

**NOTICE OF HEARING AND REPORT PURSUANT TO
GOVERNMENT CODE SECTION 53083**

ECONOMIC DEVELOPMENT SUBSIDY TO BE GIVEN
UNDER AN OPERATING COVENANT AGREEMENT
BETWEEN THE CITY OF INDIO
AND I10K, INC. (KIA DEALERSHIP)

NOTICE IS HEREBY GIVEN that the City of Indio City Council will hold a public hearing via teleconference on January 6, 2021 at 5:00 p.m., or as soon thereafter as is possible, to consider an Operating Covenant Agreement between the City of Indio and I10K, Inc. a California corporation (“Agreement”). The public will be allowed to participate in the hearing remotely, in lieu of physical presence at the public hearing, via the electronic means provided below, consistent with State of California Executive Order N-29-20. therefore, all interested persons are invited to participate in this hearing in the manner described below and express opinions upon the items listed below.

The Agreement is available for review at City Hall, 100 Civic Center Mall, Indio, California 92201. Because of the ongoing COVID-19 pandemic, City Hall is open by appointment only. Therefore, you may contact Carl S. Morgan at (760) 541-4203 or cmorgan@indio.org to make an appointment to review the Agreement or request that a copy be emailed to you. Alternatively, the agreement is available on the City’s website at www.indio.org.

Pursuant to Government Code Section 53083, the City Council of the City of Indio must hold a noticed public hearing (as part of regularly scheduled council meeting) and, prior to the public hearing, provide all of the following information in written form and available to the public and through the City’s website, regarding a proposed economic development subsidy to be provided by the City pursuant to the Agreement. This information is set forth below.

Coronavirus (COVID-19) Advisory

Pursuant to Governor Newsom’s Executive Orders N-25-20 and N-29-20, meetings of the City of Indio City Council are being conducted via teleconference. Consistent with these orders and in the interest of maintaining appropriate social distancing, City Council Chamber is closed and there will be no in-person public access to the meeting location.

The City Council meetings can be viewed via [Livestream](#) or [Facebook Live](#). Please check the agenda for the meeting, posted at least 72 hours in advance, on the City’s website at indio.org for current information about how to observe the meeting and hearing. Interested persons wishing to express their views on the hearing item referenced herein may participate by providing oral or written comments as follows. Written comment on the public hearing item may be submitted via email to SSanchez@indio.org no later than 2:00 pm on the day of the hearing. If you wish to provide oral testimony during the hearing, please email your name and phone number in the body of the email to the City Clerk ssanchez@indio.org to obtain the zoom meeting ID and password, no later than 5:00 p.m. on the day of the meeting. The City Clerk, however, will facilitate to the extent possible any email requests to provide oral testimony that are sent during the live meeting. Please specify on the subject line of the email “Oral Comment” and note the agenda item number.

The number provided in the email must match the number you are calling from, in order to be recognized by the City Clerk. Additionally, to participate during the live session, please keep track of the meeting proceedings by watching the meeting via Livestream, Facebook Live or Zoom. The agenda will be posted no less than 72 hours in advance of the meeting. Written comments provided via email by the time listed above will be distributed to the City Council.

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act, please contact Sabdi Sanchez at SSanchez@indio.org 24 hours in advance of the hearing for assistance.

Additional information concerning the above matter may be obtained from and written comments should be addressed to SSanchez@indio.org

Report

The purpose of the following report is to provide the information required pursuant to Government Code Section 53083. This report shall remain available to the public and posted on the City's website until the end date of the economic development subsidy (described in Item 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 I10K, Inc. a California corporation, to Fiesta Kia, Attention: Paul Thiel via Email: pthiel@palmspringmotors.com

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

If the agreement is approved by the City Council, the obligations under the agreement are contingent on the dealership being development as well as commencement of its operation. Therefore, the start date is contingent upon the opening of the new Kia Dealership. Accordingly, from and after the date of the opening of the dealership should the dealership be developed at the developer's sole expense (the "Opening"), the City shall make quarterly payments to business in an amount equal to fifty percent (50%) of the Sales Tax generated by the business after the business opens to the public and which is actually received by the City and allocable to each such quarter or portion thereof, until the payments made by City under this Section total Three Million Five Hundred Thousand Dollars (\$3,500,000.00.).

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.**

An amount equal to fifty percent (50%) of the project generated Sales Tax generated by Qualified Business up to \$3.5 million.

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

If the dealership is developed and subsequently opens, the purpose is to purchase an operating covenant for the continued operation of the dealership in the City. The City finds that the operation of such a Qualified Business (as defined in the agreement) proposed by I10K, Inc.: (i) promotes the long-term employment of residents of the City and will significantly contribute to the maintenance, growth, and expansion of the economic base of the City; (ii) constitutes a valid exercise of the police powers of the City and serves public purposes in which the City has peculiar and unique interests; (iii) will promote the generation of sales tax revenue payable to City; (iv) will increase the traffic to the existing I-10 Auto Mall dealerships; and (iv) otherwise substantially relates to the municipal affairs of the City.

5. **The estimated number of jobs created by the economic development subsidy.**

The new dealership is estimated to create between 120 and 150 new jobs.