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Office of the City Clerk, City of Los Angeles

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**Council File Number**

[07-2376](#)

**Title**

LOS ANGELES EMPOWERMENT ZONE BUSINESS TAX WAIVER INCENTIVE / STATUS REPORT

**Subject**

Motion - Designated in 1994, the Los Angeles Empowerment Zone's (LA EZ) primary focus has been to provide economic opportunity for its residents and businesses by fostering job creation, entrepreneurial activities, small business expansion, industrial development and improved access to goods and services. In addition to Federal tax credits, one of the incentives provided by the City to meet the goals of the zone has been to waive the City Business Tax. Existing Empowerment Zone businesses receive a business tax waiver of \$500 and have taxes frozen at the current rate for 5 years. Business start-ups or new businesses from outside the City locating in the LA EZ pay only \$25 annually for 5 years. In order to determine if the LA EZ tax benefits have had an impact on the area and its residents to date, the Council should instruct the Office of Finance to provide a status report that includes information on how the LA EZ benefits are disseminated, a review of the tax benefits provided, how many new and existing businesses utilized the incentives, fiscal impacts, and recommendations on ways to improve the program or extend the waiver to other incentive areas, including the State Enterprise Zones. THEREFORE MOVE that the City Council instruct the Office of Finance to submit a status report relative to the Los Angeles Empowerment Zone business tax waiver incentive, and include a review of the tax credits provided, fiscal impact, number of new and existing businesses that utilized the incentive, and recommendations on ways to improve the effectiveness of the program and benefits of extending the waiver of business tax or other incentives to the State Enterprise Zones. FURTHER MOVE that the Chief Legislative Analyst be instructed to review and report to Council with incentives offered by other large Cities within California to meet the goals of State Enterprise Zones, Empowerment Zone and the Renewal Community. OLD COUNCIL FILE 97-0401 AND SUPP

**Last Change Date**

07/31/2012

**Expiration Date**

12/15/2011

**Mover**

WENDY GREUEL  
ERIC GARCETTI

**Second**

JAN PERRY

**Action History for Council File [07-2376](#)**

| Date       | Activity  |
|------------|---|
| 07/31/2012 | File expired per Council policy, Council file No. 05-0553.  |
| 12/15/2009 | Jobs and Business Development Committee continued item to/for to a date to be determined.   |
| 12/11/2009 | Jobs and Business Development Committee scheduled item for committee meeting on December 15, 2009.  |
| 08/31/2009 | Council rereferred file to Jobs and Business Development Committee, pursuant to Council Action of August 14, 2009 Council File No. 09-1971. |
| 12/12/2008 | Jobs, Business Growth and Tax Reform Committee continued item to/for a date to be determined due to meeting cancellation.                   |
| 12/09/2008 | Jobs, Business Growth and Tax Reform Committee scheduled item for committee meeting on December 12, 2008.                                   |

10/31/2008 Chief Legislative Analyst document(s) referred to Budget and Finance Committee; Housing, Community and Economic Development Committee; Jobs, Business Growth and Tax Reform Committee.

10/31/2008 Document(s) submitted by Chief Legislative Analyst, as follows:

Chief Legislative Analyst report 08-10-1947, dated October 30, 2008, relative to reporting on the incentives offered by major California cities to meet the goals of State Enterprise Zones, Empowerment Zones, and Renewal Communities.

10/31/2008 City Clerk transmitted Council File to Jobs, Business Growth and Tax Reform Committee.

10/18/2007 City Clerk transmitted Council File to Jobs, Business Growth and Tax Reform Committee.

10/18/2007 City Clerk referred to Budget and Finance Committee; Housing, Community and Economic Development Committee; Jobs, Business Growth and Tax Reform Committee.

### **Archive History**

7-25-07 - This day's Council session

7-25-07 - Ref to Ad Hoc Business Tax Reform; Housing, Community and Economic Development; and Budget and Finance Committees

7-25-07 - File to Ad Hoc Business Tax Reform Committee Clerk

10-1-07 - New Committee assignments - Ad Hoc Business Tax Reform Committee now Jobs, Business Growth and Tax Reform Committee

10-18-07 - Re-Ref to Jobs, Business Growth and Tax Reform, Housing, Community and Economic Development and Budget and Finance Committees - to Jobs, Business Growth and Tax Reform Committee Clerk