

#124
ORIG

(R-2003-158REV.)
9/03/2002

RESOLUTION NUMBER R- 296933

ADOPTED ON AUG 05 2002

WHEREAS, San Diego's two Enterprise Zones — the Metropolitan Zone designated in 1986 and the South Bay Zone (formerly known as the San Ysidro/Otay Mesa Enterprise Zone) designated in 1992—are state designated areas within which businesses in these zones may claim various state tax benefits, primarily tax credits for hiring unemployed persons; and

WHEREAS, it is recommended that the zones be expanded because Enterprise Zone tax benefits should result in new jobs and new business investments to these communities that continue to have a high unemployment rate and/or continue to experience high real estate vacancies; and

WHEREAS, the 16.63 acre expansion in the Metropolitan Enterprise Zone would allow it to include additional properties in San Diego's downtown redevelopment area leaving 40.41 acres for future expansions; and

WHEREAS, the proposed 84.48 acre expansion in the South Bay Enterprise Zone would leave 123.77 acres for future expansions; and

WHEREAS, the City of National City is unable to obtain an Enterprise Zone designation from the California Technology, Trade & Commerce Agency due to legislative limitations on 39 maximum Zone designations; and

WHEREAS, property owners of the City of National City and the San Diego Unified Port District have requested that specific properties west of Interstate 5 be included in the South Bay Enterprise Zone; and

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WHEREAS, the City of San Diego and the City of National City would like to collaborate on economic development programs which facilitate economic and employment opportunities to create better expansion and retention business opportunities; and

WHEREAS, the City of San Diego is supportive of mutually beneficial governmental collaborations and regional economic development that benefits the citizens and businesses of South County; NOW, THEREFORE,


BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. The City Manager is authorized and directed to file documents with the California Technology, Trade & Commerce Agency to expand the Metropolitan Enterprise Zone and the South Bay Enterprise Zone in accordance with regulations promulgated by the Technology, Trade & Commerce Agency pursuant to State law (AB 251 of 1989).
2. The City Manager is authorized to file documents with the California Technology, Trade & Commerce Agency to expand the City's Targeted Employment Area [TEA] to include the City of National City's low and moderate income census tracts.
3. The City Manager is authorized to take actions necessary to expand the Metropolitan Enterprise Zone and South Bay Enterprise Zone to include areas within the city limits of San Diego and National City as described in City Manager's Report No. 02-179, and to include a .30 acre parcel in the Metropolitan Enterprise Zone which is an undeveloped portion of the Horton Plaza Retail Center, located between the Horton Plaza Parking Garage and the public sidewalk, located between Second and Third Avenues on G Street, and including execution of the Memorandum of Understanding with the City of National City for the expansion and administration of the South Bay Enterprise Zone.

4. The City Council finds that the Metropolitan Enterprise Zone and the South Bay Enterprise Zone, as expanded, are in areas with high unemployment and limited employment opportunities for area residents, and that designation of these areas as Enterprise Zones is necessary to the creation of jobs by private enterprise.

5. The City Manager is authorized to take the following actions for commercial and industrial projects within the Metropolitan Enterprise Zone and the South Bay Enterprise Zone within the San Diego city limits, as expanded, when such expansions are approved by the California Technology, Trade & Commerce Agency: to expedite the necessary development plan and permit processing, and building permit issuance for such projects. In light of recent concerns associated with the lack of affordable housing in San Diego, the Housing Trust Fund fee waiver will not be offered as a local incentive to new development projects within the proposed Enterprise Zone Expansion Areas within San Diego's city limits.

APPROVED: CASEY GWINN, City Attorney

By 
Lisa A. Foster
Deputy City Attorney.

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