

**FIVE-YEAR ECONOMIC DEVELOPMENT SUBSIDY REPORT
PURSUANT TO GOVERNMENT CODE SECTION 53083
ON THE
2019 VEHICLE REBATE PROGRAM
BY AND BETWEEN
THE CITY OF GARDEN GROVE
AND
GARDEN GROVE NEW VEHICLE DEALERSHIPS**

The following Five-Year Report has been prepared pursuant to California Government Code Section 53083. Section 53083 requires that for economic development subsidy agreements approved on or after January 1, 2014, the city must hold a public hearing within five years to provide an update on the project. As required, this report reiterates details of the 2019 Vehicle Rebate Program ("Program") and provides information on subsidy payments to date.

This update report considers only the Program. The purpose of this Program is to effectuate economic development in the City of Garden Grove ("City").

- 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, if applicable.**

The Program is with the following new car dealerships in the City of Garden Grove.

- A. Garden Grove Kia – 13731 Harbor Boulevard, Garden Grove, CA 92843
- B. Garden Grove Nissan – 9222 Trask Avenue, Garden Grove, CA 92844
- C. Garden Grove Hyundai – 9898 Trask Avenue, Garden Grove CA 92844
- D. Simpson Chevrolet of Garden Grove – 10150 Trask Avenue, Garden Grove, CA 92843
- E. Toyota Place – 9670 Trask Avenue, Garden Grove, CA 92844
- F. Volkswagen of Garden Grove – 10800 Trask Avenue, Garden Grove, CA 92843

- 2. The start and end dates and schedule for the economic development subsidy.**

The 2019 Vehicle Rebate Program, approved May 14, 2019, is for five (5) years commencing on July 1, 2019 and ending on June 30, 2024.

- 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 Program would make available a \$500 rebate through one of six franchised Garden Grove New Vehicle Dealerships to benefit the Garden Grove residents and

businesses who purchase a new car or truck in Garden Grove. The Program is a new component of the City’s BiGG Initiative by encouraging residents and businesses to continue to buy locally.

To date, the full amount paid by the City to the Garden Grove New Vehicle Dealerships as part of the rebate program is approximately \$1,322,500 since 2019.

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

Year	Sales Tax Revenue	Sales Tax Rebate	City’s Revenue
2019	\$162,645.41	\$141,000.00	\$21,645.41
2020	\$383,404.40	\$308,500.00	\$74,904.40
2021	\$396,831.14	\$286,500.00	\$110,331.14
2022	\$331,740.39	\$212,000.00	\$119,740.39
2023	\$392,290.05	\$259,000.00	\$133,290.05
2024	\$161,225.23	\$115,500.00	\$45,725.23
Total	\$1,828,136.63	\$1,322,500.00	\$505,636.63

*as of June 7, 2024

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

In 2023 the Garden Grove New Vehicle Dealerships employed a total 565 team members with 547 full-time and 18 part-time employees with an estimated total payroll of \$56,662,240 in wages.

In 2018 the Garden Grove New Vehicle Dealerships employed a total 561 team members with 537 full-time and 24 part-time employees with an estimated total payroll of \$38,160,000 in wages.