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Creating Jobs, Fueling the Economy

JOBZ makes a difference. Just ask officials at SAGE Electrochromics Inc., a company in Faribault that makes glass for skyways and windows that can be tinted at the flick of a switch.

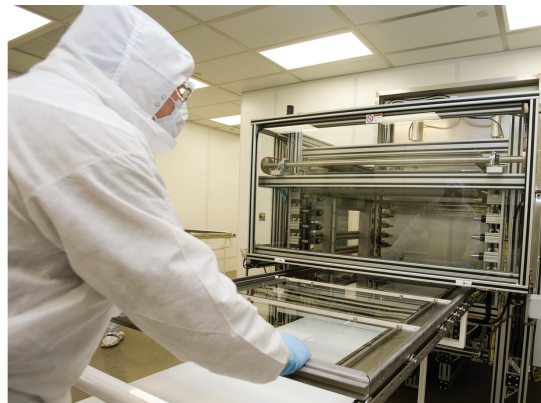
When SAGE began scouting around nationally for a site to build a \$110 million manufacturing plant, Minnesota officials offered the company tax incentives under JOBZ to build the facility in Faribault. The JOBZ incentives, combined with other local, state and federal assistance, convinced the company last year that Faribault was the best spot for the new plant. The facility will employ 160 people in the southeastern Minnesota community of 15,000, and a study by Deloitte Consulting concluded the total benefit will be 400 permanent jobs in the local economy.

John Van Dine, CEO and founder of SAGE, said "JOBZ was instrumental in our decision to expand in Minnesota."

It was a textbook example of how JOBZ works. The program was introduced eight years ago to promote development in Greater Minnesota by offering tax incentives to companies that start up or expand in targeted zones. In exchange for receiving the incentives, companies must agree to create new jobs at specific wage levels.

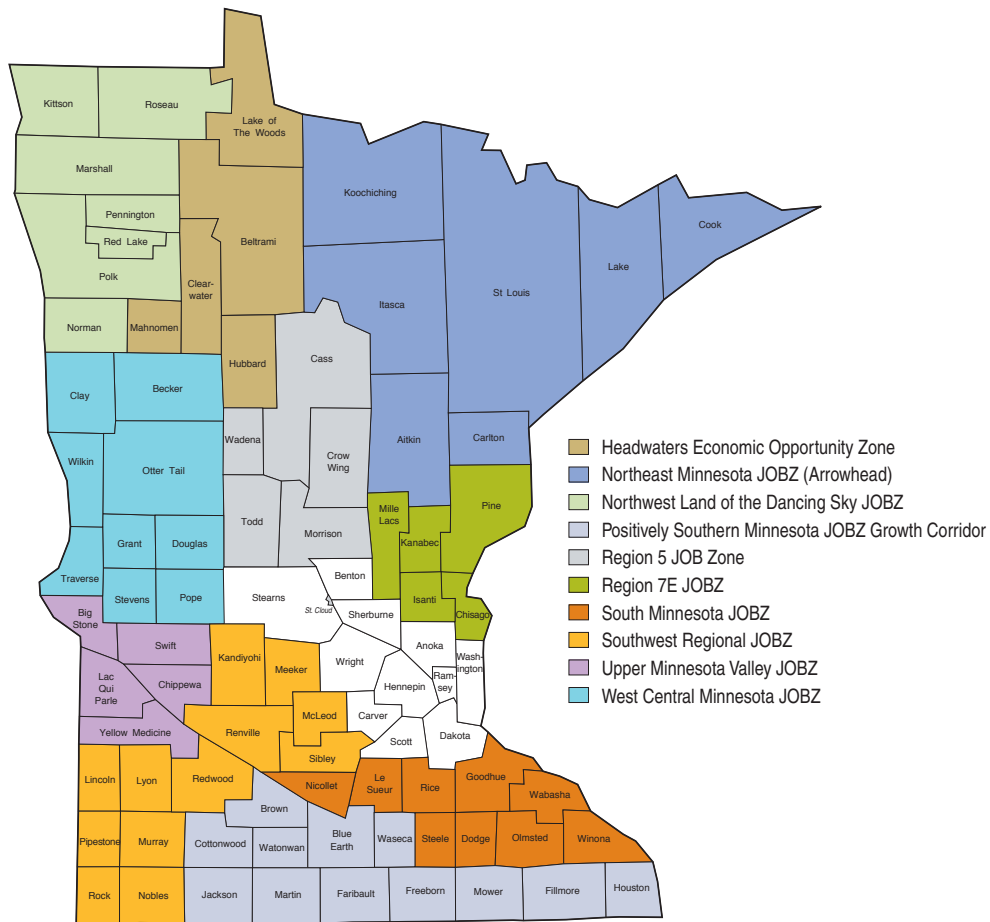
For every job created by a JOBZ recipient, another 2.1 jobs are created elsewhere by suppliers and by people spending more money in the local economy. JOBZ has directly or indirectly created nearly 19,600 jobs in Minnesota at an average annual wage of \$35,743.

JOBZ works and has been vitally important for encouraging economic growth in Greater Minnesota.



SAGE plans to add 160 manufacturing and technology jobs at its new facility in Faribault.

JOBZ Program Performance



JOBZ Region	FTE (New) Job Goals	Average Wage Goals	FTE (New) Job Actuals	Average Wage (actual)	2009 Estimated State Tax Expenditures (millions) ¹	2009 Estimated Property Tax Exemptions (millions) ²
Land of the Dancing Sky	32	\$11.66	35	\$13.33	\$377,000	\$99,000
Northeast	214	\$12.15	244	\$18.65	\$4,535,000	\$261,000
West Central	1,203	\$12.69	1,164	\$17.36	\$4,077,000	\$1,826,000
Region 5	304	\$11.69	471	\$17.82	\$373,000	\$1,244,000
Region 7E	283	\$14.11	430	\$18.81	\$1,071,000	\$564,000
Southwest	835	\$11.32	1,613	\$18.24	\$4,154,000	\$2,499,000
South MN JOBZ Alliance	510	\$12.11	877	\$19.29	\$3,595,000	\$2,248,000
Positively Southern MN	675	\$12.20	1,227	\$17.98	\$2,416,000	\$3,779,000
Combined Regions*	234	\$11.12	305	\$15.31	\$687,000	\$553,000
Statewide	4,290	\$12.01	6,366	\$17.21	\$21,285,000	\$13,073,000

* Combined regions: Headwaters and Upper Minnesota Valley

Data Source Notes:

The tax benefit information is based on data reported to the Minnesota Department of Revenue by 349 businesses on Schedule JOBZ and Form M500.

Property tax exemptions are not actual revenue decreases, rather levy amounts are shifted onto all other property.

Estimated state tax expenditures and property tax exemptions are preliminary estimates as of February 2011.

Job and wage data collected through the Minnesota Business Assistance Form.

Projects located in Stearns County and Benton County are included in West Central and Region 5 JOBZ regions, respectively.

Job Notes:

There were 5,611 full-time equivalent retained jobs reported with an average hourly wage of \$19.86.

FTE (New) = means a job or a combination of jobs that will produce annualized cumulative expected hours of work, not including overtime, equal to 2,080 hours.

May be seasonal as long as the required number of FTE jobs are created and maintained for each calendar year and was created subsequent to the agreement date.

¹Includes local sales tax and estimated tax benefits for JOBZ businesses.

²Includes state and local property tax exemptions.