



# City of Tucson Business Incentive Program Application

Thank you for your interest in the City of Tucson’s Business Incentive Program. In order to be formally considered for one of our many incentives you must submit an application narrative to the Economic Development office. Please contact us prior to starting your application so we can discuss the available incentives and determine initial eligibility. Application narratives should be sent in PDF format to [CMOApplications@tucsonaz.gov](mailto:CMOApplications@tucsonaz.gov)

In general, an eligible project must have direct financial benefit to the community through additional jobs and/or increased revenues and trigger spin-off benefits for other properties or businesses. The project must also involve a significant capital investment by the applicant.

**Application** – Please address each of the topics below:

1) Applicant Description

a) Applicant Name: \_\_\_\_\_

b) Name of Business (if applicable): \_\_\_\_\_

c) Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

d) Email: \_\_\_\_\_ Phone: \_\_\_\_\_

2) Project Description

a) Location Address: \_\_\_\_\_

i) Parcel Number if applicable: \_\_\_\_\_

b) New Development: \_\_\_\_ Or Renovation: \_\_\_\_

c) Provide a description of the project:

d) Total Project Sq.Ft. : \_\_\_\_\_

e) Break down each use by its Sq. Ft. (i.e. retail, office, residential) and the cost of construction for each use:

Use:	Sq. Ft.:	Cost of construction
<u>Residential</u>	_____	\$ _____
<u>Office</u>	_____	\$ _____
<u>Retail</u>	_____	\$ _____
<u>Other:</u>	_____	\$ _____

3) Incentives

For complete incentive descriptions, see <https://www.tucsonaz.gov/business/incentives>

a) Incentive(s) Requested (Check all that apply)

- \_\_\_\_\_ Government Property Lease Excise Tax (GPLET)
- \_\_\_\_\_ Primary Jobs Incentive
- \_\_\_\_\_ Site Specific Sales Tax Incentive
- \_\_\_\_\_ Global Economic Development District (GEDD)
- \_\_\_\_\_ Tucson Community Development Loan Fund (108- federal)
- \_\_\_\_\_ Downtown Financial Incentive District

4) Funding (List all sources of funding for the project):

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

5) Total capital investment amount : \$ \_\_\_\_\_

**Economic Initiatives Office**

Mike Czechowski - 520-837-4058  
Barbra Coffee - 520-837-4069

6) Owner/Tenant

- a) Is the applicant the owner of the property? Y \_\_\_ or N \_\_\_
  - i) If no, please attach the lease agreement between the lessee and the owner (if available)
  - ii) If yes, will you have leases on the property? Y \_\_\_ or N \_\_\_
    - (1) If yes, what percentage of leases are secured? \_\_\_\_\_%

7) Construction

- a) Construction Start date? \_\_\_\_\_ Construction completion date? \_\_\_\_\_
- b) Total Construction Cost \$ \_\_\_\_\_

8) Organization/Applicant Capacity

Explain Company History:
--------------------------

9) Employment Impact of Project

- a) Current Number of Employees: \_\_\_\_\_
  - i) Full-time \_\_\_\_\_
  - ii) Part-time \_\_\_\_\_
- b) Number of Employees Post Project Completion: \_\_\_\_\_
  - i) Full-time \_\_\_\_\_
  - ii) Part-time \_\_\_\_\_
- c) List the employee position types and wages being employed post project completion:

--

- d) Employee salary range \$ \_\_\_\_\_ - \$ \_\_\_\_\_
- e) Average employee salary \$ \_\_\_\_\_
- f) # of new positions paying > \$52,400 \_\_\_\_\_ (Primary Jobs Applicants only)

10) Revenue

- a) Current Revenue: \$ \_\_\_\_\_/Year
- b) Post Completion Revenue: \$ \_\_\_\_\_/Year

11) Direct Benefit to the City of Tucson

- a) Current Tax Revenue to the City (if applicable): \$ \_\_\_\_\_/Year
- b) Post Completion Tax Revenue to the City: \$ \_\_\_\_\_/Year

12) Explain the overall economic benefit to the City of Tucson ( Including indirect benefits):

13) How does this incentive benefit the applicant?

14) Contractors

*The City of Tucson recognizes that the use of local subcontractors for construction projects boosts our local economy. The City encourages developers to hire 70% Pima County construction workforce. The City also encourages subcontractors to participate in the Apprenticeship Program (Ordinance 10462) which helps prepare our workforce for future employment opportunities. The program is funded by subcontractors and is not a cost borne by the developer.*

a) Name of Contractor(s): \_\_\_\_\_

b) What % of subcontractors are local (Within Pima County)? \_\_\_\_\_%

15) Summary (Please summarize the project and give any addition information that is relevant to receiving the incentive requested):

## Critical Information Sheet

### Next Steps: Proposal Analysis and Due Diligence.

An internal City team will review your application and make a determination regarding whether to move the request forward to the Mayor and Council for review. Upon direction from the Mayor and Council to proceed, the applicant will pay an application fee of \$5,000 to the City and the City may request clarification or further explanation of items in the Application Narrative. *For the Primary Jobs Incentive Program, the economic impact analysis will be conducted by TREO without cost to the applicant.*

The City will commission an Independent Financial and Economic Analysis of the project to determine the economic impact and to what degree the City will receive direct benefits from the project. City staff will review the financial analysis and forward a recommendation to the Mayor and Council. If Mayor and Council approve the incentive request, they will direct staff to return to Mayor and Council with an agreement formalizing the incentive in a development agreement or lease.

### Incentive Specific Eligibility Criteria:

#### *Primary Jobs Incentive Program*

- Employer invests at least \$5 million in new or expanded facilities within the City limits.
- Employer creates a minimum of 25 new, primary, non-retail jobs that pay at least 125% of mean annual earnings for the Tucson (currently, \$52,400). Remaining new jobs must pay an average of the mean annual earnings for Arizona (currently \$45,595). Employer pays 75% of employee health premiums.

#### *Government Property Lease Excise Tax (GPLET)*

- Location within Central Business District.
- City must take ownership of the property.
- Improvements result in an increase in property value of at least 100 percent.
- Independent analysis determines that the economic and fiscal benefit to government exceed the benefits received by the private lessee.
- GPLET applications received after 1/9/2016 are subject to a GPLET rent equivalent to 10% of the value of the incentive, not to exceed what is currently paid in property taxes.

#### *Economic Development Tax Incentive agreements*

- The proposed tax incentive agreement must raise more revenue than the value of the incentive.
- In the absence of the incentive, the business would not locate in the City in the same time, place or manner.
- With certain exceptions, the economic benefits of the incentive must be confirmed by an independent third party, who cannot be selected or financed by the applicant.