

RESOLUTION NUMBER R- 288034

ADOPTED ON NOV 12 1996

WHEREAS, The City of San Diego currently loses an estimated fourteen to twenty million dollars annually due to the manner in which local business firms report to the State of California Board of Equalization, the local one percent (1%) sales/use tax paid by them on business-to-business sales; and

WHEREAS, the City Council authorized the formation of the Business Cooperation Program ("BCP") in September, 1995, to look at ways to increase City revenues without tax or fee increases; and


WHEREAS, on June 4, 1995, the City Council directed City staff to convene a meeting of local business leaders to develop and recommend incentives for businesses to participate in the BCP; and

WHEREAS, the Economic Development Services' Business Expansion and Retention Team held a meeting on July 19, 1995, of executives from firms engaged in research, manufacturing, and construction, and at this meeting the group developed several incentives that they now recommend to the City Council and which are set out in detail in City Manager's Report No. 96-206, dated October 16, 1996; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that it hereby approves the following incentives for participation in the Business Cooperation Program and directs staff to take all actions necessary to implement them:

1. A credit, measured by the amount of sales/use tax returned to the City as a result of a company's participation in the BCP, to be applied against future City fees or taxes.
2. A cash rebate of half the amount of sales/use tax returned to the City as a result of a company's participation in the BCP.
3. A deferral of the City's development fees until final inspection, in exchange for the company's participation in the BCP.

APPROVED: JOHN W. WITT, City Attorney

By 
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Deputy City Attorney

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