station, and water and sewer lines in the Lemoore Industrial Park located south of State Route 198 between 19th Avenue and State Route 41. This project, when complete, will convert approximately 155 acres of non-productive land into prime, revenue generating, industrial property opening up this area for future development. At build out, Lemoore anticipates a minimum of 1,360 additional employment opportunities to be added to Kings County and private sector investment of \$65 million as a result of this project. The City would match their \$3.5 million with EDA's \$3 million.

CITY OF HANFORD PROJECT

Title or Name of Project Application:

Industrial Park Water Main Extension and Storage Tank

Purpose: The purpose of this project is to extend the water mains and construct a water storage tank in the Kings Industrial Park to facilitate industrial development.

Location: The water main project is on 10th Avenue and in Iona Avenue and the water storage tank project is located at 10th Avenue and Iona Avenue, both in the Kings Industrial Park.

Financing (Tentative):

E.D.A. \$ 2,250,000

City Match.....\$ 2,250,000

TOTAL COST \$ 4,500,000

Economic Impact: The project includes extending a 12 inch water main in 10th Avenue from Hanford-Armona Road to Iona Avenue and a 14 inch water main in Iona Avenue from 10th Avenue to the BNSF Railway tracks. This provides a secondary source of water supply to the Kings Industrial Park, increasing the water supply to the industrial park and improving system reliability in emergency situations. The water storage tank would be constructed at the intersection of Iona Avenue and 10th Avenue. The storage tank would provide a secondary supply of water to the industrial park. The combination of these projects would improve the fire flow and safety in the park and provide more desirable properties and infrastructure for development. One project that has seriously impacted the Park is the arrival of Faraday Future, an electric car company, that has occupied the former Pirelli Tire manufacturing plant. They are on track to hire 1,000 high wage employees this year and many more as their product line matures.

Job Creation Impact: Potentially 3,000+ new job opportunities would be created from businesses locating in the Kings Industrial Park.

Priority: High. This type of improvement would facilitate development and site competitiveness in the industrial park.

Are local funds available for a 50% match? Yes, at a 50/50 match

Are plans and specifications available? No.

Can plans and specifications be completed in 30 days? No.

Can plans and specifications be completed in 60 days? No.

Are there any known environmental problems? No.

Can the project go to bid in 90 days? Yes, after completion of plans, specifications, and obtaining environmental approvals.

Contact: Lou Camara, Public Works Director
City of Hanford
900 S. 10th Ave.
Hanford, CA 93230
(559) 585-2567
Email: lcamara@cityofhanfordca.com

CITY OF LEMOORE PROJECT

Title or Name of Project Application: Lemoore Industrial Park Infrastructure

Purpose: The purpose of this project is to prepare 83.5 acres of unimproved industrially-zoned property for future development, thereby creating employment opportunities and stimulating the economy.

Location: This project is located in the Lemoore Industrial Park southeast of State Routes 41 and 198.

Financing (Tentative):

E.D.A\$3,000,000

City\$3,500,000

TOTAL COST\$6,500,000

Economic Impact: The City of Lemoore is seeking federal aid for the construction of streets, water and sewer lines, sewer lift station, retention basin relocation and the undergrounding of a canal in the Lemoore

Industrial park. This project consists of 83.5 acres of unimproved industrially-zoned land, which is available for development. However, the property lacks the necessary infrastructure to be considered “buildable”. These 83 acres are located behind other industrial development and lack access. In addition, this site is located directly south of the developed portion of the industrial park and would be able to tie into the City utilities, thus making available a total of 155 acres for development. The addition of streets, city utilities and access to property where a canal currently exists would make these properties much more desirable for developers seeking a Central California location. This property is ideal for industrial development since it is located adjacent to State Route 41 and within one-half mile of State Route 198. Without financial assistance, the cost of developing this property is prohibitive.

Job Creation Impact: Approximately 1,360 new job opportunities will be created.

Priority: High. There are over 83 acres of unimproved, industrially-zoned, land adjacent to State Route 41 that requires streets, water & sewer lines, sewer lift station and the undergrounding of a canal to attract business development. Interest in this area quickly disappears when developers learn that the property lacks the necessary infrastructure. The city is in talks with a developer and is negotiating a development agreement pending an infrastructure commitment from the City of Lemoore.

Are local funds available for a 50% match? The City of Lemoore meets the necessary requirements to receive funding at a 50/50 grant match. The City of Lemoore has local funds available for the required 50% match.

Are plans and specifications available? No.

Can plans and specifications be completed in 30 days? No.

Can plans and specifications be completed in 60 days? No.

Are there any known environmental problems? No.

Can the project go to bid in 90 days? No, the project would take approximately six months to go to bid.

Contact: Nathan Olson, City Manager
City of Lemoore
711 W. Cinnamon Drive
Lemoore, CA 93245
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Email: nolson@lemoore.com

COMMITTEE RECOMMENDATIONS

The Kings County CEDS Committee convened on August 22, 2018, to review projects proposed for Economic Development Administration (EDA) funding from the cities of Hanford and Lemoore. Representatives for the Cities provided the Committee with background and descriptions for each project.

The Committee fully discussed each project, considering the potential economic impact on Kings County, the likelihood of job creation resulting from the projects, preparedness, and several other factors. The priorities reflecting the Committee's votes are as follows:

RANKED PROJECTS

Priority #1: 9th Avenue Sewer Trunk Main Project - City of Hanford

The City of Hanford is planning to extend a 12 inch water main in 10th Avenue from Hanford-Armona Road to Iona Avenue and a 14 inch water main in Iona Avenue from 10th Avenue to the BNSF Railway tracks providing a secondary source of water supply to the Kings Industrial Park, increasing the water supply to the industrial park and improving system reliability in emergency situations. In addition, the City will be constructing a water storage tank at the intersection of Iona Avenue and 10th Avenue. The storage tank would provide a secondary supply of water to the industrial park. The combination of these projects would improve the fire flow and safety in the park and provide more desirable properties and infrastructure for development, resulting in the potential addition of 3,000 new jobs.

Priority #2: Lemoore Industrial Park Infrastructure - City of Lemoore

The City of Lemoore will construct streets, water and sewer lines, sewer lift station, relocate a retention basin, and underground a canal in the Lemoore Industrial park to prepare 83.5 acres of unimproved industrially-zoned land for development with the potential to create 1,360 new jobs. The 83 acres are located behind other industrial development and lack access. In addition, the site is located directly south of the developed portion of the industrial park and can tie into the City utilities, making available a total of 155 acres for development. Because the property is located adjacent to State Route 41 and within one-half mile of State Route 198, it is ideal for industrial development.



Resources

California Board of Equalization

www.boe.ca.gov

California Board of Realtors

www.car.org

California Department of Education

www.cde.ca.gov

California Department of Finance

www.dof.ca.gov

California Employment Development Department, Labor Market Information Division

www.labormarketinfo.edd.ca.gov

California Franchise Tax Board

www.ftb.ca.gov

City of Avenal

www.cityofavenal.com

City of Corcoran

www.cityofcorcoran.com

City of Hanford

www.ci.hanford.ca.us

City of Lemoore

www.lemoore.com

Kings County Agricultural Commissioner

www.countyofkings.com/agcommissioner

Kings County Assessor's Office

www.countyofkings.com/acr/assessor

Kings County Community Development Agency

www.countyofkings.com/planning

Lemoore Naval Air Station

www.cnic.navy.mil/Lemoore

National Weather Service

www.wrh.noaa.gov/hnx/

U.S. Census American Community Survey

www.census.gov/acs

Public Comment

Thomas Reed

1060 Par Avenue, Lemoore

817-7234

Mayor, Council Members, City Manager, City Attorney:

The word today is "secret."

Now, as Council Member Blair well knows, this word secret can be either an adjective or a noun. Some definitions may be needed.

Adjective: 1. Done, made, or conducted without the knowledge of others; 2. Kept from the knowledge of any but the initiated or privileged; 3. Close-mouthed; 4. Designed or working to escape notice, or knowledge.

Noun: Something that is or is kept secret, hidden, or concealed.

Some background as to why this word is so important in these chambers. On Wednesday, May 22nd, at about 11 am I was at the Cinnamon Center on business and someone asked me if I was going to attend the luncheon with the Tachi Tribe. My response was that I knew nothing about it and that I had not been invited.

About 45 minutes later I received a phone call at home from a Lemoore resident asking if I knew about the Council Meeting with the Tachi Tribe. Of course my response was the same.

Evidently, there was a Special Council Meeting/Luncheon with the Santa Rosa Rancheria Tribal Council. There was a Call to order, Roll Call, Public Comment (no public there to comment), Lunch Social, Council Member comments, and adjournment. Yep, sounds like a Council Meeting was held.

So, I must compliment each of you for a job well done in keeping this such a secret. I do understand that 2 or 3 members of the public became aware of this Special Meeting and decided to show up.

There was, on Tuesday May 21st, a regular Council Meeting at which not a mention of the upcoming Special Meeting was made. Each of the Council Members during the Reports and Requests agenda item could have said something, but no. The City Manager during Staff Reports could have said something, but no. The City Attorney, who provides procedural advice to the Mayor during the meeting, could have said something to the Mayor, but no. And last, but not least, Council Member Blair, a staunch supporter of communication, who was not in attendance could have informed her constituents on Face Book, I checked, but no.

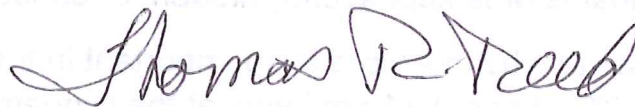
This is the most interesting part. The May 21st regular Council Meeting immediately followed a Study Session on Ethics in Government, ironic, isn't it!!

Where do we go from here? Well, since this Special Occasion was evidently intended solely for the insiders, maybe they should pay.

My suggestion is this: The total cost of this event, when totaled up, should be divided by 7 and each of you chip in your portion so that my tax dollars, the tax dollars of Mr. Rogers, Ms. Wlaschin, and the other residents of Lemoore are not used for this boondoggle.

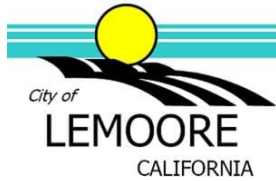
Also, I challenge each of you, in turn, to step from behind the dais, stand at this podium and apologize to the residents of Lemoore for this egregious behavior to which each of you have been a part.

I finish with a second word for today: Integrity. I need not give any definitions, we should all know this one. And we all know it was missing in this endeavor!

A handwritten signature in dark ink, reading "Thomas R. Reed". The signature is fluid and cursive, with the first name "Thomas" being more prominent than the last name "Reed".

Thomas R Reed

06/04/2019



Planned Unit Development No. 2019-01

**An application by Woodside Homes to
reduce the side yard setbacks to
5 feet for two-story housing units.**

Judy Holwell

June 4, 2019

Background

- ▶ Brisbane East, a 64-lot subdivision, approved July 11, 2016.
- ▶ Woodside Homes – Home plans approved July 10, 2017.
- ▶ Currently under construction.
- ▶ Located on Daphne Lane, 500 feet north of E. D Street.

Project Location

Daphne Lane—North of East D Street (E. Bush St.)



Application

1. Application by Woodside Homes for Planned Unit Development to amend the minimum side yard setback for two-story units.
2. Current minimum side yard setback is 5' for one-story units and 10' for two-story units.
3. Request is to allow 5' side yard setback for two-story units.
4. Property owners within subdivision were sent Public Hearing Notice.

Recommendation

1. The Lemoore Planning Commission, during a duly noticed Public Hearing May 13, 2019, voted to recommend approval of the PUD.
2. The Lemoore City Council should approve the first reading of Ordinance No. 2019-02 to:
 - ▶ Approve Planned Unit Development No. 2019-01, to allow 5' side yard setbacks for two-story homes; and
 - ▶ Pass it to a second reading.