# OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664

## ORDINANCE NO. ORD-15-0007

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH ESTABLISHING A SMALL BUSINESS RECRUITMENT, RETENTION AND GROWTH PILOT PROGRAM

WHEREAS, the City of Long Beach desires to encourage and support small business recruitment, retention and growth in the City of Long Beach by providing incentives for such actions; and

WHEREAS, the City desires to establish a small business incentive pilot program (the "Program") in the City for this purpose; and

WHEREAS, before the end of the Program, the City Council will consider the available data and determine whether and how to continue the program;

NOW, THEREFORE, the City Council of the City of Long Beach does hereby ordain as follows:

Section 1. Small Business Recruitment, Retention and Growth Program.

In order to promote, retain and encourage businesses to remain in
and relocate to the City of Long Beach, the City hereby establishes a
program of incentives to qualified small businesses.

- I. Definitions.
- A. "Small Business" means a non-home-based business that is located in the City of Long Beach and has ten (10) or fewer employees as certified on the original business license application or any updates to the application. Small Business does not include any business with a residential rental or commercial/industrial space rental business license.
- B. "Manufacturing Business" shall be determined based on the description provided on the applicant's business license and the associated

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North American Industry Classification System ("NAICS") code.

#### 11. Incentives.

Α. Incentive to Relocate to or Expand a Small Business. A Small Business which either relocates from outside of Long Beach or adds an additional location in Long Beach, shall be allowed an incentive amount equal to the amount of first year's business license tax for the new or expanded location, paid as a credit against the business license tax bill. A transfer of an existing business license shall not qualify for this incentive.

- B. Incentive to Support Manufacturing. A Manufacturing Business which starts in or relocates to Long Beach and is a Small Business shall be allowed an incentive amount equal to the amount of first two (2) years' business license tax for the new location, paid as a credit against the business license tax bill and applied over two (2) years. A business receiving the incentive to support manufacturing may not also receive the Incentive to Relocate to or Expand a Small Business. A transfer of an existing business license shall not qualify for this incentive.
- C. Incentive to Create Jobs. A Small Business which adds employees based on the before and after business license headcount shall be allowed an incentive equal to four (4) times the amount of the incremental business tax for each new employee for the current year, paid as a credit against the current year's business license tax. After the first year, the business license tax will be increased to reflect the new headcount. A charge will be applied, if necessary, to recover a pro rata amount of the incentive if the number of employees is reduced within four (4) years. This Incentive to Create Jobs is available only to established and previously licensed businesses.
- D. Incentive for Renovation and Construction. A Small Business which submits and pays for a permit for the renovation or construction of

improvements, and the cost of the renovation or construction as described on the building permit exceeds Two Thousand Dollars (\$2,000), but is less than Four Thousand Dollars (\$4,000), shall be allowed an incentive amount equal to the amount of one (1) year of the current business license tax for the business, or an amount equal to two (2) years of the business license tax if the cost of the renovation or construction is Four Thousand Dollars (\$4,000) or more. The incentive is paid as a credit against the business license tax bill over the next one (1) or two (2) years of tax bills. To be eligible for this incentive, the costs of the renovation or construction and associated permit must be paid by the Small Business and not by its landlord or others, or by grants, unless it is shown that the payments by others or grants still leaves the Small Business with directly paid renovation and construction costs of at least Two Thousand Dollars (\$2,000) or Four Thousand Dollars (\$4,000), respectively.

### III. Applications.

Eligibility for incentives shall be based on a signed and attested incentive application submitted to the City. At the City's option, any information on the application may be verified by the City of Long Beach. Any application containing materially inaccurate false information will render the applicant ineligible for the particular incentive, shall subject the business to immediate cancellation of any incentive, and the applicant shall be required to repay any credits received to which the applicant was not entitled.

#### IV. Duration.

This pilot program shall be in effect beginning on the effective date of this ordinance and shall automatically terminate on September 30, 2016, unless extended by the City Council.

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1	Sec	tion 2. The City Cle	rk shall certify to the passage of this ordinan	ce by
2	the City Council and cause it to be posted in three (3) conspicuous places in the City of			
3	Long Beach, and it shall take effect on the thirty-first (31st) day after it is approved by the			
4	Mayor.			
5	I hereby certify that the foregoing ordinance was adopted by the City			
6	Council of the City of Long Beach at its meeting of, 2015			
7	by the following vote:			
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9	Ayes:	Councilmembers:	Gonzalez, Lowenthal, Price, Mungo,	
10			Andrews, Uranga, Austin, Richardson.	
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12				
13	Noes:	Councilmembers:	None.	
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15	Absent:	Councilmembers:	None.	
16	Abson.	Counciline in berg.		
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20			day Henre Chris	
21			City Clerk	
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23			Mayor	
24	Approved: 3	127/15		
25	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(Date)		
26		(Date)	Mayor	
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### AFFIDAVIT OF POSTING

STATE OF CALIFORNIA ) ss COUNTY OF LOS ANGELES ) CITY OF LONG BEACH )

Karen Moore being duly sworn says: That I am employed in the Department of the City Clerk of the City of Long Beach; that on the 19th day of March, 2015, I posted three true and correct copies of Ordinance No. ORD-15-0007 in three conspicuous places in the City of Long Beach, to wit: One of said copies in the entrance lobby of City Hall in front of the Information Desk; one of said copies in the Main Library; and one of said copies on the front counter of the City Clerk Department.

Kan Q. //L

Subscribed and sworn to before me This 19th day of March 2015

CITY CLERK