



MAYOR ROBERT GARCIA CITY OF LONG BEACH

September 25, 2017

The Honorable Edmund G. Brown, Jr.
Governor, State of California
California State Capitol
Sacramento, CA 95814

RE: Support for AB 755 (E. Garcia) – Local agencies: Capital Investment Incentive Program

Dear Governor Brown:

On behalf of the City of Long Beach, I write to support Assembly Bill 755 (E. Garcia). This legislation seeks to extend a successful statewide program related to economic development, and from which Long Beach has benefited. The California Capital Investment Incentive Program (CIIP) authorizes cities and counties to establish a CIIP and requires those that choose to do so to pay a capital investment incentive amount to the proponent of a qualified manufacturing facility for up to 15 consecutive years.

The State's CIIP is crucial to assisting businesses wishing to locate or expand in Long Beach, and our experience with the program has been positive. In 2015, the City was able to support Weber Metals with implementing a major expansion to its Long Beach manufacturing facility, including the installation of a 60,000-ton hydraulic forging press for the manufacture of aircraft parts. The investments in real and business personal property necessary for the full and normal operation of the facility is an estimated \$295 million and will generate new tax revenues to the City. The agreement also includes a Community Services Agreement whereby, through a Job Creation Plan, Weber Metals has projected that the average number of employees for this project will grow from 11 in 2015 to 86 by 2020.

Following on the success of Weber Metals, the City of Long Beach is exploring partnerships with two additional businesses through the CIIP. We look forward to working with the California Governor's Office of Business and Economic Development (GO-Biz) on these opportunities to bring businesses into Long Beach, where there is a strong manufacturing and engineering workforce.

Given these reasons, the City of Long Beach requests your signature on AB 755 (E. Garcia).

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert Garcia".

Mayor Robert Garcia
City of Long Beach

cc: The Honorable Speaker Anthony Rendon, State Assembly
The Honorable Patrick O'Donnell, State Assembly, 70th District
The Honorable Steven Bradford, State Senate, 35th District
The Honorable Ricardo Lara, State Senate, 33rd District
The Honorable Janet Nguyen, State Senate, 34th District
The Honorable Mike Gipson, State Assembly, 64th District