City of Bell
Agenda Report

DATE: January 22, 2014

TO: Mayor and Members of the City Council

FROM: Joe Perez, Community Development Director

APPROVED BY: Doug Willmore, City Manager

SUBJECT: Ordinance No. 1202: Municipal Code Amendment – Economic Development Program

RECOMMENDED ACTION

It is recommended that the City Council:

1. Read by title only, waive further reading, and introduce Ordinance No. 1202 adding Chapter 3.38 to Title 3 of the Bell Municipal Code adopting a comprehensive set of economic development incentives and programs to promote the development of Bell, to create jobs from new businesses and to preserve the sound fiscal basis of the City in light of the elimination of redevelopment in California; and

2. Place the ordinance on the next regular agenda for adoption.

BACKGROUND

The Bell Community Redevelopment Agency (Agency) was adopted in 1973 and consisted of 670 acres or 40% of the entire City of Bell. The Agency was formed to address several adverse issues such as blight that were impacting the community. The formation of the Agency addressed these issues over its 41 year history, resulting in the construction of various buildings and improvements, as well as the creation of jobs and businesses.

AB1x26 dissolved all redevelopment agencies statewide on February 1, 2012. However, this action by the State did not magically waive the need for community revitalization, environmental remediation, infrastructure improvements, job creation and providing revenues for basic municipal services in Bell.

In addition to the loss of redevelopment as an engine for community revitalization, the City must contend with other significant obstacles. For instance, the on-going economic recession and loss of major sales tax producers such as Sopp Chevrolet and Kinetics Concepts, Inc. have resulted in a 35% decline in sales tax revenue since 2006.

Furthermore, the City has endured an unprecedented municipal scandal which reduced the City's municipal reserves to amounts far below recommended levels. The past corruption has also resulted in many serious and extensive lawsuits against and by the City. Currently, the City is engaged in several active litigation matters, most of which arise from litigation and investigations that surfaced from the scandals, from claims made by the former officials involved in the corruption and are seeking "indemnification," claims concerning development deals, and from matters filed directly by the City in its attempt to recover from the City's former law and audit firms. The cost of litigation is a heavy burden for the City, which is already struggling to address deeply entrenched socio-economic problems.

The socio-economic challenges in Bell are daunting, as evidenced by the following indicators:

- Persons Below Poverty Level - 22.6% (Compared to 13.7% for California)
- Median Household Income - $38,473 (Compared to $60,883 for California)
- Per Capita Income - $12,671 (Compared to $28,188 for California)
- Home Ownership - 27.8% (Compared to 57.4% for California)
- Unemployment Rate - 15.6% (Compared to 11.5% for California)
- High School Graduates - 42.3% (Compared to 80.7% for California)
- Bachelor's Degree or Higher - 3.8% (Compared to 30.1% for California)
- The City has the second highest property tax rate in Los Angeles County

Another major concern is unemployment. Although national unemployment rates are improving slowly, California's job recovery is still a major problem. The unemployment rate for Bell is 15.6%, well above the 11.5% unemployment rate for California.

In order to address such challenging demographic factors, urban decay, high unemployment, a lack of community facilities, extraordinary legal challenges, and the loss of redevelopment, the City needs to consider adopting an economic development incentives and programs to revitalize the community and establish fiscal stability.

ECONOMIC DEVELOPMENT PROGRAM

The objectives of the proposed economic development program are to encourage and assist businesses that retain and create jobs, promote economic growth, create stable and diverse municipal revenues; and invest in infrastructure improvements.

A comprehensive economic development program includes streamlined development review and permit issuance, and affordable building permit and development fees. The economic development plan must also implement the City's vision in terms of the General Plan and Zoning Ordinance.

PROPOSED ASSISTANCE PROGRAMS

It is proposed that the City offer a variety of incentives for projects that will provide public benefit and protect the public health, safety and welfare of the community. The various types of City assistance may be carried out singly or in combination depending on the specific characteristics of the project. The following is a list of recommended assistance programs:

- **Public-Private Partnerships** – The City may share public resources, such as the reduction of regulatory burdens or fee producing infrastructure, to allow private projects to move forward, with a reasonable return to investors and developers, including the creation of long term jobs and projects creating ongoing revenue to the City.

- **Emerging Statutory Opportunities** - The City may initiate on its own or work with other cities to obtain special legislation that would enable the formation of special districts.

- **Public Financing** – The City may use financing mechanisms, including lease-revenue bonds, industrial development bonds, private activity bonds, certificates of participation or credit enhancements.

- **Special Districts** – The City will consider infrastructure authorities, joint-powers authorities and other special district financing as permitted by law.

- **Public Property Programs** – The City may utilize ground leases or sale of publically owned land, including at less than fair market value, design-build contracts and the use of eminent domain to acquire property for public purpose.

- **Tax Rebate Agreements** – The City may use location agreements or other types of agreements for sales taxes, transient occupancy taxes or other taxes shared with the generator, and rebates or waivers of franchise fees, business license fees or other revenue sources.

- **Regulatory Relief Programs** – The City may initiate programs such as the modification of zoning or other land use restrictions that affect the feasibility of developments, the expedited processing of entitlements and consistent regulations.

- **Other Agencies** – The City may partner with other agencies and joint powers authorities, to assist projects, consistent with program requirements.

- **Other Programs** - In order to provide a full range of economic development programs, the proposed ordinance also anticipates that the City could rely on other programs to the full extent of the law.

CONDITIONS TO QUALIFY FOR ASSISTANCE

In order to receive assistance, a project must meet one or more of the following criteria:

1. **Remove Blight**: The project will alleviate a persistent condition of blight.

2. **Produce Jobs**: For a new business, the project will produce over 100 jobs. For an existing business, 50 new jobs will be created.

3. **Fiscal Impact**: The project will create at least $50,000 annually in on-going revenues to the City.

4. **Special Amenities**: The project will produce or preserve unique community amenities (e.g. special facilities or services) which would be significant to Bell's character and enhance the quality of life for those in the community.

PROGRAM APPROVAL

Prior to the approval of an economic development assistance program, a public hearing will be held by the City Council. The report provided to the Council will be available for public review and will contain a project description, a cost breakdown, an explanation of why City assistance is needed, and how the project will meet the criteria for assistance.

FISCAL IMPACT

The program is anticipated to bring additional on-going revenues for municipal services.

ATTACHMENTS

1. Ordinance No. 1202

CITY OF BELL
LOS ANGELES COUNTY, CALIFORNIA

ORDINANCE NO. 1202

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELL ADDING CHAPTER 3.38 TO TITLE 3 OF THE BELL MUNICIPAL CODE ADOPTING A COMPREHENSIVE SET OF ECONOMIC DEVELOPMENT INCENTIVES AND PROGRAMS TO PROMOTE THE DEVELOPMENT OF BELL, TO CREATE JOBS FROM NEW BUSINESSES AND TO PRESERVE THE SOUND FISCAL BASIS OF THE CITY IN LIGHT OF THE ELIMINATION OF REDEVELOPMENT IN CALIFORNIA

WHEREAS, the City of Bell ("City) was incorporated on November 7, 1927 as a general law city and became a Charter City in January 2006 and

WHEREAS, the City encompasses an area of approximately 2.6 square miles and contains a population of approximately 35,477; and

WHEREAS, the City activated the Bell Community Redevelopment Agency ("Agency") in 1973 to eliminate and prevent the spread of blight and adverse conditions within the City. The focus of the City's revitalization efforts were channeled through the adoption and implementation of its Redevelopment Plans for Cheli 1, Cheli 2, and the Amendment Area; and

WHEREAS, together, these redevelopment plans comprised a total Project Area of approximately 670 acres, or 40% of the entire City of Bell. Although the Agency accomplished redevelopment, development and infrastructure projects that revitalized properties within the Project Area, many of the blighting conditions that required the adoption of the Project Area still exist and need to be addressed; and

WHEREAS, AB1x26 dissolved all redevelopment agencies statewide on February 1, 2012. This action by the State did not magically waive the need for community revitalization, infrastructure improvements, job creation and providing revenues for basic municipal services in Bell. The challenge the City now faces is what programs and policies should be in place to continue to move Bell forward and to implement the worthwhile goals of the former Redevelopment Plan and the City's General Plan; and

WHEREAS, the recent economic recession and loss of major sales tax producers such as Sopp Chevrolet and Kinetics Concepts, Inc. have resulted in a 35% decline in sales tax revenue since 2006; and

WHEREAS, the City has endured an unprecedented municipal scandal which reduced the City's municipal reserves, built up over decades, to less than $1M, a figure that is far below recommended levels; and

WHEREAS, the corruption has resulted in serious and extensive litigation against and by the City. Currently, the City is engaged in approximately 30 active litigation matters, most of which arise from litigation and investigations that surfaced from the scandals, from claims made by the former officials involved in the corruption and are seeking "indemnification," claims concerning development deals, and from matters filed directly by the City in its attempt to recover from the City's former law and audit firms; and

WHEREAS, in the last three years the City's litigation costs have exceeded $5M and the cost of litigation is a heavy burden for the City, which is already struggling to address deeply entrenched socio-economic problems; and

WHEREAS, with approximately 13,645 residents residing within its 2.6 square mile border, the City of Bell is the tenth most densely populated city in Southern California; and

WHEREAS, the City of Bell is a significantly disadvantaged community as evidenced by the following indicators:

- Persons Below Poverty Level - 22.6% (Compared to 13.7% for California)
- Median Household Income - $38,473 (Compared to $60,883 for California)
- Per Capita Income - $12,671 (Compared to $28,188 for California)
- Home Ownership - 27.8% (Compared to 57.4% for California)
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- The City has the second highest property tax rate in Los Angeles County

WHEREAS, although national unemployment rates are improving slowly, California's job recovery is still a major problem. The unemployment rate for Bell is 15.6%, well above the 11.5% unemployment rate for California. Job retention and creation programs should be a major goal of any local economic development program; and

WHEREAS, having such negative demographic factors, urban decay, high unemployment, a lack of community facilities, extraordinary legal challenges, and the loss of redevelopment, the City needs every possible opportunity to revitalize the community and establish fiscal stability.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BELL CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1: Findings. The City Council finds and determines as follows:

A. Redevelopment was the City's chosen tool for dealing with blighting conditions, and the Redevelopment Agency conducted a program utilizing the full authority of the Community Redevelopment Law ("CRL", Health & Safety Code §33000 et. Seq.) for (i) site assembly through negotiated purchase and leasing and eminent domain; (ii) disposing of property for private development with land write-downs subject to development controls; and (iii) constructing streets and public infrastructure and community facilities.

B. Since the formation of the Agency, the City has spent significant resources in building various public buildings and improvements, and has created over 1,500 jobs in businesses developed on Agency projects.

C. The Agency has accomplished several major projects to improve the community, including the following:

- In 1978, the General Services Administration (GSA) declared 92 acres of land within Cheli 1 as surplus, and pursuant to sealed bids, sold it to the Trammell Crow Company, a development firm of national reputation. The City assisted Trammell Crow with the development by committing $2.1 million of Urban Development Action Grant funds to construct public improvements. Trammell Crow has since expended well over $38 million in completed development, resulting in sixteen (16) new buildings totaling over 2.0 million square feet and over 1,300 permanent jobs.

- In 1981, the City, through its Surplus Property Authority, purchased an additional 2.187 acres of land from GSA, which lies within Cheli 1. Subsequently, the Agency entered into a Disposition and Development Agreement ("DDA") with Crow-Copley for the development of this site. The 2.187 acre area has been developed with numerous industrial properties that although owned by a single owner, have been leased (via long term leases) to various industrial and warehousing users.

- In 1982, the Agency adopted Cheli 2. Located in the northeast portion of the City, Cheli 2 incorporates 183 acres of land that lies within the former Cheli Airbase. For the most part, Cheli 2 shares common boundaries with Cheli 1. Bounded by Atlantic Boulevard and the Long Beach Freeway on the northwest and southwest, the center portion of the area is separated by Bandini Boulevard and Lindbergh Road. In October 1982, Public Law 97-321 authorized the conveyance to the City of an additional 5.6 acres of land located almost exclusively within Cheli 2 and abutting the above-mentioned2.187 acres within Cheli 1. Consideration for the land was the construction of an armory on retained federal property. Construction of the improvements was financed by the Agency and construction was completed.

- In September of 1986 the Agency entered into an agreement with Crow-Copley, a joint venture of the Trammell Crow Company and Copley Real Estate Advisory, an affiliate of the New England Mutual Life Insurance Company, for the sale and development of 8.65 acres of land including the 2.187 acres within Cheli 1 previously mentioned. This property, located within Cheli 2, is situated on Bandini Boulevard between Amelia Earhart Way and Atlantic Avenue. In February of 1987, the land was transferred to the Crow-Copley for a purchase price of $2,711,347. The developer completed a research and development center, named the Bell Tech Center, consisting of three (3) buildings of approximately 178,000 square feet and costing approximately $4 million to complete (exclusive of land value).

- Other developments in the area include the following: Xebec Industrial Park; a total of 8 acres developed as a built-to-lease industrial, commercial and manufacturing site. The site was improved per current building, zoning and environmental standards. Additionally, the Burlington Northern Santa Fe Railroad site comprised of 14 acres was developed as a ground transport staging area. This site was improved in 2000 to provide a staging area for unattached trailers as part of the ground transport process. This site was developed pursuant per current building, zoning, and environmental standards.

- The Amendment Area (also known as the "87 Annex Area") consists of approximately 357 acres primarily comprised of all the strip commercial areas within the City. Located along Florence Avenue, Atlantic Avenue, and Gage Avenue, it includes a small amount of scattered residential property. As its first project within the Amendment Area, the Agency targeted a 7.9-acre site located on the west side of Atlantic Avenue between Gage Avenue and Randolph Street. Since this project is located in the heart of the City, it has served as the centerpiece for the redevelopment of the Amendment Area. This $8 million project, developed by Watt Commercial Company, provided 92,000 square feet of commercial retail space and over 200 service jobs. The shopping center, known as the Bell Palm Plaza was completed and opened in December 1991. In 1998, Watt Commercial entered in to negotiations with Mark Levan Investments for the development of a Blockbuster Video franchise, the final phase of the project. Development of the freestanding building at the northwest corner of Atlantic Avenue and Bandini Boulevard was completed and occupied in winter 1998.

D. The State of California eliminated redevelopment as a tool for eliminating blight and promoting economic development effective February 1, 2012.

E. Many properties remain in the City which have not been redeveloped but face significant constraints. Attached as "Exhibit A" is a list of properties acquired for redevelopment purposes which still should be developed as redevelopment projects to alleviate blight and further the economic development of the City. The City must utilize its authority under its Charter to develop programs and policies which can accomplish many of the redevelopment activities of its former redevelopment agency.

SECTION 2: Code Amended. The Bell Municipal Code is hereby amended by adding Chapter 3.38 entitled "Economic Development" to Title 3, said Chapter to read in its entirety as follows:

§ 3.38.10 Authority.

This Chapter is enacted pursuant to the provisions of the Bell Charter including Article IV which states that the City shall have all powers and privileges which may be exercised by a charter city, subject only to the limitations contained in the charter and in the State Constitution;

§ 3.32.020 Purpose.

A. Unique Constraints to Development. The City of Bell has found that its redevelopment program has been essential to addressing serious issues in Bell, however, many obstacles to its transformation into a vibrant and fiscally stable community remain. Among these barriers is the challenge to overcome the unprecedented corruption scandal and high cost of litigation resulting from those scandals.

B. Accomplishments of Redevelopment Program. Since the formation of the Agency, the City has spent millions of dollars building various public buildings and improvements; has created over 1,500 jobs in businesses developed on Agency projects; and has benefited from increased sales and property tax revenue from Agency Projects.

C. Remaining Property Needs Continued Redevelopment. If most of the property in Bell which needed redevelopment had been redeveloped, or if the remaining blighted property did not face the same constraints as the property the Agency has redeveloped over the last 41 years, then the elimination of the redevelopment agency by the State of California by AB 1x 26 would not be contrary to the general welfare of the citizens of Bell. But in many cases, some of the most critical parcels in the City, including many parcels owned by the Successor Agency, are still the ones most in need of redevelopment assistance.

D. Need for Local Economic Development Program. In the face of the State's decision to eliminate redevelopment, the City of Bell must design and implement a local program within the authority of its powers under the Charter to accomplish the purposes previously served by the City's redevelopment program. It is, therefore, the purpose of this Chapter to implement a program within the authority of the City under its Charter and the powers granted to the City by law.

§ 3.32.030 Assistance Available.

To accomplish the purposes provided herein, the City of Bell and its associated and subordinated entities shall have the power to carry out policies, plans and programs to enact measures, to enter into agreements, and to loan, grant, fund, or finance projects which will provide public benefit and protect the public health, safety and welfare of the community. These programs may be carried out singly or in combination in a manner to promote the objectives of this Chapter, and may include the following general types of measures:

A. Public-Private Partnerships. Agreements with private persons or entities where by the sharing of public resources by the public agency, the reduction of regulatory burdens, asset monetization, fee producing infrastructure, alternative procurement, concession agreements, leasing arrangements, securitization of obligations, or other measures, the risks to the private person or entity can be reduced to a level whereby the development entity and investors can earn a commercially reasonable return on investment and will accordingly proceed with the project;

B. Emerging Statutory Opportunities. Special legislative programs exist, and are likely to be enhanced as a result of the elimination of redevelopment, the State's most important and best funded economic development strategy, which may be exploited to the fullest extent of the law. They include Design Build Contracts; Tax Credits; Infrastructure Finance Districts; Development Zones; and similar legislation. Any legal structure existing currently, or enacted hereafter which permits the City legally to carry out these purposes is permitted hereunder;

C. Public Financing. All public financing mechanisms which offer the opportunity of lower financing costs, if permitted by law, may be utilized including lease-revenue bonds, industrial development bonds, private activity bonds, certificates of participation, letter of credit enhancement and similar measures;

D. Special Districts. The financing of both the development of infrastructure and services through community service districts, landscape and lighting districts, assessment districts, school facility improvement bonds, and similar special district financing mechanisms permitted by law;

E. Public Property. The use of ground leases or sale of publicly owned land, including at less than fair market value as provided herein, contractual development agreements in accordance with law, lease-lease back financing, design-build contracts, and the use of eminent domain to acquire property for the foregoing purposes;

F. Tax Rebate Agreements. The use of tax rebate or similar agreements including for sales taxes, transient occupancy taxes, utility taxes or other taxes shared with the generator, and rebates or waivers of franchise fees, business license fees, development impact fees, or other revenue sources;

G. Regulatory Relief. The modification or suspension of zoning and other land use restrictions affecting the feasibility of development, density bonuses, expedited processing of entitlements, the establishment of clear and consistent regulatory regimes, creating procedures to quickly resolve disputes, clear definition of scope of environmental review and use of scoping processes;

H. Other Agencies. Use of financial assistance provided by other local public agencies and by State and Federal programs to assist projects, consistent with the requirements of such programs; and

I. Other Programs. In addition to the foregoing, the City may utilize any other program and provide any other form of direct or indirect assistance as the same may currently or in the future exist which would further permit the accomplishment of the purposes provided herein, to the full extent permitted by the law. The enumeration of certain programs herein does not preclude the use of any other program which might accomplish the purposes of this Chapter.

§ 3.32.040 Economic Development Program.

The City may plan and carry out an Economic Development Assistance Program for the improvement, rehabilitation, and economic development of property through public-private partnerships, or utilizing any other method provided in Section 3.32.030. Any Economic Development Assistance Program must identify, explain and analyze (i) the project to be assisted, (ii) the location of the project, (iii) impacts on surrounding property; (iv) the cost of the project, (v) the project financing, (vi) the assistance requested, (vii) how the assistance will be used, (viii) the benefits to the community or City from the project, including jobs, financial return to the City, community improvements or amenities or other benefits, (ix) the development schedule, (x) performance criteria and assurances, and (xi) the public purpose to be accomplished by the Project.

§ 3.32.050 Powers Exercised.

To carry out the Economic Development Assistance Program and promote the projects developed under this Chapter, the City may exercise any power or authority permitted by its Charter or under State law, for the public purposes provided hereunder, and may do the following:

A. Receipt of Financial Assistance. The City may seek or accept financial or any other assistance from public or private sources, including from the state or federal government, for the City's activities, powers, and duties hereunder.

B. Acquisition of Property. The City may purchase, lease, obtain option upon, acquire by gift, grant, bequest, devise, or otherwise, any real or personal property, any interest in property, and any improvements on it, including repurchase of developed property previously owned by the City.

C. Eminent Domain. The City may acquire real property by eminent domain, and may acquire every estate, interest, privilege, easement, franchise and rights in land, including encumbrances by way of mortgage or indebtedness, or any interest arising from covenants and conditions.

D. Management of Property. The City may rent, maintain, manage, operate, repair and clear real property and may insure or provide for the insurance of any operations of the City against risks or hazards.

E. CC&Rs. The City may provide for the retention of controls and the establishment of any restrictions or covenants running with the land for such periods of time and under such conditions as shall be necessary to effectuate the purposes hereof.

F. Non-Discrimination. The City shall include in all deeds, leases or contracts for sale, lease, sublease or transfer of land, non-discrimination clauses.

G. Issuance of Bonds. The City may issue bonds and expend the proceeds from their sale to carry out the purposes hereof. The bonds and obligations issued by the City also may be purchased, invested in, or used for security.

H. Site Development. The City may clear or move buildings, structures or improvements from real property; may grade any site; and may develop as a building site any property owned by it. It may cause or make provisions with other agencies for the installation of streets, utilities, parks and other public improvements.

I. Property Disposition. The City may sell, lease, exchange, subdivide, transfer, assign, pledge, encumber or otherwise dispose of any real or personal property or any interest in property acquired by it.

J. Remediation. The City may investigate and evaluate the condition of the property, prepare remediation plans and obtain approval thereof from regulatory agencies, and undertake remediation in accordance with such plans.

K. Relocation. The City may provide (i) relocation assistance to persons displaced by governmental action, and (ii) aid and assistance to property owners in connection with rehabilitation loans and grants.

L. Cooperation. The City shall cooperate with other public agencies in the formulating and administration of its Economic Development Assistance Programs. The planning commissions and the legislative bodies of the City and the cooperating public agencies may hold joint hearings and meetings regarding the projects assisted hereunder.

Any powers exercised hereunder to carry out the purposes of this Chapter must be carried out in accordance with State and Federal Law. Nothing herein shall permit the waiver of any applicable legal procedure or process.

§ 3.32.060 Conditions to Qualify for Assistance.

An Economic Development Assistance Program may only be approved for projects which, due to the nature of the project or scale of the project, the project will provide significant long-term benefits to the public generally. Accordingly, any person seeking approval of an Economic Development Assistance Program must meet one or more of the following conditions:

A. Alleviation of Blighting Conditions. The development of the Project will alleviate a persistent condition of blight which has previously discouraged the development of the property.

B. Production of Jobs. The development of the Project will result in the establishment of a business or businesses on the property producing in excess of 100 long-term jobs or preserve an existing business which will also bring 50 new long-term jobs.

C. Fiscal Impact on City. The development of the Project will create on-going revenues to the City, considering all revenue sources, of at least $50,000 annually.

D. Special Amenities. The development of the Project will produce or preserve unique community amenities either due to the construction of needed public facilities, or due to the fact that the Project itself provides special private facilities or services available to the public and which would be significant to the community character and quality of life of those who work or live in the community.

In addition to the above conditions, the development of the Project must not have a substantially adverse impact on traffic, or on surrounding properties or on the community generally. The Project must meet one or more of the above conditions and the City Council must find that the Project taken as a whole is uniquely beneficial to the community.

§ 3.32.070 Information to be Provided by Applicants.

Applicant will prepare such initial studies, reports, and analysis as shall be necessary to permit the City to determine the feasibility of the development. During the application period, the applicant shall submit to the City the following:

A. Principals. Full disclosure of the applicant's principals, partners, joint venturers, negotiators, consultants, professional employees, or other associates of the applicant who are participants or principals of the development, and all other relevant information concerning the above.

B. Financial Capability. Statement of financial condition in sufficient detail to demonstrate the applicant's financial capabilities, those of its principals, partners, joint ventures, and those of its prospective developers to satisfy the commitments necessitated by the development, including all information necessary to demonstrate the availability of construction and permanent financing. To the extent the applicant wants such financial statements to remain confidential, they shall be supplied to and maintained by the City in confidence to the extent permitted by law.

C. Title and Property Information. All title information concerning the property, all environmental information, including Phase I investigations, a description of existing structures and site conditions, anticipated demolition, grading and remediation costs.

D. Project Design and Costs. All preliminary information related to the design of the development to meet the City's reasonable requirements. This information shall be sufficient to allow the City to evaluate grading, site configuration, development constraints, traffic patterns, site circulation and parking, landscaping, architectural design and similar issues. All projected costs for design and construction of the Project shall be included.

E. Proforma. The Project proforma shall be included identifying the estimated amount of public money to fund the development and how it will be used and the anticipated economic return of development. The applicant/developer shall provide a detailed analysis of how the development of the Project shall satisfy the requirements of this Chapter and why any public subsidy to the Project provided hereunder is warranted and provides a public benefit. Any alternative methods of financing will be identified with the reasons why the City's assistance is necessary.

F. Tenants. All information necessary to show tenant availability and interest, the nature of the proposed tenants, and the financial strength and resources of the tenants. To the extent the applicant wants such information to remain confidential, they shall be supplied to the City only if confidentiality can be maintained.

§ 3.32.080 Review.

A. Investigation. During the Economic Development Assistance Program application period, the City shall investigate the applicant and request reasonable additional information and data from the applicant necessary for review and evaluation of the proposed development. Applicants are required to provide such additional information or data as reasonably requested in a timely manner. All information regarding the applicant's business practice which may be provided to the City shall remain confidential to the extent permissible by law.

B. Discretionary Awards. The granting of Economic Development Assistance is purely discretionary with City and no applicant shall have any entitlement or vested right thereto. Accordingly, it is the responsibility of the applicant to provide a high quality project meeting, to the highest degree possible, the objectives of this Chapter. Only information available to the public may be used to justify any decision hereunder.

§ 3.32.090 Public Hearing.

A. Notice of Public Hearing. Before the City approves, by resolution, each Economic Development Assistance Program and the Project to be assisted, the City shall hold a public hearing. Notice of the time and place of the hearing shall be published in a newspaper of general circulation, at least once per week for at least two successive weeks, as specified in Section 6066 of the California Government Code, prior to the hearing. Mailed notice shall also be sent to all property owners as shown on the last equalized assessment roll within 300 feet of the subject property.

B. Report. The City shall make available, for public inspection and copying at a cost not to exceed the cost of duplication, a report no later than the time of publication of the first notice of the hearing mandated by this section. This report shall contain a summary of the following:

1. The Economic Development Assistance Program.
2. Description of the project including a site plan and of how the business operations on the property will be conducted.
3. The cost of the development to the applicant and the City, including but not limited to any land acquisition costs, clearance costs, relocation costs, the costs of any improvements, plus the expected interest on any loans or bonds to finance the agreements.
4. An explanation of why the Economic Development Assistance Program is needed by the applicant, with reference to all supporting facts and materials relied upon in making this explanation.
5. How the project will met the conditions described in Section 3.32.060 and how the project will provide public benefit and promote the health, safety and general welfare of the community.

§ 3.32.100 Required Findings.

The City Council may approve the Economic Development Assistance Program if it finds as follows:

A. The Project will meet the conditions of Section **3.32.060** of (i) alleviating persistent conditions of blight; or (ii) meet the minimum thresholds for job creation; or (iii) meet the minimum thresholds for positive fiscal impact on City, or (iv) if none of these conditions is fully met, but in combination, the overall objectives are met.

B. The Project will produce or preserve unique public or private facilities or services which would be significant to the community character and quality of life.

C. The Project has received all other discretionary entitlements required under the Zoning Ordinance, including any environmental review required by the California Environmental Quality Act.

D. The Project will not have an adverse effect on surrounding properties or the permitted uses thereof.

E. The Economic Development Agreement contains provisions to assure the continued operation of the Project consistent with this Chapter and providing for the enforcement of the covenants contained therein by City.

§ 3.32.110 Contents of Assistance Agreement.

If the Economic Development Assistance program is approved, an Economic Development Assistance Agreement shall be entered into which includes the elements contained in Section 3.32.040. The Agreement must describe specifically the Project and the exact assistance provided. It must identify how the project is anticipated to meet the criteria in Section 3.32.060. It must contain performance criteria and require that the Project will remain in operation for at least 5 years, and provide remedies for violations of the covenants and conditions. The Agreement shall permit transfer subject to the City's reasonable approval and provide for City approval of any tenants necessary to achieve the purpose of the Project. The Agreement shall how the public purposes of the Project will be achieved. All obligations undertaken by the applicant shall be guaranteed with sufficient securities.

SECTION 3. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance is for any reason held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance, it being expressly declared that this ordinance and each section, subsection, paragraph, sentence, clause and phrase thereof would have been adopted, irrespective of the fact that one or more other section, subsection, paragraph, sentence, clause or phrase be declared invalid or unconstitutional.

SECTION 4. Liberal Construction and Public Purpose. This Section is to be interpreted liberally and applied consistent with the interpretation and application of Article XIII, Section 32 of the California Constitution and Revenue and Tax Code Section 6931.

SECTION 5. Effective Date. The City Clerk shall certify to the passage and adoption of this ordinance, and shall make a minute of the passage and adoption thereof in the records of and the proceedings of the City Council at which the same is passed and adopted. This ordinance shall be in full force and effect thirty (30) days after its final passage and adoption, and within fifteen (15) days after its final passage, the City Clerk shall cause it to be published in a newspaper of general circulation and shall post the same at the City Hall.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the City Council of the City of Bell, California, on this _____day of __________ 2014.

____

Violeta Alvarez
Mayor

ATTEST:

____

Jose Luis Valdez
City Clerk

APPROVED AS TO FORM AND LEGAL CONTENT:

____

David J. Aleshire, City Attorney Aleshire & Wynder, LLP

EXHIBIT A

LIST OF CITY PROPERTIES FOR DEVELOPMENT

ADDRESS	APN	USE	SIZE (SQ FT)
4472 Gage Ave	6325-020-902	Parking Lot (SWC Atlantic/Gage)	7,000
4460 Gage Ave	6325-020-903	Parking Lot (SEC Clarkson/Gage)	8,700
6414 Clarkson Ave	6325-022-901	Parking Lot (SEC Alley/Clarkson)	4,590
6504 Clarkson Ave	6325-020-900	Parking Lot (Clarkson)	9,180
6415 Atlantic Ave	6325-020-904	Vacant Commercial (Western Auto)	30,056
6398 Atlantic Ave	6316-022-900	Bianccini Park	7,789
4411 Gage Ave	6317-021-900	Library/ Bell House	18,905
4425 Gage Ave	6317-021-909	City Hall Parking Lot	6,853
4419 Gage Ave	6317-021-908	City Hall Parking Lot	5,713
4400 Gage Ave	6325-015-901	Vacant Commercial (Bakery)	9,800
4410 Gage Ave	6325-018-900	Commercial Office	12,600
6419 Pine Ave	6325-015-902	Parking Lot (behind Bakery)	7,723
4379 Gage Ave	6317-023-902	Skate Park	5,603
4375 Gage Ave	6317-023-901	Skate Park	16,745
4359 Gage Ave	6317-023-904	Technology Center	11,601
4560 Gage Ave	6326-004-900	Parking Lot (SWC Gage/ Woodward)	7,500
4014 Gage Ave	6325-002-901	Parking Lot	6,500
4022 Gage Ave	6325-002-902	Parking Lot	6,500
5221 Florence Ave	6327-034-902	Vacant Land	68,214
5241 Florence Ave	6327-035-904	Vacant Land	7,318
5247 Florence Ave	6327-035-905	Vacant Land	7,318
5239 Florence Ave	6327-035-903	Vacant Land	6,830
7020 Atlantic Ave	6326-035-901	Jacks Car Wash (office/parking lot)	3,375
7030 Atlantic Ave	6326-035-902	Jacks Car Wash	20,250

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
ss. CITY OF BELL)

I, JOSE LUIS VALDEZ, City Clerk of the City of Bell, California, do hereby certify that the foregoing Ordinance No. 1202 was adopted by the City Council of the City of Bell at a regular meeting held on the ___ day of_________2014 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____

Jose Luis Valdez,
City Clerk