



CITY OF MENIFEE

SUBJECT: Discussion on the Creation of a Business Incentive District

MEETING DATE: April 5, 2023

TO: Mayor and City Council

PREPARED BY: Gina Gonzalez, Economic Development Director

REVIEWED BY: Gina Gonzalez, Economic Development Director

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Discuss the creation of a Business Incentive District within the City of Meniffee.

DISCUSSION

BACKGROUND

On November 16, 2022, at the request of Mayor Bill Zimmerman, the City Council added a future agenda item to discuss the creation of a Business Incentive District (BID).

BIDs or enterprise zones are used to encourage inclusive economic growth through the expansion, attraction, and retention of small and mid-sized firms typically in a city base-sector economy. The BID concept is used to harmonize public-private companies, while encouraging growth within a certain boundary of a city. In exchange for locating within the selected boundary, the city would use incentives to drive interest. Some examples of incentives could be an alternative to (not a replacement of) existing zoning standards, allowing additional building height and density, standalone residential use for nodes and public benefits, parking, architectural standards, fee reductions, broker incentives, property tax reductions, and/or expedited permit processing.

The BID is an overlay that would span over a select boundary and would involve public right of ways, and potentially private and/or public property. The boundaries are encouraged to implement recommendations identified and adopted in the specific plans of the City. The overlay would address a set of desirables for the district that are uses allowed by-right. For example they could potentially encourage life science, technology, healthcare manufacturing, a certain number of jobs created, jobs with a certain income threshold, etc.

Additionally, it is also important to note that in adherence with the City Council's Strategic Plan, the City's Economic Development Department, along with Community Development, Engineering

(Land Development), Building and Safety, and Fire Departments are collectively working on a matrix for the incentives for lifestyle and office development within the City. These two specific types of development are in demand and need incentives due to serious market constraints. Once the matrix is completed, staff will conduct a workshop to discuss the two studies and the overall proposed matrix for office and lifestyle development incentives for consideration by the City Council.

STRATEGIC PLAN OBJECTIVE

Livable and Economically Prosperous Community

FISCAL IMPACT

There is no fiscal impact with the recommended action.

ATTACHMENTS

None.