

RESOLUTION NUMBER R- 301845

DATE OF FINAL PASSAGE AUG 15 2006

RESOLUTION OF THE CITY OF SAN DIEGO AUTHORIZING
SUBMISSION OF AN APPLICATION TO THE CALIFORNIA
HOUSING AND COMMUNITY DEVELOPMENT
DEPARTMENT FOR A REGIONAL ENTERPRISE ZONE
DESIGNATION FOR THE CITIES OF SAN DIEGO, CHULA
VISTA, AND NATIONAL CITY, AND DIRECTING THE
MAYOR EXECUTE NECESSARY DOCUMENTS AND
AGREEMENTS THERETO.

WHEREAS, an "enterprise zone" is a geographical area in which companies are eligible for state incentives and programs including: tax credits for hiring qualified employees; interest deductions for lenders on loans to firms within the areas; fifteen-year net operating loss carry-forward; accelerated expense deduction; and priority for various state programs, such as state contracts;

WHEREAS, the California Housing and Community Development Department [HCD] is responsible for the California State Enterprise Zone Program [Enterprise Zone Program], the express legislative purposes of which are as follows: to stimulate business and industrial growth in economically distressed areas of the state; help attract business into the state; help retain business and expand business and industry; and create increased job opportunities for all Californians;

WHEREAS, the Enterprise Zone Program is a long-term (15 year) partnership between local governments and private companies to generate new private sector investment and growth with the state providing performance-based tax credits and incentives to enterprise zone businesses to: (1) promote "smart growth" by revitalizing chronically deteriorated areas; (2) hire the most difficult-to-hire residents in private sector jobs; and (3) retain, expand, and reward businesses that participate in these objectives;

WHEREAS, the local agency's primary responsibility is the administration of the enterprise zone which includes the following: funding and staffing as no state funds are provided to the community to operate this program; maintaining a substantial and sustained level of targeted economic revitalization and development resources for the life of the zone to ensure the success and accountability of the Enterprise Zone Program; and submitting annual reports to the HCD providing, among other items, a self-evaluation of its progress in addressing its stated goals. The types of incentives local jurisdictions provide may include, but are not limited to, the following: assistance in targeted employee training, recruitment, hiring, and vouchering; expedited permit processing, fee waivers and reductions; redevelopment agency-related incentives and financing; business-improvement districts; capital-improvement programs; and business financing;

WHEREAS, the cities of San Diego, Chula Vista, and National City [Partnership] are working together to obtain designation from HCD for a multi-jurisdiction or regional enterprise zone [EZ] requiring continued regional collaboration among members of the Partnership;

WHEREAS, the City of San Diego will be the lead agency during the application process and term of the EZ;

WHEREAS, prior to the implementation of the EZ, the members of the Partnership shall execute a Memorandum of Understanding delineating and allocating financial, staffing, reporting, and all other responsibilities;

WHEREAS, the completed application for the EZ must be filed with HCD no later than September 6, 2006;

WHEREAS, the City of San Diego authorizes and supports job development, job creation, and economic development;

WHEREAS, the City of San Diego authorizes the City Planning and Community Investment, Economic Development Division, as the local program administrator, to have staff available to maintain recordkeeping, provide monthly updates on zone activities, and to discuss these activities with Enterprise Zone Program auditors;

WHEREAS, the City of San Diego shall develop a self-evaluation process to measure its progress in meeting its goals and objectives, and said process shall be submitted to the HCD for review, approval, and inclusion into a Memorandum of Understanding prior to Final Designation;

WHEREAS, the City of San Diego agrees to complete all actions stated within the application that apply to its jurisdiction should the proposed Enterprise Zone be awarded designation;

WHEREAS, the City of San Diego agrees to commit funding, in-kind resources, and staffing to the EZ for year one, and acknowledges that this commitment is an annual commitment for the life of the EZ; and

WHEREAS, the Mayor or his designated representative from the City Planning and Community Investment, Economic Development Division is authorized to sign the application, Memorandum of Understanding between HCD and/or the Partnership, and other documents necessary for the implementation of the EZ; NOW, THEREFORE,

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


1. The above recitals are true, correct, and incorporated by reference herein.
2. The Council adopts a boundary of the proposed EZ as described in Exhibit "A" hereto.
3. The Council adopts an overall line-item budget for year one of the EZ that reflects the sources and uses of funds as described in Exhibit "B" hereto.
4. The Council finds the application area is a depressed area and designation of the application area as an enterprise zone is necessary in order to attract private sector investment to the application area.
5. The Council authorizes the application for EZ designation to be filed with the California Housing & Community Development Department no later than September 6, 2006.
6. The Council authorizes and supports job development, job creation, and economic development.
7. The Council authorizes the City Planning and Community Investment, Economic Development Division, as the local program administrator, to have staff available to maintain recordkeeping, provide monthly updates on zone activities, and to discuss these activities with Enterprise Zone Program auditors.
8. The City of San Diego shall develop a self-evaluation process to measure its progress in meeting its goals and objectives; and, said process shall be submitted to the HCD for review, approval, and inclusion in the Memorandum of Understanding between HCD and the Partnership prior to Final Designation.

9. The City of San Diego agrees to complete all actions stated within the application that apply to its jurisdiction should the proposed EZ be awarded designation.

10. The Council hereby directs the Mayor or his designee from City Planning and Community Investment, Economic Development Division to:

- a) Execute and submit the required documentation to the California Housing and Community Development Department for consideration, review, and approval of the application;
- b) Prepare and submit a first-year budget for the administration of the EZ;
and
- c) Execute a Memorandum of Understanding with the Partnership for the administration of the EZ, including delineating and allocating financial, staffing, reporting, and all other responsibilities among the members of the Partnership.

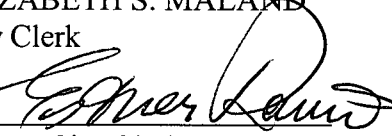
APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 
Jana L. Garmo
Deputy City Attorney

JLG:als
07/27/06
Or.Dept: Comm.& Econ.Dev.
R-2007-88
MMS#3517

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of AUG 08 2006.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 8-15-06
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

Passed by the Council of The City of San Diego on AUG - 8 2006, by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Scott Peters	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Faulconer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Toni Atkins	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Anthony Young	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Brian Maienschein	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Donna Frye	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jim Madaffer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ben Hueso	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Date of final passage AUG 15 2006

AUTHENTICATED BY:

(Seal)

JERRY SANDERS

Mayor of The City of San Diego, California.

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California.

By Debbie Levenson Cruz, Deputy

Office of the City Clerk, San Diego, California

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