



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



December 3, 1991

City Council
Sacramento, California

Honorable Members in Session:

Subject: Expansion of Enterprise Zone Boundaries

LOCATION AND COUNCIL DISTRICT

City, Districts 2, 5, 6, 7, and 8

SUMMARY

The attached resolution authorizes staff to submit a request to the State Department of Commerce, expanding the existing boundaries of the Northgate-Norwood and Florin-Perkins Enterprise Zone Incentive Areas.

COMMISSION ACTION

At its meeting of November 20, 1991, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES: Amundson, Diepenbrock, Moose, Simon, Simpson, Yew, Strong

NOES: None

ABSENT: Cespedes, Pernell, Williams, Wooley

STAFF RECOMMENDATION

Staff recommends adoption of the attached resolutions authorizing the Executive Director to submit a proposal to the State Department of Commerce, allowing for the expansion of existing Enterprise Zone boundaries, by up to fifteen (15) percent of their current size, anytime during the remaining life of each zone.

**APPROVED
BY THE CITY COUNCIL**

DEC 3 1991

**OFFICE OF THE
CITY CLERK**

BACKGROUND

In October of 1986, The City and County of Sacramento received authorization from the State to designate the Del Paso/ Northgate-Norwood Commercial and Industrial Areas as an Enterprise Zone Incentive Area. In April of 1989, the City and County of Sacramento received authorization to designate its second Enterprise Zone Incentive Area (Oak Park/Florin-Perkins Commercial and Industrial Area). Once designated, each zone has a fifteen (15) year life span.

Enterprise Zone areas provide communities with strong economic development tools to encourage business growth, while stimulating employment opportunities. The focus of Sacramento's Enterprise Zone Program is to stimulate these employment opportunities for individuals residing in Del Paso Heights, Oak Park, Downtown Sacramento, and Meadowview (High Density Unemployment Areas).

On November 28, 1990, the State Office of Administrative Law approved regulations allowing Incentive Areas to expand fifteen percent (15%) over the remaining life of their zone (see attachment 1). The Agency, conferring with the appropriate City and County staff, has studied potential expansion areas for nearly six months. By State regulation, these areas must be along (contiguous) existing zone boundaries and contain at least fifty-one percent (51%) commercial or industrial zoning. Other key staff considerations include the existence of improved land and infrastructure, striving businesses to augment the existing employment base, and available building inventory. Additionally, staff took into consideration the community's concerns regarding public transportation access to employment opportunities. What is presented in this report is the culmination of Agency research in this area, in combination with input from elected officials, appropriate City and County staff, and the community at large.

Though we are not required to hold public meetings regarding zone expansion, Agency staff sought community input by holding two public meetings during August (see attachment 2). Additionally, staff had an opportunity to confer with the elected officials at both the City and County level, whose jurisdictions would be impacted by zone expansion. All of the suggestions derived from these assorted meetings have been considered, and those most consistent with current zoning and development considerations were incorporated into this staff recommendation submitted now for your approval (see attachments 3 and 4 for maps of the expanded areas; and attachment 5 for a brief description of the expanded areas).

Finally, it should be noted that of the twenty-nine zones currently designated in California, only Sacramento has an automated employment system focused specifically to serve Enterprise Zone businesses. Known locally as the Enterprise Zone Employment System (EZES), Sacramento has been able to successfully form a cooperative arrangement among the varied agencies and community-based organizations providing employment and training services to residents of the Enterprise Zone targeted neighborhoods. By taking advantage of the new "Job Match" computer system housed at the Employment Development Department (Midtown office--50th Street and Broadway), this "employment consortium" is now able to handle medium and large scale employment requests in a more coordinated and efficient manner. The expected results include greater job placements with Enterprise Zone businesses, increased program participation among businesses already located in the zone(s), and increased ability to compete for large firms interested in locating/hiring from this community.

Primarily designed for use in the Enterprise Zone, the EZES signals a new era of cooperation and synergism that will have widespread benefits for the entire Sacramento community. The EZES, coordinated through the Agency's Economic Development and Employment Services Divisions, benefits from the enthusiastic efforts of the State Employment Development Department (EDD), the Sacramento Employment and Training Agency (SETA), and members of the community-based Program Operators' Association (POA) which includes the Job Bank. The implementation of this employment system has become a key component in Sacramento's overall economic development strategy designed to keep this community and its Enterprise Zones as "dynamic locations for business success".

FINANCIAL CONSIDERATIONS

This report requests modification of existing Enterprise Zone program area boundaries. No adverse financial impact is anticipated as a result of this modification.

ENVIRONMENTAL REVIEW

The proposed action would have no environmental effects beyond those analyzed in the program EIR (9/88), and the action is consistent with the Enterprise Zone program approved earlier. No further CEQA compliance is required.

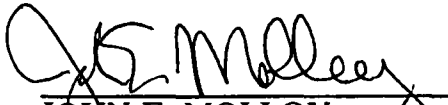
POLICY CONSIDERATIONS

The action proposed in this report is consistent with previously approved policy and shall supersede any prior zone expansion or local incentive policy.

MBE/WBE

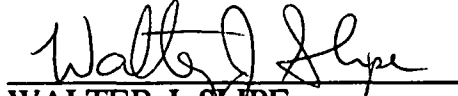
This is not an activity which requires MBE/WBE consideration.

Respectfully submitted,



JOHN E. MOLLOY
Executive Director

TRANSMITTAL TO COUNCIL



WALTER J. SLIPE
City Manager

For Council Meeting of:
December 3, 1991

Contact Person: Theodore P. Scott III, Enterprise Zone Coordinator
440-1318

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RESOLUTION NO. 91-966

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

APPROVED
BY THE CITY COUNCIL

DEC 3 1991

OFFICE OF THE
CITY CLERK

EXPANSION OF ENTERPRISE ZONE BOUNDARIES

WHEREAS, the City Council of Sacramento encourages and supports the expansion of existing Enterprise Zone boundaries; now, therefore

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO:

Section 1: The City Manager is authorized to recommend that Sacramento Housing and Redevelopment Agency submit a proposal to the State Department of Commerce, requesting that the existing boundaries of the Northgate-Norwood and Florin-Perkins Enterprise Zone Incentive Areas be expanded by fifteen (15) percent, pursuant to State regulations sections 5618, 5619, and 5620.

MAYOR

ATTEST:

CITY CLERK

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FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Memorandum

To : All Zone Coordinators

Date: December 19, 1990

From : Deborah Areson
Enterprise Zone Program

Subject: 15% Expansion of Existing Employment Incentive Areas

As expected, the Office of Administrative Law has approved the regulations allowing each Employment Incentive Area to expand fifteen percent (15%) over the remaining life of their zone. These regulations became effective as of November 28, 1990. We have included the Regulation Sections 5618, 5619, and 5620 with this letter for your files.

The Program Area expansions may begin immediately. Each jurisdiction can increase their portion of the Zone by 15%. Boundaries of the expanded area must be contiguous to the existing Zone and continuous. Zoning of the new area must be at least 51% commercial or industrial.

Please contact me prior to the submittal of your expansion request so that we may begin putting together the large size maps of your area that will assist you with the gathering of your street address ranges.

If you have any questions on this process, please call me at (916) 322-6217.

DA:isk/3175J

(b) The Department shall respond in writing to the above described request within thirty (30) days after receipt of the request.

(c) The Department's response shall either grant final designation to the final applicant with conditional designation, or specify the deficiencies which must be corrected within the time period specified in the conditional designation document before the Department will award final designation.

(d) Final designation becomes effective on the day the letter awarding final designation is mailed to a final applicant with conditional designation.

NOTE: Authority cited: Sections 7073 and 7076, Government Code. Reference: Sections 7071 and 7075, Government Code.

Article 8. Expansion of Existing Enterprise Zones
and Program Areas

5618. Scope of Article.

For the purposes of this Article:

(a) The regulations contained in this Article shall apply to programs established pursuant to Chapter 12.8 (commencing with Section 7070, Government Code) and to programs established pursuant to Chapter 12.9 (commencing with Section 7080, Government Code.

(b) "Expansion request" shall mean a written document that proposes to enlarge the geographic area previously designated as an enterprise zone or a program area.

(c) "Expansion area" shall mean the geographic area to be made part of the geographic area that comprises the existing enterprise zone or program area.

Authority cited: Sections 7073, 7076, and 7085, Government Code.

Reference: Sections 7073, 7082, and 7085, Government Code.

5619. Expansion Requests; Fifteen Percent Expansion.
Expansion.

The Department shall approve an expansion request, provided the expansion area meets all of the following requirements:

(a) The expansion area for each city, county or city and county shall not exceed fifteen percent (15%) of the geographic area within its boundaries originally designated as an enterprise zone or as a program area, but the expansion need not occur all at once.

(b) An expansion request shall be submitted to the Department by each city, county, or city and county with jurisdiction over the enterprise zone or the program area and jurisdiction over the expansion area. The expansion request shall be in writing and shall contain the following information:

(1) A resolution adopted by the governing body of each city, county, or city and county agreeing to expand the enterprise zone or the program area to include the expansion area;

(2) The expansion area acreage and zoning;

(3) The total acreage of the original enterprise zone or program area within the boundaries of each city, county or city and county;

(4) A description of the revised enterprise zone or program area boundaries, together with maps showing the enterprise zone or program area and the area to be expanded. The description and maps shall describe and show the geographic areas at the time the expansion request was filed with the Department;

(5) Street address ranges and Department supplied maps for the existing enterprise zone or program area must accurately reflect the current state of the geographic area at the time the expansion request was filed with the Department; and

(6) Documents that show that each area being proposed for the expansion of the existing enterprise zone or the program area is contiguous with the area of the existing enterprise zone or the program area.

NOTE: Authority cited: Sections 7073, 7076 and 7085, Government Code. Reference: Sections 7073, 7076 and 7085, Government Code.

5620. Expansion Request Decision; Notice.

(a) The Department shall notify the city, county, or city and county which submitted the expansion request of its decision to approve or deny an expansion request within thirty (30) days of receipt of the expansion request.

(b) For expansion requests approved by the Department, the expansion shall be effective as of the date the approval letter is mailed.

(c) For expansion requests denied by the Department, the notice shall specify deficiencies identified in the expansion request. A jurisdiction whose expansion request was denied shall not be precluded from submitting another expansion request.

NOTE: Authority cited: Sections 7073, 7076 and 7085, Government Code. Reference: Sections 7073, 7076 and 7085, Government Code.

Article 10. Finality of Department Decisions; Meeting with Enterprise Zone Program Manager

5621. Finality of Department Decisions: Meeting with Enterprise Zone Program Manager.

(a) Department decisions shall be final and no appeal is available within the Department. An applicant shall not petition the Department for rehearing nor request a written explanation of any Department decision.

(b) Applicants shall have the right to request a meeting with the Department's Enterprise Zone Program Manager, at which time the Department's Enterprise Zone Program Manager shall explain the reasons for any of the Department's decisions pursuant to this Chapter.

NOTE: Authority cited: Sections 7073 and 7076, Government Code. Reference: Section 7073, Government Code.

5622. (Reserved)

5623. (Reserved)

The Sacramento Bee

★★ Sunday, August 18, 1991

BUSINESS**JOB MARKET**▶ **CLASSIFIED****NOTICE OF PUBLIC HEARING**

City of Sacramento
County of Sacramento

Redevelopment Agency of the City of Sacramento
Redevelopment Agency of the County of Sacramento

In accordance with new State of California Department of Commerce regulations (sections 5618, 5819, and 5820), Enterprise Zones are now permitted to be expanded by fifteen (15%) percent.

The Sacramento Housing and Redevelopment Agency, in conjunction with the North Sacramento Chamber of Commerce, the Stockton Boulevard Merchants' Association, and the Power Inn Business Association, are holding public meetings on August 22nd. This will provide an opportunity for the community to review and comment on staff recommendations regarding Enterprise Zone expansion.

These meetings will be held in the following locations:

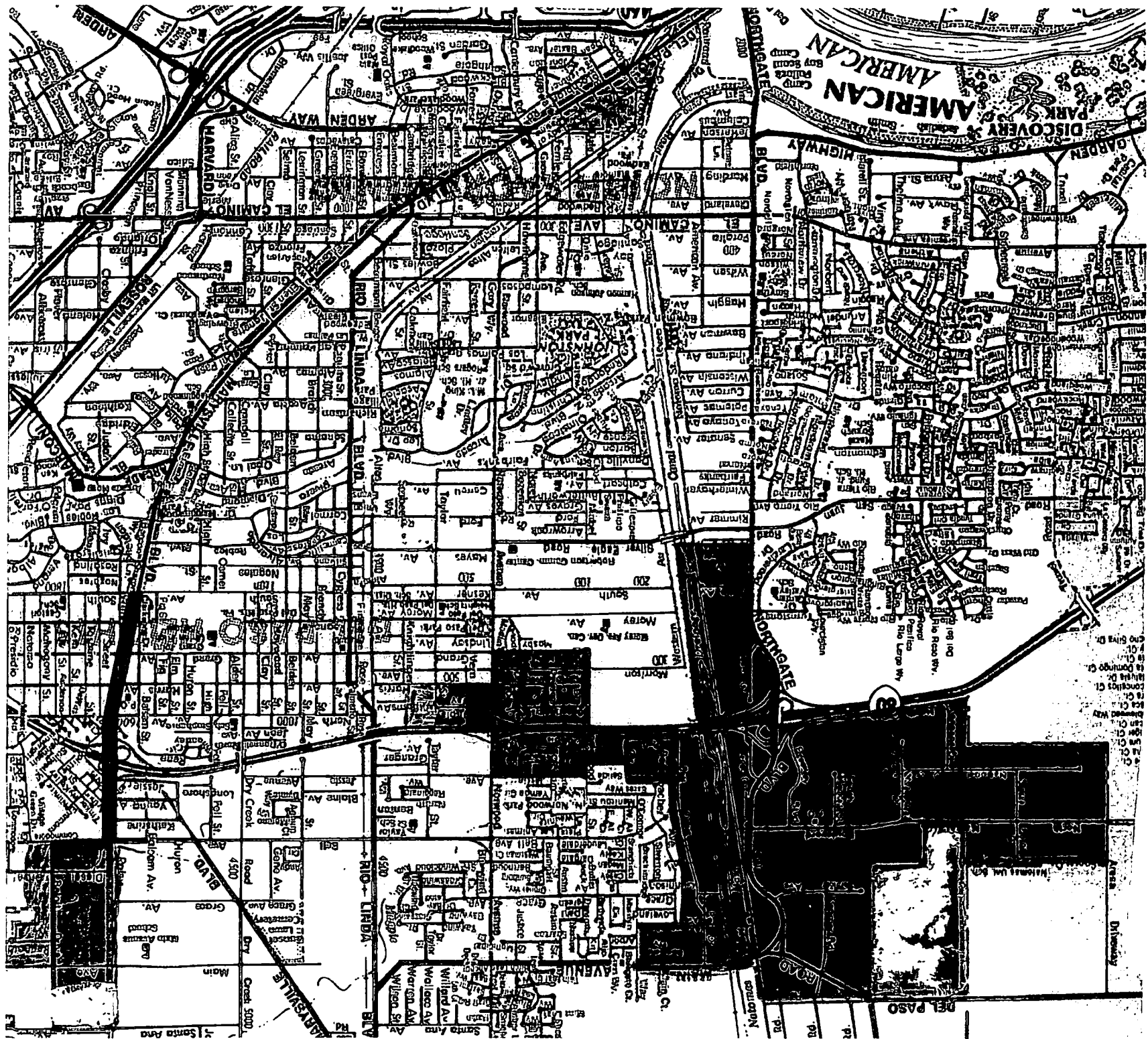
Thursday Sacramento Employment and Training Agency
August 22, 1991 Governing Board Room
1:30 P.M. 1218 Del Paso Boulevard
 Sacramento, California

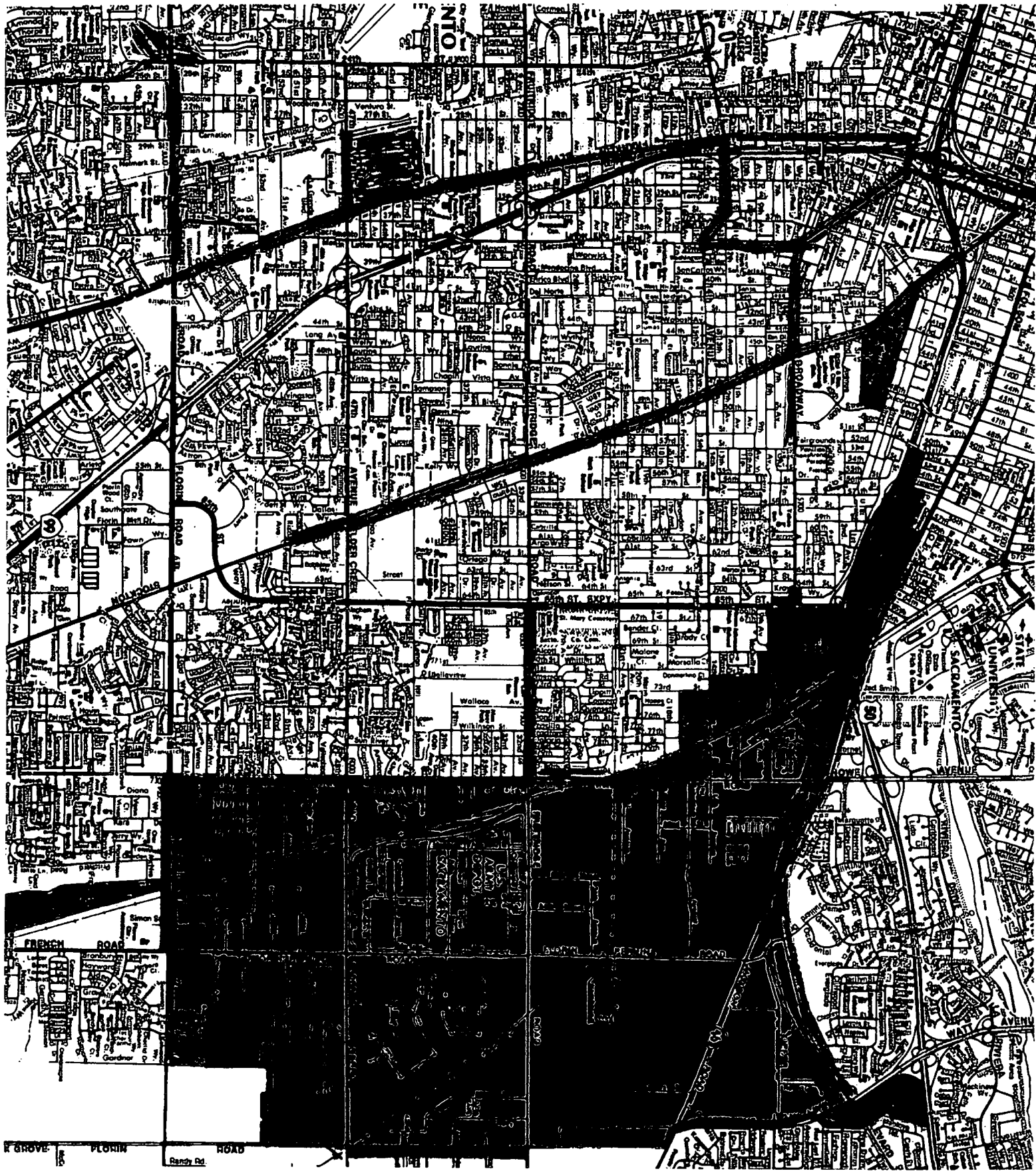
Thursday Lederwoff Culinary Academy
August 22, 1991 3300 Stockton Boulevard
4:00 P.M. Sacramento, California

Property owners, realtors, and commercial developers are especially encouraged to attend.

For more information, please contact:

Theodore P. Scott III, Enterprise Zone Coordinator
City and County of Sacramento
(916) 440-1318





ENTERPRISE ZONE EXPANSION PROJECT (1991)

ZONE -----	AREA DESCRIPTION -----	APPROX. ACREAGE -----
NORTHGATE-NORWOOD (1,500 ACRES)	DEL PASO BLVD. COMMERCIAL	39
	DEL PASO BLVD. INDUSTRIAL	38
	RALEY BLVD (WEST MCCLELLAN)	105
	HARRIS/DISPLAY WAY EXPANSION	49
	MAIN AVE	10
	DEL PASO ROAD	125 *
		----- 240
	* optional/in lieu of	
FLORIN-PERKINS (4,000 ACRES)	WATT AVE./FOLSOM BLVD.	53
	SOUTH WATT (EAST SIDE)	6
	FLORIN ROAD (SOUTH SIDE)	12
	REESE ROAD/GERBER	98
	FRUITRIDGE/65TH STREET	12
	FOLSOM BLVD. (NORTH SIDE)	30
	STOCKTON BLVD. (UCD/SMC)	94
	STOCKTON BLVD. (SOUTH)	13
	ALHAMBRA/FRANKLIN BLVD	18
	FRANKLIN BLVD. (SOUTH)	13
	47TH AVE./FRANKLIN BLVD.	12
	FLORIN ROAD/LUTHER	14
	FLORIN ROAD/TAMOSHANTER	14
	24TH ST./MEADOWVIEW RD.	18
	MEADOWVIEW RD.	8
	----- 415	