




City of Long Beach

**R-11**

**Office of Gerrie Schipske  
Councilwoman, Fifth District  
Memorandum**

**Date:** August 9, 2011  
**To:** Honorable Mayor and Members of the City Council  
**From:** Councilwoman Gerrie Schipske, 5<sup>th</sup> District   
**Subject:** AGENDA ITEM: Business Growth Incentive Act

**Discussion:**

Long Beach faces staggering unemployment. The city needs to attract businesses who will in turn create jobs and generate sales tax revenue. The City must enact creative ways to encourage business to locate here or to remain here.

Among some of the ways in which to encourage business to locate here and/or to remain here:

- Waiver of business license and occupation tax for 1<sup>st</sup> year of operations for new businesses;
- Waiver of business license and occupation tax for each year an existing business documents the hiring of at least 10% more employees than they employed the year prior;
- A discount in business license and occupation tax for those businesses renewing for a 3 year period;
- A discount or waiver of building impact fees for those businesses agreeing to employ 100 or more if their first three years of operation;
- Alternatively, allowing a deferral until occupancy or a ten year financing of development impact fees;
- Reduction of commercial storm water fees for qualified storm water design projects that lessen the impact to our storm water system; and
- A 50% percent reduction/exemption on the city's "utility use tax" for gas, water, telephone, cable, and refuse for businesses that create 200 full-time jobs or retain 1,000 full-time jobs.

**Recommendation:**

That motion be made to request that the City Manager and the Director of Financial Management analyze the incentive proposals discussed in this agenda item as to potential impact and cost to the City and recommend to the City Council a package of incentives that can potentially attract and retain more businesses in the City of Long Beach