

Agenda Report

December 12, 2011

TO: Honorable Mayor and City Council

FROM: Economic Development, Office of the City Manager

SUBJECT: ADOPT A RESOLUTION TO EXPAND THE CURRENT BOUNDARIES OF THE PASADENA ENTERPRISE ZONE

RECOMMENDATION:

It is recommended, that the City Council:

1. Adopt a resolution, Attachment A, to expand the current boundaries of the Pasadena Enterprise Zone; and
2. Approve the recommended commercial/industrial areas in Attachment B for inclusion in the Pasadena Enterprise Zone; and
3. Authorize staff to prepare all documents required for submittal to the State of California for consideration of expansion of the Pasadena Enterprise Zone.

BACKGROUND:

On April 10, 2007, 1,982 acres of the City was designated by the State of California as an Enterprise Zone Program. The goal of the Program is to enhance business retention activities, promote private investment within distressed areas, increase job development opportunities, and encourage business expansions.

The state tax credits offered through the Program aids Pasadena businesses by reducing the cost of hiring and retaining employees, offers business expense deductions, a net interest deduction on loans for lenders, and sales and use tax credits paid on qualified business equipment. In addition to the state tax credits, companies located within certain areas of the Zone receive limited City fee waivers specified in Ordinance 7098.

Expansion of the Enterprise Zone

In 2007, Assembly Bill 1550 (Arambula Bill) allowed designated Enterprise Zones to increase their boundaries. In 2008, the City took advantage of these new regulations and expanded the Enterprise Zone. After the State approved the expansion areas on March 6, 2008, the City had acreage remaining for potential future expansions.

Current Expansion Request

During the Enterprise Zone designation process, the City desired to include the four identified expansion areas, as indicated in Attachment B. However, the State would not allow areas zoned as Planned Development (PD) to be included as part of the Enterprise Zone. Recently the City was approached by the businesses located within these PD areas to outreach to the State and petition for inclusion within the Enterprise Zone. The State reviewed the PD zoning requirements again and recommended that the City move forward with a second expansion request in order to retain the existing businesses within these identified areas. With the approval of this second expansion, the Pasadena Enterprise Zone will still maintain additional acreage for future expansions.

COUNCIL POLICY CONSIDERATION:

Land Use Element Goal 1 of the General Plan – which supports the continued implementation of the Enterprise Zone Program to encourage the retention and expansion of existing businesses and the creation of jobs for Pasadena residents.

Policy 10.1 – Targeted Development Areas: Target new development into the urban core, the Enterprise Zone, along East Colorado, and into other specific growth areas.

ENVIRONMENTAL ANALYSIS:

On July 17, 2006 an Initial Environmental Study was adopted for the Enterprise Zone application resulting in a Negative Declaration. The public review period for the Negative Declaration was from July 12th to July 31, 2006. An addendum to the Negative Declaration will be prepared pursuant to CEQA guidelines Section 15162(b) to reflect the changes in the proposed Enterprise Zone boundaries.

FISCAL IMPACT:

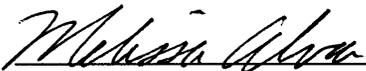
Upon approval by the State, the identified expansion areas will be included in the Enterprise Zone Technology Development Area. The inclusion of the four expansions areas will not impact future revenue to the General Fund.

Respectfully submitted,



STEVE MERMELL
Assistant City Manager

Prepared by:



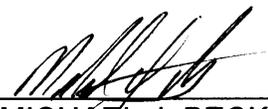
Melissa Alva
Enterprise Zone Manager

Concurred by:



Eric Duyshaft
Economic Development Administrator

Approved by:



MICHAEL J. BECK
City Manager

Attachment A – Resolution
Attachment B – Contiguous Expansion Map

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL FO THE CITY OF PASADENA
REGARDING THE EXPANSION OF THE PASADENA ENTERPRISE ZONE

WHEREAS, on September 29, 2006, the State Department of Housing and Community Development began implementation of Government Code Section 7073(e)(3), which allows designated Enterprise Zones to expand by up to 20%, and

WHEREAS, on April 10, 2007, the State Department of Housing and Community Development designated the City of Pasadena as an Enterprise Zone, and

WHEREAS, the City Council desires to expand the Pasadena Enterprise Zone as provided in Government Code Section 7073(e)(3) in order to increase the number of job opportunities in Pasadena and retain existing Pasadena employers.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pasadena that:

1. The City of Pasadena approves the expansion of the Pasadena Enterprise Zone as shown in the map attached hereto as Exhibit "A" and incorporated herein by this reference.
2. The City of Pasadena certifies that:
 - a) The expansion area does not exceed the amount of expansion authorized by Government Code Section 7073(e)(3);
 - b) The zoning of the expansion area is commercial and industrial;
 - c) The expansion area will not cause any detrimental environmental impacts on the proposed area of expansion.
3. The Business Development Administrator of the Economic Development Division is hereby directed to submit the Request for Expansion to the State Department of Housing and Community Development for approval.

4. This resolution will take effect immediately upon its adoption.

Adopted at the regular meeting of the City Council on _____ day of _____, 2011, by the following votes:

AYES:

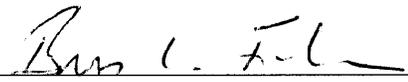
NOES:

ABSENT:

ABSTAIN:

Mark Jomsky
City Clerk

Approved as to form:



Brad L. Fuller
Assistant City Attorney

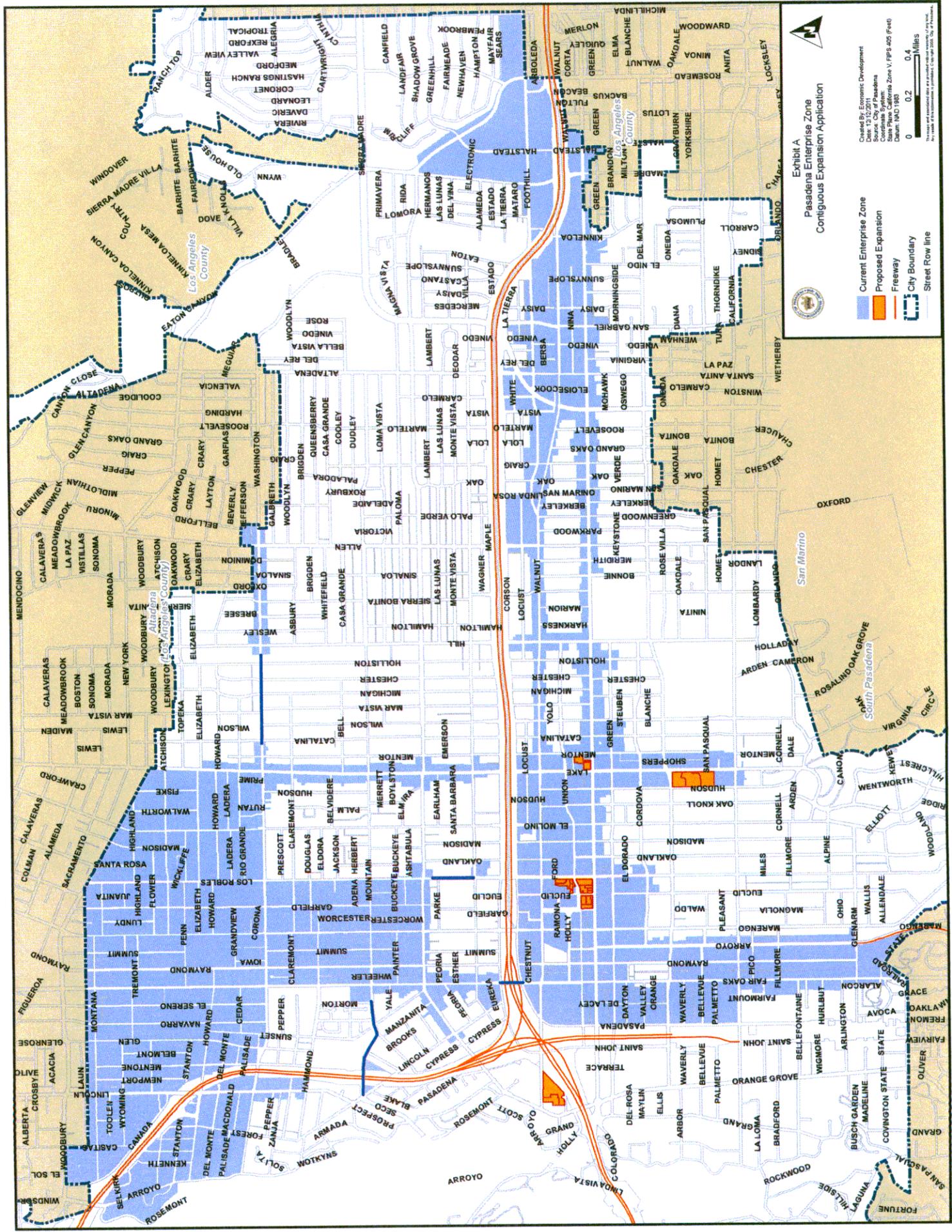


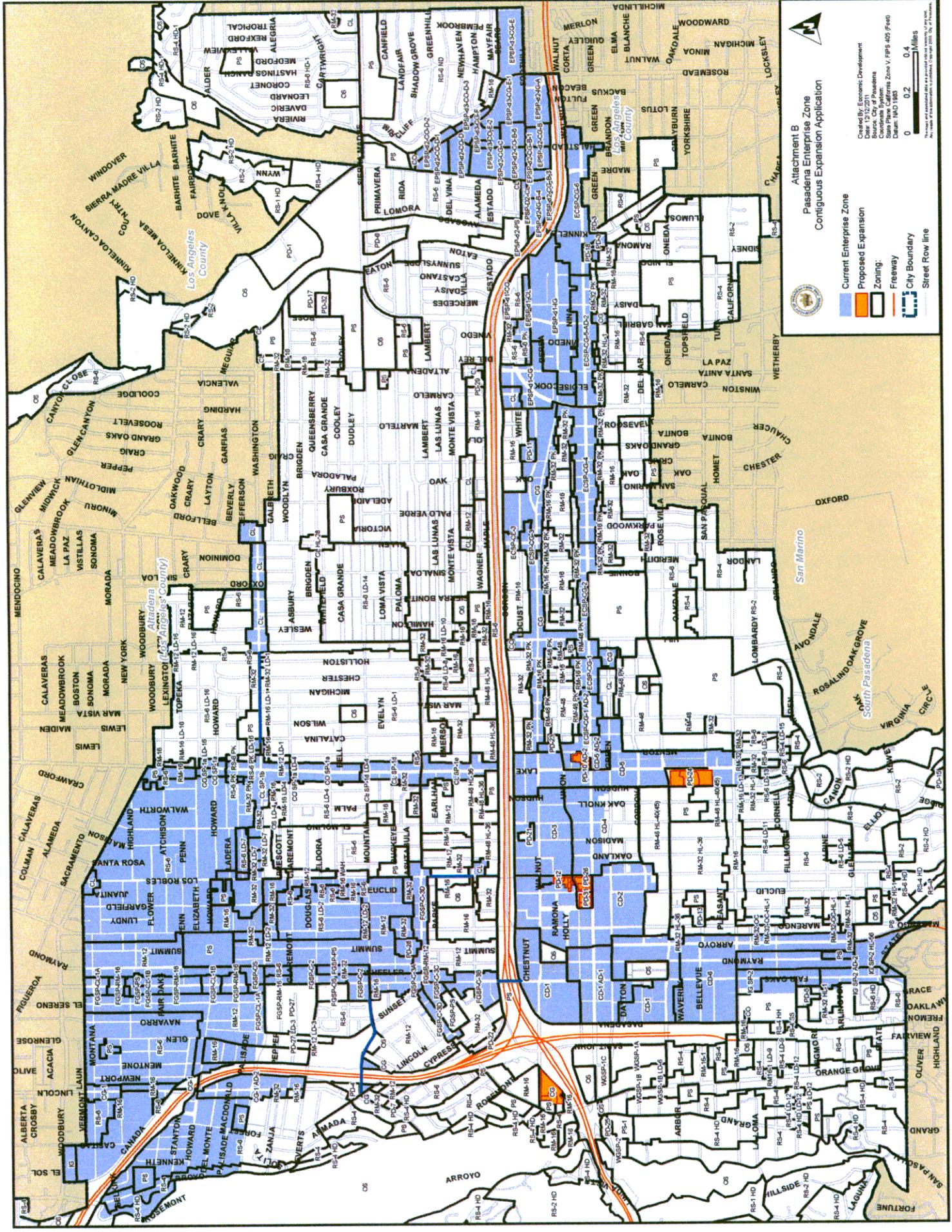
Exhibit A
Pasadena Enterprise Zone
Contiguous Expansion Application



Created By: Economic Development
Date: 12/20/19
City: Pasadena
Coordinate System:
State Plane California Zone V (FIPS 405 Feet)
Datum: NAD 1983
Scale: 1" = 1000 Feet
0 0.2 0.4 Miles

- Current Enterprise Zone
- Proposed Expansion
- Freeway
- City Boundary
- Street Row line

This map was automatically generated by a computer program on 12/20/19.



Attachment B
Pasadena Enterprise Zone
Contiguous Expansion Application



- Current Enterprise Zone
- Proposed Expansion
- Freeway
- City Boundary
- Street Row line

Created by: Economic Development
 Source: City of Pasadena
 Coordinate System: NAD 83
 Date: 11/15/2011
 Scale: 1" = 1000'



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