

HOUSING, COMM & ECON. DEVELOP.

MOTION

The State's Enterprise Zone Program targets economically distressed areas using State and local incentives to promote business investment and job creation. The goal of the program is to encourage the economic growth by creating and sustaining jobs and business investment opportunities throughout California.

The Los Angeles State Enterprise Zone (SEZ) was conditionally designated by the State on October 15, 2006. When this designation becomes permanent, it will be established for 15 years. The Los Angeles SEZ, encompassing over 59,000 acres, is comprised of the East Valley, Central/South and Hollywood regions.

The Hollywood region of the SEZ is adjacent to the Echo Park area of Los Angeles. Echo Park, one of the oldest neighborhoods of Los Angeles, is an incredibly diverse neighborhood with a culturally rich community. The residents of Echo Park are committed to maintaining the area's historically significant architectural details as well as the home-grown businesses that have thrived through generations of residents.

In order to sustain the economic development of the community, the Hollywood region of the Los Angeles SEZ should be expanded to include the Echo Park area. Echo Park contains some of the area's lowest-income census tracts. The Los Angeles SEZ expansion would give incentives to new and existing business owners including tax credits for employing "hard to hire" persons. The Echo Park expansion could result in declines in poverty, unemployment and commercial vacancy rates as well as an increase in household income throughout the area.

In order to coordinate with existing local efforts to sustain the economic development of Echo Park, the Community Development Department should research the feasibility of expanding the Hollywood region of the Los Angeles SEZ to include Echo Park.

I THEREFORE MOVE that the Community Development Department be instructed to report to Council relative to the feasibility of expanding the Los Angeles State Enterprise Zone to include the Echo Park area within 120 days.

PRESENTED BY:



ERIC GARCETTI

Councilmember, 13th District

SECONDED BY:



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