



AGENDA REPORT

TO: John A. Flores
INTERIM CITY ADMINISTRATOR

FROM: Mark Sawicki

SUBJECT: Foreign Trade Zone:
Update of Resolution No. 85136 C.M.S

DATE: March 31, 2015

City Administrator
Approval

[Signature]

Date

4/8/15

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Staff recommends that the City Council adopt the following Resolution with a new attestation date:

A Resolution Authorizing The City Administrator To Submit A Foreign Trade Zone Alternative Site Framework Application And To Sign And Enter Into An Agreement With The Foreign Trade Zone Board Of The U.S. Department Of Commerce

OUTCOME

Amending the attestation date on the resolution will allow staff to submit the updated resolution, together with an application to the United States Foreign Trade Zone (FTZ) Board to convert the Oakland FTZ #56 to the new Alternative Site Framework (ASF) program, to the Foreign Trade Zone Board by late April, 2015. The expansion of FTZ #56 through a conversion to the new program will attract additional manufacturing and goods movement, warehouse and distribution activities, and thereby increase employment in Oakland.

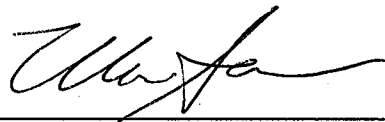
EXECUTIVE SUMMARY

The City Council passed Resolution No. 85136 C.M.S. (*Attachment A*) on July 29, 2014. In August 2014, staff was informed by the Budget Office that prior to further expenditures from the Foreign Trade Zone revenue accounts, including the issuance of a purchase order for consulting assistance for the Alternative Site Framework application, appropriation actions with an accompanying resolution needed to be taken before City Council. This appropriation, Resolution No. 85364 C.M.S., occurred on January 20, 2015. (*Attachment B*). The Foreign Trade Zone Board has informed staff that the resolution authorizing the Alternative Site Framework application, now needs to have a current date. Staff plans to submit the Alternative Site Framework application by April 24, 2015, and request that the City Council update the resolution with no change to its substance.

Item: _____
City Council
April 21, 2015

For questions regarding this report, please contact Margot Lederer Prado, Senior Economic Development Specialist (510) 238-6766..

Respectfully submitted,



MARK SAWICKI

Director, Economic & Workforce Development

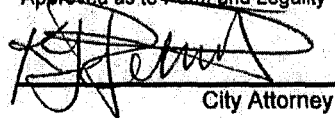
Reviewed by: Aliza Gallo, Manager Economic Development

Prepared by: Margot Lederer Prado
Name of Preparer: Economic Development Specialist
Name of Preparer's Unit: Economic Development

Item: _____
City Council
April 21, 2015

Attachment A

Approved as to Form and Legality


City Attorney

OAKLAND CITY COUNCIL

FILED
OFFICE OF THE CITY CLERK
OAKLAND

RESOLUTION No. 85136 C.M.S.

2014 JUL 10 PM 12:41

Introduced by Councilmember _____

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO SUBMIT A FOREIGN TRADE ZONE ALTERNATIVE SITE FRAMEWORK APPLICATION AND TO SIGN AND ENTER INTO AN AGREEMENT WITH THE FOREIGN TRADE ZONE BOARD, U.S DEPARTMENT OF COMMERCE

WHEREAS, The City of Oakland is a municipal corporation organized under its charter and the laws of the State of California, and;

WHEREAS, the U.S. Foreign Trade Zone program was created by the Foreign Trade Zones Act of 1934 to expedite and encourage foreign commerce; and

WHEREAS, the City of Oakland entered into its initial License Agreement with the Foreign Trade Zone Board to operate Oakland Foreign Trade Zone #56 in 1981 to encourage economic activity through encouragement of international trade, assembly processing and manufacturing, and local jobs; and

WHEREAS, this designation allows companies within federally-licensed Foreign Trade Zones to delay, reduce, and or eliminate U.S. customs duties on imported merchandise, raw materials and or components, and allows manufacturing companies thereby to be more competitive in the global economy, retaining jobs and production domestically ; and

WHEREAS, the FTZ Board has created a new Alternative Site Framework Foreign Trade Zone designation that existing FTZ #56 can pursue by application to the Foreign Trade Zone Board, U.S. Department of Commerce, which allows for a simplified expansion to areas within 60 miles or 90 minutes drive-time of the port of entry for FTZ #56 now, therefore be it

RESOLVED, the Interim City Administrator is authorized to submit a Foreign Trade Zone Alternative Site Framework application and authorized to sign an agreement with the Foreign Trade Zone Board, U.S. Department of Commerce, to designate all of Oakland and those areas which agree to inclusion and are within ASF distance guidelines, and be it

RESOLVED, that the City Attorney shall review and approve as to form and legality all agreements resulting from the submission and subsequent approval of the Alternative Site Framework for Oakland Foreign Trade Zone #56.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

JUL 29 2014

PASSED BY THE FOLLOWING VOTE:

Reid

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, ~~WILLIAMS~~, SCHAAF and PRESIDENT KERNIGHAN - 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST:

LaTonda Simmons
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

FILED
OFFICE OF THE CITY CLERK
OAKLAND

OAKLAND CITY COUNCIL

[Signature]
City Attorney

2014 DEC 30 PM 1:47 RESOLUTION No. 85364 C.M.S.

Introduced by Councilmember _____

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO APPROPRIATE REVENUES GENERATED BY THE OPERATION OF THE OAKLAND FOREIGN TRADE ZONE #56 TO THE FOREIGN TRADE ZONE PROGRAM FOR PROGRAM DEVELOPMENT, MARKETING AND ADMINISTRATION

WHEREAS, The City of Oakland (the "City"), is a municipal corporation organized under its charter and the laws of the State of California, and

WHEREAS, in 1981, the City entered into agreements with the Oakland International Trade Center to operate the Oakland Foreign Trade Zone #56 ("FTZ") to stimulate economic activity through international trade, assembly, processing and manufacturing, and local jobs; and

WHEREAS, the Foreign Trade Zone designation allows companies operating within a federally-licensed Foreign Trade Zone to delay, reduce, and/or eliminate U.S. customs duties on imported merchandise, raw materials and/or components, and thereby allows manufacturing companies to be more competitive in the global economy, to retain jobs and production domestically; and

WHEREAS, the federal U.S. Department of Commerce Foreign Trade Zone Board regulations mandate that all revenues earned by the City as the FTZ Grantee from licensee fees and administrative charges be used by the FTZ Grantee to support the operation of the Foreign Trade Zone, including administrative charges, marketing, education and technical assistance; and

WHEREAS, the City desires to authorize the Interim City Administrator to appropriate the revenues earned by the City as the FTZ Grantee into various funds to operate the FTZ; now therefore be it

RESOLVED, that the City Council hereby authorizes the Interim City Administrator to appropriate all revenues earned by the City from the operation of the Oakland Foreign Trade Zone #56 into the following Funds for FTZ Program operations:

General Purpose Org (1010), Economic Development Org (85411), Foreign Trade Project (P389610), Business Creation, Attraction, Retention, and Expansion Program (SC11) - Various Revenue and Expenditure Accounts (4XXXX and 5XXX); and be it

FURTHER RESOLVED, that the City Attorney shall review and approve as to form and legality all revenue-generating license agreements of the Oakland Foreign Trade Zone #56, and all such agreements shall be filed with the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, JAN 20 2015


PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, GUILLEN, CAMPBELL
WASHINGTON ~~and~~ - 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST 
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California



City Attorney

OAKLAND CITY COUNCIL

 FILED
 OFFICE OF THE CITY CLERK
 OAKLAND

2015 APR -9 PM 11:15 RESOLUTION No. _____ C.M.S.

Introduced by Councilmember _____

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO SUBMIT A FOREIGN TRADE ZONE ALTERNATIVE SITE FRAMEWORK APPLICATION AND TO SIGN AND ENTER INTO AN AGREEMENT WITH THE FOREIGN TRADE ZONE BOARD OF THE U.S DEPARTMENT OF COMMERCE

WHEREAS, The City of Oakland is a municipal corporation organized under its charter and the laws of the State of California, and;

WHEREAS, the U.S. Foreign Trade Zone program was created by the Foreign Trade Zones Act of 1934 to expedite and encourage foreign commerce; and

WHEREAS, the City of Oakland entered into its initial License Agreement with the Foreign Trade Zone Board to operate Oakland Foreign Trade Zone #56 in 1981 to encourage economic activity through encouragement of international trade, assembly processing and manufacturing, and local jobs; and

WHEREAS, this designation allows companies within federally-licensed Foreign Trade Zones to delay, reduce, and or eliminate U.S. customs duties on imported merchandise, raw materials and or components, and allows manufacturing companies thereby to be more competitive in the global economy, retaining jobs and production domestically ; and

WHEREAS, the FTZ Board has created a new Alternative Site Framework Foreign Trade Zone designation that existing FTZ #56 can pursue by application to the Foreign Trade Zone Board, U.S. Department of Commerce, which allows for a simplified expansion to areas within 60 miles or 90 minutes drive-time of the port of entry for FTZ #56 now, therefore be it

RESOLVED, the Interim City Administrator is authorized to submit a Foreign Trade Zone Alternative Site Framework application and authorized to sign an agreement with the Foreign Trade Zone Board, U.S. Department of Commerce, to designate all of Oakland and those areas which agree to inclusion and are within ASF distance guidelines, and be it

RESOLVED, that the City Attorney shall review and approve as to form and legality all agreements resulting from the submission and subsequent approval of the Alternative Site Framework for Oakland Foreign Trade Zone #56.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, GUILLEN, CAMPBELL
WASHINGTON and PRESIDENT MCELHANEY

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California