

14-0002-558

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, the California Economic Development and State Historic Tax Credit Act, Assembly Bill 1999 (Atkins), would benefit and incentivize economic development through rehabilitation of historic properties; and

WHEREAS, the Assembly Bill would provide a state income tax credit equal to 25% of approved expenses on rehabilitation of certified historic structures listed in the National Register of Historic Places or the California Register of Historical Resources, applicable to both income producing and owner occupied buildings, and an additional 5% bonus is applicable for properties located on local, state or federal surplus, containing a majority of low-income housing, in an economically distressed area, in a Base Realignment and Closure zone, or Transit-Oriented Development areas; and

WHEREAS, the projects will stimulate public and private investment, rehabilitation expenditures must meet specific criteria, to be screened by the California Governor's Office of Business and Economic Development ("Go Biz") to demonstrate return on investment to the state, and may be subject to a prevailing wage requirement, under certain conditions; and

WHEREAS, the Assembly Bill will incentivize economic development and create construction and building industry jobs, enhance state tax revenues through economic activity, increase local revenues through increased property values, sales tax, and heritage tourism, stimulate the economy and sustainable development, and preserve the rich heritage of California communities; and

WHEREAS, the current 20% Federal Historic Preservation Tax Incentives program, available to California's income-producing historic properties, has generated nearly \$1.5 billion in investment during the last 10 years; and

WHEREAS, the Assembly Bill could be combined with other tax credits and incentives to leverage additional funding, including federal tax incentives and housing credits, to bring historic buildings up to code, increase energy efficiency, and provide for adaptive reuse while preserving the building's historic features, to use affordable housing credits to help low-income tenants with housing costs, and incentivize existing property owners in historic districts to rehabilitate their properties; and

WHEREAS, similar incentives are used in more than 30 states to pay for initial rehabilitation costs; and

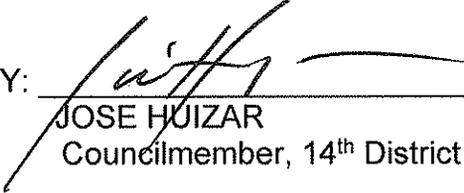
WHEREAS, the California program would be a powerful tool to assist economically depressed urban areas with continued economic development in light of diminishing redevelopment dollars, while stimulating public and private investment, and celebrating and preserving California's heritage;

WHEREAS, the Assembly Bill is supported by the California Preservation Foundation, California Chapter of the American Institute of Architects, leading preservation organizations, property owners, developers, affordable housing advocates, and builders;

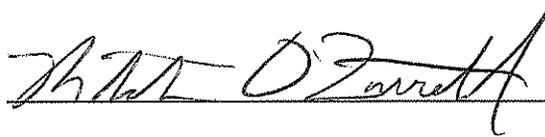
WHEREAS, there are hundreds of historic properties in Los Angeles, including individual historic landmarks, and those within national register historic districts, and Historic Preservation Overlays that could benefit greatly from these incentives; and

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the mayor, that upon the adoption of this resolution the City of Los Angeles hereby includes in its 2013-2014 State Legislative Program support for Assembly Bill 1999 (Atkins) that would support the passage of the California Economic Development and Historic Preservation Tax Credit Act.

PRESENTED BY:


JOSE HUIZAR
Councilmember, 14th District

SECONDED BY:



ORIGINAL

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APR 29 2014

