


MOTION

I MOVE that the matter of the Economic Development Committee Report relative to the Tax Cuts and Job Act of 2017 and City projects and investments in Opportunity Zones and qualified opportunity funds, Item No. 27 on today's Council Agenda (C.F. 18-0112-S1), BE AMENDED to ADOPT the attached Resolution which authorizes the Economic and Workforce Development Department to submit comments concerning draft Opportunity Zone regulations to the United States Department of the Treasury.

PRESENTED BY: 
CURREN D. PRICE, JR.
Councilmember, 9th District

SECONDED BY: 



December 12, 2018

BMR

A large, stylized handwritten signature or set of initials, possibly 'BMR', written in black ink.

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must first have been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, Opportunity Zones are a new community development program added to the tax code by the Tax Cuts and Jobs Act on December 22, 2017; and

WHEREAS, Opportunity Zones are intended to incentivize private sector investments in low-income census tracts by allowing investors to defer tax on any prior gains invested in a Qualified Opportunity Fund; and

WHEREAS, the United States Treasury Department has released draft rules concerning the implementation of this tax incentive; and

WHEREAS, the Treasury Department is currently accepting comments from the public on these regulations until December 28, 2018; and

WHEREAS, there is a need for additional provisions in the regulations in order to provide direct benefits to people living within Opportunity Zones; and

WHEREAS, it is necessary for the City to provide input on these draft regulations to ensure that the needs of City residents are taken into consideration before the rules are finalized; and

WHEREAS, the Economic and Workforce Development Department (EWDD) has prepared a response to the draft regulations (C.F. 18-0112-S1) that recommend that the regulations give priority to projects that include affordable transportation options and job creation requirements will ensure that the needs of all communities in the City are taken into consideration before the draft regulations are finalized; and

WHEREAS, it is required that Council adopt a Resolution to authorize the EWDD to submit these comments in order to meet the December 28, 2018 deadline;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2017-18 and 2019-20 Federal Legislative Program SUPPORT for and AUTHORIZATION of the Economic and Workforce Development Department to submit comments to the United States Department of the Treasury concerning draft rules on the Opportunity Zone tax incentive.