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to downtown businesses would create roughly 340 jobs and \$13.9 million in employee compensation and business income.

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Modesto, California, officials say an incentive program offering cash, tax breaks and other help to downtown businesses would create roughly 340 jobs and \$13.9 million in employee compensation and business income.

The program's benefits will be discussed Monday at the City Council's Economic Development Committee meeting.

City planners presented the program to the committee in June, but members asked for details on the program's economic benefits.

The city worked with the Stanislaus Alliance in developing projections on how many jobs and how much in compensation and business income the program would create. Compensation consists of employees' wages and benefits.

The projections are based on the full rollout of the incentive program and that half of the cash incentives would be used for retailers and restaurants and half for professional offices, such as accounting and legal firms.

A city report does not say how long it would take to create all of the jobs and to realize the \$13.9 million in wages and business income.

The incentive program would cost the city's general fund \$100,000 for the cash incentives and grants to businesses that improve their facades. The program is for new businesses or businesses relocating to downtown.

The incentives include:

— \$1,000 for businesses that create up to four jobs; \$2,000 for businesses that create

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what is called the multiplier effect. The idea is that the increased economic activity from the new retailers, restaurants and professional offices would generate additional economic activity and jobs.

Downtown has a 16 percent vacancy rate, according to the city report. But officials believe it's a sleeping giant with tremendous economic potential.

The incentive program targets certain types of retailers, such as art galleries, grocery stores, booksellers, clothing stores, music stores and pubs and lounges.

The program developed out of the work of the Downtown Hospitality Program, which the City Council commissioned in June 2012. The Hospitality Program is a collaboration between the city, Downtown Improvement District, Chamber of Commerce, Convention and Visitors Bureau, Stanislaus Alliance and others.

For more on the incentive program, go to www.modestogov.com/council/committees/econ.asp and click on the agenda for Monday's meeting. The Economic Development Committee meets at 5 p.m. in Room 2005 on the second floor of Tenth Street Place, 1010 10th St.

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