

BROADWAY IS OPEN FOR BUSINESS

Presented by Councilmember Huizar's Bringing Back Broadway

Business Incentives

New and Existing Businesses on Broadway

BROADWAY IS OPEN FOR BUSINESS

The Historic Broadway Corridor is a place like no other to do business—offering a talented workforce, world class infrastructure, unparalleled access, and high quality of life. There are a variety of citywide incentives and programs to make it easy to move or expand your business on Broadway.

OUR GOAL:

We actively encourage new businesses to fill vacant spaces on Broadway. Assistance is also available for existing businesses.

We help connect prospective businesses with property owners and brokers who have space to lease. We also provide hands-on assistance to businesses navigating their way through the City processes — from due diligence to plan check, from permitting to final inspection. We are here to help, and the Historic Broadway Corridor is open for business.

To help make your decision to be a part of Broadway even easier, the office of **Los Angeles City Councilmember José Huizar** is pleased to share a variety of business incentives which are available to new and existing businesses. Business owners and their accountants will want to examine these programs closely and maximize them to benefit your business.

INCENTIVES:

- Streamlined Development Processes
- Tax Incentives and Rebates
- Federal Historic Tax Credits
- New Market Tax Credits
- Loan Programs
- Incentives for a Greener LA
- Trade and Commerce
- City Business Support Services



STREAMLINED DEVELOPMENT PROCESS

DEVELOPMENT SERVICES CASE MANAGEMENT PROGRAM: Comprised of Case Managers from Department of Building and Safety, Department of City Planning, Bureau of Engineering, Department of Transportation, LADWP. Managers provide comprehensive assistance and a single entry portal for complex projects as they navigate the City's development review process. Contact: 213-482-6864, Development.Services.CM@lacity.org

SMALL BUSINESS ASSISTANCE PROGRAM: The Small Business Liaison in the Case Management Office provides a free project feasibility study and helps applicants navigate the permitting process and access additional LADBS resources. Learn more at: www.LADBS.org

CONSTRUCTION/INSPECTION PARTNERSHIP PROGRAM: The Department of Building and Safety's (LADBS) program will establish an interaction between the project team and the inspection team throughout the construction process for major projects to create a strong communication network at all levels. Learn more at: www.LADBS.org

PARALLEL DESIGN PERMITTING PROCESS: The City of Los Angeles Department of Building and Safety is implementing a new Parallel Design-Permitting Process for major project developments that will allow the design process and the permitting process run concurrently. Contact: Metro Plan Check, Colin Kumabe, 213-482-0447

EXPEDITED PROJECT PROCESSING: City Planning Department offers a faster alternative for processing entitlement applications for an additional fee that yields a 30% to 50% times savings and commits to holding a public hearing within 90 days of a case being deemed complete. Contact: Nicholas Hendricks, Senior City Planner, 213-978-1383, nick.hendricks@lacity.org

PRIORITY PROCESSING FOR SUSTAINABLE BUILDINGS: Projects that comply with the LA Green Code at the Tier 1 level or higher are eligible to receive priority processing through the DCP's Standard of Sustainable Excellence program. Contact: Department of City Planning, Deborah Kahen, 213-978-1202, Deborah.kahen@lacity.org



HOSPITALITY EXPRESS (FOR RESTAURANTS AND HOTELS)

Multi-agency Case Management program includes L.A. County Health Dep't, the Department of Building & Safety, Bureau of Sanitation, City Planning Dep't, Fire Dep't, and Bureau of Engineering.



Its purpose is to provide assistance navigating and streamlining the city's permitting process for hospitality businesses, restaurateurs and their design/construction teams. Contact: 213-202-9840, LADBS.RHEXPRESS@lacity.org

TAX INCENTIVES AND REBATES

NEW BUSINESS TAX EXEMPTION

New businesses on Broadway will be exempt from gross receipt taxes, applicable minimum tax or any additional business tax for the first three years of operation. A new business is one that has not previously paid business tax receipts in the city of Los Angeles. Businesses currently operating in the city that should have filed for a business tax registration certificate in prior years are not qualified. Los Angeles Municipal Code Section 21.30

SMALL BUSINESS TAX EXEMPTION

Businesses with gross receipts under \$100,000 are exempt from the City's Gross Receipts Tax. Reduced tax rates available to motion picture production businesses. Learn More at: <http://finance.lacity.org/content/TaxInfoBooklet.htm>

USE TAX REBATE

Offers rebate of 20% on the additional Use Tax collected by California State Board of Equalization for the City of Los Angeles. Businesses that pay Use Tax to lessors or out-of-state vendors are eligible. Equivalent to about 67.5% of the 1% of the Use Tax allocated to the City of Los Angeles that you pay to your vendor. Contact: City Of Los Angeles, 213 -928-9284, USETAX@lacity.org

CREATIVE ARTIST EXEMPTION

Los Angeles Municipal Code Section 21.29 (b) added a provision for "Creative Artists" who generate up to \$300,000 in total taxable and non-taxable in-City and out-of-City gross receipts attributable to their qualifying "creative activities". This exemption applies strictly, only to individual "creative artists" (individual, individual acting as a corporation, or individual acting through a limited liability company), when performing "creative activities" for "entertainment or aesthetic purposes".





FEDERAL HISTORIC TAX CREDITS

Properties in the Historic Broadway Corridor may be eligible for New Market Tax Credits and /or Historic Tax Credits.

20% Historic Tax Credit: A 20% income tax credit is available for the rehabilitation of historic, income-producing buildings that are determined by the Secretary of the Interior, through the National Park Service, to be “certified historic structures.” The State Historic Preservation Offices and the National Park Service review the rehabilitation work to ensure that it complies with the Secretary’s Standards for Rehabilitation. The Internal Revenue Service defines qualified rehabilitation expenses on which the credit may be taken. Owner-occupied residential properties do not qualify for the federal rehabilitation tax credit.

10% Historic Tax Credit: The 10% tax credit is available for the rehabilitation of non-historic buildings placed in service before 1936. The building must be rehabilitated for non-residential use. In order to qualify for the tax credit, the rehabilitation must meet three criteria: at least 50% of the existing external walls must remain in place as external walls, at least 75% of the existing external walls must remain in place as either external or internal walls, and at least 75% of the internal structural framework must remain in place. Learn more at: www.nps.gov/tps/tax-incentives/taxdocs/about-tax-incentives-2012.pdf



NEW MARKET TAX CREDITS

Properties in the Historic Broadway Corridor may be eligible for New Market Tax Credits and/or Historic Tax Credits. The Los Angeles Development Fund (LADF) is a California non-profit and certified Community Development Entity (CDE) established by the City of Los Angeles to administer its New Markets Tax Credits (NMTC) program. The LADF will target its allocation toward projects that generate maximum economic and community benefits for the residents living in the City’s economically distressed communities, promoting job and wealth creation and advancing principles of sustainable building design and responsible land use.

The NMTC program permits taxpayers to receive a credit against federal income taxes for making qualified equity investments in designated CDEs. As a certified CDE, the LADF acts as the bridge between the capital markets and low-income communities by taking the investment capital that it receives and lending it to qualified projects. Contact: Sandy Rahimi, 213-808-8959 sandra.rahimi@lacity.org

* New Market Tax Credits may be blended with Historic Tax Credits (see reverse) for a powerful incentive towards rehabilitation of historic properties.

LOAN PROGRAMS

UTILITY INFRASTRUCTURE LOAN PROGRAM

Provides loans to new and existing local businesses in Los Angeles for design, equipment purchase, and construction of water conservation, energy-efficiency, utility infrastructure, and solar energy projects. Funding is available for new and existing DWP customers with good credit and/or bill payment history. Eligible infrastructure expenditures include conduit systems, manholes, vaults, poles, wiring, transformers, capacitor banks, panels, valves, pipes, and other equipment or facilities necessary electric energy or water service from DWP. Contact: Department of Water & Power: Belu Onyedika, 213-367-3770, Belu.Onyedika@ladwp.com

SEWAGE FACILITIES CHARGE (SFC) INSTALLMENT PAYMENT PROGRAM

Provides an installment payment program as an alternative to lump sum payment for sewer customers that require new/additional sewer capacity for their properties. Los Angeles Municipal Code Section 64.16.1

RECYCLING MARKET DEVELOPMENT ZONE (RMDZ) PROGRAM

Provides direct loans to increase diversion of non-hazardous solid waste from California landfills/increase production or manufacturing of recycled products. Learn more at:

<http://www.losangelesworks.org/frameset.cfm?linkto=http://www.calrecycle.ca.gov/RMDZ/>



INCENTIVES FOR GREENER L.A. BUSINESSES

LOS ANGELES BETTER BUILDINGS CHALLENGE (ENERGY UPGRADES) <http://la-bbc.com/>

The LA Better Buildings Challenge offers a range of subsidized services and free resources to encourage property owners to take up the challenge, and to support LABBC partners in achieving their 20% energy consumption reduction goal including:

- Project Development Support
- PACE Financing
- Federal, State, and Local Energy Efficiency Rebates & Tax Incentives



WASTE ASSESSMENT PROGRAM

Offers free business waste assessments aimed at increasing recycling and reducing waste generated by businesses. City staff provides complimentary waste assessments and technical service to Los Angeles businesses to help them divert recyclable material and reduce their disposal costs. Contact: Bureau of Sanitation, Nady Maechling, 213-485-3692, nady.maechling@lacity.org

COMMERCIAL WATER CONSERVATION REBATE PROGRAM

Commercial, industrial and institutional customers that purchase and install qualified devices, fixtures and technologies that encourage water efficiency & conservation are eligible for cash rebates, varies by device and whether the application is retrofit or new construction. Contact: Department of Water & Power (LADWP), Mark Gentili, Water Conservation Supervisor, 213-367-8556, mark.gentili@ladwp.com

COMMERCIAL ENERGY CONSERVATION REBATES

Cash rebates are available to customers who install qualifying energy efficient equipment. Incentives are available for retrofits or new construction. Some programs may be based upon verified energy savings.

COMMERCIAL SOLAR POWER INCENTIVE

Provides one-time incentive payment to LADWP customers that purchase and install eligible solar power photovoltaic (PV) systems. Systems must meet certain installation requirements and equipment must be UL-certified components. All solar installations require a Building & Safety permit. Learn more at: www.LADWP.com

COMMERCIAL LIGHTING EFFICIENCY OFFER (CLEO)

Cash rebates for state-of-the-art, energy-efficient lighting technologies. Each measure must achieve at least 20% energy savings. Only qualifying equipment purchased, installed and operational on or after July 1, 2009 will be considered for rebates. The application must be submitted before installation to get LADWP pre-approval and pre-inspection. The business must hire its own contractor. Learn more at: www.LADWP.com

CITY BUSINESS SUPPORT SERVICES

LOS ANGELES WORKS

Comprehensive and searchable web site which guides new, existing, relocation and expanding businesses through the city's processes and finding incentives. A resource as part of the Mayor's Office of Economic & Workforce Development. Learn more at:

www.losangelesworks.org

CITY OF LOS ANGELES BUSINESS SOURCE CENTERS

The Los Angeles BusinessSource Centers provide startup ventures and current small business owners various cost effective tools to make their business a success. Through these tools, small businesses can grow and remain competitive within the City of Los Angeles.

Learn more at: <http://www.losangelesworks.org/businessServices/BusinessSourceCenters.cfm#moreInfo>

ECONOMIC & WORKFORCE DEVELOPMENT DEPARTMENT

Small and large business owners or startups may be eligible for direct and indirect financing, technical assistance and tax incentive programs. The overall objective of our BusinessSource Program is to promote growth and preserve a growing workforce in the City of Los Angeles. Learn more at: <http://ewdd.lacity.org/index.html>

CITY OF LOS ANGELES BUSINESS INCLUSION PROGRAM (BIP)

The Business Inclusion Program will boost small business participation in City contracts and increase participation of women, small business enterprises, and minority owned businesses in City contracting. Learn more at: <http://www.labavn.org/>



WE ARE HERE TO HELP

We recognize the critical importance of business to the economic vitality of the City of Los Angeles. We also recognize that today, businesses have many options when it comes to deciding where to locate or to expand. Our goal is to make it as easy as possible to move or expand your business to the Historic Broadway Corridor.

CONTACT US

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