

**FIVE-YEAR ECONOMIC DEVELOPMENT SUBSIDY REPORT
PURSUANT TO GOVERNMENT CODE SECTION 53083**

**FOR THE OPERATING COVENANT AGREEMENT
BY AND BETWEEN
CITY OF CORONA**

**AND
ROBERTSON'S READY MIX, LTD.
(ADOPTED BY RESOLUTION NO. 2022-114: 08-17-22)**

Pursuant to Government Code Section 53083, the City Council of the City of Corona must hold a noticed public hearing within 5 years of the approval of an economic development subsidy and, prior to the public hearing, provide all of the following information in written form and make it available to the public and through the City's website. Notice was published in the local newspaper for a public hearing to be held on August 17, 2022.

The City and Robertson's Ready Mix, LTD. ("Robertson's") previously entered into that certain Operating Covenant Agreement dated December 18, 2013 ("Original Agreement"), and that certain First Amendment dated December 16, 2015 ("First Amendment"). The Original Agreement, together with the First Amendment, shall be referred to herein collectively as the "Agreement."

The purpose of this report is to provide the information required pursuant to Government Code Section 53083 in regard to the Agreement. This report shall remain available to the public and posted on the City's website until the end date of the economic development subsidy, as further described in number 2 below.

1. The name and address of all corporations or any other business entities, except for sole proprietorships, that are the beneficiary of the economic development subsidy.

The Agreement is with Robertson's Ready Mix, LTD., a California limited partnership. Robertson's Ready Mix, LTD. is the sole beneficiary of the economic development subsidy.

Robertson's Ready Mix, LTD.
200 S. Main Street, Suite 200
Corona, CA 92882

2. The start and end dates and schedule, if applicable, for the economic development subsidy.

As provided in the Original Agreement, the start date of the economic development subsidy commenced on the first day of Computation Quarter 1, as defined in the Original Agreement, which occurred on or about January 1, 2014. The end date under the Original Agreement was established as the date that is no later than 25 years after the start date, which is on or around December 31, 2039. The First Amendment, approved by the City Council on December 16, 2015, provides for automatic renewals for subsequent 60-month

periods, unless terminated pursuant to the terms of the Agreement either before the end date of the Original Agreement or during any subsequent renewal period. If the term is automatically renewed, the economic development subsidy shall continue for such 60-month renewal period.

The economic development subsidy is paid quarterly (every 3 months), within 120 days of the end of each Computation Quarter. Computation Quarters run from January 1 to March 31, April 1 to June 30, July 1 to September 30, and October 1 to December 31.

3. A description of the economic development subsidy, including the estimated total amount of the expenditure of public funds by, or of revenue lost to, the local agency as a result of the economic development subsidy.

The economic development subsidy is an amount equal to fifty percent (50%) of the sales tax revenue received by the City during a Computation Quarter from taxable sales occurring at Robertson's during that Computation Quarter.

Through the first quarter of 2022, the total amount paid by the City to Robertson's Ready Mix, LTD. is \$20,504,627.45.

4. A statement of the public purposes for the economic development subsidy.

The public purpose of the economic development subsidy includes, but is not limited to, having a company establish and maintain a physical presence in the City which creates jobs and stimulates the economic recovery of the Inland Empire. Robertson's maintains a sales office within the City, has expanded its operations within the City and has agreed to remain in the City for a period of not less than 25 years from the Effective Date of the Original Agreement. The establishment of the sales office within the City generates substantial revenue for the City, creates new jobs, revitalizes an area of the City which has suffered a loss of jobs and businesses during the economic downturn of the mid-2000's, and results in community and public improvements that might not otherwise be available to the community for many years. Additionally, by having a company like Robertson's maintain a physical presence in Corona we have added diversity to and generated new opportunities for economic growth. Further, the sales office serves the additional public purpose of fostering a business and civic environment that may attract additional businesses and investment in the community due to the availability of the increased public and private services and economic activity resulting therefrom, thereby assisting the City in its goal of furthering the development of the community. The Agreement also facilitates the retention of high paying/management jobs within the City and provides opportunity for additional job growth throughout the term of the Agreement.

5. The net tax revenue to the local agency as a result of the economic development subsidy.

The City has received \$20,504,627.42 in net Sales Tax Revenues from taxable sales occurring at Robertson's.

6. The net number of jobs created by the economic development subsidy, broken down by full-time, part-time, and temporary positions.

- 1,570 full-time jobs
- 0 part-time jobs
- 0 temporary positions