



Capital Investment Incentive Program (CIIP)

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Photos provided by the Monterey County Convention & Visitors Bureau



Summary & Background

- ❖ The County of Monterey has worked closely with Joby Aviation Inc. (Joby) for several years and has provided support through various departments. Joby issued a request for proposals (RFP) for a competitive site selection for a 600,000+ square foot aircraft production and testing facility in December 2022. Several local partners came together to form a working group to respond to the Joby RFP. The group submitted a response to the RFP at Joby headquarters in Santa Cruz on March 3, 2023.
- ❖ On April 18th, 2023, the local partners provided a presentation to the BOS regarding the response to Joby's RFP. During this presentation Supervisor Root-Askew made a motion to direct the Economic Development Manager to review several incentive and support requests to be brought back to the BOS as soon as possible.
- ❖ Following the Board presentation, the Joby Retention Team regrouped and worked closely with the State of California Governor's Office for Business and Economic Development (GO-Biz) on the Capital Investment Incentive Program (CIIP) to incentivize Joby to locate its manufacturing facility in Monterey County.



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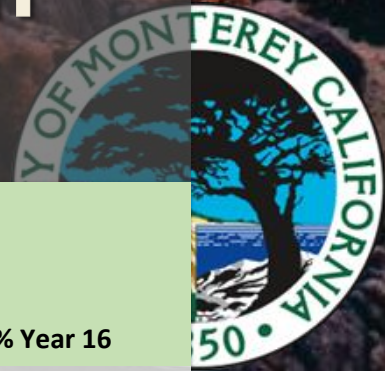
- ❖ The CIIP is an existing program that enables local governments to offer a partial property tax rebate for up to 15 consecutive years for qualified manufacturing facilities for assessed property values in excess of \$150 million (must exceed \$150 million).
- ❖ Any city or county seeking to offer assistance under the CIIP must first adopt a resolution by its governing body authorizing its staff to work with the State of California (GO-Biz) in participating in the CIIP and offering this incentive to qualified businesses.
- ❖ Companies seeking assistance under the CIIP must make a written request to the County of Monterey (County), provide a detailed description of the investment being contemplated and specify the number and types of jobs being created.
- ❖ Should a resolution be approved, the local government agency (County) would then be able to submit the resolution to GO-Biz informing them that the County is interested in working with their office on the CIIP.
- ❖ This would begin the process allowing the County to engage with a potential qualified business regarding a community services agreement.

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- ❖ Joby has requested assistance under the CIIP and intends to implement a major expansion of its facilities at the Marina Municipal Airport.
- ❖ This is estimated to include construction of a new 580,000 square foot building for the manufacturing and assembly of their eVTOL product.
- ❖ The investments in real and business personal property necessary for the full and normal construction and operation of the facility is an estimated \$585 million.
- ❖ Joby has projected a new facility that would employ a total of 1,800 employees. Jobs created will generally be managers, analysts, engineers, software developers, technicians, assemblers, machinists, maintenance, and other support personnel.

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Valuation	Property Tax	County Admin Fee	Available Prop Tax	County Share from 1%	County Share of 24.47%	Developer Share of 24.470% 100% Year 16	
\$150,000,000	\$1,500,000	\$22,410	\$1,477,590	\$361,561	\$90,390	\$0	\$486,613
\$435,000,000	\$4,350,000	\$64,989	\$4,285,011	\$1,048,527	\$262,132	\$786,395	\$1,411,179
\$585,000,000	\$5,850,000	\$87,399	\$5,762,601	\$1,410,088	\$352,522	\$1,057,566	\$1,897,792
County Tax Receipts		25% of \$435 m + 100% of \$150 m					
Valuation	100% of \$150 million			\$361,561			
\$435,000,000	25% of \$435 million			\$262,132			
Totals				\$623,693			

Recommendation

- ◆ It is recommended that the Board of Supervisors:
- ◆ Consider adopting a resolution establishing a Capital Investment Incentive Program (CIIP) and authorize the County Administrative Officer or Designee to negotiate a Community Services Agreement with Joby Aviation Inc. (Joby);
- ◆ Provide direction to staff.

Questions?

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