

City of Orange

RESIDENT VEHICLE INCENTIVE PROGRAM GUIDELINES

As a means to spur growth of the local tax base and to encourage Orange residents and businesses to “buy local”, the City has developed the Vehicle Incentive Program (VIP) that incentivizes Orange residents and businesses to purchase or lease a car and/or truck from one of 5 franchised Orange auto dealerships.

The VIP provides a \$500 rebate to an Orange resident who purchases or leases a new or pre-owned car or truck from a franchised Orange auto dealer and is designed to encourage residents to continue to buy locally. The VIP has been developed to avoid leakage of local automotive purchases to outside jurisdictions and would ensure that future revenue generated by this sector will be available to provide vital City services.

Program Objectives

- Reinvest in the local economy.
- Encourage job creation and retention.
- Incentivize residents and businesses to shop local.
- Avoid leakage of automotive purchases to other cities.
- Maintain a strong retail sales base in the City.

Buy Local

The Resident Vehicle Incentive Program (VIP) has been designed to encourage residents to purchase or lease a car or truck from one of the 5 franchised auto dealers in the City of Orange. A list of eligible dealerships is provided below.

Eligible Dealerships

1. Mazda of Orange – 1350 W. Katella Ave., Orange, CA
2. Selman Chevrolet – 1800 E. Chapman Ave., Orange, CA
3. Stadium Nissan – 1140 West Katella, Orange, CA
4. Toyota of Orange – 1400 North Tustin Ave., Orange, CA
5. Villa Ford of Orange – 2550 North Tustin Ave., Orange, CA

Eligible Participants

Any resident or business of the City of Orange that purchases or leases a new or pre-owned automobile or truck from the eligible dealership is eligible to receive the \$500 rebate.

- Qualified residents must be able to provide proof of Orange residency to the dealership by registering their new purchase in Orange **and one** of the following:
 - Valid California Driver's License
 - Utility Bill
 - Property Tax Bill
 - Proof of insurance
 - Bank statement
- Qualified businesses must provide proof of valid Orange business license.
- Qualified residents and businesses must sign an Orange Resident/Business Rebate Form verifying residency and/or operation of business in Orange.
- \$500 rebate will be applied towards the agreed upon purchase/lease price in the final sales contract.

Qualifying Vehicles

- All purchases and leases of new cars or trucks are eligible.
- All purchases of pre-owned cars or trucks with a final agreed upon sales price of at least \$20,000 (after all manufacturer rebates and dealer incentives) are eligible.
- Motorcycles, off-road vehicles or watercraft are not eligible purchases under this program.

Rebate Administration and Process

- Participating dealers document the sale/lease of the new or pre-owned vehicle using the Resident Rebate Form. **Dealer must include: 1) Final sales invoice showing proof of purchase; 2) Proof of auto registration in Orange; 3) Resident Rebate Form; 4) Copy of one of the following: valid resident California Driver's license; utility bill; property tax bill; proof of insurance; or bank statement; 5) Business License for business purchases for full reimbursement.**
- On a monthly basis, dealers will submit all Resident Rebate Forms with required documentation to the City of Orange for reimbursement and processing. The purchase summary form must be filled out and attached with rebate forms.

- Within 30 days of receipt from dealerships, City will provide reimbursement to dealers.
- Dealers that reimburse a non-Orange resident or non-Orange business will not be reimbursed from the City.

Dealer Responsibilities

- Dealership franchises must have an Orange business license and be in good standing with their manufacturer.
- Dealerships must document the sale/lease of the new or pre-owned vehicle using the Resident Rebate Form. Dealer must include: final sales invoice showing proof of purchase, proof of registration in Orange, Resident Rebate Form.
- Dealerships shall identify the \$500 rebate to be applied towards the purchase price and shall be listed in the sales contract under a separate rebate on the “Other” line with a “Orange VIP Rebate” description.
- Dealerships must collect and submit all required documentation as proof of residency for qualified Orange residents. (A copy of one of the following: valid California Driver’s license; utility bill; property tax bill; proof of insurance; or bank statement for residents or a valid business registration for business).
- On a monthly basis dealers will submit all Resident Rebate Forms with required documentation to the City of Orange for reimbursement and processing. VIP summary form must be filled out and attached with rebate forms.
- Dealers that reimburse a non-Orange resident or non-Orange business will not be reimbursed from the City.

Program Term

The term of the Resident Vehicle Incentive Program shall be for ten years from April 1, 2025 to April 1, 2035.

Program Administration

Within 5 business days of receipt of documentation from dealerships, the City of Orange will review the rebate applications and all supporting documentation. If documentation is missing, staff will request additional documentation from the dealerships. This will delay the processing of payment of deficient rebate applications until all required documentation is received but will not delay the rebates applications that have all required documentation.

Upon approval of documentation, the City of Orange will be responsible for issuing checks to dealerships within 30 days of receipt of approved rebate forms.

Program Funding

The Program budget shall be limited to \$1,550,000 per year for resident rebates and \$50,000 for City marketing and administration of the program on an annual basis.

Program Evaluation

Staff will evaluate the effectiveness of the program to determine if the incentive has increased or kept stable the number of new and used car sales and leases by Orange residents. Staff will also consider factors like a change in the economy, overall Orange County vehicle sales, brand market share changes and new dealerships opening outside of the City borders.

ORANGE RESIDENT VIP REBATE FORM

VEHICLE IDENTIFICATION NUMBER	MAKE AND MODEL	RETAIL DELIVERY DATE

CUSTOMER INFORMATION FOR VALIDATION:

CUSTOMER LAST NAME	FIRST, M.I.	TELEPHONE NUMBER

STREET ADDRESS	CITY, STATE	ZIP CODE

DEALERSHIP NAME	Purchase Amount/Rebate Amount

<u>Initial below:</u> _____ _____	I, the customer and Orange resident, have applied the Orange Resident's Rebate towards the purchase of my vehicle. Therefore, I have assigned the cash payment directly to the dealer. I release the City of Orange from any further claim or obligation for payment to me for this vehicle. I, the customer, give the dealership named above permission to share this form, the final sales contract and a copy of my valid identification to the City of Orange to process the rebate. I declare under penalty of perjury that the above information is true and correct.
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CUSTOMER SIGNATURE

DATE

SALESMANAGER NAME (PLEASE PRINT)

DEALERSHIP NAME

DATE

SALESMANAGER SIGNATURE

DATE

THIS COMPLETED FORM MUST BE FORWARDED TO THE CITY OF ORANGE WITH THE VEHICLE SALES DOCUMENTS. BY SIGNING THE ABOVE DOCUMENT, THE DEALER IS VERIFYING THAT THE RESIDENT LIVES IN THE CITY OF ORANGE AND QUALIFIES FOR THE REBATE.

ORANGE BUSINESS VIP REBATE FORM

VEHICLE IDENTIFICATION NUMBER	MAKE AND MODEL	RETAIL DELIVERY DATE

BUSINESS INFORMATION FOR VALIDATION:

BUSINESS NAME	REPRESENTATIVE NAME	TELEPHONE NUMBER

STREET ADDRESS	CITY, STATE	ZIP CODE

DEALERSHIP NAME	Purchase Amount/Rebate Amount

<u>Initial below:</u> _____ _____	I, the customer and Orange business, have applied the Orange Rebate towards the purchase of my vehicle. Therefore, I have assigned the cash payment directly to the dealer. I release the City of Orange from any further claim or obligation for payment to me for this vehicle. I, the customer, give the dealership named above permission to share this form, the final sales contract and a copy of my business license to the City of Orange to process the rebate. I declare under penalty of perjury that the above information is true and correct.
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ORANGE BUSINESS REPRESENTATIVE SIGNATURE

DATE

SALESMANAGER NAME (PLEASE PRINT)

DEALERSHIP NAME

DATE

SALESMANAGER SIGNATURE

DATE

THIS COMPLETED FORM MUST BE FORWARDED TO THE CITY OF ORANGE WITH THE VEHICLE SALES DOCUMENTS. BY SIGNING THE ABOVE DOCUMENT, THE DEALER IS VERIFYING THAT THE BUSINESS OPERATES IN THE CITY OF ORANGE AND QUALIFIES FOR THE REBATE.

ORANGE VIP SUMMARY FORM

[illegible]