



# Ordinance Fact Sheet

**TO:** City Council

**DATE:** January 7, 2002

**FROM:** City Attorney

**SUBJECT:** Amendment to Enterprise Zone Ordinance for Research and Development Improvements

**TITLE OF PROPOSED ORDINANCE:**

AN UNCODIFIED ORDINANCE OF THE CITY OF PASADENA AMENDING ORDINANCE NO. 6588 TO PROVIDE LOCAL DEVELOPMENT INCENTIVES TO ENCOURAGE DEVELOPMENT OF RESEARCH AND DEVELOPMENT USES IN THE EXPANDED AREA OF THE PASADENA ENTERPRISE ZONE BY WAIVING AND REDUCING CERTAIN FEES AND TAXES.

**PURPOSE OF ORDINANCE:**

This ordinance implements amendments approved by the City Council on November 19, 2001. This amendment would provide for local development incentives for research and development uses in the expanded area of the Pasadena Enterprise Zone.

**REASON WHY LEGISLATION IS NEEDED:**

An ordinance is needed to implement the incentives for research and development improvements as approved by the City Council.

**PROGRAM, DEPARTMENTS, OR GROUPS AFFECTED:**

The Planning and Development Department would implement the proposed ordinance.

**FISCAL IMPACTS:**

The fiscal impacts were reviewed at the City Council on November 19, 2001. At that time the Council report noted that expanding the applicability of both the current construction tax and enterprise zone waivers will represent lost potential revenue to the general fund. It is difficult to determine a specific dollar amount based on potential waivers that will fluctuate significantly from year to year. However, it is estimated that \$150,000 - \$200,000 per year might represent an average annual lost revenue figure. This is based on a combination of rehabilitated space and new construction.

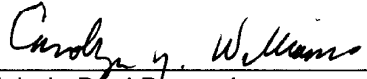
MEETING OF 1/7/2002

AGENDA ITEM NO. 9.A.2.

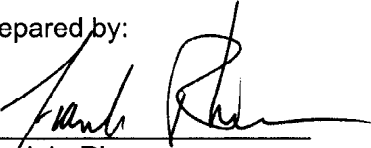
**ENVIRONMENTAL:**

Through an initial study, the environmental impacts were reviewed by the City Council on November 19, 2001. At that time the Council approved staff's recommendation that a Negative Declaration is appropriate.

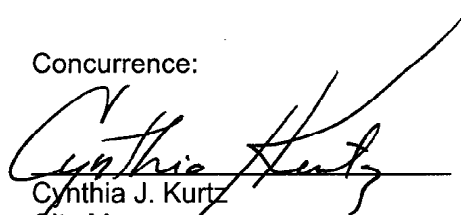
Respectfully Submitted,

*for*   
Michele Beal Bagneris  
City Attorney

Prepared by:

  
Frank L. Rhemrev  
Assistant City Attorney

Concurrence:

  
Cynthia J. Kurtz  
City Manager

ORDINANCE NO. \_\_\_\_\_

AN UNCODIFIED ORDINANCE OF THE CITY OF PASADENA AMENDING  
ORDINANCE NO. 6588 TO PROVIDE LOCAL DEVELOPMENT INCENTIVES  
TO ENCOURAGE DEVELOPMENT OF RESEARCH AND DEVELOPMENT  
USES IN THE EXPANDED AREA OF THE PASADENA ENTERPRISE ZONE BY  
WAIVING AND REDUCING CERTAIN FEES AND TAXES

WHEREAS, the City of Pasadena has established the "Pasadena Enterprise Zone"  
(Ordinance No. 6131 as amended by Ordinance No. 6588) which provides for local and State  
development incentives to encourage economic development in that Zone; and

WHEREAS, as allowed by State law, on September 13, 1999, the Pasadena Enterprise  
Zone was expanded and increased by 20 per cent; and

WHEREAS, in this expanded area (designated on the map entitled "Expanded Area of the  
Pasadena Enterprise Zone" which is attached hereto as Exhibit A and incorporated herein), the  
City of Pasadena does not provide for local development incentives; and

WHEREAS, the City of Pasadena has determined that encouraging Research and  
Development uses and local technology research uses will: 1. supplement the loss of local  
manufacturing jobs with another high wage industry; 2. help retain a higher percentage of  
Caltech spin-off companies; 3. support Caltech's need to attract the best research talent to the  
area; and 4. represent a favorable match to a large segment of our labor market; and

WHEREAS, the City of Pasadena finds that providing local development incentives for  
Research and Development uses (as defined in Chapter 17 of the Pasadena Municipal Code) in  
the Expanded Area of the Pasadena Enterprise Zone will promote the development of such  
Research and Development uses and benefit the citizens of the City of Pasadena and that  
Ordinance No. 6588 should, therefore, be amended to allow for the provision of local  
development incentives in the Expanded Area of the Pasadena Enterprise Zone.

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NOW, THEREFORE, the People of the City of Pasadena ordain as follows:

SECTION 1. Notwithstanding the provisions of any other ordinance of the City of Pasadena or any provision of the Pasadena Municipal Code to the contrary, within the area shown on the map entitled "Expanded Area of the Pasadena Enterprise Zone" dated November 19, 2001, published herewith as Exhibit A and incorporated herein by this reference, all new construction of, and new additions and modifications for Research and Developments uses (as defined in Chapter 17 of the Pasadena Municipal Code) shall be eligible for those local development incentives (waiver or reduction of certain taxes and fees) as set forth in Ordinance No. 6588.

SECTION 2. The City Clerk shall certify the adoption of this ordinance and shall cause this ordinance to be published in full text.

SECTION 3. This ordinance shall take effect upon publication.

Signed and approved this 7th day of January, 2002.

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Bill Bogaard  
Mayor of the City of Pasadena

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Council at its regular meeting held November 19, 2001, by the following vote:

AYES:

NOES:

ABSENT:

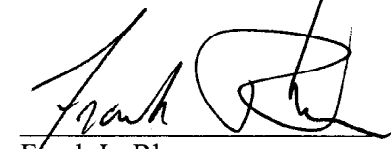
ABSTAIN:

Published:

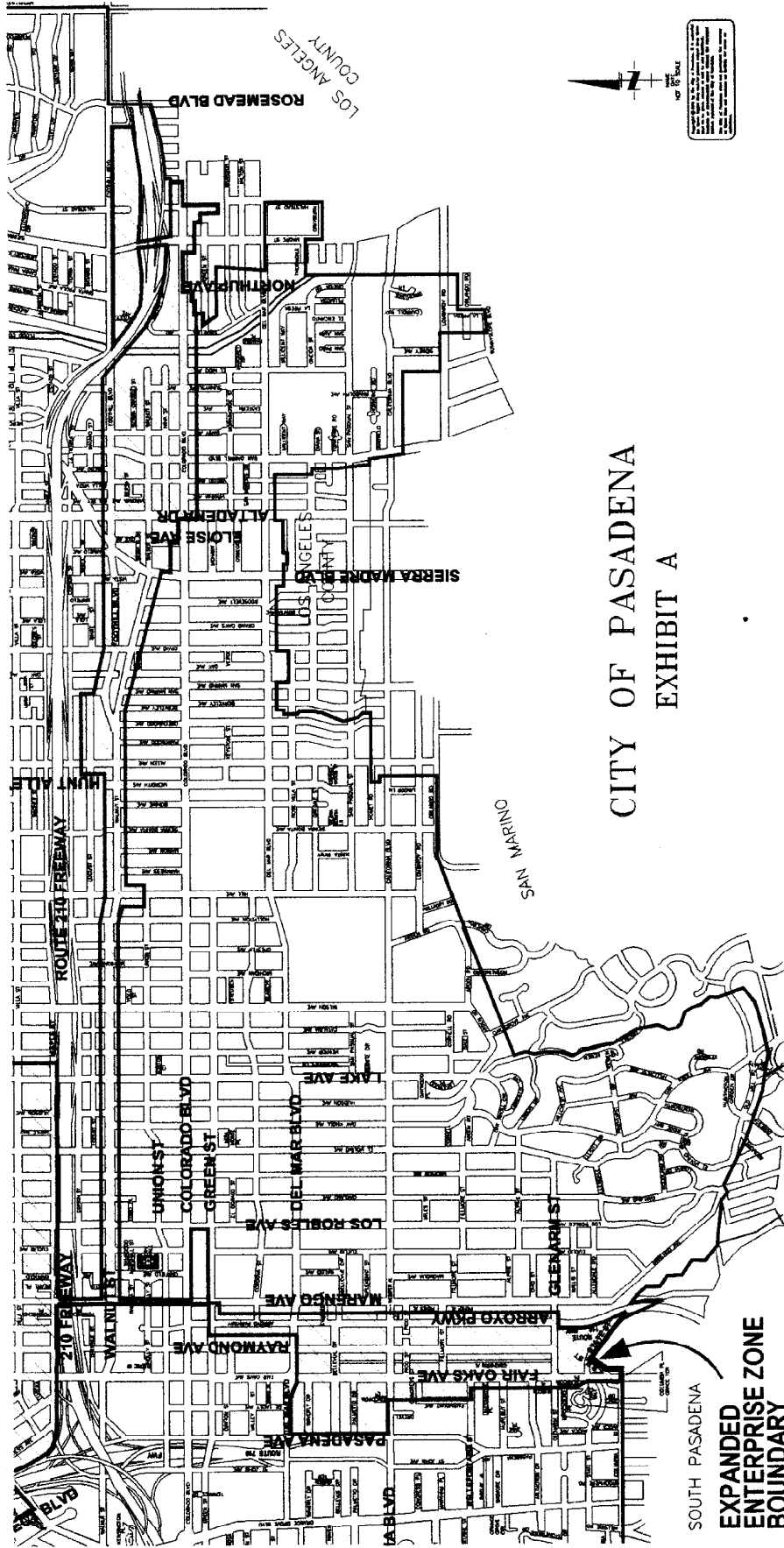
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Jane Rodriguez, CMC  
City Clerk

APPROVED AS TO FORM

A handwritten signature in black ink, appearing to read "Frank L. Rhemrev". The signature is written in a cursive style with a large, stylized initial "F" and "R".

Frank L. Rhemrev  
Assistant City Attorney



CITY OF PASADENA  
EXHIBIT A

SOUTH PASADENA  
**EXPANDED  
ENTERPRISE ZONE  
BOUNDARY**