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## **CRA/LA Creates Industrial Incentive Program to Create Jobs and “Green” Manufacturing Citywide**

*Experts, Energy Audits and Conditional Loans Would Be Provided*

Los Angeles — In an effort to create jobs, support sustainable manufacturing and help businesses rehabilitate, locate and expand throughout Los Angeles, an Industrial Incentive Program (IIP) was approved August 5 by the Board of Commissioners of the Community Redevelopment Agency of the City of Los Angeles (CRA/LA).

The innovative program, if approved by the City Council, will be offered in all 31 CRA/LA project areas and marketed widely throughout the business community. The program would provide loans up to \$250,000 for equipment or machinery, grants up to \$50,000 for energy-reduction audits and up to \$50,000 for consultant help with planning, permitting and operations.

“The Industrial Incentive Program is one of the most forward thinking programs developed by our agency to support businesses in our regions,” said Christine Essel, CEO of the agency. “We created the program to fill a gap in what the city has to offer to businesses that need assistance to expand and create new jobs.”

The program includes three components:

**1. Conditional Loans** of up to \$250,000 to buy capital equipment or machinery to develop or rehabilitate property for industrial or manufacturing purposes.

**2. Energy Audit Grants** of up to \$50,000 to identify energy reduction opportunities that will make projects more economically feasible.

**3. Feasibility Assistance Grants** of up to \$50,000 to pay for the services of pre-qualified consultants in:

- Planning/Feasibility to help size and plan development or rehabilitation.
- Case management, including project planning, financing advice and project management.
- Entitlements such as permits and other needed approvals and documents.
- Lean Manufacturing to suggest efficient manufacturing processes, logistics planning, and other cost reductions.

CRA/LA will provide the equipment loans only after businesses have exhausted all other attempts to secure funds. Further, businesses seeking the assistance must demonstrate their ability to complete the rehabilitation, development and/or “greening” plans, support and sustain projected growth and, most importantly, create, retain and sustain the jobs supported through the program. They will also have to demonstrate creditworthiness and meet other business criteria.

Once they obtain grant funds, the businesses will have two years to fulfill the job creation, development and/or rehabilitation contained in their plans. After the new jobs have been maintained for the next two years, the loans and grants will be considered repaid.

The IIP was designed with help from local economic development organizations, financial institutions that focus on small-business development and other economic development lending organizations.

CRA/LA approved \$200,000 in funding this year to operate and oversee the program. Funds for the loans and grants themselves will come from economic development money budgeted yearly in varying amounts for each of CRA/LA's 31 project areas. CRA/LA will issue a Request for Qualifications to develop pre-qualified pools of consultants to provide the feasibility assistance funded through the IIP.

#### **About Community Redevelopment Agency of the City of Los Angeles**

CRA/LA ([www.crala.org](http://www.crala.org)) is a public agency regulated by the State of California and operating within the City of Los Angeles. CRA/LA makes strategic investments to create economic opportunity and improve the quality of life for the people who live and work in our neighborhoods. CRA/LA manages 32 redevelopment projects areas and three revitalization areas in seven regions: East Valley, West Valley, Hollywood & Central, Downtown, Eastside, South Los Angeles, and the Harbor.

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