

SCHEDULED MATTER

SUBJECT: UPDATED TARGET EMPLOYMENT AREA

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT- ECONOMIC
DEVELOPMENT DIVISION

COMMENT: Section 7072(i) of the Government Code defines a Target Employment Area (TEA) as "an area within a city, county, or city and county that is composed solely of those census tracts designated by the US Department of Housing and Urban Development that have at least 51 percent of its residents of low or moderate income levels". The purpose of a TEA is to encourage businesses in an enterprise zone to hire eligible residents from census tracts with low or moderate income levels. Porterville's portion of the Sequoia Valley Enterprise Zone is limited to lands zoned for commercial, office, and industrial uses within the City limits.

The Enterprise Zone Program offers a hiring credit to an eligible employer that hires an eligible employee. Employers are deemed eligible by operating their business within the boundaries of the enterprise zone. Employees are deemed eligible by meeting one of thirteen different criteria at the time of hire. The criteria includes, but is not limited to, being economically disadvantaged, a Native American, a veteran recently separated from service, someone who is receiving public assistance, an ex-offender or someone who lives in a TEA.

The statutes governing the Enterprise Zone Program require that each zone update its TEA within 180 days of new census data becoming available. In the past, the TEA had been updated every ten years, but the California Housing and Community Development Department (HCD) has determined that the census data is now available every year by utilizing the United States Census Bureau's American Community Survey Five Year Averages. As a result, HCD now requires that the TEA be updated on an annual basis. The current TEA boundary was based on information from the 2000 census. In the process of reviewing the TEA boundary, census tracts 35.01, 35.02, 36.01, and 40 no longer meet the income criteria.

The boundaries of Porterville's TEA must be amended to remove the four census tracts that no longer meet the criteria. This will continue to allow local businesses to take advantage of the enterprise zone by retaining the option of qualifying an employee as eligible by their residency in the TEA. If the resolution is not adopted, businesses would no longer have the option of qualifying an employee under their residency in the TEA for the enterprise zone tax credit.

RECOMMENDATION: Staff recommends that council adopt the resolution accepting the new boundaries for the Target Employment Area.

DD BED APPROPRIATED/FUNDED N/A CM J ITEM NO. 11

ATTACHMENT:

Resolution to adopt the amended boundaries of the Target
Employment Area

RESOLUTION # _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE ADOPTING
THE UPDATED (2013) TARGETED EMPLOYMENT AREAS FOR THE SEQUOIA
VALLEY ENTERPRISE ZONE

WHEREAS, the cities of Dinuba, Exeter, Farmersville, Lindsay, Porterville, Tulare, Visalia, Woodlake, and the county of Tulare have each separately and jointly taken significant steps to coordinate their economic development efforts through the Economic Development Corporation (EDC) and to concentrate their respective resources in ways that would generate additional long-term employment in the private sector; and

WHEREAS, on January 9, 2012, the Economic Development Corporation, acting on behalf of the cities of Dinuba, Exeter, Farmersville, Lindsay, Porterville, Tulare, Visalia, Woodlake, and the County of Tulare received final designation for the Sequoia Valley Enterprise Zone from the State of California Department of Housing and Community Development, with a 15 year zone designation period made retroactive to October 6, 2010; and

WHEREAS, Government Code Section 7073(a) requires any city, county, or city and county who applies for and receives designation as an enterprise zone, to also establish definitive boundaries for a targeted employment area; and

WHEREAS, Government Code Section 7072 (i)(4) requires any city, county, or city and county with jurisdiction of an enterprise zone to update its targeted employment area within 180 days of United States census data becoming available; and

WHEREAS, in December of 2012, new United States census data became available using the census bureau's American Community Survey Five Year Averages.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Porterville, that the Targeted Employment Area is amended as follows:

1. The following census tracts within the territorial jurisdictions of the County of Tulare and/or the cities of Dinuba, Exeter, Farmersville, Lindsay, Porterville, Tulare, Visalia, and Woodlake, as shown on Exhibit A, attached hereto and incorporated herein, having been determined to have at least 51 percent of its residents at or below low-or moderate-income levels, are hereby identified as those census tracts which are in the most need of employment targeting pursuant to Government Code Section 7072 (i): Census Tract Numbers are shown on Exhibit A.

2. A Targeted Employment Area composed of the above-specified census tracts and having the boundaries as shown on Exhibit B-1 and B-2, attached hereto and incorporated herein, is hereby approved.

**ATTACHMENT
ITEM NO. 1**

PASSED, APPROVED AND ADOPTED this 4th day of June, 2013.

By: _____

Virginia R. Gurrola, Mayor

ATTEST:

John D. Lollis, City Clerk

By: _____

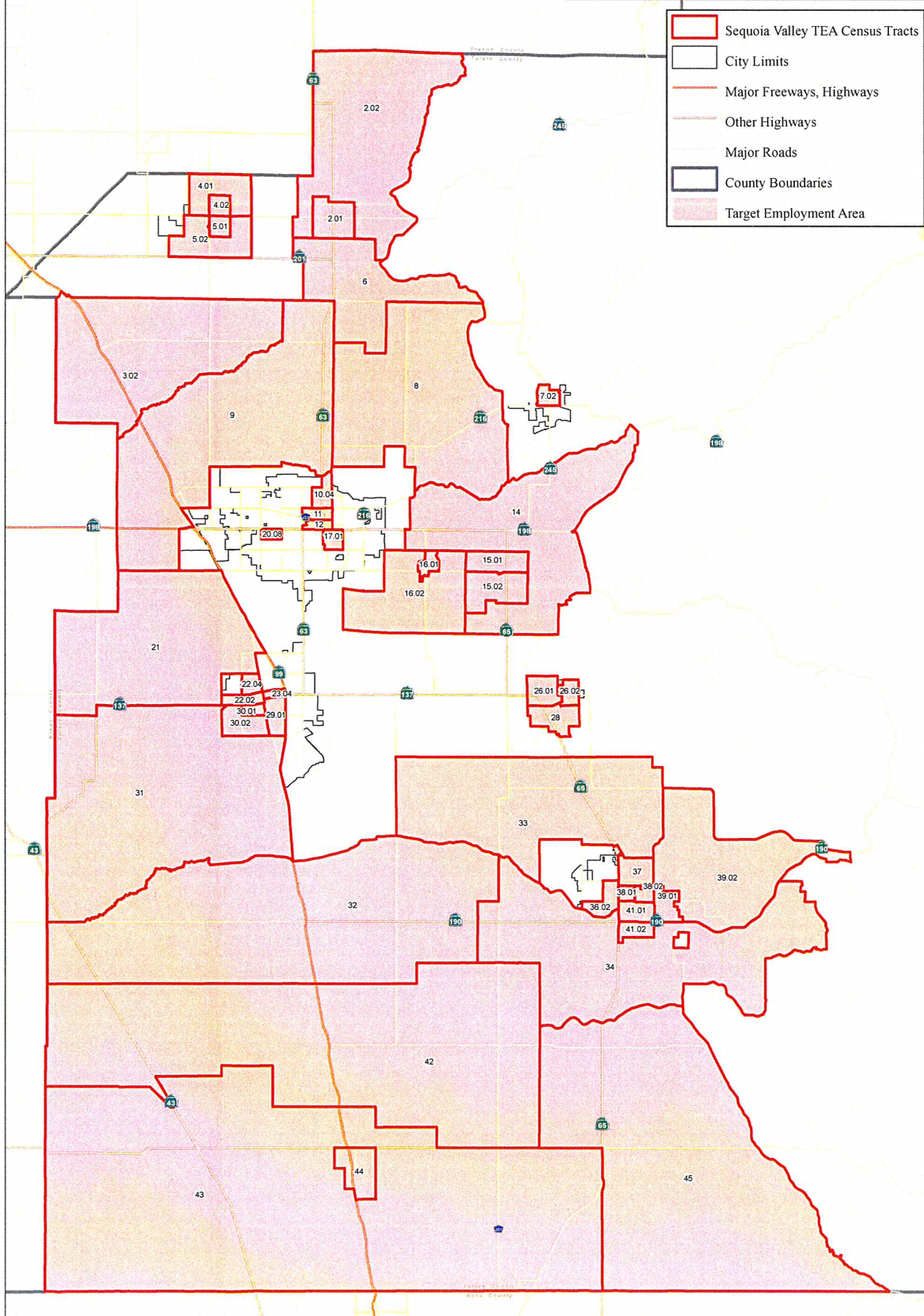
Patrice Hildreth, Chief Deputy City Clerk

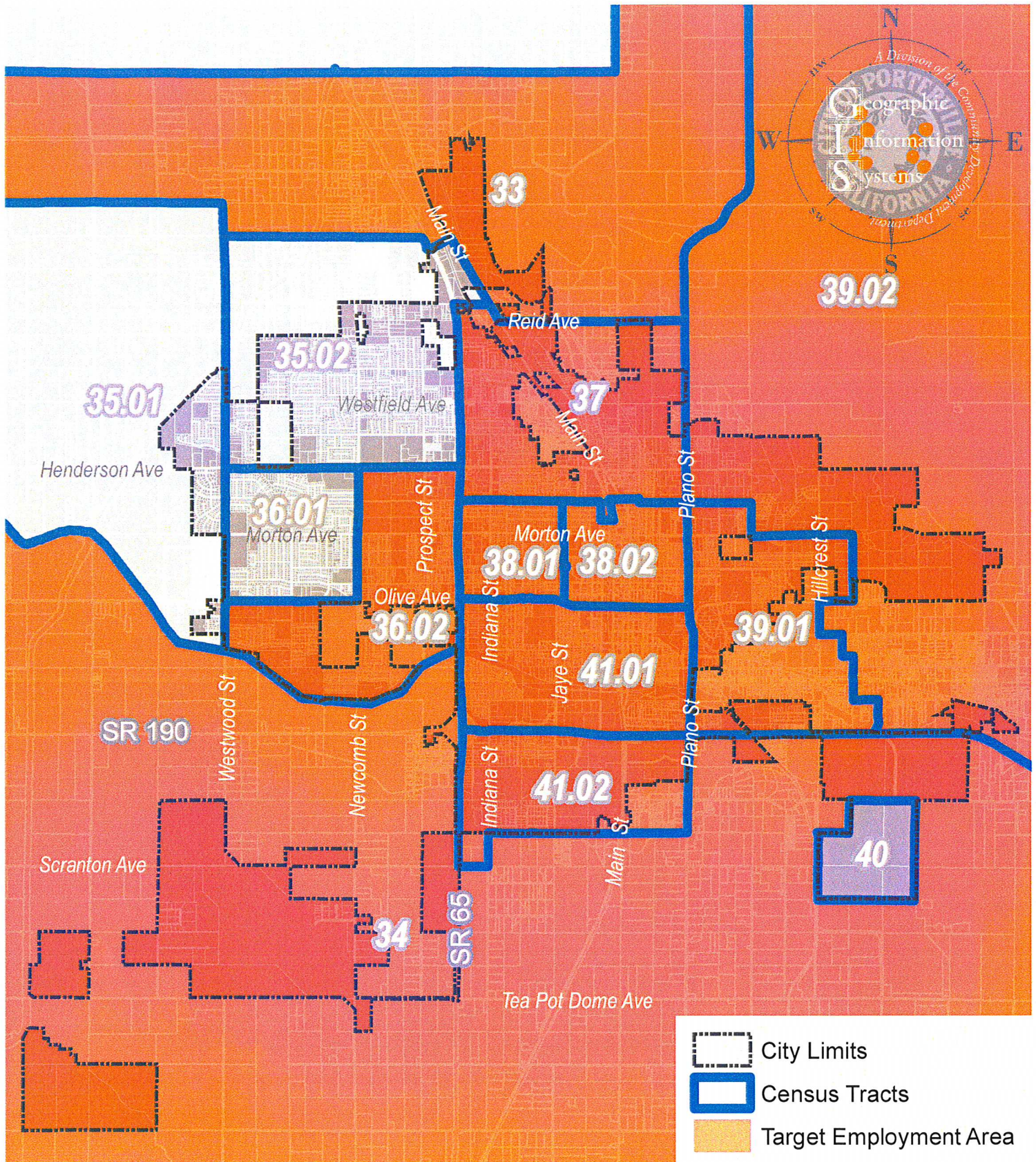
Sequoia Valley Enterprise Zone
Qualifying TEA Tracts

2.01	2.02	3.02	4.01	4.02	5.01	5.02	6	7.02
8	9	10.04	11	12	14	15.01	15.02	16.01
16.02	17.01	20.08	21	22.02	22.04	23.04	26.01	26.02
28	29.01	30.01	30.02	31	32	33	34	36.02
37	38.01	38.02	39.01	39.02	41.01	41.02	42	43
44	45							

Data Published December 2012

Sequoia Valley Enterprise Zone Target Employment Area May 2013





Source Data: U.S. Census Bureau - 2010 Census, map prepared by City of Porterville Community Development Department, G.I.S. Division

Sequoia Valley Enterprise Zone Target Employment Area - May 2013

1" = 1 mile

Exhibit B-2