

MOTION **ECONOMIC DEVELOPMENT**

Following the repeal of the Community Redevelopment Act by the State Legislature, and the subsequent unraveling of the economic development incentives that were available in former-CRA zones, the City and State have not acted to develop a robust successor that allows for the development of new incentives for businesses looking to locate or expand in Los Angeles.

Fortunately, the City Charter provides in Section 104 for the creation of local, "economic incentive areas," created by ordinance and defined by a geographic boundary for the purpose of providing economic development benefits for parts of the city where economic activity might thrive. These Jobs and Economic Development Incentive (JEDI) Zones can help to lure new business and industry into Los Angeles as well as spur economic development and growth for existing business and industry.

I THEREFORE MOVE that the Council INSTRUCT the Chief Legislative Analyst to report, in concert with the City Administrative Officer and the Economic and Workforce Development Department, on a program to develop economic incentive area/zones throughout the city, with particular focus on developing the economy in a way that employs large numbers of local residents in good-paying jobs, maintains industries that are mainstays of the Los Angeles economy, revitalizes underserved communities, and creates industries likely to be critical in a 21<sup>st</sup> Century economy.

I FURTHER MOVE that the report should consider elements of economic development programs that are successful in other jurisdictions and contemplate the following business incentives, among others:

- Reductions or rebates in the gross receipts tax rate for targeted industries within said JEDI zones;
- Rebates for businesses in the JEDI zones that are expanding operations or hiring new local employees;
- Tools of the former CRA including tax increment financing, façade improvements, etc.;
- Access to city fiber optic networks at no cost or low cost;
- Expedited permit and plan check processes for new or expanding businesses in proposed zones;
- Expedited permit and plan check review by LADWP for solar and or other energy efficient water and power projects, upgrades, or other components of growth or expansion for the business; and
- Any additional tools or incentives that could be utilized to persuade new industries to locate in Los Angeles or for current businesses to expand and hire locally.

Presented by: Paul Krekorian  
PAUL KREKORIAN  
Councilmember, 2nd District

Seconded by: Wynne Masters

  
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