



Agenda Report

DATE: July 21, 2003

TO: CITY COUNCIL
THROUGH: ED-TECH (July 16, 2003)

FROM: CITY MANAGER

SUBJECT: PASADENA ENTERPRISE ZONE BOUNDARIES

RECOMMENDATION

It is respectfully requested that the City Council authorize staff to incorporate the State's approved boundary description into the Pasadena Enterprise Zone.

BACKGROUND

Under the Enterprise Zone legislation, the Enterprise Zone Act—California Government Code 7070-7089, the state allows existing enterprise zones to expand their designated area by 20% in order to accomplish their business and job development objectives. The Pasadena City Council approved an expansion in 1999 and it was subsequently granted by the State on September 13, 1999.

In the transmittal of documents for the Pasadena Enterprise Zone expansion, the City included a map, address ranges and boundary descriptions. However, when the State Technology, Trade, and Commerce Agency (TTCA) included the address ranges on the State website, they inadvertently included 3001 to 3700 both, even and odd, E. Foothill Blvd. as being within the expansion area. In fact, only 3000 to 3700 **even** should have been listed as being within the Pasadena expanded enterprise zone. The north side of the street was not intended to be included in the expansion area. The State TTCA website is used by enterprise zone businesses, consultants and the Franchise Tax Board. On several occasions, over the past two years the City of Pasadena Enterprise Zone current staff requested the State make the corrections on the State website, however in the past the request was never granted.

This past April, realizing the discrepancy, the State gave the City the option to include some or all of the area in question into the Pasadena Enterprise Zone and calculate it against the remaining expansion capacity as provided for in the original expansion estimates. The Pasadena EZ had ten acres remaining for expansion when the expansion was completed in 1999. The TTCA asked for a letter from the Pasadena EZ Manager making the request to correct the address ranges on the State website. This request is to rectify the discrepancies between the State and City's address ranges and EZ boundaries and is not an expansion.

The Pasadena EZ has requested the TTCA include parcels on the north-side facing Foothill Blvd. beginning at address 3161 through 3505 for a total 4.89 acres of parcel frontage. These parcels will include several small businesses, Hastings Village, development on the north east corner of Foothill and Sierra Madre which includes Bed, Bath & Beyond, Best Buy and Ross to name a few, and also the north east corner of Halstead and Foothill to include Indy Mac and Tetra Tech.

As of June 9, 2003, the State approved the inclusion of the odd numbered addresses from 3161 to 3505 into the Pasadena EZ.

FISCAL IMPACT

The corrected Pasadena Enterprise Zone address ranges will not result in any cost to the current Enterprise Zone budget. In addition, the local incentives such as Permit Center fee waivers and reductions for businesses located within Northwest Pasadena will not apply to these businesses.

Respectfully submitted,


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City Manager

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Approved:


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