NOTICE OF PUBLIC HEARING

THE SAN BERNARDINO COUNTY BOARD OF SUPERVISORS

NOTICE IS HEREBY GIVEN that pursuant to California Government Code Section 53083(a)(6)(b) of the California Government Code (AB562), the San Bernardino County Board of Supervisors will hold a public hearing, on October 21, 2025 to consider an Economic Development Subsidy Agreement entitled "Location and Sharing Agreement." The hearing will be held at the County Government Center, Covington Chambers, 385 N. Arrowhead Avenue, San Bernardino, CA 92415.

The San Bernardino County (County) desires to assist in its economic development efforts to bring additional high-quality jobs and maintain truck services to the County's communities which will likely result in higher sales tax revenues and create jobs within the County. The County has the ability to implement the provisions of AB 562, a statewide economic development tool passed by Governor Brown in late 2013 for the purpose of allowing local jurisdictions to induce economic development. The County and Inland Kenworth, Inc. are proposing to enter into a sales tax sharing agreement as described in the Location and Sharing Agreement. Pursuant to Section 53083(a) of the California Government Code (AB562) the following information will be posted on the County's website.

The purpose of the public hearing is to receive comments on the proposed agreement with Inland Kenworth (US) Inc. The information is as follows:

Economic Development Subsidy Details

(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 beneficiary is Inland Kenworth (US) Inc., located at 9730 Cherry Avenue, in the unincorporated area of Fontana, California.

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

The Location and Sharing Agreement will become effective when approved by the County's Board of Supervisors. The sharing obligations will begin with the first full fiscal year following the County's verification of the facility's expansion (Certificate of Occupancy), targeted for 2026. The Agreement will end once a the total of \$1.5 million has been paid from the County to Inland Kenworth, Inc. or after 20 years from when the Certificate of Occupancy issued to Inland Kenworth, Inc. for its facility expansion, whichever occurs first.

(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.

This economic development subsidy is a Location and Sharing Agreement as to sales and use tax between the County and Inland Kenworth, Inc. The County will share a portion of new local sales tax revenue generated by the business's expansion. The County will share 50% of sales and use tax revenues over \$400,000 annually paid by Inland Kenworth, Inc. and received by the County from expanded operations. The Location and Sharing Agreement will end once a total of \$1.5 million has been paid from the County to Inland Kenworth, Inc. or after 20 years from when the Certificate of Occupancy is issued to Inland Kenworth, Inc. for its facility expansion, whichever occurs first.

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

The economic development subsidy will help secure Inland Kenworth's decision to invest in the expansion of its existing facility in San Bernardino County, foster local economic development, and support the creation of well-paying jobs within the community. Without this subsidy, business expansion and its associated benefits would likely be lost, and perhaps to another state.

(5) Projected tax revenue to the local agency as a result of the economic development subsidy.

The economic development subsidy is projected to generate over \$20 million in gross annual sales revenues for the business. Over the course of the 20 year agreement, the County is projected to receive \$2.5 million in new tax revenue.

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

Inland Kenworth, Inc's facility expansion is expected to create 30 new, permanent full-time jobs with wages ranging from \$30–\$45 per hour plus benefits, including Service Technicians, Service Advisors, and Parts Warehouse Workers.