



Market Opportunities

Incentives for Food Retailers



Program Overview

- Result of a motion in June 2006 by Councilmembers Jan Perry and Bernard Parks to identify incentives to bring food retailers and sit down restaurants into South Los Angeles
- Multi-departmental working group
 - CRA, CLA, CDD, DWP, DCP
 - Covers 8 Redevelopment Project Areas in South Los Angeles



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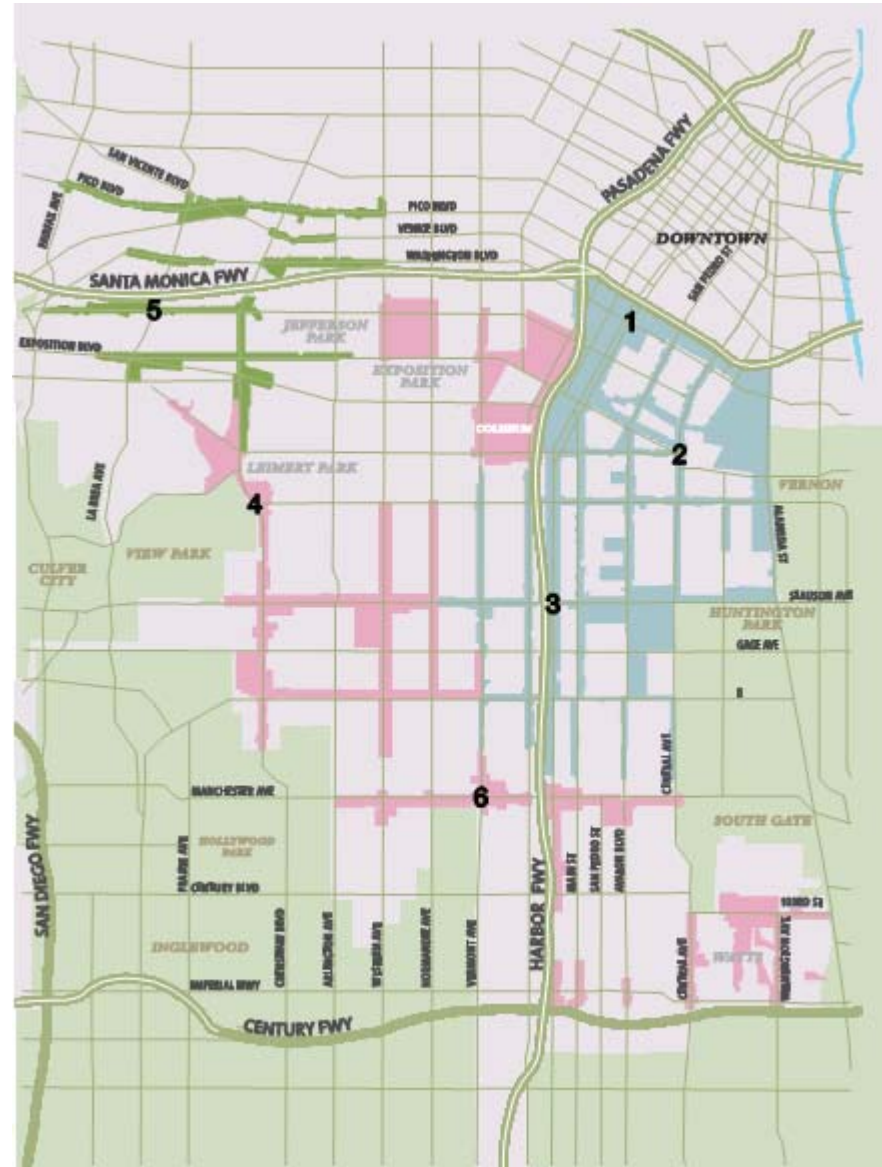


Redevelopment Project Areas

- Broadway/Manchester
- CD9 Project Area
- Crenshaw
- Crenshaw Slauson
- University Park
- Normandie 5
- Vermont/Manchester
- Western/Slauson

- Hollywood & Central Region
- South Los Angeles Region
- Downtown Region
- Los Angeles City Limit
- Los Angeles County/Other Municipalities

1. Main St. & Washington Blvd
2. Central Ave. & Jefferson Blvd
3. Broadway & Slauson Ave
4. Crenshaw Blvd. & Vernon Ave.
5. Adams Blvd. & La Brea Ave.
6. Manchester Ave. & Vermont Ave.



Understanding purchasing power of South Los Angeles

- 2 miles radius = targeted capture area for neighborhood retailers
- Within a 2-mile radius of 5 targeted intersections, (Central & Jefferson, Broadway & Slauson, Crenshaw & Vernon, Adams & LaBrea, Manchester & Vermont), South Los Angeles residents are spending \$119 million - \$260 million annually on food for the home and \$74 million - \$173 million on food outside of the home.
- All six of the South Los Angeles zip codes demonstrate higher purchasing power, per square mile, than other heavily retailed communities (including Santa Monica, Pasadena, Alhambra, Torrance, and Thousand Oaks)



Incentives available to:

- Grocery stores with at least 12,000 square feet
- Restaurants with seating capacity for at least 30 patrons
- Produce markets that dedicate 80% or more of their floor space to fresh fruits and vegetables



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Incentives Available in 3 areas

- Financing
- Energy
- Planning and Entitlements



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YELLOW BELL 4.99
HOLLAND LB.

ORANGE BELL 4.99
HOLLAND LB.

Financing Incentives

- Predevelopment loans for acquisition or site work from CRA/LA
- \$75 M in New Markets Tax Credits through the Los Angeles Development Fund (CRA/LA or CDD)
- Financial assistance with offsite public improvements (CRA/LA)
- Low interest acquisition and capital loans through the Section 108 and State Enterprise Zone Bond programs (CDD)



Financial Incentives (cont'd)

- Gap financing of up to 49% of site-specific tax increment and sales tax revenues generated by the project (CRA/LA, City of LA)
- Priority with the CRA/LA façade improvement conditional grant program (CRA/LA)
- Hiring tax credits for businesses in the Enterprise, Empowerment or Renewal Community Zones (CDD)
- For Enterprise Zone businesses, tax credit rebates of sales and use taxes paid for eligible machinery (CDD)



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Energy Incentives

- Discounts of up to 35% on electricity rates for new businesses in the Enterprise, Empowerment or Renewal Community Zones (LA DWP)
- Low interest loans for the installation and maintenance of equipment for utility service and energy efficiency (LA DWP)
- Case management services for utility services (LA DWP)
- Match of up to 50% of cost when a new business undergrounds at least 600 feet of power lines (LA DWP)



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Planning and Entitlement Incentives

- Expedited Plan Review (LADCP)
- Assistance from CRA/LA in identifying and assembling (CRA/LA)
- Assistance with identifying qualified local employees through the City's One-Stop Worksource Centers (CDD)



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How community members can use this program

- Talk to food retailers and restaurants that you shop and eat at about the program and encourage them to call
- Direct them to call the program contact listed on the brochure (Jenna Gulager at CRA/LA)
- Call the program contact if you want the City to reach out to a specific retailer



Contact information

THE SWEET SPOT

Consumers are spending over \$1.3 billion on food in South Los Angeles, and the City of Los Angeles has new incentive packages for for retailers bringing healthy food options and sit down restaurants that includes: below market financing and grants, energy discounts, expedited planning and technical Assistance so...

Come get a taste of South LA.

For more information about our incentive program, contact **Jenna Gulager, CRA/LA Project Manager** at **213.977.1711** or **jgulager@cra.lacity.org**

