

CITY OF LOS ANGELES

CALIFORNIA

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August 21, 2019

Council File: 13-0934-S2
Council District: All
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Ad Hoc Committee on Comprehensive Job Creation Plan
Los Angeles City Council
c/o City Clerk
Room 395, City Hall

COMMITTEE TRANSMITTAL: REPORT BACK TO THE AD HOC COMMITTEE ON COMPREHENSIVE JOB CREATION PLAN REGARDING THE CREATION OF THE JOBS AND ECONOMIC DEVELOPMENT INCENTIVE (JEDI) ZONES

RECOMMENDATIONS

The Interim General Manager of Economic and Workforce Development Department (EWDD) or designee, respectfully requests that the City Council, subject to the Mayor as required:

1. NOTE and FILE information pertaining to existing economic development programs offered by the City, new programs that create economic development incentives and opportunities, and information on economic development programs that are successful in other jurisdictions as presented in this transmittal (Attachments 1 and 2), as this is presented for information only and no Council action is necessary;
2. APPROVE the proposed Jobs and Economic Development Incentive (JEDI) Zones Establishment Policy and Incentive Plan as presented in Attachment 3 of this transmittal;
3. DIRECT the Interim General Manager of EWDD, or designee, to work with General Managers of Department of Building and Safety, and Department of City Planning, or designees, to formalize inter-departmental coordination in the development of the

JEDI Zone development services process structures;

4. DIRECT the Interim General Manager of EWDD, or designee, to work with General Managers of City Administrative Officer (CAO), Bureau of Contract Administration, Bureau of Sanitation, Fire Department, Department of City Planning, and other departments engaged in compliance monitoring to coordinate services providing corrective action in response to administrative notices of violations;
5. REQUEST the City Attorney to prepare and present an ordinance establishing the Jobs and Economic Development Incentives (JEDI) Zones Program Fund as an interest-bearing special fund to be administered by EWDD for the receipt and disbursement of funds allocated or received by the City to attract, retain and support businesses in areas of the City which have been designated as JEDI Zones;
6. AUTHORIZE the Controller to establish a new interest-bearing fund entitled Jobs and Economic Development Incentives (JEDI) Zones Program Fund No. XXX, upon issuance of the ordinance, to be administered by EWDD;
7. AUTHORIZE EWDD to allocate \$1 million of the \$1.5 million for JEDI Zone fee reductions for development permits.
8. INSTRUCT City Administrative Officer (CAO) and EWDD to work to develop the process for transferring funds to Departments of Building and Safety and City Planning for permit fee reduction incentive.
9. AUTHORIZE the Controller to:
 - a. Transfer up to \$1.5 million from the City General Fund and/or other identified funding source(s) to the newly established Jobs and Economic Development Incentives (JEDI) Zones Program Fund No. XXX.
 - b. Establish a new account within the newly established Jobs and Economic Development Incentives (JEDI) Zones Program Fund No. XXX and appropriate as follows:

Account	Title	Amount
22SXXX	JEDI Zones	1,500,000
 - c. Establish new accounts and transfer appropriations from Account No. 22SXXX, JEDI Zones, as JEDI Zones are established and funds are allocated, upon presentation of proper documentation by EWDD.
 - d. Transfer funds to the Department of Building and Safety and City Planning for development permit fee reductions to JEDI Zone projects, upon presentation of proper documentation by EWDD.
10. AUTHORIZE the Interim General Manager of EWDD, or designee, to prepare Controller Instructions and/or make technical adjustments that may be required and are consistent with this action, subject to the approval of the CAO, and instruct the Controller to implement these instructions; and

11. AUTHORIZE the Interim General Manager of EWDD, or designee, to release a Request for Qualifications (RFQ) to Development Expeditors knowledgeable about the City's multi-faceted development services processes and, based on the recommendations of the JEDI Zones RFQ review team, place selected expeditors on a technical and operating services bench list based on the evaluation criteria set forth in the RFQ.

FISCAL IMPACT STATEMENT

EWDD requests an appropriation of \$1.5 million in City General Funds to establish the JEDI Zone Program Fund to finance business incentives and support services described in this report. As each JEDI Zone is proposed, a fiscal impact report from the \$1.5 million JEDI Zone Program Fund will be reported to Council for consideration.

BUDGET SUMMARY

EWDD recommends that \$1 million of the proposed \$1.5 million be allocated for JEDI Zone fee reductions for development permits. The \$1 million budget is for proposed repayments to the Departments of Building & Safety and City Planning for permit fee reductions to JEDI Zone projects. EWDD proposes that up to \$10,000 be reduced from the total permitting fee for each project that is selected for permit fee reductions within an approved JEDI Zone. EWDD anticipates the \$1 million will be split equally between the Departments of Building & Safety and City Planning, with each receiving up to \$500,000 remittance for fee reductions provided to JEDI Zone projects. EWDD estimates that upwards of 100 businesses can benefit from the proposed development services permit fee reduction incentive.

Additionally, fees associated with permit expediting services generally cost between 5 to 20 percent of overall project cost. As such, the remaining \$500,000 of the \$1.5 million budget will be for expediting services contracts. EWDD is recommending an upper spending cap of \$25,000 per project for this permit expediting incentive. Approximately 20 JEDI Zone projects can be assisted with an incentive to expedite building permits.

Should any adjustments to the proposed budget be necessary, EWDD will report to City Council the request and reason for revision.

SUMMARY

As requested through the Chief Legislative Analyst (CLA) report dated March 29, 2016, approved by City Council on October 28, 2016, EWDD is reporting back to the Ad Hoc on Comprehensive Job Creation Plan Committee, relative to the creation and feasibility of a JEDI Zones Establishment Policy and related incentives. This report back includes an updated list of economic development programs, incentives and services currently provided by the City, and also outlines economic development programs and incentives that are successful in other jurisdictions. Furthermore, this report identifies programs proposed to create additional incentives and opportunities for businesses, based on EWDD's assessment of gaps in business services.

BACKGROUND

The provision of incentives and programs to attract new businesses and retain existing ones has long been a fundamental component of economic development policy for local governments. In an ongoing study of incentive expenditures at the state and local levels, it is estimated that as much as \$50 billion is expended annually for these purposes.

Historically, the City of Los Angeles has offered an array of programs that have provided essential resources and incentives to support economic development activities to promote job creation and stabilization of distressed communities. However, the elimination of Redevelopment in 2012 and the repeal of the State Enterprise Zones in 2013 created a gap in vital resources needed to continue some of these incentive programs.

In an effort to address the gaps in business services and incentives, on October 26, 2016, City Council approved the Ad Hoc on Comprehensive Job Creation Plan and Economic Development Committees (Committees) report relative to the creation of JEDI Zones throughout the City, with a focus on creating good-paying jobs for local residents, revitalizing areas that have been underinvested, and promoting industries that are likely to be critical in the City's future economy. The report instructed EWDD to report on JEDI Zones feasibility and implementation efforts, and to report on a JEDI Zones Establishment Policy considering the framework outlined in the Chief Legislative Analyst (CLA) report dated March 29, 2016.

The proposed JEDI Zones Establishment Policy would serve as a vehicle to provide new or revamped programs to address the gap in geographically targeted services and incentives in areas of private underinvestment. If the proposed JEDI Zone Establishment Policy is approved, existing and new businesses operating in a JEDI Zone can lower operating expenses and increase profits by taking advantage of the incentives, enhanced services, and programs available in the JEDI Zones. Furthermore, the JEDI Zone Program can be implemented in conjunction with existing State and Federal initiatives that are also designed to stimulate business growth and job creation in economically distressed communities, such as the Enhanced Infrastructure Financing District (EIFD), the Community Revitalization and Investment Authority (CRIA), the Promise Zone Communities, and the newly established Federal Opportunity Zones.

At the request of the Committees, EWDD is reporting back relative to the creation and feasibility of JEDI Zones and related incentives, including the following:

- A. Update to the comprehensive list of existing economic development programs, incentives and tools provided by the City.
- B. New and pending programs that create incentives and opportunities for economic development.
- C. Economic development programs that are successful in other jurisdictions.
- D. Update on the City's gaps in business services, and recommendations for new incentives and services.

In addition to reporting back on the items above, this report recommends a JEDI Zones Establishment Policy (Attachment 3).

DISCUSSION**A. Update to the comprehensive list of existing economic development programs, incentives and tools provided by the City.**

Attachment A3 of the Jobs and Business Advancement in Los Angeles Action Plan prepared by CLA in the Citywide Comprehensive Job Creation Plan (Jobs Plan) provided a comprehensive list of incentives, services, and programs offered by the City at that time. Since then, many new services and incentives have been implemented, while others have been eliminated. Attachment 1, of this report, is the updated list of economic development programs and incentives prepared by EWDD, reflecting all of the changes.

As evidenced by Attachment 1 of this report, the City currently offers a total of 65 different incentives, services, and programs that assist the business community. The following highlights a few of the new programs that have been implemented subsequent to the original attachment to the Jobs Plan.

Program: Microloan Program

Type: Program – Access to Capital

Description: Provides loans from \$5,000 up to \$50,000 to viable small businesses that cannot obtain financing from other lending institutions. Perfect for business owners who need smaller loans than those offered through the Small Business Loan Program.

Department: EWDD

Program: Small Business Loan

Type: Program – Access to Capital

Description: Provides loans between \$50,000 to \$500,000 to viable small businesses that cannot obtain financing from other lending institutions.

Department: EWDD

Program: Business Response Unit

Type: Service

Description: Assists entrepreneurs and small business owners navigate through the City's processes and requirements to resolve issues.

Department: EWDD

Program: Los Angeles Cleantech Incubator (LACI)

Type: Service

Description: An incubator that offers office space and training for the cleantech industry, and supplies startups with the tools and resources needed to build a thriving business in a competitive market.

Department: EWDD

Program: Custom Performance Program

Type: Incentive

Description: Offers rebates for the installation of various energy efficiency measures. Most incentive payments are based on the annual kilowatt hour savings.

Department: Department of Water and Power (DWP)

Program: L.A. Business Portal

Type: Service

Description: Provides assistance for business registration, and helps access resources to help business' success and growth.

Department: Office of Finance

Please refer to Attachment 1 for a complete list and details of the City's current business incentives, services, and programs.

B. New and pending programs that create incentives and opportunities for economic development.

The City continues to enhance its availability of incentives, services, and programs that support the attraction, retention, and expansion of businesses to increase the City's tax base, and create jobs. Some of the programs that are recently approved or under consideration for City Council approval include:

1. **Opportunity Zones** – Established as part of the Tax Cuts and Jobs Act of 2017, this federal program is designed to spur economic development in economically-distressed communities by providing tax incentives to investors. Localities qualify as Opportunity Zones if they have been nominated for that designation by the State and that nomination has been certified by the Secretary of the U.S. Treasury via his delegation authority to the Internal Revenue Service. The State of California has a total designation of 879 census tracts, of which 193 are located in the City of Los Angeles. EWDD developed a prospectus actively marketing the City's Opportunity Zones to investors and created a website detailing the Opportunity Zones' regulations and benefits.
2. **Promise Zones** – The Federal Government's Promise Zones Initiative allows high poverty communities to receive customized federal support that further their strategic plans. Staff of the federal government partner with community leaders on the ground in the appointed areas to provide preferred access to certain federal investments, streamline resources across agencies, and deliver comprehensive support. Los Angeles has two designated Promise Zones: LA Promise Zone and SLATE-Z.
3. **Economic Development Trust Fund** – Authorizes the receipt, retention and disbursement of 50 percent of all monies received by the City from the sale or lease of City owned property that has been designated by City Council for economic development opportunities. The City Attorney's Office is the lead Department in the creation of the Trust Fund, which has been established by Ordinance No. 185956, adopted by City Council in January 2019.
4. **Enhanced Infrastructure Financing Districts (EIFD)** – A tax increment financing tool for infrastructure and other projects that make transit-oriented development attractive to developers. EWDD developed the policy for establishing EIFDs (C.F. 14-1349-S1), which was approved by City Council in July 2019.
5. **Community Revitalization and Investment Authorities (CRIA)** – An opportunity for the use of tax increment financing to address the City's economic development

needs. EWDD developed proposed policy for establishing CRIAs (C.F. 15-1195), currently pending City Council consideration.

6. **Citywide Economic Development Strategy (CEDS)** – Provides direction to make progress toward a defined economic development delivery system and specific actions to be implemented by City departments and other entities to address short-term and long-term goals throughout the City and ensure growth is distributed equitably. The CEDS (CF 13-1090-S1) is currently pending City Council consideration.
7. **EDA Revolving Loan Fund** – Loans ranging from \$50,000 to up to \$700,000 for property acquisition, machinery and equipment, working capital, and other uses for the start-up, expansion, and retention of small businesses. EWDD developed the program's Administrative Plan in coordination with the U.S. Economic Development Administration (EDA). The Plan was approved by City Council in July 2019, pending EDA concurrence and approval.

EWDD will continue to seek resources and investments to increase the availability of business incentives, services, and programs to deliver economic opportunities to local industries.

C. Economic development programs that are successful in other jurisdictions.

Every year, State and local government agencies throughout the country invest billions of dollars in providing economic development incentives to encourage businesses to invest in their communities and create jobs, thereby stimulating their local economy. In order to identify activities that have the potential for a broad economic effect, and to assist the City to better position itself to incentivize and support its economic development needs and strategic goals, EWDD researched economic development efforts and business incentive programs offered by other jurisdictions.

Attachment 2 to this transmittal provides a snapshot of incentives provided by various cities and States. The incentive packages have components in common, such as tax incentives and technical assistance programs. However, there is diversity in the incentive policies, the types of incentives offered, and the goals related to the various incentives. For example, some incentives are based on local industries such as the City of San Francisco's Scene in San Francisco Film Production Program, which encourages film makers to shoot in San Francisco by offering credits and rebates to media and productions, and the City of Seattle's exemption from consumer tax on lodging charges for film and production projects. New York and Chicago also provide incentive packages to target designated areas for stimulation of economic activity.

EWDD analyzed economic incentives of regions that are similar in size, and of comparable industry and innovation type as the City of Los Angeles, including Chicago, Dallas, San Diego, Washington DC, New York and others. Programs offered by these jurisdictions come in various forms including tax abatement, tax refunds, tax exemptions, tax increment financing, grants/awards, financing programs, and technical assistance.

A significant source of locally provided incentives is derived from tax increment financing (TIF) programs. TIF programs allow local governments to invest in infrastructure and other

improvements and pay for them by capturing the increase in property taxes generated by the development. Another common local incentive is property tax abatement, which reduces property tax liability for a specific period of time for businesses that create new jobs in a particular community.

Most programs implemented by other jurisdictions do not have quantifying economic data available to help verify outcomes of incentives for a full analysis of economic impact. However, continued implementation and funding may be indicators of the success level of these programs.

D. Update on the City's gaps in business services, and recommendations for new incentives and enhanced services.

The City has made strides to create a unified vision and coordinated strategy among City Departments to better serve local businesses, and strengthen the City's internal capacity. EWDD's Business Advancement Team has been working with various City departments to identify and solve problems encountered by businesses and offer businesses the support they need to thrive in the City. However the City lacks consolidated resources and actions that fully leverage the potential of its employment base and economic assets. The development of JEDI Zones would provide a new opportunity to strengthen the City's economic development delivery system in targeted areas of the City, which have traditionally been underserved and underinvested. EWDD has consulted with the City Attorney to determine that the proposed business incentives comply with the City, state, and federal tax code and laws. The proposed JEDI Zone New and Enhanced Business Incentives Plan includes enhancements to existing incentives and recommendations for new incentives that address gaps in the City's incentive program which, if implemented correctly, will catalyze and accelerate our economic incentive capacities. EWDD will lead the implementation of the incentives and collaborate with impacted parties to provide an array of new and supplemented services to JEDI Zone businesses.

The proposed JEDI Zone New and Enhanced Business Incentives Plan is a toolkit to spur neighborhood revitalization with small business support, targeted capital investments, and other resources to preserve the long-term sustainability of the area. The proposed JEDI Zone New and Enhanced Business Incentives are listed below. JEDI Zone businesses can make use of the services below at no cost.

Program: JEDI Zone Priority Support Program

Department: EWDD

Description: Perform business needs assessment, market the JEDI Zone New and Enhanced Business Incentives Plan match the business with the appropriate support program(s) and monitor/track the effectiveness of the assistance.

Goal: Enhanced delivery of resources and facilitation of comprehensive support to businesses in the JEDI Zones.

Program: JEDI Zone Business Development Support

Department: Department of Building & Safety and Department of City Planning

Description: Target marketing and outreach materials to real estate developers and serve as project partner during all phases of project development, including entitlement, permitting, and construction.

Goal: Address specific projects with demanding development timelines, such as those resulting from Opportunity Zone investments.

Program: JEDI Zone Expedited Process for Development Permits

Department: EWDD

Description: An assigned private consultant selected from a bench list of expeditors knowledgeable about the City's development services processes will speed up JEDI Zone projects through the development permitting and entitlements processes.

Goal: Allow businesses within the JEDI Zones to pull building permits faster thereby preventing costly delays in building projects.

Program: JEDI Zone Fee Reductions for Development Permits

Department: EWDD

Description: A program that will subsidize "by right" development projects by reducing expediting and/or permitting fees. "By right" development refers to applicants whose plans conform to all zoning regulation requirements. Fee reductions would be contingent upon funding availability.

Goal: Incentivize businesses to renovate and/or rehabilitate facilities and provide assistance with infrastructure improvements for development.

Program: JEDI Zone Façade Improvement Program

Department: EWDD

Description: Revitalizes commercial business corridors by providing funds to eligible businesses for exterior façade improvements to improve curb appeal and eliminate blight. Program funding will derive from a Community Development Block Grant forgivable loan. Façade Improvement Program is contingent upon funding availability.

Goal: Enhance the quality of commercial areas to make them more inviting to walk and shop, thereby increasing the corridor's commercial potential.

Program: JEDI Zone Employer's Connection

Department: EWDD

Description: Support entrepreneurship and business expansion by compensating employers up to 50 percent of employee wages incurred while training an employee to meet the skills essential to performing the job. EWDD's WorkSource Centers can execute specifically tailored curriculum to qualify workers for a job within the businesses in a designated JEDI Zone. By leveraging the City's existing contracts with Worksource Centers, the City can place qualified individuals in paid jobs and the businesses will gain a savings to the employees' training cost. A JEDI Zone designated employer will have priority access to On-the-Job Training (OJT) funding.

Goal: Provide compensation to employer for employee wages during employee training period.

Program: JEDI Zone Compliance Assistance

Department: EWDD

Description: BRU will assist JEDI Zone business owners to take steps to correct any violations. EWDD will help to coordinate services to provide corrective actions in response to administrative notices to comply.

Goal: Assist businesses to ensure access to resources needed to enact corrections to violations.

Program: JEDI Zone Access to Capital

Department: EWDD

Description: Provides training and seminars within the JEDI Zone areas to connect businesses with lenders who are actively investing in businesses that match the business's region, size, risk factor, and industry. Conduct outreach to businesses to enhance investment abilities.

Goal: Identify financial resource providers to target capital investment and bring funding opportunities to small business owners.

Program: JEDI Zone Loan Program Fee and Interest Reduction

Department: EWDD

Description: The Microloan program provides the financing needed to viable microenterprises and small businesses that private financial institutions or community lenders cannot finance. Loan amounts range from \$5,000 - \$50,000. JEDI Zone participants' application fee of \$250 will be waived, and the interest rate will be reduced by between 1-3%, depending on risk assessed. Based on project needs, the payment schedule may be extended.

Goal: Reduction of interest rate and application fees allows borrowers to lower their monthly payments, which frees up income for working capital.

JEDI Zone Establishment Policy

City Charter 104(b) allows for the creation of local economic incentives in predefined areas created by ordinance, for the purpose of promoting economic development in the City. In order to facilitate implementation of much needed incentives in underserved areas, the CLA, in its report dated March 29, 2016, recommended adoption of an Establishment Policy to pursue formation of JEDI Zones.

The proposed JEDI Zone Establishment Policy is included in this transmittal as Attachment 3. The Policy takes into account the framework provided by the CLA and recommends the selection for JEDI Zones areas be based on the following criteria:

Primary Eligibility Criteria

1. City-established EIFD District; **or**
2. City-established CRIA District; **or**
3. Within a designated Opportunity Zone; **or**
4. Focus Area designated by Citywide Economic Development Strategy; **or**
5. Promise Zone Community; **or**
6. Economic assessment establishing five criteria in secondary needs assessment.

Upon request from the Mayor's Office and/or City Council, EWDD will analyze areas that qualify for JEDI Zone designation to identify priorities within the zones. Priority within a zone will be determined by establishing the greatest need within the areas of the zone. First priority will be given to areas that have the greatest need based on the following secondary needs assessment:

Secondary Eligibility Criteria

- a. Qualifies as low and moderate-income (LMI) area as defined by the U.S. Department of Housing and Urban Development. An area where at least 51 percent of the residents are LMI persons.
- b. A non-seasonal unemployment rate that is at least 3% higher than the Citywide median.
- c. Crime rates 5% higher than the statewide median crime rate.
- d. Deteriorated commercial structures, based on the physical deterioration of buildings/improvements; abandonment of properties; chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings; significant declines in property values or abnormally low property values relative to other areas in the community; or known or suspected environmental contamination.
- e. The area is more than 50% commercial, retail, or industrial uses.
- f. Commercial, retail, or industrial vacancy is 5% greater than the City average.
- g. Contains at least one City priority project, defined at the time the JEDI Zone is created.
- h. Active time remaining on a Community Redevelopment Area Plan.

EWDD will submit a transmittal to the Mayor and City Council with findings and recommendations for action for each recommendation for JEDI Zone designation. The report will contain the JEDI Zone's final geographic borders, types of incentives most appropriate for that zone, basis for the priorities established within the zone and the amount of the fund expenditure required. Upon City Council approval of the JEDI Zones establishment, all developing and current businesses satisfying the selection criterion will be eligible for the new and enhanced services available in the JEDI Zones.

Outreach and marketing of the enhanced services and incentives will occur in the order established by the priorities set based on the area's need assessment. Each area within the JEDI Zone will be assigned a value determined and supported by comparing the area's needs assessment within a JEDI Zone. Greatest need and highest priority will be assigned to areas meeting more of the assessment criteria.

Automatic access to enhanced services provided in the JEDI Zone's Proposed New Business Incentives is crucial, especially for the enterprises meeting the JEDI Zone criteria through an Opportunity Zone designation. The Opportunity Zones require an existing building bought in a zone must be substantially improved over thirty-one months. City Departments involved in development services will require a structure to effectively utilize available resources to meet the time constraint.

JEDI Zones would be rigorously evaluated for performance, demonstrated by verified job creation and wages, and capital investments. Economic benefits would be quantified using business performance data compared to incentives awarded.

CONCLUSION

Approval of the proposed JEDI Zones Policy will facilitate an additional economic development tool for business attraction/retention and job creation in specific areas of the City. The use of JEDI Zones will enable the City to provide new or revamped incentives,

programs, and services that will promote economic activity in areas that have been generally underinvested. If approved, new and existing businesses in the created JEDI can lower operating expenses, save time, and increase profits by taking advantage of the incentives, services, and programs which would be offered in the JEDI Zones.

Currently, at least 65 City-offered incentives and services listed in Attachment 1 are available to businesses located within the City of Los Angeles. Additional resources are provided by Federal, State, and local government agencies. To achieve the goal of revitalizing distressed local communities, more incentives can be offered to businesses that choose to locate in communities with high unemployment, poverty, blight, crime, and vacancy rate. Economic incentive additions and/or enhancements are recommended to help support the attraction, retention, and growth of businesses in areas under the most economic stress.

Although several City departments offer incentive programs to help support the attraction, retention, and growth of businesses throughout the City, the various guidelines, requirements, timelines, areas of coverage make it difficult for business owners to navigate. In order to expend City resources in a concentrated and coordinated economic development delivery system and develop methods to formalize coordination between City departments and maximize internal capacity for JEDI Zone-selected areas, EWDD recommends the adoption of the JEDI Zone Establishment Policy.



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Interim General Manager

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Attachment 1:	List of City Business Incentives, Services, and Programs
Attachment 2:	Incentives Offered in Other Jurisdictions
Attachment 3:	Proposed JEDI Establishment Policy

City Business Incentives, Services, and Programs

Attachment 1

#	NAME	LEAD CITY DEPARTMENT	TYPE (Incentive-Service-Program)	DESCRIPTION	ELIGIBILITY
1	Adaptive Reuse Project	Building & Safety	Service	Streamlines the process developers must follow to get their projects approved, resulting in substantial time savings. The purpose is to revitalize certain areas in the City by facilitating the conversion of older, economically distressed, or historically significant buildings to apartments, live/work units or visitor-serving facilities, which will help to reduce vacant space as well as preserve Downtown's architectural and cultural past. Developments are exempt from certain regulations.	Portions of City
2	BuildLA	Building & Safety	Service	A collaboration among Building & Safety, Bureau of Engineering and City Planning to provide a one-stop-shop for development services, which reduces project costs due to time savings. It provides 24/7 online access, auto project status notifications, and universal payment.	Citywide
3	Concierge Services	Building & Safety	Service	Provides a "road map" to customers who are unfamiliar with the City's permitting process through in-depth service, information and guidance. It establishes a network of supervisors from all development permitting counters to ensure customers are referred to the correct place.	Citywide
4	Construction/ Inspection Case Management Program	Building & Safety	Service	Inspection Case Managers provide systematic and comprehensive assistance to customers with Projects with a construction valuation above \$5,000,000, to develop restaurants and other food service establishments, and charter schools.	Citywide
5	Expanded Counter Plan Check (ECPC)	Building & Safety	Service	Provides plan check consultation, problem solving, and facilitation for major projects. Assists developers navigate through the City's permitting process.	Citywide
6	Internet Document Imaging System (IDIS)	Building & Safety	Service	User friendly online access of records.	Citywide
7	Parallel Design Permitting Process	Building & Safety	Service	Identifies and corrects code violations early on to avoid cumbersome revisions to finished design.	Citywide
8	Plan Check Case Management (PCCM)	Building & Safety	Service	Coordinates meetings between design and plan check teams and provides a timely resolution to critical plan check issues, assists with Early Start permits, provides coordination and contacts with other development related departments and sets up periodic meetings as needed.	Citywide
9	Preliminary Plan Review Service	Building & Safety	Service	Identifies clearances and obtains sign-offs from other agencies early on, to avoid unexpected requirements.	Citywide

CITY BUSINESS INCENTIVES, SERVICES, AND PROGRAMS

#	NAME	LEAD CITY DEPARTMENT	TYPE (Incentive-Service-Program)	DESCRIPTION	ELIGIBILITY
10	Restaurant & Small Business Express Program	Building & Safety	Service	Reduces overall permit processing time. During the design stage, a Case Manager can coordinate a meeting with relevant agencies to clarify code requirements, solve foreseeable problems and help determine types of plans required. During the permitting stage, a Case Manager can help resolve issues, monitor plan check progress, and assist in obtaining clearances from involved agencies. During the construction stage, a Case Manager can establish construction sequence, identify problems and find solutions, and assist in scheduling final inspections to achieve targeted opening date. During the completion stage, a Case Manager can assist in closing out the job, and acquiring the Certificate of Occupancy.	Citywide
11	Small Business Assistance Program	Building & Safety	Incentive / Service	Offers \$162 toward a feasibility study, or provides a free project feasibility study.	Citywide
12	Development Services Case Management Program	Building & Safety/ Planning	Service	Offers services for feasibility study, pre-development meetings, preliminary reviews, and project navigation.	Citywide
13	Sewerage Facilities Charge Installment Payment Program	Bureau of Sanitation	Program	Allows the fees to establish new connection to sewer lines to be paid in installments, rather than all at once.	Citywide
14	Recycling Market Development Zones	Bureau of Sanitation	Program: Financing (Grants and Loans)	Combines recycling with economic development to fuel new businesses, expand existing ones, create jobs, and divert waste from landfills.	Citywide
15	Green Business Certification Program	Bureau of Sanitation	Program	Certified Green Businesses receive a certificate to post at their establishment, an electronic version of the logo to use in their promotional materials, a green resource guide, a listing in the Program Partners' websites, business promotion on the program's Facebook and Twitter accounts @GreenBizLA.	Citywide
16	Waste Assessment Program	Bureau of Sanitation	Service	There are six subzones, and one of these subzones transitions into recycLA each month. A City notification letter is sent and then a scheduled customer site visit (waste assessment) is conducted. Service and billing start shortly thereafter. Customers who have not received a site visit or waste assessment will be auto-enrolled at their current collection levels with recycling added, and the billing will begin shortly thereafter.	Citywide
17	Community Partnership Outreach Grants for Non-Profit Organizations	DWP	Program: Financing (Grants and Loans)	Funding to undertake community outreach and education to improve energy efficiency and water conservation throughout the City, to conserve energy and water, save money, and protect the environment.	Citywide

CITY BUSINESS INCENTIVES, SERVICES, AND PROGRAMS

#	NAME	LEAD CITY DEPARTMENT	TYPE (Incentive-Service-Program)	DESCRIPTION	ELIGIBILITY
18	Utility Infrastructure Loan	DWP	Program: Financing (Grants and Loans)	Funds can be used for purchase and installation of equipment required by the LADWP to provide electric energy or water service to the customer, purchase and installation of energy efficiency equipment that exceeds Title 24 requirements and/or water conservation equipment, purchase and installation of power factor correction/power reliability equipment, and purchase and installation of solar photovoltaic systems except for the Feed-in Tariff (FiT) Program. Current loan terms are 4.01% for 1 to 10 years; actual rate is determined at time loan is approved for funding.	Citywide
19	New Construction Program (Commercial)	DWP	Service	DWP and SoCalGas collaboration on New Construction Program that offers incentives that benefit owners and developers of new residential and commercial buildings. The inclusion of energy efficiency measures in new construction projects reduces operating costs, conserves natural resources, and enhances the occupant comfort and productivity. Investments in efficiency are best made at the onset of a new project when the design and construction can provide integrated solutions at the earliest stages.	Citywide
20	AC Optimization Program	DWP	Program	Program provides replacement or cleaning of standard air filters, outdoor coil cleaning, system diagnostic test, refrigerant charge adjustment (up to 2 lbs. of refrigerant will be provided, if applicable), installation of smart, Wi-Fi enabled thermostat (for compatible residential systems only, if customer does not already have a smart thermostat), if the customer's home is not Wi-Fi enabled, or would prefer not to have a smart thermostat installed, AC system or Heat Pump alternatives can be installed at no charge to the customer.	Citywide
21	City Plants (Free Tree Programs)	DWP	Program	City residents can request up to seven (7) free shade trees to be delivered to their doors. Businesses are also able to get shade trees, and may be eligible to receive even larger quantities. Additionally, City Plants holds tree giveaway events around the City where residents can learn about and pick up a free fruit or shade tree.	Citywide
22	Commercial Direct Installation Program (CDI)	DWP	Program	Energy and water saving measures that include upgrades to energy efficient lighting system and lamps, LED exit signs, pre-rinse spray valves, low-flow showerheads, faucet aerators, and low-flow toilets.	Citywide
23	Business Promotion Bill Credit (BPBC)	DWP	Incentive	Provides bill credit amounts over three years to qualified businesses moving to the City of Los Angeles.	Citywide
24	Commercial Light Installation Program (CLIP)	DWP	Program	Provides energy saving lighting equipment including LED Interior Ceiling Mounted, Downlight, and Highbay Fixtures, exterior LED fixtures, LED screw-in lamps, occupancy sensors, new induction lamps and fixtures, high performance reduced wattage fluorescent lamps and ballasts.	Citywide

CITY BUSINESS INCENTIVES, SERVICES, AND PROGRAMS

#	NAME	LEAD CITY DEPARTMENT	TYPE (Incentive-Service-Program)	DESCRIPTION	ELIGIBILITY
25	Commercial Solar Incentive Program (SIP)	DWP	Incentive	<p>LADWP provides a one-time payment to customers who purchase or lease solar rooftop systems that generate power for their home or business while still being connected to the city's power grid. This way, when their system does not generate power (at night, for example) their electricity will be supplied directly by the power grid. When their system generates more power than they draw from the grid, the excess energy is reflected as a credit on their bill.</p> <p>The solar incentive levels for the LADWP's SIP are based on customer type. The incentive for residential customers is \$0.25/Watt. The incentive for commercial customers is \$0.30/Watt. The incentive for government, non-profit, and affordable housing customers is \$0.95/Watt.</p>	Citywide
26	Custom Express Program	DWP	Incentive	Incentive rates on a per unit basis based on the following measured categories: Plug Load Occupancy Sensors, Network PC Power Management Software, High Efficiency Copier	Citywide
27	Custom Performance Program (CPP)	DWP	Incentive	Incentive payments based on the annual kilowatt hour savings as calculated or accepted by DWP.	Citywide
28	Demand Response Program	DWP	Incentive	Offers money savings on utility bills, special offers on financial incentives, decreases operating costs, increases customer's control over electric use, helps reduce chances of power outages, reduces the need for building new power infrastructure, increases energy reliability.	Citywide
29	Electric Vehicle Charger Rebate Program "Charge Up L.A.!"	DWP	Incentive	Commercial customers can receive up to \$4,000 for hardwired wall or pedestal mounted or EV chargers. One (1) EV charger rebate is available to commercial customers who have a minimum of three (3) parking spaces available to employees, customers, visitors, and/or tenants. One (1) additional EV charger rebate is available for each additional 10 parking spaces. A maximum of 20 EV charger rebates are available per business location or multi-residential property.	Citywide
30	Food Service Program	DWP	Incentive	Food service businesses can get rebates for replacing cooking equipment with new, more efficient pieces. Rebates are offered only for new or replacement energy-efficient equipment.	Citywide
31	EB-5 Immigrant Investor Program	EWDD	Program	Under federal law, 10,000 immigrant visas are available per year to qualified individuals seeking permanent resident status on the basis of their engagement in new commercial enterprises	Targeted Employment Areas
32	Business Transition and Downsizing Services (Rapid Response)	EWDD	Service	Provides career counseling and job search assistance, resume preparation and interviewing skills workshops, local labor market information, unemployment insurance referrals, education and training opportunities, information on income support, focused services for Veterans and adults with disabilities, financial planning and stress management workshops, and information on financial support.	Citywide

CITY BUSINESS INCENTIVES, SERVICES, AND PROGRAMS

#	NAME	LEAD CITY DEPARTMENT	TYPE (Incentive-Service-Program)	DESCRIPTION	ELIGIBILITY
33	CalJobs	EWDD	Service	With CalJobs.ca.gov, businesses can post job openings, search for and manage job candidates. It has a quick search feature that remembers search locations. There is also an advanced search function that facilitates selection from a larger number of selection criteria, identifies them as required, desirable, or not applicable, and ranks résumés by how well they match the selection criteria. This can help limit the number of résumés a business must sort through and focuses attention on the best matches for the job openings.	Citywide
34	WorkSource Centers	EWDD	Service	Provides free job listings, referral information, phone banks, computer access and workshops, no-cost advertising of open positions, customized training for staff, interview rooms, and information for businesses affected by plant closures or layoffs, customized recruitment to help quickly fill multiple positions, candidate screening and/or testing to assure only qualified workers apply for positions, facilities for conducting both one-on-one and group interviews, on-the-job and pre-employment training to provide workers with the skills necessary for employment.	Citywide
35	Industrial Development Bonds	EWDD	Program: Financing (Grants and Loans)	These bonds are offered as an incentive to companies involved in manufacturing and processing activities - to relocate to Los Angeles or remain and expand in the City - thereby creating and retaining jobs, promoting economic revitalization, and providing much needed public and community services. If a manufacturing project meets the test for federal tax-exemption, the most obvious benefit is the lower cost of funds borrowed. Up to \$20 million for capital expenditures, with an aggregate \$40 million limitation.	Citywide
36	Section 108 Major Projects Program	EWDD	Program: Financing (Grants and Loans)	Real Estate, predevelopment costs, renovation, equipment purchases, construction, working capital and inventory.	Citywide
37	Microloan Program	EWDD	Program: Financing (Grants and Loans)	Provides loans of up to \$50,000 to viable small businesses that cannot obtain financing from other lending institutions. Perfect for business owners who need smaller loans than those offered through the Small Business Loan Program.	Citywide
38	Small Business Loan Program	EWDD	Program: Financing (Grants and Loans)	Provides loans of up to \$500,000 to viable small businesses that cannot obtain financing from other lending institutions.	Citywide
39	BusinessSource Centers	EWDD	Service	Business services to start-up and existing micro and small businesses, including consulting, access to capital, workforce development, workshops and training.	Citywide
40	Los Angeles Clean Tech Incubator (LACI)	EWDD	Service	Business incubator that provides services to clean technology businesses, including business planning, pre-audit readiness, investment identification, industry database access, investment structuring, document templates, investor relationship management, discounted legal partner rates, and direct deal negotiation.	Citywide

CITY BUSINESS INCENTIVES, SERVICES, AND PROGRAMS

#	NAME	LEAD CITY DEPARTMENT	TYPE (Incentive-Service-Program)	DESCRIPTION	ELIGIBILITY
41	Layoff Aversion Program	EWDD County of Los Angeles	Service	Work Share Program that uses unemployment insurance to offset wages to deter downsizing. Resources for financing, tax credits, transition of ownership, real estate issues, permitting, utility problems, tax problems, staff training, and cost containment. LAEDC's team can cut through the red tape with government departments and utilities.	Citywide
42	Energy Efficiency Assistance	General Services Department	Service	Technical Assistance to determine a building's footprint, including whole building electricity, water, and gas usage data.	Citywide
43	New Markets Tax Credit (NMTC)	Los Angeles Development Fund	Program: Financing	The NMTC Program attracts private capital into low-income communities by permitting individual and corporate investors to receive a tax credit against their federal income tax in exchange for making equity investments in specialized financial intermediaries called Community Development Entities (CDEs). The credit totals 39 percent of the original investment amount and is claimed over a period of seven years.	Citywide
44	LAWA Bond Assistance Program	LAWA	Program	Program to assist small local contractors obtain bid, performance and payment bond guarantees.	Citywide
45	Cyber Threat Protection	Mayor's Office	Service	Membership in the LA Cyber Lab will allow Los Angeles businesses of all sizes to access and digest the latest cybersecurity threat information. It will also provide members with streamlined access to law enforcement and the knowledge of "who to call" in the event of a cyber-attack or similar incident.	Citywide
46	Make It In LA	Mayor's Office	Service	MAKE IT is a 501(c)(3) non-profit that was spun out of Los Angeles Mayor Garcetti's office in 2016 during MAKE IT IN LA Week, and was inspired by a year-long study—made possible by Ernst & Young, Mayors Fund LA, Dun & Bradstreet and the Los Angeles Area Chamber of Commerce—by Krisztina "Z" Holly during her term as Entrepreneur-in-Residence for the city. The study found that 57% of all factories in Los Angeles County had excess capacity, and they were eager to connect with new customers. The manufacturing ecosystem in Los Angeles—the largest in the country—offers many resources across numerous industries, but it can be hard for emerging businesses to navigate. MAKE IT IN LA was launched to address many of the opportunities identified in the study.	Citywide
47	City of LA Mayor's Office Location Assistance	Mayor's Office of Economic Development	Service	Provides one-on-one contact with a representative from the Mayor's Office of Economic Development.	Citywide
48	Veteran Hiring Initiative	Mayor's Office of Veteran Affairs	Service	Service to connect local employers with veterans. These companies offer jobs in which returning service members can leverage their skills into fulfilling careers.	Citywide
49	Creative Artist Exemption	Office of Finance	Incentive	Tax Exemption for "creative artists" with gross receipts of up to \$300,000.	Citywide
50	Small Business Tax Exemption	Office of Finance	Incentive	Exempts businesses with gross receipts under \$100,000 from paying City of Los Angeles business taxes.	Citywide

CITY BUSINESS INCENTIVES, SERVICES, AND PROGRAMS

#	NAME	LEAD CITY DEPARTMENT	TYPE (Incentive-Service-Program)	DESCRIPTION	ELIGIBILITY
51	Use Tax Rebate Program	Office of Finance	Incentive	Provides an additional 67.5% of the 1% local share is distributed back to your community from Sacramento. Businesses are eligible to receive 20% of the additional 67.5%, if they apply for the City's Use Tax Rebate Program.	Citywide
52	Voluntary Disclosure Program	Office of Finance	Program	Office of Finance will waive penalties for delinquent payments.	Citywide
53	LA Business Portal	Office of Finance	Service	Includes Start Up Guide to quickly map out how to register new businesses.	Citywide
54	Starter Kit for Mobile Food Vending	Office of Finance	Service	Provides a head start on the planning process so business owners know upfront what to expect, so they do not run into unexpected surprises that may delay their grand opening.	Citywide
55	Taxpayer Advocate Program	Office of Finance	Service	Technical Assistance to help businesses research and resolve complex tax problems relating to city business taxes.	Citywide
56	Parking Alternatives, Reductions, or Exceptions	Planning	Program	Provides alternatives for meeting parking requirements. Reduction or exceptions may apply to certain buildings within designated geographic areas.	Citywide
57	Expedited Project Processing	Planning	Service	Cases are processed at an accelerated rate for an additional fee paid by the applicants participating in the program.	Citywide
58	Mills Act Historical Property Contract Program	Planning	Incentive	This program allows qualifying property owners to receive potential property tax reductions and use the tax savings to help rehabilitate, restore and maintain their buildings.	Historic Buildings Citywide
59	Zone Information and Map Access System (ZIMAS)	Planning	Service	Online research tool that provides access to property information, parcel reports, and resources.	Citywide
60	Trade Connect Program	Port of Los Angeles	Service	Introduces small/medium businesses to exporting, partnering with LAWA, US Department of Commerce, EXIM Bank and other agencies.	Citywide
61	City of LA Business Assistance Virtual Network (BAVN)	Public Works/ Bureau of Contract Administration	Service	Registered BAVN users are able to view and download documents associated with a contractual opportunity, view and contact associated Prime and Sub Contractors and participate in bidding. Registered companies are notified by email when an opportunity matching the company's profile posts online.	Citywide
62	Los Angeles Small Business Academy	Public Works/ Bureau of Contract Administration	Service	The Academy's goal is to provide opportunities to grow a sustainable business which can participate in contracting opportunities in the greater Los Angeles area. The coursework includes information and insight about doing business with the City, professional services procurement projects and business essentials, contract compliance, and major initiatives under the auspices of LADWP, DPW, POLA, LAWA, and USC.	Citywide
63	Navigate LA	Public Works/ Bureau of Engineering	Service	A web-based mapping tool for generating maps, reports, and data by various City departments.	Citywide

CITY BUSINESS INCENTIVES, SERVICES, AND PROGRAMS

#	NAME	LEAD CITY DEPARTMENT	TYPE (Incentive-Service-Program)	DESCRIPTION	ELIGIBILITY
64	Local Business Preference Program	Public Works/ Bureau of Contract Administration	Program	Designed to enhance purchasing and contracting opportunities for local businesses, for procurement of goods, equipment, and non-professional services with a goal of locating operations and creating jobs in the City, and to encourage existing local business to refrain from relocating.	Citywide
65	Sidewalk Vending Program	Public Works/ Bureau of Street Services	Program	Rules and regulations for sidewalk vending in the public right-of-way.	Citywide

INCENTIVES OFFERED IN OTHER JURISDICTIONS

#	Type	Location	Program Name	Program Description	Targeted Industry
1	Grant / Award	New York	2014 Economic Transformation Program	\$8 million in program funding will be available to each area to help leverage private-sector investments to create jobs and support initiatives that will help transform the economies within each of the four Economic Transformation Areas.	Exempted Industries: Retail, Real Estate, Professional Service Business
2	Tax Incentives	New York	Excelsior Jobs Program	Firms engaging in one of the targeted industries in the Excelsior Jobs Program may qualify for four fully refundable Tax incentives. Businesses claim the credits over a benefit period of up to 10 years. To earn credits, firms must first meet and maintain established job and investment thresholds. Programs include: Excelsior Real Property Tax Incentives: Available to firms locating in certain distressed areas and to firms in targeted industries that meet higher employment and investment thresholds.	Biotechnology, Pharmaceutical, High-Tech, Clean-technology Financial services (back office & data centers) software development New media Agriculture Manufacturing
3	Tax Incentives	New York	New York State Film (Tax Incentives Program- Production)	Production companies may be eligible to receive a fully refundable base line credit of 30 percent of qualified production costs and post-production costs incurred in New York State.	Film and Production
4	Tax Incentives	New York	Employee Training Incentive Program	Tax incentives may be awarded for costs associated with an eligible training program for current or new employees. The internship program is available for current students, recent graduates and recent members of the armed forces. Tax incentives may be issued only after approved training is completed.	Industries with typically underrepresented minority and women populations

INCENTIVES OFFERED IN OTHER JURISDICTIONS

#	Type	Location	Program Name	Program Description	Targeted Industry
5	Technical Assistance	New York	Export Marketing Assistance Service Program	The Export Marketing Assistance Service (EMAS) is a New York State program designed to help businesses find sales agents or distributors abroad. Once accepted, Global NY's international offices will provide local expertise for the markets you select, conduct customized research and identify potential partners for your company abroad.	Non-industry specific
6	Loans / Funding	New York	Empire State Economic Development Fund	The Empire State Economic Development Fund (EDF) offers financial assistance for projects that promote New York State's economic health by facilitating job creation and/or retention, or increased business activity in the state. EDF funds assist with construction, expansion and rehabilitation of facilities, acquisition of machinery and equipment, working capital, and training full-time, permanent employees.	Non-industry specific
7	Tax Abatement	Chicago	Sales Tax Exemption	Businesses located within Chicago's six enterprise zones are eligible for State of Illinois tax incentives, exemptions, and other benefits that stimulate economic activity. Existing Enterprise Zone businesses and businesses relocating to an Enterprise Zone can lower operating expenses and increase profits by taking advantage of the many tax incentives offered through the program.	Non-industry specific businesses in the geographically designated Enterprise Zones

INCENTIVES OFFERED IN OTHER JURISDICTIONS

#	Type	Location	Program Name	Program Description	Targeted Industry
8	Tax Exemption	Chicago	Real Estate Transfer Tax Exemption	Commercial and industrial properties purchased within Enterprise Zones are eligible for an exemption from Chicago's Real Estate and Transfer Tax.	Non-industry specific businesses in the geographically designated Enterprise Zones
9	Tax Increment Financing (TIF)	Chicago	Small Business Improvement Fund (SBIF)	The Small Business Improvement Fund (SBIF) program uses Tax Increment Financing (TIF) revenues to help owners of commercial and industrial properties within specific TIF districts to repair or remodel their facilities for their own business or on behalf of tenants. Program participants can receive matching grants to cover up to half the cost of remodeling work, with a maximum grant amount of \$150,000. The grant does not have to be repaid.	Non-industry specific business properties. Residential properties, residential components of mixed-use buildings, and property leased to fast food chains and certain other businesses not eligible for program.
10	Tax Exemption	Illinois	Enterprise Zone Utility Tax Exemption	A state utility tax exemption on gas, electricity and the Illinois Commerce Commission's administrative charge and telecommunication excise tax is available to businesses located in Enterprise Zones.	Non-industry specific businesses in the geographically designated Enterprise Zones

INCENTIVES OFFERED IN OTHER JURISDICTIONS

#	Type	Location	Program Name	Program Description	Targeted Industry
11	Tax Abatement	Dallas	Tax Incentives	Tax Incentives are offered by individual cities in Dallas Fort Worth and are available to eligible properties to encourage businesses to invest or expand. Individual city taxing boards grant a taxpayer a stay of paying a tax for a short or long term, for a total or a percentage of the tax.	Non-industry specific
12	Tax Increment Financing (TIF)	Dallas	Texas Leverage Fund	The Texas Leverage Fund (TLF) serves as an additional source of financing to communities that have adopted an economic development sales tax. The fund allows communities to leverage future sales tax revenues to provide financing for industry expansion, recruitment, industrial parks establishment, and other community projects.	Non-industry specific
13	Tax Increment Financing (TIF)	Dallas	County Development District Sales Tax	The County Development District Sales Tax enables counties of less than 45,000 residents to create county assistance districts and adopt local sales taxes. Eligible counties must not contain a 4A or 4B city or any transit authority territory.	Non-industry specific
14	Loans / Funding	Dallas	The Capital Access Program	The Capital Access Program (Texas Capital Fund) is available to eligible cities with fewer than 50,000 residents or counties with fewer than 200,000 residents to assist businesses that employ low-to-moderate-income persons.	Non-industry specific
15	Tax Increment Financing (TIF)	Dallas	Texas Enterprise Zone	The Texas Enterprise Zone Program is an economic development tool for local communities to partner with the State of Texas to promote job creation and capital investment in economically distressed areas of the state.	Non-industry specific businesses in the geographically designated Enterprise Zones

INCENTIVES OFFERED IN OTHER JURISDICTIONS

#	Type	Location	Program Name	Program Description	Targeted Industry
16	Loans / Funding	Washington DC	DC Certified Capital Company (CAPCO) Program	The DC Certified Capital Company (CAPCO) Program is a successful effort by the District of Columbia to increase private capital investment for new or expanding small businesses. The CAPCO model, which has been enacted in DC and a number of states, combines private-sector expertise in identifying, evaluating, and financing businesses with the public sector's interest in a stronger local economy.	Banking and Payments Capital Markets Wealth and Asset Management Energy
17	Technical Assistance	Washington DC	Financial Incentives to Operate Sustainable Business	The Department of Small and Local Business Development (DSLBD) seeks to operate a sustainable agency and help local businesses operate sustainable businesses	Non-industry specific businesses
18	Utility Operating Cost Reduction	Washington DC	District of Columbia Sustainable Energy Utility	The District of Columbia Sustainable Energy Utility (DCSEU) helps District residents, businesses, and institutions save energy and money through energy efficiency and renewable energy programs.	Non-industry specific businesses
19	Grant / Award	Washington DC	Great Streets	Great Streets is the District's commercial revitalization initiative, led by the Office of the Deputy Mayor for Planning and Economic Development (DMPED), designed to support existing small businesses, attract new businesses, increase the District's tax base, create new job opportunities for District Residents, and transform emerging corridors into thriving and inviting neighborhood centers.	Non-industry specific businesses

INCENTIVES OFFERED IN OTHER JURISDICTIONS

#	Type	Location	Program Name	Program Description	Targeted Industry
20	Technical Assistance	Washington DC	Energy Efficiency Programs for Businesses	By making your business more efficient, you can avoid unnecessary energy use. Whether you have one employee or 1,000, you will save money and reduce your ecological footprint at the same time.	Non-industry specific businesses
21	Tax Increment Financing (TIF)	Washington DC	DC PACE Program	PACE is an acronym for "Property Assessed Clean Energy," a financing structure that uses the District's ability to fund improvements in the public interest by attaching special tax assessments to properties. This is the same mechanism used by the District, and countless other cities across the country, to fund infrastructure projects such as sewer or road improvements.	Real Estate, governmental finance
22	Tax Exemption	San Francisco	Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion	The Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion (the "Exclusion") permits persons maintaining a fixed place of business within the Central Market Street and Tenderloin Area (the "Area") and that meet the requirements of section 906.3 of the Business and Tax Regulations Code (the "Code") to exclude a portion of their payroll expense from the payroll expense tax base for up to six years from the later of May 20, 2011, and the date the person commenced business in the Area.	Non-industry specific businesses
23	Tax Abatement	San Francisco	Stock Based Compensation Payroll Expense Tax Exclusion	Eligible taxpayers may exclude from taxation stock-based compensation for the most influential and technologically advanced companies for tax years 2011-2017	Technologically advanced companies

INCENTIVES OFFERED IN OTHER JURISDICTIONS

#	Type	Location	Program Name	Program Description	Targeted Industry
24	Tax Increment Financing	San Francisco	GreenFinanceSF – Commercial (PACE)	This initiative is a Property Assessed Clean Energy (PACE) program that provides access to new forms of financing for commercial building owners. The program utilizes the “open market” PACE program, enabling the property owner to hire a contractor for implementation of an energy efficient retrofit while private investors compete to provide funding for the project.	Real Estate, governmental finance
25	Grant / Award	San Francisco	GoSolarSF	GoSolarSF provides a monetary incentive to help residents and businesses install solar panels on rooftops across San Francisco.	Real Estate
26	Tax Exemption	San Francisco	Clean Technology Tax Exclusion	The city of San Francisco encourages investment and R&D of alternative energy projects in the city with a tax reduction program for qualified businesses with fewer than 100 employees.	Clean Energy Technology Small Businesses
27	Tax Incentives	San Francisco	Film Production – Scene in SF Program	To encourage creative production artists and film makers to shoot in San Francisco, the Film Office offers credits and rebates to media and productions filmed in the city.	Film and Production
28	Tax Incentives	San Diego	Tax Incentives; City Council Policy 900-12	Tax Incentives provides for a Business and Industry Incentive Program designed to attract and retain major revenue, job generating, and revitalization projects throughout the City, along with criteria and procedures to ensure that the Program is equitably and efficiently administered.	Non-industry specific businesses

INCENTIVES OFFERED IN OTHER JURISDICTIONS

#	Type	Location	Program Name	Program Description	Targeted Industry
29	Technical Assistance	San Diego	San Diego's Startup Ecosystem	San Diego's Startup Ecosystem features many established, forward-thinking places where ideas take shape. Learn more about the places where local entrepreneurs can surround themselves with like-minded San Diegans -- and save money on leasing an entire office. Land a quirky workspace downtown, a bench in a state-of-the-art laboratory, or even an office inside a climbing gym.	Non-industry specific businesses
30	Utility Operating Cost Reduction	San Diego	CleanTech Initiative	In 2007, Clean Technology (Cleantech) Initiative was launched in an effort to promote the expansion, attraction and retention of businesses that develop products and technologies that provide environmentally sustainable solutions. The Initiative seeks to develop an emerging cluster that will create new job opportunities in these emerging industries.	Clean Technology
31	Utility Operating Cost Reduction	San Diego	Guaranteed Water for Industry Program	Businesses can apply to have a site certified as "exempt" from the water-use restrictions during Drought Response Level 2 if they use reclaimed water to the extent possible in their manufacturing areas, cooling towers, landscaping and/or other operations.	Water Conservation
32	Free Trade Zone	Houston	Freeport Exemption	A freeport exemption applying to goods, wares, ores and merchandise other than oil, gas and petroleum products (defined as liquid and gaseous materials immediately derived from refining petroleum or natural gas) and to aircraft or repair parts used by a certificated air carrier.	Logistics/Trade

INCENTIVES OFFERED IN OTHER JURISDICTIONS

#	Type	Location	Program Name	Program Description	Targeted Industry
33	Loans / Funding	Houston	Product Development and Small Business Incubator Fund	The Product Development and Small Business Incubator Fund offers long-term, asset-backed loans to near-bankable businesses commercializing new or improved products and small businesses or entities which foster growth of small businesses. The program targets those businesses which may be unable to obtain full financing or financing on workable terms in traditional capital markets.	Bio Tech / Bio Sciences
34	Tax Exemption	Houston	Tax Incentives	State sales and use tax exemptions are available to taxpayers who manufacture, fabricate or process tangible personal property for sale.	Construction
35	Utility Operating Cost Reduction	Seattle	Priority Green Expedited	The program sets high but achievable thresholds for energy efficiency, water conservation, waste reduction, and indoor air quality.	Construction
36	Tax Exemption	Seattle	Production Incentive Program	Washington Filmworks (WF) is the private non-profit organization that manages the Motion Picture Competitiveness program as well as a diversity of resources for the creative industries in Washington State.	Film and Production
37	Tax Exemption	Seattle	Sales/Use Tax Exemption for Motion Picture Companies	Sales/Use tax exemption for motion picture and video production companies on rental of production equipment and purchase of production services.	Film and Production
38	Tax Exemption	Seattle	Hotel/ Motel Tax Exemption	An exemption from a consumer tax on lodging charges for periods of less than 30 consecutive days for hotels, motels, rooming houses, private campgrounds, RV parks, and similar facilities.	Film and Production

INCENTIVES OFFERED IN OTHER JURISDICTIONS

#	Type	Location	Program Name	Program Description	Targeted Industry
39	Tax Exemption	Oakland	Façade Improvement Program	If you're a business owner or property owner, the Façade Improvement Program can help you enhance the appearance of your commercial or mixed-use building to reduce blight and encourage economic development.	Non-industry specific businesses in a targeted area

CITY OF LOS ANGELES
JOBS AND ECONOMIC DEVELOPMENT INCENTIVE ZONES (JEDI)
ESTABLISHMENT POLICY

I. Overview

The establishment of the Jobs and Economic Development Incentive Zones ("JEDI Zones") Policy ("Policy") seeks to attract new businesses and industry to the City of Los Angeles ("City") which will result in economic development and growth in areas that have been historically underinvested. This policy seeks to increase job creation and employment in specific areas of the City to revitalize underserved communities and attract fast-growing industries. These objectives are vitally important to the City's future since higher job creation will not only provide improved employment opportunities for City residents, but also help to strengthen the City's fiscal health. The JEDI Zones establishment policy provides a framework that may accommodate commercial and industrial growth by facilitating enhancements to the City's permitting and regulatory processes, focusing the City's economic development efforts to more effectively utilize available resources, and, where appropriate, providing financial incentives to attract development to the targeted area(s).

The primary City department responsible for implementing the Policy is the Economic and Workforce Development Department ("EWDD"). EWDD will work with the Mayor's Office, Council Offices, Chief Legislative Analyst, City Administrative Officer, and other collaborating departments and entities to implement the Policy. As the lead agency, EWDD will evaluate a potential JEDI Zone according to the selection criteria presented in this policy, evaluate the effectiveness of business incentive programs, make recommendations for adjustments and enhancements, and coordinate with City officials to resolve issues and adjust available incentives as needed.

The City's limited economic development resources must be channeled into actions that optimize returns. Given this fiscal reality and the City's desire to achieve its economic development objectives while preserving the stability of existing neighborhoods, this JEDI Zones establishment policy focuses economic growth efforts in specific parts of the City.

II. JEDI Zones Policy

This Policy presents the following:

- A. JEDI Zones eligibility criteria
- B. Establishment and performance of JEDI Zones
- C. JEDI Zones New and Enhanced Business Incentives Plan
- D. JEDI Zones Operational Costs

A. JEDI Zones Eligibility Criteria

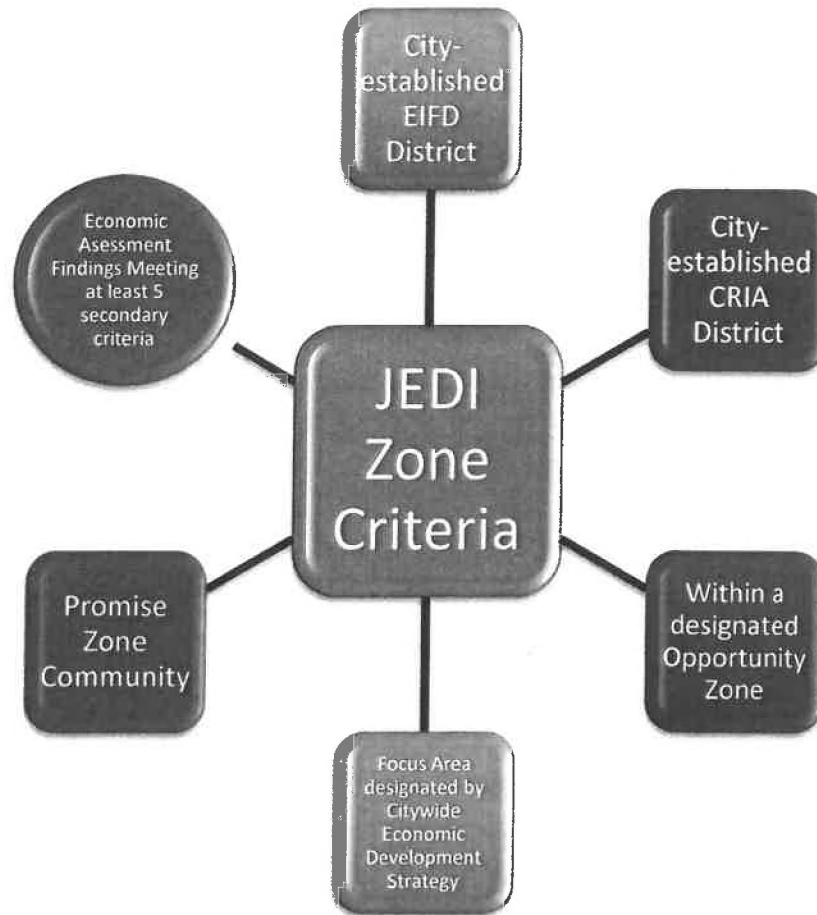
Areas of the City that private developers have historically found unattractive, due to a wide variety of socio-economic factors, require sponsored and championed economic policy initiatives to stimulate demand and affect positive business attraction, retention, and expansion to improve job growth. The JEDI Zones' economic development efforts should therefore be directed at these specific regions of the City, thereby optimizing the City's limited resources and improving the potential for success in the identified JEDI Zones. Federal initiatives including the Opportunity Zones (CF 18-0112-S1) resulting from the Tax Cuts and Jobs Act effective January 1, 2018, and New Market Tax Credit enacted as part of the Community and Renewal Tax Relief Act of 2000 provide income tax credits and benefits to financial institutions and investors in exchange for investment in business or real estate projects in distressed communities. Recently, the State enacted laws creating the Enhanced Infrastructure Financing Districts (EIFD) and Community Revitalization and Investment Authorities (CRIA) tax increment financing initiatives to stimulate investment in distressed communities. EWDD has reported for Council consideration on establishing policies for both EIFD (C.F. 14-1349-S1) and CRIA (C.F. 15-1195). To ensure maximum delivery of services and effective utilization of available resources, JEDI Zones, EIFD, Promise Zones, Opportunity Zones, and CRIA boundaries should be overlaid to the greatest extent possible, allowing businesses to benefit from multiple programs.

Boundaries for the JEDI Zones will be established based on a defined set of criteria. EWDD recommends each of the JEDI Zones meet at least one of the following primary eligibility criteria:

Primary Qualifying Criteria

1. Within a Federally designated Opportunity Zone; **or**
2. Designated Promise Zone Community; **or**
3. City-established EIFD District; **or**
4. City-established CRIA District; **or**
5. Focus Area designated by Citywide Economic Development Strategy

As illustrated in the graphic below, Council Districts that do not meet the qualifying criteria may still request a JEDI Zone designation in their district by engaging EWDD to conduct an economic assessment establishing an objective basis for the area's need by meeting at least five of the eight secondary needs assessment criteria specified in Section 2 of the Policy.

JEDI ZONE DESIGNATION QUALIFYING CRITERIA**B. Establishment and Performance of JEDI Zones**

Upon approval of the establishment policy, areas satisfying any one of the five primary eligibility criterion would be eligible for evaluation to be designated as a JEDI Zone.

Zone Designation Evaluation Request

In order to establish a JEDI Zone designation, Mayor and/or City Council Offices need to formally request EWDD's Interim General Manager, or designee, to evaluate an area's eligibility. The written request should include the potential area to be assessed and the primary qualifying criteria, as listed in Section 1 of this policy. Once the request is received, EWDD will conduct a baseline assessment of the area for JEDI Zone designation based on the qualifying criteria discussed in Section 1 of this policy. Requests will be processed in the order received.

Baseline Area Assessment

EWDD staff will evaluate the following factors during their baseline assessment:

- Verify the identified area meets at least one of the primary qualifying criteria for a JEDI Zone designation.
- Evaluate factors indicating distress (Secondary Needs Assessment).
- Assign priority to areas based on need.

At such time that an area qualifies under any primary eligibility criteria, EWDD will assess priorities in the eligible area by measuring or verifying secondary criteria to identify the greatest need. Highest priority within an eligible zone will be assigned to areas meeting more of the Secondary Needs Assessment Criteria described below in comparison to other areas within the same zone.

Secondary Needs Assessment Criteria

1. Qualifies as low and moderate-income (LMI) area as defined by the U.S. Department of Housing and Urban Development. An area where at least 51 percent of the residents are LMI persons.
2. A non-seasonal unemployment rate that is at least 3% higher than the Citywide median.
3. Crime rates 5% higher than the statewide median crime rate.
4. Deteriorated commercial or residential structures, based on the physical deterioration of buildings/improvements; abandonment of properties; chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings; significant declines in property values or abnormally low property values relative to other areas in the community; or known or suspected environmental contamination, as evaluated by EWDD.
5. The area is more than 50% commercial, retail, or industrial uses
6. Commercial, retail, or industrial vacancy is 5% greater than the City average.
7. Contains at least one City priority project, defined at the time the JEDI Zone is created which can be identified as part of an adopted community plan.
8. Active time remaining on a Community Redevelopment Area Plan.

After completing the baseline and secondary needs assessments, EWDD will submit a transmittal to City Council and Mayor with findings and recommendations for action. The report will contain the JEDI Zone's final geographic borders, the types of incentives and enhanced services that would be most appropriate for that zone, the fiscal impact of the zone's establishment, and the basis for the determined order of priority of the areas within the zone.

Approval of JEDI Zone

Upon approval of the JEDI Zone designation by City Council and Mayor, a coordinated and branded campaign to promote the package of targeted incentives to stakeholders in the JEDI Zone will be launched by EWDD. The JEDI Zone branded campaign will include publications, visualizations, and presentations, where appropriate. EWDD will organize information and services valuable to each stakeholder and determine the most effective methods to implement the incentives and enhanced services. EWDD will strategically partner with the appropriate Council Office and City departments to create plans for each zone to direct and prioritize EWDD staff outreach efforts. EWDD will conduct outreach in the JEDI Zones in the order of the area's established priorities, and will also conduct biennial performance reports to review the activities and benefits resulting from the JEDI Zone Program.

Biennial Performance Reports

The JEDI Zone designation will be established for a period of five years. Biennially, EWDD will report to City Council and Mayor on the JEDI Zone's progress and performance. The report will include a summary of activity in a designated area and a determination of whether adjustments to the JEDI Zone Program are needed.

5th Year Impact Report

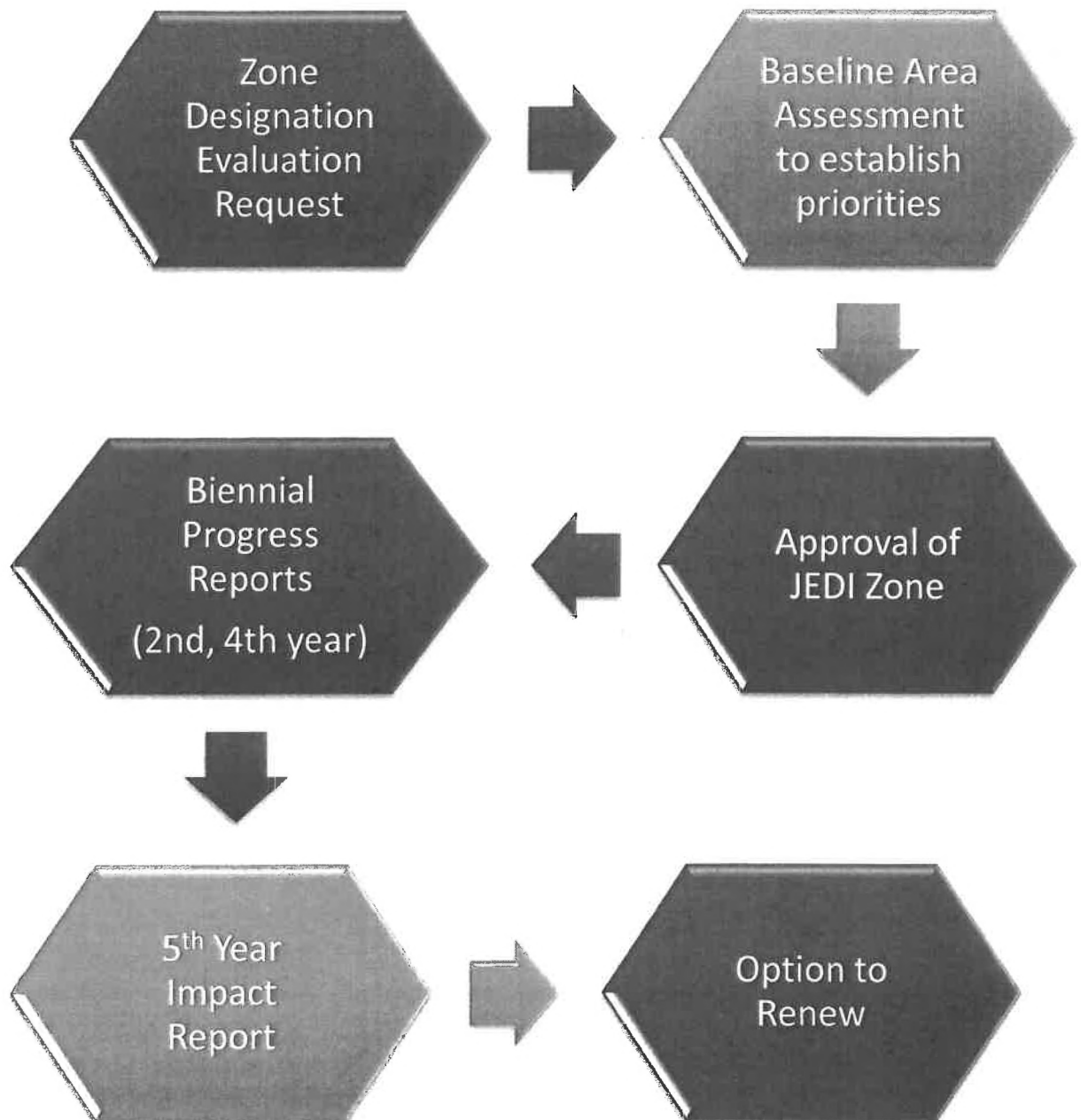
At the conclusion of the five-year designation, EWDD will conduct an assessment of the JEDI Zone detailing the impact to the area, including the following:

- Number of new and relocating businesses in zone.
- Number of pre-existing businesses participating in JEDI Incentives.
- The overall percent of businesses helped within JEDI Zone.
- Number of new jobs created as a result of JEDI incentives.

Based on a conclusion of the designation's successful impact to the area, EWDD in consultation with the Council Office will have the option to submit to City Council and Mayor a recommendation for a renewal of the JEDI Zone designation for an additional 5 years. The maximum duration of a JEDI Zone designation will be 10 years.

Fundamental to the JEDI Zones Program is the assessment of the impact of the JEDI Zone on the area and reporting results. EWDD will make recommendations to City Council and Mayor to revise the policy and procedures related to the establishment of the JEDI Zones, as necessary.

Cycle of JEDI Zone



C. JEDI Zones New and Enhanced Business Incentives Plan

Although several City departments offer incentive programs to help support the attraction, retention, and growth of businesses throughout the City, the various guidelines, requirements, timelines, and areas of coverage are difficult for business owners to navigate and access. In order to expend City resources in a concentrated and coordinated economic development delivery system, the EWDD Business Assistance Team will create a package of economic incentives for JEDI Zone-selected areas. The JEDI Zone New and Enhanced Business Incentives Plan includes:

- 1. JEDI Zones Priority Support Program** – Proactively market City Programs to businesses and provide a customized package of incentives and services to help reach their goals.
- 2. JEDI Zones Business Development Support** – Facilitate coordination as project partner with businesses and City departments during all phases of development, including entitlement, permitting, and construction.
- 3. JEDI Zones Expedited Process for Development Permits** –Provide an Expediting Service to "super expedite" projects through the development permitting process.
- 4. JEDI Zones Fee Reductions for Development Permits** – Reduce expediting and/or permitting fees incurred through the development permitting process.
- 5. JEDI Zones Façade Improvement Program** – provide funds to improve the appearance of eligible businesses to make them more inviting to walk and shop.
- 6. JEDI Zones Employer's Connection** – Provide compensation to employer during staff training.
- 7. JEDI Zones Compliance Assistance** – Facilitate resources to help businesses maintain compliance with codes and regulations.
- 8. JEDI Zones Access to Capital** – Connect businesses with lenders actively seeking to invest and bring funding opportunities to the area.
- 9. JEDI Zone Loan Program Fee and Interest Reduction** – Reduce interest rate and fees of Microloan program and/or extend payment schedule.

Once a JEDI zone has been selected and established pursuant to City Council and Mayoral approval, EWDD will package incentives and resources for JEDI Zone projects and provide existing and new businesses within a JEDI Zone area overview of the benefits and services.

D. JEDI Zones Operational Costs

The incentives and services described in this establishment policy will be financed by the JEDI Zones Program Fund. As new JEDI Zones are proposed for City Council consideration, the expenditure amount needed to finance the business incentives and enhanced services described in this establishment policy will be reported to City Council.