

PROVIDING OBJECTIVE THIRD-PARTY LEVERAGE TO MAXIMIZE YOUR ECONOMIC DEVELOPMENT INCENTIVES

INTRODUCTION

State and local jurisdictions use economic development incentives to attract new and expanding businesses that help the jurisdiction achieve their economic development goals. Incentives are a return by a jurisdiction of the anticipated future tax revenue and economic value added by a company's future business expansion activities. Incentives are either statutory entitlements or discretionary in nature. Statutory entitlements mean that the incentive is provided pursuant to specific statutory authority; the scope of the incentive is objectively defined and the incentive is obtained solely by qualifying under objective criteria. Discretionary incentives are offered on a case-by-case basis, and the granting and scope of the incentive is subject to a discretionary decision or the approval of a governmental entity. Since the mid-1990s, there has been a shift away from broad-based statutory incentives towards discretionary incentive packages. This enables government to have more flexibility in utilizing its limited economic development resources for those projects that are most important to a community and to control the terms of the incentives granted. This approach has become a practical way for policymakers to create new jobs for their constituents and a net-positive cash flow to their communities during a time when all state and local governments are faced with considerable budget challenges.

OVERVIEW OF SERVICES

Because of the unique nature of each company's expansion project and taxability, determining whether your company is receiving its fair share of the value being added to the community is not practical without experienced third party representation. The expertise of Wentworth Webb and Postal, LLC (WWP) in every aspect of economic development negotiations and our compelling track record will ensure that your company secures its fair share of the value added to the community by maximizing the discretionary incentives offered to induce a future expansion.

The site selection services of WWP include a total state and local tax and incentives comparison of every location under consideration as well as thorough incentives negotiations with the state, county and city jurisdictions. One phase of the package entails the research and analysis of state and local tax and incentive information, and the compilation of such data to estimate the overall tax impact of each potential site location. Another phase of the package involves the negotiation of incentive packages, commencing with the initial contact of the potential communities and their local economic development agencies and concluding with the negotiation of a written agreement between the selected community and the client.

ADDING VALUE BY MAXIMIZING YOUR DISCRETIONARY INCENTIVES

Our multi-phase site selection service structure has added substantial negotiating leverage to past site selection projects by:

- Quantifying the net state and local tax costs of locating to each potential facility
- Quantifying the scope of potentially applicable incentives that can actually be utilized by our clients
- Providing objective and credible third-party data to the state and local economic development authorities to evince the comparison of their jurisdiction to competitor jurisdictions under consideration and thereby provide the justification for additional discretionary incentives
- Enabling our clients to begin their relationships with the chosen communities without prior adversarial course of dealings
- Providing additional safeguards against unwanted disclosures of confidential project information to internal personnel and third-party entities
- Freeing up client resources that could otherwise be expended in other aspects of the site selection process

Most importantly, our positioning as an objective third-party representative, having expertise in state and local tax matters and the impartial task of determining the most economically viable location for the project, places WWP in a negotiation stance that cannot be achieved through in-house representation. As a result, pursuing economic incentives packages internally or without prior experience will likely result in the loss of substantial capital that could otherwise be available for future economic growth.

SUCCESS STORIES

Our past site selection clients have included:

- US Bank
- The Budget Group
- Wells Fargo
- Frontier Airlines
- First American
- Washington Mutual
- La Quinta
- Sears
- Assurant
- Home Depot Supply
- Allstate Insurance Company
- Express Scripts

PARTNERSHIPS

Deciding on the best location of a new or expanding business is a daunting task that also involves facility lease or construction coordination, labor availability analysis, standard-of-living concerns, education and accessibility considerations, etc. To provide solutions to these tasks and concerns, WWP frequently partners with CB Richard Ellis (CBRE) to provide a complete site selection service package. WWP can also partner with its sister company, [ITaxGroup](#) to provide compliance assistance for job related credits.

For more information about Wentworth Webb & Postal, LLC, please visit our web page at www.wwptax.com or call us at (602) 288-2160.