

## **Enterprise Zone paying off Y-S program attracting business to the area**

**-By Ching Lee – Appeal-Democrat Newspaper  
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The Yuba-Sutter Enterprise Zone, a program which gives tax breaks to businesses that want to locate in the Yuba-Sutter area, has been recognized for its successful marketing plans.

The Zone received the Best Marketing campaign or Tool award from the California Association of Enterprise Zones, in part because it successfully recruited 10 new manufacturing businesses to locate within the Yuba County Airport's industrial park, said Mary Hansen, airport manager and Enterprise Zone director.

The Zone also attracted a new Wal-Mart to Linda, which became one of Yuba County's first retail establishments in 20 years, adding some 300 new jobs to the area, Hansen noted.

Hansen said the award focused on the Zone's partnerships with the Yuba and Sutter counties OneStop centers, which assisted businesses in not only attracting potential employees and providing tax credit voucher services, but also provided facilities for the businesses to conduct job interviews and related activities.

"Many businesses took advantage of the Enterprise Zone incentives such as lower cost in purchasing and financing of property to give them a push and get them started," said Hansen.

When the new Wal-Mart located in Linda, it had the potential to receive tax credits for the 300 or more employees it hired, Hansen said. That's \$31,600 for each full-time employee over the next five years, \$10,500 for each full-time employee the first year.

Since the Yuba-Sutter Enterprise Zone was established in October 15, 1986, it has issued some 10,000 hiring credit vouchers, which amounted to about \$141.3 million of the potential credit to the business over five years, said Hansen.

"We make it really easy for the companies to get that tax credit," Hansen said. "All they have to do is show us the records."

The tax credits, however, are offset by the revenue brought in by these businesses, Hansen said.

"We don't cost the state any money," she said. "We brought them money. We are bringing in more revenue as a result of the Enterprise Zone program."

According to an independent cost-benefit analysis study, the return on the state program's investment is 1.35 times the state cost. In 2002, for example, the state realized the net gain of the \$249 million, Hansen said.

Mark Patterson, owner of Patterson Inc., a commercial construction company from Oregon, recently purchased five acres at the airport's industrial park and another three-and-a-half acres on Arboga Road. He said he was searching for land within a 100 mile radius of Sacramento and was attracted to the Yuba-Sutter area for its rapid growth.

The main reason for choosing Yuba-Sutter, however, was the pricing of land, Patterson said. "It was more in line with what I was trying to do," he said.

Patterson plans to employ about 20 to 25 people and hopes the business will be in full production in another six to seven months.

Marvin Toles, president of Century Cedar Log Homes, relocated the firm to Yuba City this year from San Bernadino County. Toles said the decision to relocate to the Yuba-Sutter area was mostly influenced by the financing opportunities and the land availability at the airport's industrial park, where he purchased two-and-a-half acres.

"The county is carrying the note on the land," he said. "We put 20 percent down and they carry the balance of the note."